

Company name : WAH SEONG CORPORATION BERHAD (Company No. 495846-A)
 Stock name : WASEONG
 Financial Period Ended: 30 June 2006
 Quarter : 2

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2006

CONDENSED CONSOLIDATED INCOME STATEMENTS

These figures have not been audited.

PARTICULARS	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT	PRECEDING YEAR	CURRENT	PRECEDING YEAR
	QUARTER ENDED 30/06/2006 RM'000	CORRESPONDING QUARTER ENDED 30/06/2005 RM'000	YEAR TO DATE ENDED 30/06/2006 RM'000	CORRESPONDING QUARTER ENDED 30/06/2005 RM'000
Revenue	359,602	259,658	788,458	451,825
Cost of Sales	(296,800)	(206,866)	(649,508)	(363,755)
Gross Profit	<u>62,802</u>	<u>52,792</u>	<u>138,950</u>	<u>88,070</u>
Other operating income	7,811	1,460	8,911	5,237
Administrative Expenses	(33,980)	(17,083)	(59,317)	(30,154)
Selling and marketing expenses	(9,178)	(10,806)	(22,968)	(17,025)
Other expenses	(765)	(151)	(1,460)	(152)
Profit from operation	<u>26,690</u>	<u>26,212</u>	<u>64,116</u>	<u>45,976</u>
Impairment of goodwill and other assets	(16,135)	-	(29,429)	-
Finance costs	(6,817)	(3,866)	(12,229)	(7,416)
Gain / (Loss) on disposal of investment	(5)	9,100	(5)	9,100
Share of profit / (loss) after tax and minority interest of associates	2,293	14,964	2,627	14,669
Share of profit after tax of jointly controlled entities	(100)	-	80	-
Profit before taxation	<u>5,926</u>	<u>46,410</u>	<u>25,160</u>	<u>62,329</u>
Income tax expense	(7,613)	(4,999)	(15,411)	(8,757)
Profit for the period	<u>(1,687)</u>	<u>41,411</u>	<u>9,749</u>	<u>53,572</u>
Attributable To:				
- Equity holders of the parent	(2,969)	30,607	199	37,948
- Minority Interest	1,282	10,804	9,550	15,624
	<u>(1,687)</u>	<u>41,411</u>	<u>9,749</u>	<u>53,572</u>
(Loss) /Earnings per share				
- (Loss) / Basic earnings per share (sen)	(0.8)	8.9	0.1	11.0
- Diluted earnings per share (sen)	N/A	6.5	N/A	8.0

(The Condensed Consolidated Income Statements 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: 30 June 2006

Quarter : 2

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNI

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
	30/06/2006 RM'000	31/12/2005 RM'000
ASSETS		
Non-Current assets		
Property, plant and equipment	398,963	399,001
Investment in associated company	28,141	25,577
Investment in jointly controlled entities	415	343
Goodwill on consolidation	140,828	152,827
Intangible Assets	3,548	4,288
Other investments	3,549	3,462
Deferred tax assets	5,026	4,759
	<u>580,470</u>	<u>590,257</u>
Current assets		
- Inventories	221,358	180,388
- Trade debtors	312,539	364,482
- Gross amount due from customers	6,171	17,959
- Other debtors, deposits and prepayments	71,260	53,742
- Tax Recoverable	1,878	6,339
- Amount owing by associated companies	3,664	7,993
- Amount owing by jointly controlled entities	523	1,078
- Fixed deposit with licensed banks	64,921	46,428
- Cash and bank balances	89,978	79,369
	<u>772,292</u>	<u>757,778</u>
TOTAL ASSETS	<u>1,352,762</u>	<u>1,348,035</u>
EQUITY AND LIABILITIES		
Share capital	196,821	189,775
Reserves		
- Share premium	55,720	47,477
- Exchange Translation reserves	65	409
- Capital reserve	66	38
- Retained profit	89,594	97,898
Equity attributable to equity holders of the parent	<u>342,266</u>	<u>335,597</u>
Minority interests	160,507	152,697
Total equity	<u>502,773</u>	<u>488,294</u>
Non-current liabilities		
Irredeemable Convertible Unsecured Loan Stock	64,294	68,709
Long term borrowings	209,056	119,186
Other long term liabilities	25,730	26,904
Deferred tax liabilities	11,797	12,640
	<u>310,877</u>	<u>227,439</u>
Current liabilities		
- Gross amount due to customers	14,975	14,875
- Trade payables	146,428	154,836
- Other creditors and accruals	139,562	184,640
- Amount owing to associated companies	520	-
- Amount owing to jointly controlled entity	275	-
- Bank borrowings	220,070	265,758
- Provision for taxation	17,282	12,193
	<u>539,112</u>	<u>632,302</u>
Total Liabilities	849,989	859,741
TOTAL EQUITY AND LIABILITIES	<u>1,352,762</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 : 2
 QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2006

