

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

Stock name : WASEONG

Financial Period Ended: 30 SEPTEMBER 2008

Quarter : 3

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2008

CONDENSED CONSOLIDATED INCOME STATEMENTS

These figures have not been audited.

| PARTICULARS  | INDIVIDUAL QUARTER                               |  | CUMULATIVE QUARTER   |  |
|--|--|--|--|--|
|  | CURRENT<br>QUARTER ENDED<br>30/09/2008<br>RM'000 | RESTATED<br>PRECEDING YEAR<br>CORRESPONDING<br>QUARTER ENDED<br>30/09/2007<br>RM'000 | CURRENT<br>PERIOD<br>TO DATE ENDED<br>30/09/2008<br>RM'000 | RESTATED<br>PRECEDING<br>CORRESPONDING<br>PERIOD TO DATE ENDED<br>30/09/2007<br>RM'000 |
|  |  |  |  |  |
| Revenue  | 652,224  | 534,502  | 1,764,456  | 1,418,611  |
| Cost of Sales  | (545,717)  | (444,434)  | (1,491,783)  | (1,174,918)  |
| <b>Gross Profit</b>  | <b>106,507</b>                                   | <b>90,068</b>  | <b>272,673</b>   | <b>243,693</b>   |
| Other operating income                                       | 10,580   | 6,563  | 38,145   | 16,317   |
| Administrative expenses                                      | (63,342)   | (45,402)   | (150,227)  | (120,482)  |
| Selling and marketing expenses                               | (10,182)   | (11,418)   | (30,051)   | (26,865)   |
| Other operating expenses                                     | 357  | (262)  | (13,172)   | (933)  |
| Finance costs  | (8,164)  | (6,293)  | (20,931)   | (19,399)   |
| Loss on disposal of investments                              | -  | 29   | -  | 24   |
| Gain on disposal of subsidiaries                             | 13,323   | -  | 13,113   | -  |
| Share of results of associates & jointly controlled entities | 648  | 907  | 2,468  | 3,840  |
| <b>Profit before taxation</b>                                | <b>49,727</b>                                    | <b>34,192</b>  | <b>112,018</b>   | <b>96,195</b>  |
| Income tax expense   | (15,700)   | (5,887)  | (17,635)   | (22,513)   |
| Profit for the period  | <b>34,027</b>                                    | <b>28,305</b>  | <b>94,383</b>  | <b>73,682</b>  |
| Attributable To:   |  |  |  |  |
| - Equity holders of the Company                              | 27,046   | 24,344   | 78,408   | 60,204   |
| - Minority Interest  | 6,981  | 3,961  | 15,975   | 13,478   |
|  | <b>34,027</b>                                    | <b>28,305</b>  | <b>94,383</b>  | <b>73,682</b>  |
| Earnings per share   |  |  |  |  |
| - Basic earnings per share (sen)                             | 3.72   | 3.87   | 10.80  | 9.56   |
| - Diluted earnings per share (sen)                           | 3.72   | 3.86   | 10.80  | 9.55   |

(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2007)

Company name : WAH SEONG CORPORATION BERHAD (Company No. 495846-A)  
 Stock name : WASEONG  
 Financial Period Ended: 30 SEPTEMBER 2008  
 Quarter : 3  
 QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2008

