

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

Stock name : WASEONG

Financial Period Ended: 30 Sept 2007

Quarter : 3

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPT 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
	30/09/2007	QUARTER ENDED	TO DATE ENDED	PERIOD TO DATE ENDED
	RM'000	30/09/2006	30/09/2007	30/09/2006
	RM'000	RM'000	RM'000	RM'000
Revenue	549,935	370,083	1,446,349	1,158,541
Cost of Sales	(459,693)	(311,809)	(1,199,114)	(961,317)
Gross Profit	<u>90,242</u>	<u>58,274</u>	<u>247,235</u>	<u>197,224</u>
Other operating income	5,269	3,123	18,302	12,034
Administrative expenses	(45,399)	(32,106)	(122,167)	(91,423)
Selling and marketing expenses	(11,859)	(7,405)	(27,543)	(30,373)
Other operating expenses	(262)	(677)	(982)	(2,137)
Impairment of goodwill and other assets	-	-	-	(29,429)
Finance costs	(6,318)	(6,576)	(19,559)	(18,805)
Gain /(Loss) on disposal of investments	29	(24)	24	(29)
Share of results of associates	2,060	(622)	3,088	2,005
Share of results of jointly controlled entities	-	6	(127)	86
Profit before taxation	<u>33,762</u>	<u>13,993</u>	<u>98,271</u>	<u>39,153</u>
Income tax expense	(6,020)	(2,926)	(22,754)	(18,337)
Profit for the period	<u>27,742</u>	<u>11,067</u>	<u>75,517</u>	<u>20,816</u>
Attributable To:				
- Equity holders of the Company	24,344	12,985	60,204	13,184
- Minority Interest	3,398	(1,918)	15,313	7,632
	<u>27,742</u>	<u>11,067</u>	<u>75,517</u>	<u>20,816</u>
Earnings per share				
- Basic earnings per share (sen)	4.7	2.5	11.6	2.6
- 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 THIRD QUARTER ENDED 30 SEPT 2007

CONDENSED CONSOLIDATED BALANCE SHEETS

These figures have not been audited

PARTICULARS	AS AT END OF CURRENT QUARTER ENDED 30/09/2007 RM'000	AUDITED AS AT END OF PRECEDING FINANCIAL YEAR ENDED 31/12/2006 RM'000 Restated
ASSETS		
Non-Current assets		
Property, plant and equipment	356,398	352,699
Prepaid lease payments	62,464	67,575
Investment property	3,397	3,390
Investment in associated company	30,584	25,614
Investment in jointly controlled entities	260	414
Goodwill on consolidation	117,594	122,586
Intangible assets	3,957	4,067
Other investments	2,098	2,767
Deferred tax assets	5,804	5,895
	<u>582,556</u>	<u>585,007</u>
Current assets		
- Inventories	227,858	231,367
- Trade debtors	468,202	380,711
- Gross amount due from customers	63,248	32,421
- Other debtors, deposits and prepayments	115,246	71,831
- Tax recoverable	10,777	9,198
- Amount owing by associated companies	6,060	2,927
- Amount owing by jointly controlled entities	10	831
- Fixed deposit with licensed banks	14,686	19,122
- Cash and bank balances	91,943	72,603
	<u>998,030</u>	<u>821,011</u>
Non current assets held for sale	2,360	10,828
TOTAL ASSETS	<u>1,582,946</u>	<u>1,416,846</u>
EQUITY AND LIABILITIES		
Share capital	214,533	197,780
Treasury shares	(3,842)	(842)
Reserves		
- Share premium	79,155	58,002
- Exchange translation reserves	(8,604)	(5,856)
- Capital reserve	65	65
- Share option reserve	714	297
- Retained profit	172,005	122,538
Equity attributable to equity holders of the Company	<u>454,026</u>	<u>371,984</u>
Minority interests	163,125	149,052
Total equity	<u>617,151</u>	<u>521,036</u>
Non-current liabilities		
Irredeemable Convertible Unsecured Loan Stock ("ICULS")	54,042	64,061
Long term borrowings	181,687	191,797
Other long term liabilities	249	19,911
Deferred tax liabilities	11,065	11,925
	<u>247,043</u>	<u>287,694</u>
Current liabilities		
- Gross amount due to customers	110,729	79,227
- Trade payables	167,637	128,167
- Other creditors and accruals	184,500	164,993
- Amount owing to associated companies	635	445
- Amount owing to jointly controlled entity	-	-
- Bank borrowings	225,113	214,176
- Provision for taxation	30,138	21,108
	<u>718,752</u>	<u>608,116</u>
Total Liabilities	965,795	895,810
TOTAL EQUITY AND LIABILITIES	<u>1,582,946</u>	<u>1,416,846</u>

