

DELEUM BERHAD
(Company No: 715640-T)

UNAUDITED INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2007

<u>Table of Contents</u>	Page
Condensed Consolidated Income Statement	1
Condensed Consolidated Balance Sheet	2
Condensed Consolidated Statement of Changes in Equity	3
Condensed Consolidated Cash Flow Statement	4
Notes to the Unaudited Interim Financial Report	5 - 12
Additional Information Required by the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities LR")	13 - 18

DELEUM BERHAD
(Company No: 715640-T)

QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30TH SEPTEMBER 2007

ANNOUNCEMENT

The Board of Directors of Deleum Berhad (Deleum or the Company) is pleased to announce the following unaudited consolidated results for the third quarter ended 30 September 2007 which should be read in conjunction with the audited financial statements of Deleum and its subsidiaries (the Group) for the financial year ended 31 December 2006.

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2007
CONDENSED CONSOLIDATED INCOME STATEMENT**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	QUARTER ENDED 30/09/2007 RM'000	QUARTER ENDED 30/09/2006 RM'000	PERIOD ENDED 30/09/2007 RM'000	PERIOD ENDED 30/09/2006 RM'000
Revenue	176,414	105,141	557,907	336,492
Cost of sales	(163,964)	(99,677)	(520,465)	(308,798)
Gross profit	<u>12,450</u>	<u>5,464</u>	<u>37,442</u>	<u>27,694</u>
Other operating income	860	238	1,636	1,207
Selling and distribution costs	(542)	(629)	(2,087)	(1,509)
Administrative expenses	(4,104)	(2,366)	(13,520)	(12,721)
Other operating expenses	(695)	(2,145)	(2,334)	(3,944)
Finance costs	(93)	(18)	(283)	(76)
Share of results of associates	1,514	1,735	6,263	7,936
Profit before tax	<u>9,390</u>	<u>2,279</u>	<u>27,117</u>	<u>18,587</u>
Tax expense	(2,333)	(860)	(6,316)	(4,082)
Profit for the financial period	<u><u>7,057</u></u>	<u><u>1,419</u></u>	<u><u>20,801</u></u>	<u><u>14,505</u></u>
Attributable to:				
Equity holders of the Company	6,654	1,342	19,191	12,870
Minority Interest	403	77	1,610	1,635
	<u><u>7,057</u></u>	<u><u>1,419</u></u>	<u><u>20,801</u></u>	<u><u>14,505</u></u>
Earnings per share (sen)				
- Basic	<u>8.32</u>	<u>2.24</u>	<u>27.30</u>	<u>21.45</u>

DELEUM BERHAD
(Company No: 715640-T)

UNAUDITED INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2007
CONDENSED CONSOLIDATED BALANCE SHEET

	As at 30/09/2007	As at 31/12/2006 (Restated)
	RM'000	RM'000
NON-CURRENT ASSETS		
Property, plant and equipment	29,210	20,088
Investment properties	1,090	1,108
Prepaid lease rentals	3,985	4,051
Associates	29,744	31,655
Other investments	3	3
	<u>64,032</u>	<u>56,905</u>
CURRENT ASSETS		
Inventories	3,443	2,094
Amounts due from associates	235	18
Trade receivables	156,332	74,048
Other receivables, deposits and prepayments	5,005	5,046
Tax recoverable	1,198	1,120
Deposits with licensed banks	58,654	33,947
Cash and bank balances	31,421	7,102
	<u>256,288</u>	<u>123,375</u>
LESS: CURRENT LIABILITIES		
Trade payables	160,787	73,212
Other payables and accruals	9,588	7,162
Taxation	1,826	748
Borrowings	727	1,059
	<u>172,928</u>	<u>82,181</u>
NET CURRENT ASSETS	<u>83,360</u>	<u>41,194</u>
LESS: NON-CURRENT LIABILITIES		
Deferred tax liabilities	1,499	878
Term loan (secured)	5,216	3,031
	<u>6,715</u>	<u>3,909</u>
	<u>140,677</u>	<u>94,190</u>
CAPITAL AND RESERVES		
Attributable to the shareholders of the Company		
Share capital	80,000	60,000
Share premium	20,038	0
Retained earnings	79,120	69,951
Merger deficit	(50,000)	(50,000)
Currency translation differences	(2,339)	(1,448)
	<u>126,819</u>	<u>78,503</u>
MINORITY INTEREST	13,859	15,687
TOTAL EQUITY	<u>140,677</u>	<u>94,190</u>
Net assets per share attributable to equity shareholders of the Company (RM)	1.59	1.31