**CONDENSED CONSOLIDATED BALANCE SHEETS**

These figures have not been audited

| PARTICULARS   | AS AT END OF<br>CURRENT<br>QUARTER<br>ENDED<br>30/09/2008<br>RM'000 | AUDITED<br>AS AT END OF<br>PRECEDING<br>FINANCIAL<br>YEAR ENDED<br>31/12/2007<br>RM'000 |
|---|---|---|
| <b>ASSETS</b>   |   |   |
| <b>Non-Current assets</b>                                   |   |   |
| Property, plant and equipment                               | 564,854   | 315,792   |
| Prepaid lease payments                                      | 59,732  | 47,695  |
| Investment property   | 4,909   | 5,150   |
| Investment in associated company                            | 20,437  | 21,592  |
| Investment in jointly controlled entities                   | 39,166  | 34,918  |
| Goodwill on consolidation                                   | 121,787   | 114,002   |
| Intangible assets   | 4,962   | 6,004   |
| Other investments   | 1,221   | 1,503   |
| Deferred tax assets   | 6,651   | 7,463   |
|   | <u>823,719</u>  | <u>554,119</u>  |
| <b>Current assets</b>                                       |   |   |
| - Inventories   | 341,513   | 195,930   |
| - Trade debtors   | 435,125   | 427,703   |
| - Gross amount due from customers                           | 104,050   | 60,073  |
| - Other debtors, deposits and prepayments                   | 129,569   | 125,509   |
| - Amount owing by associated companies                      | 2,040   | 39,172  |
| - Amount owing by jointly controlled entities               | 9,523   | 5,762   |
| - Tax recoverable   | 15,116  | 10,168  |
| - Fixed deposit with licensed banks                         | 97,261  | 27,730  |
| - Cash and bank balances                                    | 154,007   | 89,579  |
|   | <u>1,288,204</u>  | <u>981,626</u>  |
| Non current assets held for sale                            | -   | 24,401  |
| <b>TOTAL ASSETS</b>   | <u>2,111,923</u>  | <u>1,560,146</u>  |
| <b>EQUITY AND LIABILITIES</b>                               |   |   |
| Share capital   | 328,496   | 214,618   |
| Treasury shares   | (9,834)   | (3,847)   |
| Reserves  |   |   |
| - Share premium   | 197,829   | 79,417  |
| - Exchange translation reserves                             | 530   | (12,850)  |
| - Capital reserve   | 85  | 85  |
| - Share option reserve                                      | -   | 980   |
| - Retained profit   | 253,900   | 191,598   |
| <b>Equity attributable to equity holders of the Company</b> | <u>771,006</u>  | <u>470,001</u>  |
| Minority interests  | 161,746   | 131,511   |
| <b>Total equity</b>   | <u>932,752</u>  | <u>601,512</u>  |
| <b>Non-current liabilities</b>                              |   |   |
| Irredeemable Convertible Unsecured Loan Stock ("ICULS")     | 47,158  | 54,041  |
| Long term borrowings  | 222,262   | 168,166   |
| Other long term liabilities                                 | -   | 3,099   |
| Deferred tax liabilities                                    | 12,648  | 8,696   |
|   | <u>282,068</u>  | <u>234,002</u>  |
| <b>Current liabilities</b>                                  |   |   |
| - Gross amount due to customers                             | 40,060  | 100,656   |
| - Trade payables  | 214,352   | 161,831   |
| - Other creditors and accruals                              | 174,371   | 191,054   |
| - Amount owing to associated companies                      | 20  | 20  |
| - Amount owing to jointly controlled entity                 | -   | 444   |
| - Bank borrowings   | 445,219   | 248,314   |
| - Provision for taxation                                    | 23,081  | 22,313  |
|   | <u>897,103</u>  | <u>724,632</u>  |
| Total Liabilities   | 1,179,171   | 958,634   |
| <b>TOTAL EQUITY AND LIABILITIES</b>                         | <u>2,111,923</u>  | <u>1,560,146</u>  |

(The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2007)

**Company name** : WAH SEONG CORPORATION BERHAD (Company No. 495846-A)  
**Stock name** : WASEONG  
**Financial Period Ended:** 30 SEPTEMBER 2008  
**Quarter** : 3  
**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2008**

