

OGAWA WORLD BERHAD (712499 - V)

INTERIM FINANCIAL REPORT FOR FIRST QUARTER ENDED SEPTEMBER 30, 2008

CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE FIRST QUARTER ENDED SEPTEMBER 30 2008

(The figures have not been audited)

	<u>Notes</u>	Individual Quarter		Cumulative Quarter	
		Current Year Quarter 30.9.2008 RM'000	Preceding Year Corresponding Quarter 30.9.2007 RM'000	Current Year To Date 30.9.2008 RM'000	Preceding Year Corresponding Period 30.9.2007 RM'000
Revenue		27,443	30,344	27,443	30,344
Cost of revenue		(10,291)	(12,076)	(10,291)	(12,076)
Gross profit		<u>17,152</u>	<u>18,268</u>	<u>17,152</u>	<u>18,268</u>
Other operating income		108	652	108	652
Other operating expenses		(21,860)	(18,792)	(21,860)	(18,792)
Profit from operations		<u>(4,600)</u>	<u>128</u>	<u>(4,600)</u>	<u>128</u>
Finance costs		(7)	(28)	(7)	(28)
Interest income		187	188	187	188
Profit / (Loss) before tax		<u>(4,420)</u>	<u>288</u>	<u>(4,420)</u>	<u>288</u>
Taxation	B5	(42)	(628)	(42)	(628)
Profit / (loss) for the period		<u>(4,462)</u>	<u>(340)</u>	<u>(4,462)</u>	<u>(340)</u>
Attributable to :-					
Equity holders of the Company		(4,462)	(192)	(4,462)	(192)
Minority shareholder		-	(148)	-	(148)
		<u>(4,462)</u>	<u>(340)</u>	<u>(4,462)</u>	<u>(340)</u>
Earnings per share attributable to equity holders of the Company (sen)	B13				
- Basic		<u>-3.72</u>	<u>-0.16</u>	<u>-3.72</u>	<u>-0.16</u>
- Diluted		<u>n/a</u>	<u>n/a</u>	<u>n/a</u>	<u>n/a</u>

The Condensed Consolidated Income Statement should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

OGAWA WORLD BERHAD (712499 - V)

INTERIM FINANCIAL REPORT FOR FIRST QUARTER ENDED SEPTEMBER 30 2008

CONDENSED CONSOLIDATED BALANCE SHEET AS AT SEPTEMBER 30 2008

(The figures have not been audited)

	<u>Notes</u>	As At 30.9.2008 RM '000	As At 30.6.2008 RM '000
ASSETS			
Non-Current Assets			
Property, plant and equipment		14,791	14,819
Goodwill on consolidation		10	10
Other non-current assets		50	48
		<u>14,851</u>	<u>14,877</u>
Current Assets			
Inventories		16,575	17,305
Trade receivables		20,537	18,973
Other receivables and prepaid expenses		10,352	11,459
Short-term deposits with licensed bank		23,846	19,446
Cash and bank balances		1,065	12,943
		<u>72,375</u>	<u>80,126</u>
TOTAL ASSETS		<u>87,226</u>	<u>95,003</u>
EQUITY AND LIABILITIES			
Capital and Reserves			
Issued capital		60,000	60,000
Reserves		4,703	9,056
		<u>64,703</u>	<u>69,056</u>
Equity attributable to equity holders of the Company		64,703	69,056
Minority interest		0	0
		<u>64,703</u>	<u>69,056</u>
Non-Current Liabilities			
Hire-purchase payables	B9	192	225
Deferred tax liabilities		134	134
		<u>326</u>	<u>359</u>
Current Liabilities			
Trade payables		8,929	10,085
Other payables and accrued expenses		13,132	15,355
Hire-purchase payables	B9	136	148
Tax liabilities		-	-
		<u>22,197</u>	<u>25,588</u>
TOTAL LIABILITIES		<u>22,523</u>	<u>25,947</u>
TOTAL EQUITY AND LIABILITIES		<u>87,226</u>	<u>95,003</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)		<u>0.54</u>	<u>0.58</u>

The Condensed Consolidated Balance Sheet should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

OGAWA WORLD BERHAD (712499 - V)

INTERIM FINANCIAL REPORT FOR FIRST QUARTER ENDED SEPTEMBER 30 2008

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR
THE FIRST QUARTER ENDED SEPTEMBER 30 2008**

(The figures have not been audited)

	Issued Capital RM'000	Reverse Acquisition Reserve RM'000	Reserve on Consolidation RM'000	Translation Reserve RM'000	Share Premium RM'000	Unappropriated Profit RM'000	Minority Interest RM'000	Total RM'000
At Jul 1, 2007	60,000	(27,203)	-	61	7,249	39,535	1,956	81,598
Acquisition of minority interest	-	-	-	-	-	-	(1,901)	(1,901)
Translation differences	-	-	-	5	-	-	-	5
Loss for the period	-	-	-	-	-	(8,371)	(55)	(8,426)
Dividend paid	-	-	-	-	-	(2,220)	-	(2,220)
At June 30, 2008	60,000	(27,203)	-	66	7,249	28,944	-	69,056
Translation differences	-	-	-	109	-	-	-	109
Loss for the period	-	-	-	-	-	(4,462)	-	(4,462)
At Sep 30, 2008	60,000	(27,203)	-	175	7,249	24,482	-	64,703

The Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

OGAWA WORLD BERHAD (712499 - V)

INTERIM FINANCIAL REPORT FOR FIRST QUARTER ENDED SEPTEMBER 30 2008

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE
FIRST QUARTER ENDED SEPTEMBER 30 2008**

(The figures have not been audited)

	Current Year To Date 30.9.2008 RM '000	Preceding Year To Date 30.6.2008 RM '000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit /(Loss) after tax	(4,462)	(8,427)
Adjustments for:		
Income tax (credit)/expense	42	(129)
Depreciation of property, plant and equipment	1,028	3,566
Property Plant & Equipment Written Off	282	449
Finance costs	7	99
Negetive goodwill on acquisition of minority interest	-	(48)
Interest income	(187)	(724)
Goodwill written off	-	453
Allowance for doubtful debts	2,501	4,148
Bad debts written off	-	12
Gain on disposals of property, plant and equipment	-	(53)
Operating profit before working capital changes	(789)	(654)
(Increase)/Decrease in:		
Inventories	730	(3,337)
Trade receivables	(3,804)	(2,629)
Other receivables, deposits and prepaid expenses	295	2,718
Increase/(Decrease) in:		
Trade payables	(1,155)	4,128
Other payables and accrued expenses	(2,224)	9,209
Cash generated from operations	(6,947)	9,435
Income tax refunded / (paid)	509	(4,754)
Net cash used in operating activities	(6,438)	4,681
CASH FLOWS USED IN INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(1,281)	(5,718)
Acquisition of minority interest	-	(2,003)
Proceeds from disposals of property, plant and equipment	-	218
Interest received	187	724
Net cash used in investing activities	(1,094)	(6,779)
CASH FLOWS USED IN FINANCING ACTIVITIES		
Finance costs paid	(7)	(99)
Repayment of hire-purchase payables	(45)	(1,494)
Dividend paid	-	(2,220)
Net cash from financing activities	(52)	(3,813)
NET INCREASE IN CASH AND CASH EQUIVALENTS	(7,584)	(5,911)
Effect of Exchange Rate Changes On Cash & Cash	106	(48)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	32,389	38,348
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	24,911	32,389

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.