

Company name : WAH SEONG CORPORATION BERHAD (Company No. 495846-A)

Stock name : WASEONG

Financial Period Ended: 31 March 2006

Quarter : 1

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2006

CONDENSED CONSOLIDATED INCOME STATEMENTS

These figures have not been audited.

PARTICULARS	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT	PRECEDING YEAR	CURRENT	PRECEDING YEAR
	QUARTER ENDED 31/03/2006 RM'000	CORRESPONDING QUARTER ENDED 31/03/2005 RM'000	YEAR TO DATE ENDED 31/03/2006 RM'000	CORRESPONDING QUARTER ENDED 31/03/2005 RM'000
Revenue	428,856	192,167	428,856	192,167
Cost of Sales	(352,708)	(156,890)	(352,708)	(156,890)
<b>Gross Profit</b>	<u>76,148</u>	<u>35,277</u>	<u>76,148</u>	<u>35,277</u>
Other operating income	1,100	3,777	1,100	3,777
Administrative Expenses	(25,337)	(13,070)	(25,337)	(13,070)
Selling and marketing expenses	(13,790)	(6,219)	(13,790)	(6,219)
Other expenses	(695)	(1)	(695)	(1)
Profit from operation	<u>37,426</u>	<u>19,764</u>	<u>37,426</u>	<u>19,764</u>
Impairment of asset	(13,294)	-	(13,294)	-
Finance costs	(5,412)	(3,550)	(5,412)	(3,550)
Share of profit / (loss) after tax and minority interest of associates	334	(295)	334	(295)
Share of profit after tax of jointly controlled entities	180	-	180	-
<b>Profit before taxation</b>	<u>19,234</u>	<u>15,919</u>	<u>19,234</u>	<u>15,919</u>
Income tax expense	(7,798)	(3,758)	(7,798)	(3,758)
Profit for the period	<u>11,436</u>	<u>12,161</u>	<u>11,436</u>	<u>12,161</u>
Attributable To:				
- Equity holders of the parent	3,168	7,341	3,168	7,341
- Minority Interest	8,268	4,820	8,268	4,820
	<u>11,436</u>	<u>12,161</u>	<u>11,436</u>	<u>12,161</u>
Earnings per share				
- Basic earnings per share (sen)	0.8	2.1	0.8	2.1
- Diluted earnings per share (sen)	0.6	1.7	0.6	1.7

(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2005)

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QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2006

### **CONDENSED CONSOLIDATED BALANCE SHEET**

These figures have not been audited

PARTICULARS	AS AT END OF	AUDITED
	CURRENT QUARTER	AS AT END OF PRECEDING FINANCIAL YEAR ENDED
	31/03/2006 RM'000	31/12/2005 RM'000
<b>ASSETS</b>		
<b>Non-Current assets</b>		
Property, plant and equipment	400,203	399,001
Investment in associated company	25,491	25,577
Investment in jointly controlled entities	516	343
Goodwill on consolidation	140,525	152,827
Intangible Assets	4,118	4,288
Other investments	3,461	3,462
Deferred tax assets	4,766	4,759
	<u>579,080</u>	<u>590,257</u>
<b>Current assets</b>		
- Inventories	200,120	180,388
- Trade debtors	362,848	364,482
- Gross amount due from customers	1,575	17,959
- Other debtors, deposits and prepayments	66,667	53,742
- Tax Recoverable	2,481	6,339
- Amount owing by associated companies	7,450	7,993
- Amount owing by jointly controlled entities	1,042	1,078
- Fixed deposit with licensed banks	36,705	46,428
- Cash and bank balances	76,844	79,369
	<u>755,733</u>	<u>757,778</u>
Non-Current Assets classified as held for sale	349	-
<b>TOTAL ASSETS</b>	<u>1,335,162</u>	<u>1,348,035</u>
<b>EQUITY AND LIABILITIES</b>		
Share capital	189,780	189,775
Reserves		
- Share premium	47,493	47,477
- Exchange Translation Reserve	735	409
- Capital Reserve	66	38
- Retained Profit	101,066	97,898
<b>Equity attributable to equity holders of the parent</b>	<u>339,140</u>	<u>335,597</u>
Minority interests	159,229	152,697
<b>Total equity</b>	<u>498,369</u>	<u>488,294</u>
<b>Non-current liabilities</b>		
Irredeemable Convertible Unsecured Loan Stock	68,709	68,709
Long term borrowings	114,507	119,186
Other long term liabilities	26,011	26,904
Deferred tax liabilities	12,571	12,640
	<u>221,798</u>	<u>227,439</u>
<b>Current liabilities</b>		
- Gross amount due to customers	26,627	14,875
- Trade payables	137,947	154,836
- Other creditors and accruals	171,575	184,640
- Amount owing to associated companies	483	-
- Amount owing to jointly controlled entity	276	-
- Bank borrowings	265,796	265,758
- Provision for taxation	12,291	12,193
	<u>614,994</u>	<u>632,302</u>
Total Liabilities	<u>836,792</u>	<u>859,741</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>1,335,162</u>	<u>1,348,035</u>

(The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2005)