| <b>CONDENSED CONSOLIDATED CASH FLOW STATEMENT</b>   | <b>CURRENT<br/>PERIOD<br/>TO DATE ENDED<br/>30/09/2008<br/>RM'000</b> | <b>RESTATED<br/>PRECEDING<br/>CORRESPONDING<br/>PERIOD TO DATE ENDED<br/>30/09/2007<br/>RM'000</b> |
|---|---|--|
| <b>These figures have not been audited</b>  |   |  |
| <b>Cash Flow From Operating Activities</b>  |   |  |
| Profit before taxation  | <b>112,018</b>  | <b>96,195</b>  |
| Adjustment for :-   |   |  |
| Non cash items  | 34,560  | 29,163   |
| Non-operating items   | 2,199   | 18,522   |
| Operating Profit Before Working Capital Changes   | <u>148,776</u>  | <u>143,880</u>   |
| Net changes in current assets   | (220,500)   | (159,516)  |
| Net changes in current liabilities  | (20,795)  | 84,544   |
| Cash (used in) / generated from operations  | <u>(92,519)</u>   | <u>68,908</u>  |
| Interest received   | 4,118   | 2,824  |
| Interest paid   | (20,931)  | (19,399)   |
| Taxation paid (net)   | <u>(18,298)</u>   | <u>(14,332)</u>  |
| <b>Net Cash Flow (Used In) / Generated from Operating Activities</b>                        | <b><u>(127,630)</u></b>   | <b><u>38,001</u></b>   |
| <b>Cash Flow From Investing Activities</b>  |   |  |
| Purchase of property, plant and equipment   | (235,765)   | (50,316)   |
| Additional prepaid lease payments   | (157)   | -  |
| Proceeds from disposal of property, plant and equipment & investment properties             | 10,810  | 16,087   |
| Proceeds from disposal of a subsidiary company  | 28,012  | 59   |
| Proceeds from disposal of an associated company   | 1,868   | -  |
| Proceeds from disposal of jointly controlled entity   | -   | 35   |
| Proceeds from disposal non current assets held for sale                                     | 33,208  | -  |
| Proceeds from disposal of quoted investments  | 83  | 1,571  |
| Purchase of quoted and unquoted investments   | -   | (895)  |
| Dividend received   | -   | 737  |
| Acquisition of interest in subsidiaries from minority interest                              | -   | (851)  |
| Balance consideration paid to vendor upon achievement of profit guarantee                   | (216)   | (464)  |
| Net cash flow from acquisition of subsidiary  | 5,744   | -  |
| Proceeds from issue of shares to minority shareholders of subsidiary                        | 11,960  | -  |
| Subscription of ordinary share in subsidiary  | (18,050)  | -  |
| Advances to associated companies / jointly controlled entities                              | (3,625)   | -  |
| Withdrawal of fixed deposits  | 3,756   | (348)  |
| Instalment payment for subsidiaries acquired in the previous years                          | -   | (13,160)   |
| <b>Net Cash Flow Used In Investing Activities</b>   | <b><u>(162,372)</u></b>   | <b><u>(47,545)</u></b>   |
| <b>Cash Flow From Financing Activities</b>  |   |  |
| Proceeds from issue of shares pursuant to ESOS  | 18,046  | 27,887   |
| Proceeds from issue of shares pursuant to Rights Issue                                      | 202,131   | -  |
| Payments for share issue expenses   | (2,326)   | -  |
| Purchase of treasury shares   | (5,987)   | (3,000)  |
| Net proceeds from borrowings  | 243,081   | 10,636   |
| Dividends paid to shareholders of the company   | (16,106)  | (10,737)   |
| Dividends paid to minority interest of subsidiary companies                                 | (6,871)   | (1,286)  |
| <b>Net Cash Flow From Financing Activities</b>  | <b><u>431,968</u></b>   | <b><u>23,500</u></b>   |
| <b>Net Increase in Cash and Cash Equivalents</b>  | <b>141,966</b>  | <b>13,956</b>  |
| <b>Currency Translation Differences</b>   | <b>(3,426)</b>  | <b>(1,659)</b>   |
| <b>Cash and Cash Equivalents at Beginning of Period</b>                                     | <b>111,948</b>  | <b>77,334</b>  |
| <b>Cash and Cash Equivalents at End of The Period</b>                                       | <b><u>250,488</u></b>   | <b><u>89,631</u></b>   |
| <b>Cash and Cash equivalents at the end of the financial period comprise the following:</b> |   |  |
| Cash and Bank Balances  | <b>154,007</b>  | <b>83,927</b>  |
| Fixed deposit with licensed bank (net of deposit pledged for banking facilities)            | <b>97,261</b>   | <b>10,848</b>  |
| Bank overdraft  | <b>(780)</b>  | <b>(5,144)</b>   |
|   | <b><u>250,488</u></b>   | <b><u>89,631</u></b>   |

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2007)

Company name : WAH SEONG CORPORATION BERHAD (Company No. 495846-A)  
 Stock name : WASEONG  
 Financial Period Ended: 30 SEPTEMBER 2008  
 Quarter : 3  
 QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2008