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

These figures have not been audited

	← Attributable to Equity Holders of the Parent →					Total RM'000	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			
Balance as at 1 January 2005	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	-	-	(4)	-	-	(4)	-	(4)
Effect of acquisition in subsidiary	-	-	-	-	-	-	38,711	38,711
Effect on divestment of equity in subsidiary	-	-	-	-	-	-	26,540	26,540
Net profit for the period	-	-	-	-	37,948	37,948	15,624	53,572
Balance as at 30 June 2005	<u>172,523</u>	<u>94</u>	<u>(347)</u>	<u>-</u>	<u>88,691</u>	<u>260,961</u>	<u>173,690</u>	<u>434,651</u>
Balance as at 1 January 2006	189,775	47,477	409	38	97,898	335,597	152,697	488,294
Issuance of share capital								
- conversion of ICULS	4,415	-	-	-	-	4,415	-	4,415
- pursuant to ESOS	2,631	8,262	-	-	-	10,893	-	10,893
- other issue of shares	-	-	-	-	-	-	400	400
- share issue expenses	-	(19)	-	-	-	(19)	-	(19)
Exchange translation differences	-	-	(344)	-	-	(344)	(1,655)	(1,999)
Gain on deemed disposal of interest in a subsidiary company	-	-	-	28	-	28	(28)	-
Effect of acquisition in subsidiary	-	-	-	-	-	-	173	173
Net profit for the period	-	-	-	-	199	199	9,550	9,749
Final Dividend for Year 2005 @ (6% less 28% income tax)	-	-	-	-	(8,503)	(8,503)	(630)	(9,133)
Balance as at 30 June 2006	<u>196,821</u>	<u>55,720</u>	<u>65</u>	<u>66</u>	<u>89,594</u>	<u>342,266</u>	<u>160,507</u>	<u>502,773</u>

(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)

Stock name : WASEONG

Financial Period Ended: 30 June 2006

Quarter : 2

These figures have not been audited

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	6 months ended 30/6/2006 RM'000	6 months ended 30/6/2005 RM'000
Cash Flow From Operating Activities		
Net profit before tax	25,160	64,801
Adjustment for :-		
Non cash items	49,697	(9,866)
Non-operating items	10,978	(2,005)
Operating Profit Before Working Capital Changes	<u>85,835</u>	<u>52,930</u>
Net changes in current assets	8,261	(138,640)
Net changes in current liabilities	(70,123)	68,564
Cash generated from / (used in) operations	<u>23,973</u>	<u>(17,146)</u>
Interest Received	1,219	321
Interest paid	(12,891)	(7,416)
Taxation paid (net)	(6,243)	(4,135)
Net Cash Flow Generated From / (Used In) Operating Activities	<u>6,058</u>	<u>(28,376)</u>
Cash Flow From Investing Activities		
Purchases of Properties,Plants and Equipments	(29,137)	(30,194)
Proceeds from disposal of property, plant and equipment	2,279	211
Proceeds from disposal of associate company	276	-
Proceeds from disposal of quoted investments	89	-
Purchase of quoted investments	(165)	-
Acquisition of shares held by minorities	-	(4,503)
Proceed from divestment of equity in subsidiary	-	35,640
Dividend received	26	2,852
Investment In unquoted shares	(1,905)	-
Acquisition of business	(6,889)	-
Purchase of subsidiary, net of cash	637	(99,102)
Net Cash Flow Used In Investing Activities	<u>(34,789)</u>	<u>(95,096)</u>
Cash Flow From Financing Activities		
Proceed from issue of shares pursuant to ESOS	10,874	-
Subscription of ordinary shares from minority shareholders	400	-
Drawdown of Commercial Paper	-	20,000
Net proceed from bank borrowings	54,827	126,296
Dividends paid to minority interest	(778)	-
Net Cash Flow From Financing Activities	<u>65,323</u>	<u>146,296</u>
Net decrease in Cash and Cash Equivalents	36,592	22,824
Currency Translation Differences	(1,391)	-
Cash and Cash Equivalents at Beginning of Period	107,308	57,319
Cash and Cash Equivalents at End of Period	<u>142,509</u>	<u>80,143</u>
Cash and Cash equivalents at the end of the financial period comprise the following:		
Cash and Bank Balances	89,978	42,341
Fixed deposit with licensed bank (net of deposit pledged for banking facilities)	58,807	46,167
Bank overdraft	<u>(6,276)</u>	<u>(8,365)</u>
	<u>142,509</u>	<u>80,143</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)