

GUAN CHONG BERHAD(Company No. 646226-K)
(Incorporated in Malaysia)**QUARTERLY REPORT****CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2009**

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter Ended 31-Dec-09 RM'000	Preceding Year Corresponding Quarter Ended 31-Dec-08 RM'000 (Restated)	Current Year To-Date Ended 31-Dec-09 RM'000	Preceding Year To-Date Ended 31-Dec-08 RM'000 (Restated)
Revenue	217,811	150,310	642,650	694,334
Cost of sales	<u>(208,511)</u>	<u>(141,560)</u>	<u>(607,765)</u>	<u>(648,805)</u>
Gross profit	9,300	8,750	34,885	45,529
Other income	6,335	2,300	9,512	5,142
Other expenses	(5,115)	(8,489)	(18,203)	(32,489)
Finance costs	<u>(1,453)</u>	<u>(2,502)</u>	<u>(5,768)</u>	<u>(8,651)</u>
Profit before tax	9,067	59	20,426	9,531
Tax expense	<u>(2,419)</u>	<u>(154)</u>	<u>(5,577)</u>	<u>(2,426)</u>
Profit for the financial period / year	<u>6,648</u>	<u>(95)</u>	<u>14,849</u>	<u>7,105</u>
Attributable to:				
Equity holders of the Company	6,592	(312)	14,187	6,778
Minority interest	<u>56</u>	<u>217</u>	<u>662</u>	<u>327</u>
	<u>6,648</u>	<u>(95)</u>	<u>14,849</u>	<u>7,105</u>
Earnings per share (sen) attributable to equity holders of the Company				
- Basic	2.75	(0.13)	5.91	2.82
- Diluted	NA	NA	NA	NA

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2009**

	Unaudited As At End Of Current Quarter 31-Dec-09 RM'000	Audited As At End of Preceding financial Year 31-Dec-08 RM'000 (Restated)¹
ASSETS		
Non-current assets		
Property, plant and equipment	102,979	106,620
Lease rental paid in advance	5,438	5,641
Other investment	3,590	3,590
	<u>112,007</u>	<u>115,851</u>
Current assets		
Inventories	229,982	139,032
Trade and other receivables	59,220	74,203
Deposits, bank and cash balances	10,002	3,671
	<u>299,204</u>	<u>216,906</u>
TOTAL ASSETS	<u>411,211</u>	<u>332,757</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	60,000	60,000
Share premium	7,718	7,718
Foreign currency translation reserve	(20)	(53)
Retained profits	37,502	29,915
	<u>105,200</u>	<u>97,580</u>
Minority interest	<u>2,033</u>	<u>1,763</u>
Total equity	<u>107,233</u>	<u>99,343</u>
Non-current liabilities		
Bank borrowings	20,243	12,394
Hire purchase payable	143	489
Deferred tax liabilities	13,376	12,894
	<u>33,762</u>	<u>25,777</u>
Current liabilities		
Trade and other payables	61,236	31,709
Bank borrowings	207,575	175,150
Hire purchase payable	252	425
Tax payable	1,153	353
	<u>270,216</u>	<u>207,637</u>
Total liabilities	<u>303,978</u>	<u>233,414</u>
TOTAL EQUITY AND LIABILITIES	<u>411,211</u>	<u>332,757</u>
Net assets per share (sen) attributable to equity holders of the Company	<u>43.83</u>	<u>40.66</u>

¹ The restatement of the year 2008 balance sheet reflects the change in the Group's treatment of investment in associate to other investment as explained in Note A1.

The condensed consolidated balance sheets should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2009**

(The figures have not been audited)

	Attributable To Equity Holders Of The Parent					Total RM'000	Minority Interest RM'000	Total Equity RM'000
	Non-Distributable		Distributable					
	Share Capital RM'000	Share Premium RM'000	Foreign Currency Translation Reserve RM'000	Share Options Reserve RM'000	Retained Profits/(Loss) RM'000			
Balance at 1 January 2009								
- as previously reported	60,000	7,718	(125)	-	31,137	98,730	1,763	100,493
Effect of change in accounting policy ¹	-	-	72	-	(1,222)	(1,150)	-	(1,150)
Balance at 1 January 2009 - as restated	60,000	7,718	(53)	-	29,915	97,580	1,763	99,343
Foreign currency translation reserve	-	-	33	-	-	33	-	33
Dividends	-	-	-	-	(6,600)	(6,600)	(392)	(6,992)
Profit for the financial year	-	-	-	-	14,187	14,187	662	14,849
Balance at 31 December 2009	60,000	7,718	(20)	-	37,502	105,200	2,033	107,233
Balance at 1 January 2008								
- as previously reported	60,000	7,718	(68)	721	26,557	94,928	1,436	96,364
Effect of change in accounting policy ¹	-	-	-	-	(1,020)	(1,020)	-	(1,020)
Balance at 1 January 2008 - as restated	60,000	7,718	(68)	721	25,537	93,908	1,436	95,344
Foreign currency translation reserve	-	-	15	-	-	15	-	15
Dividends	-	-	-	-	(2,400)	(2,400)	-	(2,400)
Profit for the financial year	-	-	-	-	6,778	6,778	327	7,105
Share options granted under ESOS	-	-	-	(721)	-	(721)	-	(721)
Balance at 31 December 2008	60,000	7,718	(53)	-	29,915	97,580	1,763	99,343

¹ The restatement of the year 2008 balance sheet reflects the change in the Group's treatment of investment in associate to other investment as explained in Note A1.

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.

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**CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2009**

(The figures have not been audited)

	Cumulative Current Year To-Date 31-Dec-09 RM'000	Cumulative Preceding Year To-Date 31-Dec-08 RM'000
Net cash (used in) operating activities	(22,443)	(33,654)
Net cash (used in) investing activities	(4,059)	(7,872)
Net cash from financing activities	36,588	42,587
Net increase in cash and cash equivalents	10,086	1,061
Effect of exchange rate changes	70	(30)
Cash and cash equivalents at the beginning of financial year	(154)	(1,185)
Cash and cash equivalents at the end of financial year	10,002	(154)
Cash and cash equivalents at the end of financial period comprise of :		
Deposits, bank and cash balances	10,002	3,671
Bank overdrafts	-	(3,825)
	10,002	(154)

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.