

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

Stock name : WASEONG

Financial Period Ended: 30 June 2007

Quarter : 2

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2007

CONDENSED CONSOLIDATED INCOME STATEMENTS

These figures have not been audited.

PARTICULARS	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT	PRECEDING YEAR	CURRENT	PRECEDING
	QUARTER ENDED	CORRESPONDING	PERIOD	CORRESPONDING
	30/06/2007	30/06/2006	TO DATE ENDED	PERIOD TO DATE ENDED
	RM'000	RM'000	30/06/2007	30/06/2006
			RM'000	RM'000
Revenue	461,653	359,602	896,414	788,458
Cost of Sales	(387,250)	(296,800)	(739,007)	(649,508)
<b>Gross Profit</b>	<u>74,403</u>	<u>62,802</u>	<u>157,407</u>	<u>138,950</u>
Other operating income	7,984	7,811	13,033	8,911
Administrative expenses	(39,756)	(33,980)	(77,182)	(59,317)
Selling and marketing expenses	(8,275)	(9,178)	(15,684)	(22,968)
Other operating expenses	(197)	(765)	(720)	(1,460)
Impairment of goodwill and other assets	-	(16,135)	-	(29,429)
Finance costs	(6,426)	(6,817)	(13,241)	(12,229)
Loss on disposal of investment	-	(5)	(5)	(5)
Share of results of associates	499	2,293	1,028	2,627
Share of results of jointly controlled entities	(23)	(100)	(127)	80
<b>Profit before taxation</b>	<u>28,209</u>	<u>5,926</u>	<u>64,509</u>	<u>25,160</u>
Income tax expense	(6,666)	(7,613)	(16,734)	(15,411)
<b>Profit for the period</b>	<u>21,543</u>	<u>(1,687)</u>	<u>47,775</u>	<u>9,749</u>
Attributable To:				
- Equity holders of the Company	17,824	(2,969)	35,860	199
- Minority Interest	3,719	1,282	11,915	9,550
	<u>21,543</u>	<u>(1,687)</u>	<u>47,775</u>	<u>9,749</u>
Earnings per share				
- Basic earnings per share (sen)	3.4	(0.6)	6.8	0.0
- Diluted earnings per share (sen)	N/A	N/A	N/A	N/A

(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2006)

Note: The comparative basic earnings per share has been restated to take into account the effect of inclusion of the mandatorily convertible instrument, ICULS.

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 QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2007

### CONDENSED CONSOLIDATED BALANCE SHEETS

These figures have not been audited

PARTICULARS	AS AT END OF CURRENT QUARTER ENDED 30/06/2007 RM'000	AUDITED AS AT END OF PRECEDING FINANCIAL YEAR ENDED 31/12/2006 RM'000 Restated
<b>ASSETS</b>		
<b>Non-Current assets</b>		
Property, plant and equipment	349,604	353,953
Prepaid lease payments	62,730	67,575
Investment property	2,115	2,136
Investment in associated company	29,242	25,614
Investment in jointly controlled entities	282	414
Goodwill on consolidation	118,870	122,586
Intangible assets	4,052	4,067
Other investments	1,736	2,767
Deferred tax assets	5,484	5,895
	574,115	585,007
<b>Current assets</b>		
- Inventories	249,822	231,367
- Trade debtors	414,638	380,711
- Gross amount due from customers	46,493	32,421
- Other debtors, deposits and prepayments	94,267	71,831
- Tax recoverable	10,139	9,198
- Amount owing by associated companies	6,188	2,927
- Amount owing by jointly controlled entities	561	831
- Fixed deposit with licensed banks	21,971	19,122
- Cash and bank balances	136,216	72,603
	980,295	821,011
Non current assets held for sale	2,360	10,828
<b>TOTAL ASSETS</b>	1,556,770	1,416,846
<b>EQUITY AND LIABILITIES</b>		
Share capital	210,788	197,780
Treasury shares	(3,261)	(842)
Reserves		
- Share premium	75,525	58,002
- Exchange translation reserves	(7,138)	(5,856)
- Capital reserve	65	65
- Share option reserve	297	297
- Retained profit	158,398	122,538
<b>Equity attributable to equity holders of the Company</b>	434,674	371,984
Minority interests	160,278	149,052
<b>Total equity</b>	594,952	521,036
<b>Non-current liabilities</b>		
Irredeemable Convertible Unsecured Loan Stock ("ICULS")	56,631	64,061
Long term borrowings	183,888	191,797
Other long term liabilities	4,221	19,911
Deferred tax liabilities	10,630	11,925
	255,370	287,694
<b>Current liabilities</b>		
- Gross amount due to customers	147,149	79,227
- Trade payables	151,444	128,167
- Other creditors and accruals	143,785	164,993
- Amount owing to associated companies	311	445
- Amount owing to jointly controlled entity	258	-
- Bank borrowings	234,338	214,176
- Provision for taxation	29,163	21,108
	706,448	608,116
Total Liabilities	961,818	895,810
<b>TOTAL EQUITY AND LIABILITIES</b>	1,556,770	1,416,846

(The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2006)

Company name : WAH SEONG CORPORATION BERHAD (Company No. 495846-A)  
 Stock name : WASEONG  
 Financial Period Ended: 30 June 2007  
 Quarter : 2  
 QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2007

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
 These figures have not been audited