DELEUM BERHAD
(Company No: 715640-T)

UNAUDITED INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2007
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to the equity holders of the Company								
	Share capital	Share premium	Currency translation differences	Capital reserve	Merger deficit	Retained earnings	Total	Minority interest	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2006	60,000	-	(527)	1,422	(50,000)	50,438	61,333	17,463	78,796
Profit for the financial period	-	-	-	-	-	12,870	12,870	1,635	14,505
Dividends paid	-	-	-	-	-	-	-	(2,946)	(2,946)
Currency translation differences	-	-	(668)	(155)	-	-	(823)	(1,293)	(2,116)
At 30 September 2006	<u>60,000</u>	<u>-</u>	<u>(1,195)</u>	<u>1,267</u>	<u>(50,000)</u>	<u>63,308</u>	<u>73,380</u>	<u>14,859</u>	<u>88,239</u>
At 1 January 2007	60,000	-	(1,448)	-	(50,000)	69,951	78,503	15,687	94,190
Issuance of shares									
- Rights Issue	6,000	-	-	-	-	-	6,000		6,000
- Public Issue	14,000	21,700	-	-	-	-	35,700		35,700
Share issue expenses	-	(1,662)	-	-	-	-	(1,662)		(1,662)
Profit for the financial period	-	-	-	-	-	19,191	19,191	1,610	20,801
Dividends paid	-	-	-	-	-	(10,022)	(10,022)	(3,011)	(13,033)
Currency translation differences	-	-	(891)	-	-	-	(891)	(427)	(1,318)
At 30 September 2007	<u>80,000</u>	<u>20,038</u>	<u>(2,339)</u>	<u>-</u>	<u>(50,000)</u>	<u>79,120</u>	<u>126,819</u>	<u>13,859</u>	<u>140,677</u>

DELEUM BERHAD
(Company No: 715640-T)

UNAUDITED INTERIM FINANCIAL REPORT
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2007
CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	CUMULATIVE QUARTER	
	PERIOD ENDED	PERIOD ENDED
	30/09/2007	30/09/2006
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the financial period	20,801	14,505
<u>Adjustments for:</u>		
Property, plant and equipment		
- Depreciation	3,346	2,507
Share of results of associates	(6,263)	(7,937)
Tax expense	6,316	4,082
Others	(1,165)	2,096
Non cash adjustments	<u>23,035</u>	<u>15,253</u>
Working capital changes	6,792	3,799
Interest received	1,214	619
Tax paid	(4,276)	(5,471)
Interest paid	(265)	(76)
Net cash generated from operating activities	<u>26,500</u>	<u>14,124</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Property plant and equipment		
- Purchases	(13,579)	(6,021)
- Proceeds from disposals	396	143
Disposal of subsidiary	-	(2,073)
Dividends received from associate	6,956	5,011
Net cash generated from/(used) in investing activities	<u>(6,227)</u>	<u>(2,940)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of shares	41,700	-
Share issue expenses	(1,662)	-
Bank borrowings:		
- Proceeds	8,872	-
- Repayments	(7,018)	(407)
Dividends paid to:		
- Shareholders	(10,022)	(6,568)
- Minority interest	(3,011)	(2,946)
Net cash used in financing activities	<u>28,859</u>	<u>(9,921)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS DURING THE FINANCIAL PERIOD	49,132	1,263
CURRENCY TRANSLATION DIFFERENCES	(106)	(111)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	41,049	45,246
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	<u>90,075</u>	<u>46,398</u>
Cash and cash equivalents at the end of the period comprise the following:		
Cash and bank balances	31,421	31,518
Deposits with licensed banks	58,654	14,880
	<u>90,075</u>	<u>46,398</u>