(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)
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Financial Period Ended: 30 Sept 2007
Quarter : 3
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPT 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				
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	4,648	-	-	-	-	-	-	4,648	-	4,648
- exercise of ESOS	3,313	-	10,406	-	-	-	-	13,719	-	13,719
- other issue of shares	-	-	-	-	-	-	-	-	550	550
- share issue expenses	-	-	(19)	-	-	-	-	(19)	-	(19)
Exchange translation differences	-	-	-	(1,477)	-	-	-	(1,477)	(2,017)	(3,494)
Gain on deemed disposal of interest in subsidiary company	-	-	-	-	-	28	-	28	(28)	-
Effect of acquisition in subsidiary	-	-	-	-	-	-	-	-	192	192
Income and expense recognised directly to equity	-	-	-	(1,477)	-	28	-	(1,449)	(1,853)	(3,302)
Acquisition of shares from minority shareholders	-	-	-	-	-	-	-	-	(3,733)	(3,733)
Share options granted and vested under ESOS	-	-	-	-	-	-	-	-	-	-
Net profit for the period	-	-	-	-	-	-	13,184	13,184	7,632	20,816
Total recognised income and expenses for the period	-	-	-	(1,477)	-	28	13,184	11,735	2,046	13,781
Dividends	-	-	-	-	-	-	(12,774)	(12,774)	(14,344)	(27,118)
Balance as at 30 September 2006	197,736	-	57,864	(1,068)	-	66	98,308	352,906	140,949	493,855
Balance as at 1 January 2007	197,780	(842)	58,002	(5,856)	297	65	122,538	371,984	149,052	521,036
Issuance of share capital										
- conversion of ICULS	10,019	-	-	-	-	-	-	10,019	-	10,019
- pursuant to ESOS	6,734	-	21,153	-	-	-	-	27,887	-	27,887
Share buy back (including transaction costs)	-	(3,000)	-	-	-	-	-	(3,000)	-	(3,000)
Exchange translation differences	-	-	-	(2,748)	-	-	-	(2,748)	77	(2,671)
Disposal of a subsidiary company	-	-	-	-	-	-	-	-	(17)	(17)
Acquisition of additional shares in existing subsidiary companies	-	-	-	-	-	-	-	-	(14)	(14)
Income and expense recognised directly to equity	-	-	-	(2,748)	-	-	-	(2,748)	46	(2,702)
Share options granted and vested under ESOS	-	-	-	-	417	-	-	417	-	417
Net profit for the period	-	-	-	-	-	-	60,204	60,204	15,313	75,517
Total recognised income and expenses for the period	-	-	-	(2,748)	417	-	60,204	57,873	15,359	73,232
Dividends	-	-	-	-	-	-	(10,737)	(10,737)	(1,286)	(12,023)
Balance as at 30 September 2007	214,533	(3,842)	79,155	(8,604)	714	65	172,005	454,026	163,125	617,151

(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 Sept 2007

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QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPT 2007

CONDENSED CONSOLIDATED CASH FLOW STATEMENT These figures have not been audited	CURRENT PERIOD TO DATE ENDED 30/09/2007 RM'000	PRECEDING CORRESPONDING PERIOD TO DATE ENDED 30/09/2006 RM'000
Cash Flow From Operating Activities		
Profit before taxation	98,271	39,153
Adjustment for :-		
Non cash items	30,739	61,867
Non-operating items	18,682	16,718
Operating Profit Before Working Capital Changes	147,692	117,738
Net changes in current assets	(167,244)	(130,862)
Net changes in current liabilities	92,696	77,061
Cash generated from operations	73,144	63,937
Interest received	2,824	2,046
Interest paid	(19,559)	(18,429)
Taxation paid (net)	(14,391)	(8,177)
Net Cash Flow Generated from Operating Activities	42,018	39,377
Cash Flow From Investing Activities		
Purchase of property, plant and equipment	(50,316)	(60,400)
Proceeds from disposal of property, plant and equipment	22,117	4,829
Proceeds from disposal of a subsidiary company	59	-
Proceeds from disposal of an associated company	-	276
Proceeds from disposal of jointly controlled entity	35	11
Proceeds from disposal of quoted investments	1,571	89
Purchase of quoted investments	(895)	(165)
Dividend received	737	32
Purchase of new subsidiaries and business	-	(6,701)
Purchase of subsidiary, net of cash	-	258
Payment of retention sum on investment cost	-	(333)
Acquisition of interest in subsidiaries from minority interest	(851)	(1,412)
Additional consideration paid to vendor upon achievement of profit guarantee	(464)	-
Instalment payment for subsidiaries acquired in the previous years	(13,160)	-
Withdrawal / (Placement) of fixed deposits	(348)	-
Net Cash Flow Used In Investing Activities	(41,515)	(63,516)
Cash Flow From Financing Activities		
Proceeds from issue of shares pursuant to ESOS	27,887	13,700
Repurchase of shares	(3,000)	-
Subscription of ordinary shares in subsidiaries by minority shareholders	-	550
Net proceeds from borrowings	5,766	8,237
Dividends paid to shareholders of the company	(10,737)	(8,503)
Dividends paid to minority interest	(1,286)	(776)
Net Cash Flow From Financing Activities	18,630	13,208
Net Increase in Cash and Cash Equivalents	19,133	(10,931)
Currency Translation Differences	(1,816)	(1,315)
Cash and Cash Equivalents at Beginning of The Period	80,330	107,308
Cash and Cash Equivalents at End of The Period	97,647	95,062
Cash and Cash equivalents at the end of the financial period comprise the following:		
Cash and Bank Balances	91,943	73,250
Fixed deposit with licensed bank (net of deposit pledged for banking facilities)	10,848	28,332
Bank overdraft	(5,144)	(6,520)
	97,647	95,062

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