

DELEUM BERHAD
(Company No: 715640-T)

UNAUDITED INTERIM FINANCIAL REPORT
FOR THE QUARTER/YEAR ENDED 31 DECEMBER 2008

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DELEUM BERHAD
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QUARTERLY REPORT FOR THE YEAR ENDED 31 DECEMBER 2008

ANNOUNCEMENT

The Board of Directors of Deleum Berhad ("Deleum" or "the Company") is pleased to announce the following unaudited consolidated results for the quarter/year ended 31 December 2008 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 2007 and the accompanying explanatory notes attached to the interim financial report.

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE QUARTER/YEAR ENDED 31 DECEMBER 2008
INTERIM CONSOLIDATED INCOME STATEMENT**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	QUARTER ENDED 31/12/2008 RM'000	QUARTER ENDED 31/12/2007 RM'000	YEAR ENDED 31/12/2008 RM'000	YEAR ENDED 31/12/2007 RM'000
Revenue	143,064	107,542	423,804	665,449
Cost of sales	(126,543)	(94,594)	(374,285)	(615,059)
Gross profit	<u>16,521</u>	<u>12,948</u>	<u>49,519</u>	<u>50,390</u>
Other operating income	958	1,104	2,766	2,740
Selling and distribution costs	(1,081)	(1,422)	(2,641)	(3,509)
Administrative expenses	(8,050)	(5,534)	(24,608)	(19,054)
Other operating expenses	(1,699)	(283)	(3,326)	(2,617)
Finance costs	(199)	(151)	(557)	(434)
Share of results of associates	3,675	2,020	15,789	8,283
Profit before tax	<u>10,125</u>	<u>8,682</u>	<u>36,942</u>	<u>35,799</u>
Tax expense	(2,254)	(1,951)	(6,443)	(8,267)
Profit for the financial period	<u><u>7,871</u></u>	<u><u>6,731</u></u>	<u><u>30,499</u></u>	<u><u>27,532</u></u>
Attributable to:				
Equity holders of the Company	4,619	5,930	23,251	25,121
Minority Interest	3,252	801	7,248	2,411
	<u><u>7,871</u></u>	<u><u>6,731</u></u>	<u><u>30,499</u></u>	<u><u>27,532</u></u>
Earnings per share (sen)				
- Basic	<u>4.62</u>	<u>5.93</u>	<u>23.25</u>	<u>25.12</u>

DELEUM BERHAD
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UNAUDITED INTERIM FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2008
INTERIM BALANCE SHEET

	As at 31/12/2008 RM'000	As at 31/12/2007 RM'000
NON-CURRENT ASSETS		
Property, plant and equipment	56,491	39,439
Investment properties	1,029	1,053
Prepaid lease payments	3,973	4,012
Intangibles	1,796	-
Associates	41,786	31,562
Other investments	2	2
	<u>105,077</u>	<u>76,068</u>
CURRENT ASSETS		
Inventories	7,137	4,123
Amounts due from associates	1,295	110
Trade receivables	105,294	91,119
Other receivables, deposits and prepayments	16,890	4,150
Tax recoverable	2,455	1,525
Deposits with licensed banks	20,929	50,250
Cash and bank balances	15,116	11,028
	<u>169,116</u>	<u>162,305</u>
LESS: CURRENT LIABILITIES		
Trade payables	80,904	72,657
Other payables and accruals	14,337	8,866
Taxation	1,731	1,818
Borrowings	720	1,096
Dividend payable	181	47
	<u>97,873</u>	<u>84,484</u>
NET CURRENT ASSETS	<u>71,243</u>	<u>77,821</u>
LESS: NON-CURRENT LIABILITIES		
Deferred tax liabilities	425	988
Term loan (secured)	5,360	6,007
	<u>5,785</u>	<u>6,995</u>
	<u>170,535</u>	<u>146,894</u>
CAPITAL AND RESERVES		
Attributable to the shareholders of the Company		
Share capital	100,000	80,000
Share premium	-	20,000
Retained earnings	97,375	85,002
Merger deficit	(50,000)	(50,000)
Currency translation differences	(1,228)	(2,422)
	<u>146,147</u>	<u>132,580</u>
MINORITY INTEREST	24,388	14,314
TOTAL EQUITY	<u>170,535</u>	<u>146,894</u>
Net assets per share attributable to equity holders of the Company (RM)	1.46	1.66

