

OGAWA WORLD BERHAD (712499 - V)

INTERIM FINANCIAL REPORT FOR SECOND QUARTER ENDED DEC 31 2009

CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE SECOND QUARTER ENDED DEC 31 2009

(The figures have not been audited)

	Notes	Individual Quarter		Cumulative Quarter	
		Current Year Quarter 31.12.2009 RM'000	Preceding Year Corresponding Quarter 31.12.2008 RM'000	Current Year To Date 31.12.2009 RM'000	Preceding Year Corresponding Period 31.12.2008 RM'000
Revenue		35,979	30,182	71,186	57,625
Cost of revenue		(13,703)	(12,193)	(26,898)	(22,484)
Gross profit		<u>22,276</u>	<u>17,989</u>	<u>44,288</u>	<u>35,141</u>
Other operating income		151	(71)	152	37
Other operating expenses		(21,836)	(28,825)	(43,339)	(50,685)
Profit from operations		<u>591</u>	<u>(10,907)</u>	<u>1,101</u>	<u>(15,507)</u>
Finance costs		(9)	(6)	(17)	(13)
Interest income		136	168	233	355
Profit / (Loss) before tax		<u>718</u>	<u>(10,745)</u>	<u>1,317</u>	<u>(15,165)</u>
Taxation	B5	(354)	(162)	(869)	(204)
Profit / (loss) for the period		<u>364</u>	<u>(10,907)</u>	<u>448</u>	<u>(15,369)</u>
Attributable to :-					
Equity holders of the Company		364	(10,907)	448	(15,369)
Minority shareholder		-	0	-	-
		<u>364</u>	<u>(10,907)</u>	<u>448</u>	<u>(15,369)</u>
Earnings per share attributable to equity holders of the Company (sen)	B13				
- Basic		<u>0.30</u>	<u>-9.09</u>	<u>0.37</u>	<u>-12.81</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 SECOND QUARTER ENDED DEC 31 2009

CONDENSED CONSOLIDATED BALANCE SHEET AS AT DEC 31 2009

(The figures have not been audited)

<u>Notes</u>	As At 31.12.2009 RM '000	As At 30.6.2009 RM '000
ASSETS		
Non-Current Assets		
Property, plant and equipment	12,441	12,943
Goodwill on consolidation	10	10
Other non-current assets	101	103
	<u>12,552</u>	<u>13,056</u>
Current Assets		
Inventories	10,785	11,586
Trade receivables	6,365	8,063
Other receivables and prepaid expenses	7,919	8,129
Short-term deposits with licensed bank	30,298	21,520
Cash and bank balances	16,817	20,951
	<u>72,184</u>	<u>70,249</u>
TOTAL ASSETS	<u>84,736</u>	<u>83,305</u>
EQUITY AND LIABILITIES		
Capital and Reserves		
Issued capital	60,000	60,000
Reserves	(2,771)	(3,073)
	<u>57,229</u>	<u>56,927</u>
Equity attributable to equity holders of the Company	57,229	56,927
Minority interest	0	0
	<u>57,229</u>	<u>56,927</u>
Non-Current Liabilities		
Hire-purchase payables	414	347
Deferred tax liabilities	0	0
	<u>414</u>	<u>347</u>
Current Liabilities		
Trade payables	10,370	9,571
Other payables and accrued expenses	16,431	16,266
Hire-purchase payables	223	194
Tax liabilities	69	-
	<u>27,093</u>	<u>26,031</u>
TOTAL LIABILITIES	<u>27,507</u>	<u>26,378</u>
TOTAL EQUITY AND LIABILITIES	<u>84,736</u>	<u>83,305</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	<u>0.48</u>	<u>0.47</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 SECOND QUARTER ENDED DEC 31 2009

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR
THE SECOND QUARTER ENDED DEC 31 2009

(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, 2008	60,000	(27,203)	-	66	7,249	28,944	-	69,056
Translation differences	-	-	-	302	-	-	-	302
Loss for the period	-	-	-	-	-	(12,431)	-	(12,431)
At Jun 30, 2009	60,000	(27,203)	-	368	7,249	16,513	-	56,927
Translation differences	-	-	-	(146)	-	-	-	(146)
Profit for the period	-	-	-	-	-	448	-	448
At Dec 31, 2009	60,000	(27,203)	-	222	7,249	16,961	-	57,229

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 SECOND QUARTER ENDED DEC 31 2009

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE
SECOND QUARTER ENDED DEC 31 2009**

(The figures have not been audited)

	Current Year To Date 31.12.2009 RM '000	Preceding Year To Date 30.6.2009 RM '000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before tax	1,317	(11,179)
Adjustments for:		
Depreciation of property, plant and equipment	2,193	4,541
Property Plant & Equipment Written Off	143	663
Finance costs	17	23
Interest income	(233)	(604)
Allowance for doubtful debts	818	9,990
Allowance for doubtful debts no longer required	-	(836)
Allowance for obsolete stocks	-	2,836
Allowance for obsolete stocks no longer required	(256)	-
Provision for unutilised leaves	-	527
Bad debts written off	-	20
Gain on disposals of property, plant and equipment	-	(101)
Operating profit before working capital changes	3,999	5,880
(Increase)/Decrease in:		
Inventories	1,057	2,883
Trade receivables	879	900
Other receivables, deposits and prepaid expenses	(5)	2,510
Increase/(Decrease) in:		
Trade payables	799	(514)
Other payables and accrued expenses	95	384
Cash (used in) / generated from operations	6,824	12,043
Income tax refunded / (paid)	(583)	219
Net cash (used in) / generated from operating activities	6,241	12,262
CASH FLOWS USED IN INVESTING ACTIVITIES		
Acquisition of property, plant and equipment	(1,834)	(3,307)
Acquisition of minority interest	-	-
Proceeds from disposals of property, plant and equipment	-	524
Interest received	233	604
Net cash used in investing activities	(1,601)	(2,179)
CASH FLOWS USED IN FINANCING ACTIVITIES		
Finance costs paid	(17)	(23)
Net Addition/(Repayment) of hire-purchase payables	165	(144)
Dividend paid	-	-
Net cash from financing activities	148	(167)
NET INCREASE IN CASH AND CASH EQUIVALENTS	4,788	9,916
Effect of Exchange Rate Changes On Cash & Cash	(144)	166
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	42,471	32,389
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	47,115	42,471

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