Company name : WAH SEONG CORPORATION BERHAD (Company No. 495846-A)

Stock name : WASEONG

Financial Period Ended: 31 March 2006

Quarter : 1

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2006

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

These figures have not been audited

	← Attributable to Equity Holders of the Parent →						Minority Interest RM'000	Total Equity RM'000
	← Non-Distributable →			Distributable				
	Share capital RM'000	Share premium RM'000	Exchange Translation reserves RM'000	Capital reserve RM'000	Retained profit RM'000	Total RM'000		
<b>Balance as at 1 January 2005</b>	172,523	94	(343)	-	50,743	223,017	92,815	315,832
Issuance of share capital								
- conversion of ICULS	-	-	-	-	-	-	-	-
- private placements	-	-	-	-	-	-	-	-
Share issue expenses	-	-	-	-	-	-	-	-
Exchange translation differences	-	-	51	-	-	51	4	55
Effect of acquisition in subsidiary	-	-	-	-	-	-	590	590
Net profit for the period	-	-	-	-	7,341	7,341	4,820	12,161
<b>Balance as at 31 March 2005</b>	<b>172,523</b>	<b>94</b>	<b>(292)</b>	<b>-</b>	<b>58,084</b>	<b>230,409</b>	<b>98,229</b>	<b>328,638</b>
<b>Balance as at 1 January 2006</b>	<b>189,775</b>	<b>47,477</b>	<b>409</b>	<b>38</b>	<b>97,898</b>	<b>335,597</b>	<b>152,697</b>	<b>488,294</b>
Issuance of share capital								
- conversion of ICULS	-	-	-	-	-	-	-	-
- pursuant to ESOS	5	16	-	-	-	21	-	21
- Other issue of shares	-	-	-	-	-	-	400	400
Exchange translation differences	-	-	326	-	-	326	(1,628)	(1,302)
Gain on deemed disposal of interest in a subsidiary company	-	-	-	28	-	28	(28)	-
Net profit for the period	-	-	-	-	3,168	3,168	8,268	11,436
Dividend Payable	-	-	-	-	-	-	(480)	(480)
<b>Balance as at 31 March 2006</b>	<b>189,780</b>	<b>47,493</b>	<b>735</b>	<b>66</b>	<b>101,066</b>	<b>339,140</b>	<b>159,229</b>	<b>498,369</b>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2005)

Company name : WAH SEONG CORPORATION BERHAD (Company No. 495846-A)

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Financial Period Ended: 31 March 2006

Quarter : 1

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31 MARCH 2006

These figures have not been audited

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

	<b>3 months ended 31/3/2006 RM'000</b>	<b>3 months ended 31/3/2005 RM'000</b>
<b>Cash Flow From Operating Activities</b>		
Net profit before tax	19,234	15,919
Adjustment for :-		
Non cash items	25,295	2,359
Non-operating items	4,825	3,435
Operating Profit Before Working Capital Changes	<u>49,354</u>	<u>21,713</u>
Net changes in current assets	(22,660)	(57,168)
Net changes in current liabilities	(11,120)	5,108
Cash generated / (used in) from operations	<u>15,574</u>	<u>(30,347)</u>
Interest Received	585	115
Interest paid	(5,083)	(3,550)
Taxation paid (net)	(3,502)	(1,466)
<b>Net Cash Flow Generated / (Used In) From Operating Activities</b>	<u><b>7,574</b></u>	<u><b>(35,248)</b></u>
<b>Cash Flow From Investing Activities</b>		
Purchases of Properties,Plants and Equipments	(15,179)	(11,816)
Proceeds from disposal of property, plant and equipment	1,297	-
Purchase of subsidiary, net of cash	-	(3,296)
<b>Net Cash Flow Used In Investing Activities</b>	<u><b>(13,882)</b></u>	<u><b>(15,112)</b></u>
<b>Cash Flow From Financing Activities</b>		
Proceed from issue of shares pursuant to ESOS	21	-
Subscription of ordinary shares from minority shareholders	400	-
Drawdown of Commercial Paper	-	10,000
Net proceed from bank borrowings	(1,426)	21,960
Dividends paid to minority interest	(631)	-
<b>Net Cash Flow (Used In) / From Financing Activities</b>	<u><b>(1,636)</b></u>	<u><b>31,960</b></u>
<b>Net decrease in Cash and Cash Equivalents</b>	<b>(7,944)</b>	<b>(18,400)</b>
<b>Currency Translation Differences</b>	<b>(1,048)</b>	<b>50</b>
<b>Cash and Cash Equivalents at Beginning of Period</b>	<b>107,308</b>	<b>57,319</b>
<b>Cash and Cash Equivalents at End of Period</b>	<u><b>98,316</b></u>	<u><b>38,969</b></u>
<b>Cash and Cash equivalents at the end of the financial period comprise the following:</b>		
Cash and Bank Balances	76,844	36,381
Fixed deposit with licensed banks (net of deposit pledged for banking facility)	34,917	12,126
Bank overdraft	(13,445)	(9,538)
	<u><b>98,316</b></u>	<u><b>38,969</b></u>

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2005)