DELEUM BERHAD
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UNAUDITED INTERIM FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2008
INTERIM STATEMENT OF CHANGES IN EQUITY

Attributable to the equity holders of the Company

	Share capital RM'000	Share premium RM'000	Currency translation differences RM'000	Merger deficit RM'000	Retained earnings RM'000	Total RM'000	Minority interest RM'000	Total equity RM'000
At 1 January 2007	60,000	-	(1,448)	(50,000)	69,950	78,502	15,687	94,189
Issuance of shares								
- Rights Issue	6,000	-	-	-	-	6,000	-	6,000
- Public Issue	14,000	21,700	-	-	-	35,700	-	35,700
Share issue expenses	-	(1,700)	-	-	-	(1,700)	-	(1,700)
Profit for the financial period	-	-	-	-	25,121	25,121	2,411	27,532
Dividend	-	-	-	-	(10,069)	(10,069)	(2,951)	(13,020)
Currency translation differences	-	-	(974)	-	-	(974)	(833)	(1,807)
At 31 December 2007	<u>80,000</u>	<u>20,000</u>	<u>(2,422)</u>	<u>(50,000)</u>	<u>85,002</u>	<u>132,580</u>	<u>14,314</u>	<u>146,894</u>
At 1 January 2008	80,000	20,000	(2,422)	(50,000)	85,002	132,580	14,314	146,894
Issuance of shares								
- Bonus Issue	20,000	(20,000)	-	-	-	-	-	-
Profit for the financial period	-	-	-	-	23,251	23,251	7,248	30,499
Dividend	-	-	-	-	(10,920)	(10,920)	(3,859)	(14,779)
Currency translation differences	-	-	1,194	-	-	1,194	902	2,096
Disposal of DHSB's 20% shareholding	-	-	-	-	11	11	10	21
Acquisition of subsidiary	-	-	-	-	-	-	5,536	5,536
Acquisition of remaining shares in subsidiary	-	-	-	-	31	31	237	268
At 31 December 2008	<u>100,000</u>	<u>-</u>	<u>(1,228)</u>	<u>(50,000)</u>	<u>97,375</u>	<u>146,147</u>	<u>24,388</u>	<u>170,535</u>

DELEUM BERHAD
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UNAUDITED INTERIM FINANCIAL REPORT
FOR THE YEAR ENDED 31 DECEMBER 2008
INTERIM CONSOLIDATED CASH FLOW STATEMENT

	CUMULATIVE QUARTER	
	Year Ended 31/12/2008 RM'000	Year Ended 31/12/2007 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the financial period	30,499	27,532
<u>Adjustments for:</u>		
Property, plant and equipment		
- Depreciation	5,846	4,267
Share of results of associates	(15,789)	(8,283)
Tax expense	6,443	8,267
Others	(1,077)	(1,304)
Non cash adjustments	<u>25,922</u>	<u>30,479</u>
Working capital changes	(7,909)	(17,303)
Interest received	1,272	1,864
Tax paid	(9,582)	(7,493)
Interest paid	(557)	(434)
Net cash generated from operating activities	<u>9,146</u>	<u>7,113</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from issuance of shares	-	41,700
Share issue expenses	-	(1,700)
Property plant and equipment		
- Purchases	(23,027)	(23,981)
- Proceeds from disposals	-	396
Acquisition of subsidiary	(2,115)	-
Dividends received from associate	6,755	6,861
Net cash (used in) / generated from investing activities	<u>(18,387)</u>	<u>23,276</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Bank borrowings:		
- Proceeds	-	10,272
- Repayments	(1,111)	(7,259)
Dividends paid to:		
- Shareholders	(10,920)	(10,022)
- Minority interest	(3,859)	(2,860)
Net cash used in financing activities	<u>(15,890)</u>	<u>(9,869)</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS DURING THE FINANCIAL PERIOD	(25,131)	20,520
FOREIGN EXCHANGE RESERVE	(102)	(290)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	61,278	41,048
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	<u>36,045</u>	<u>61,278</u>
Cash and cash equivalents at the end of the period comprise the following:		
Cash and bank balances	15,116	11,028
Deposits with licensed banks	20,929	50,250
	<u>36,045</u>	<u>61,278</u>