	Attributable to equity holders of the Company						Retained profit RM'000	Total RM'000	Minority Interests RM'000	Total Equity RM'000
	Share capital RM'000	Treasury Shares RM'000	Share premium RM'000	Exchange translation reserves RM'000	Share option reserves RM'000	Capital reserve RM'000				
<b>Balance as at 1 January 2006</b>	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
- exercise of 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 subsidiary company	-	-	-	-	-	28	-	28	(28)	-
Effect of acquisition in subsidiary	-	-	-	-	-	-	-	-	173	173
Income and expense recognised directly to equity	-	-	-	(344)	-	28	-	(316)	(1,510)	(1,826)
Net profit for the period	-	-	-	-	-	-	199	199	9,550	9,749
Total recognised income and expenses for the period	-	-	-	(344)	-	28	199	(117)	8,040	7,923
Dividends	-	-	-	-	-	-	(8,503)	(8,503)	(630)	(9,133)
<b>Balance as at 30 June 2006</b>	<b>196,821</b>	<b>-</b>	<b>55,720</b>	<b>65</b>	<b>-</b>	<b>66</b>	<b>89,594</b>	<b>342,266</b>	<b>160,507</b>	<b>502,773</b>
<b>Balance as at 1 January 2007</b>	<b>197,780</b>	<b>(842)</b>	<b>58,002</b>	<b>(5,856)</b>	<b>297</b>	<b>65</b>	<b>122,538</b>	<b>371,984</b>	<b>149,052</b>	<b>521,036</b>
Issuance of share capital										
- conversion of ICULS	7,430	-	-	-	-	-	-	7,430	-	7,430
- pursuant to ESOS	5,578	-	17,523	-	-	-	-	23,101	-	23,101
Share buy back (including transaction costs)	-	(2,419)	-	-	-	-	-	(2,419)	-	(2,419)
Exchange translation differences	-	-	-	(1,282)	-	-	-	(1,282)	657	(625)
Disposal of a subsidiary company	-	-	-	-	-	-	-	-	(17)	(17)
Acquisition of additional shares in existing subsidiary companies	-	-	-	-	-	-	-	-	(14)	(14)
Income and expense recognised directly to equity	-	-	-	(1,282)	-	-	-	(1,282)	626	(656)
Net profit for the period	-	-	-	-	-	-	35,860	35,860	11,915	47,775
Total recognised income and expenses for the period	-	-	-	(1,282)	-	-	35,860	34,578	12,541	47,119
Dividends	-	-	-	-	-	-	-	-	(1,315)	(1,315)
<b>Balance as at 30 June 2007</b>	<b>210,788</b>	<b>(3,261)</b>	<b>75,525</b>	<b>(7,138)</b>	<b>297</b>	<b>65</b>	<b>158,398</b>	<b>434,674</b>	<b>160,278</b>	<b>594,952</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 2006)

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

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Financial Period Ended: 30 June 2007

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QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2007

<b>CONDENSED CONSOLIDATED CASH FLOW STATEMENT</b>	<b>CURRENT</b>	<b>PRECEDING</b>
<b>These figures have not been audited</b>	<b>PERIOD</b>	<b>CORRESPONDING</b>
	<b>TO DATE ENDED</b>	<b>PERIOD TO DATE ENDED</b>
	<b>30/06/2007</b>	<b>30/06/2006</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash Flow From Operating Activities</b>		
Profit before taxation	64,509	25,160
Adjustment for :-		
Non cash items	19,701	49,697
Non-operating items	10,481	10,978
Operating Profit Before Working Capital Changes	94,691	85,835
Net changes in current assets	(97,965)	8,261
Net changes in current liabilities	70,960	(70,123)
Cash generated from operations	67,686	23,973
Interest received	1,770	1,219
Interest paid	(13,241)	(12,891)
Taxation paid (net)	(8,682)	(6,243)
<b>Net Cash Flow Generated from Operating Activities</b>	<b>47,533</b>	<b>6,058</b>
<b>Cash Flow From Investing Activities</b>		
Purchase of property, plant and equipment	(18,084)	(29,137)
Proceeds from disposal of property, plant and equipment	16,399	2,279
Proceeds from disposal of a subsidiary company	59	-
Proceeds from disposal of an associated company	-	276
Proceeds from disposal of quoted investments	1,567	89
Purchase of quoted investments	(5)	(165)
Purchase of unquoted investments	-	(1,905)
Dividend received	735	26
Purchase of new subsidiaries and business	-	(6,252)
Acquisition of interest in subsidiaries from minority interest	(851)	-
Instalment payment for subsidiaries acquired in the previous years	(13,213)	-
<b>Net Cash Flow Used In Investing Activities</b>	<b>(13,392)</b>	<b>(34,789)</b>
<b>Cash Flow From Financing Activities</b>		
Proceeds from issue of shares pursuant to ESOS	23,102	10,874
Repurchase of shares	(2,419)	-
Subscription of ordinary shares in subsidiaries by minority shareholders	-	400
Net proceeds from borrowings	19,725	54,827
Dividends paid to minority interest	(1,646)	(778)
<b>Net Cash Flow From Financing Activities</b>	<b>38,762</b>	<b>65,323</b>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>72,902</b>	<b>36,592</b>
<b>Currency Translation Differences</b>	<b>(745)</b>	<b>(1,391)</b>
<b>Cash and Cash Equivalents at Beginning of The Period</b>	<b>80,330</b>	<b>107,308</b>
<b>Cash and Cash Equivalents at End of The Period</b>	<b>152,487</b>	<b>142,509</b>
<b>Cash and Cash equivalents at the end of the financial period comprise the following:</b>		
Cash and Bank Balances	136,216	89,978
Fixed deposit with licensed bank (net of deposit pledged for banking facilities)	18,441	58,807
Bank overdraft	(2,170)	(6,276)
	<b>152,487</b>	<b>142,509</b>

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2006)