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

These figures have not been audited

|   | ← Attributable to equity holders of the Company → |                           |                         |   |                                 |                           |                           |                 |                              |                        |
|---|---|---------------------------|-------------------------|---|---------------------------------|---------------------------|---------------------------|-----------------|------------------------------|------------------------|
|   | Share capital<br>RM'000                           | Treasury Shares<br>RM'000 | Share premium<br>RM'000 | Exchange translation reserves<br>RM'000 | Share option reserves<br>RM'000 | Capital reserve<br>RM'000 | Retained profit<br>RM'000 | Total<br>RM'000 | Minority Interests<br>RM'000 | Total Equity<br>RM'000 |
| <b>Balance as at 1 January 2007</b>               | 197,780   | (842)                     | 58,002                  | (5,856)                                 | 297                             | 65                        | 122,538                   | 371,984         | 122,680                      | 494,664                |
| Issuance of share capital                         |   |                           |                         |   |                                 |                           |                           |                 |                              |                        |
| - conversion of ICULS                             | 10,019  | -                         | -                       | -                                       | -                               | -                         | -                         | 10,019          | -                            | 10,019                 |
| - exercise of ESOS                                | 6,734   | -                         | 21,153                  | -                                       | -                               | -                         | -                         | 27,887          | -                            | 27,887                 |
| Shares buy back (including transaction costs)     | -   | (3,000)                   | -                       | -                                       | -                               | -                         | -                         | (3,000)         | -                            | (3,000)                |
| Exchange translation differences                  | -   | -                         | -                       | (2,748)                                 | -                               | -                         | -                         | (2,748)         | 1,445                        | (1,303)                |
| Income and expense recognised directly to equity  | -   | -                         | -                       | (2,748)                                 | -                               | -                         | -                         | (2,748)         | 1,445                        | (1,303)                |
| Disposal of a subsidiary                          | -   | -                         | -                       | -                                       | -                               | -                         | -                         | -               | (17)                         | (17)                   |
| Issue of shares to minority interests             | -   | -                         | -                       | -                                       | -                               | -                         | -                         | -               | (14)                         | (14)                   |
| Share options granted and vested under ESOS       | -   | -                         | -                       | -                                       | 417                             | -                         | -                         | 417             | -                            | 417                    |
| Net profit for the period                         | -   | -                         | -                       | -                                       | -                               | -                         | 60,204                    | 60,204          | 13,478                       | 73,682                 |
| Dividends   | -   | -                         | -                       | -                                       | -                               | -                         | (10,737)                  | (10,737)        | (1,286)                      | (12,023)               |
| <b>Balance as at 30 September 2007 , restated</b> | <b>214,533</b>                                    | <b>(3,842)</b>            | <b>79,155</b>           | <b>(8,604)</b>                          | <b>714</b>                      | <b>65</b>                 | <b>172,005</b>            | <b>454,026</b>  | <b>136,286</b>               | <b>590,312</b>         |
|   |   |                           |                         |   |                                 |                           |                           |                 |                              | 0                      |
| <b>Balance as at 1 January 2008</b>               | 214,618   | (3,847)                   | 79,417                  | (12,850)                                | 980                             | 85                        | 191,598                   | 470,001         | 131,511                      | 601,512                |
| Issuance of share capital                         |   |                           |                         |   |                                 |                           |                           |                 |                              |                        |
| - conversion of ICULS                             | 8,603   | -                         | (1,720)                 | -                                       | -                               | -                         | -                         | 6,883           | -                            | 6,883                  |
| - pursuant to ESOS                                | 4,250   | -                         | 13,796                  | -                                       | -                               | -                         | -                         | 18,046          | -                            | 18,046                 |
| - bonus issue                                     | 54,471  | -                         | (54,471)                | -                                       | -                               | -                         | -                         | -               | -                            | -                      |
| - rights issue                                    | 45,320  | -                         | 156,811                 | -                                       | -                               | -                         | -                         | 202,131         | -                            | 202,131                |
| - pursuant to proposed settlement                 | 1,234   | -                         | 5,725                   | -                                       | -                               | -                         | -                         | 6,959           | -                            | 6,959                  |
| - share issue expenses                            | -   | -                         | (2,802)                 | -                                       | -                               | -                         | -                         | (2,802)         | -                            | (2,802)                |
| Share buy back (including transaction costs)      | -   | (5,987)                   | -                       | -                                       | -                               | -                         | -                         | (5,987)         | -                            | (5,987)                |
| Share option reserve transfer to share premium    | -   | -                         | 1,073                   | -                                       | (1,065)                         | -                         | -                         | 8               | -                            | 8                      |
| Exchange translation differences                  | -   | -                         | -                       | 13,380                                  | -                               | -                         | -                         | 13,380          | 24,500                       | 37,880                 |
| Share options granted and vested under ESOS       | -   | -                         | -                       | -                                       | 85                              | -                         | -                         | 85              | -                            | 85                     |
| Income and expense recognised directly to equity  | -   | -                         | -                       | 13,380                                  | 85                              | -                         | -                         | 13,465          | 24,500                       | 37,965                 |
| Acquisition of new subsidiary                     | -   | -                         | -                       | -                                       | -                               | -                         | -                         | -               | (3,369)                      | (3,369)                |
| Net profit for the period                         | -   | -                         | -                       | -                                       | -                               | -                         | 78,408                    | 78,408          | 15,975                       | 94,383                 |
| Dividends   | -   | -                         | -                       | -                                       | -                               | -                         | (16,106)                  | (16,106)        | (6,871)                      | (22,977)               |
| <b>Balance as at 30 September 2008</b>            | <b>328,496</b>                                    | <b>(9,834)</b>            | <b>197,829</b>          | <b>530</b>                              | <b>-</b>                        | <b>85</b>                 | <b>253,900</b>            | <b>771,006</b>  | <b>161,746</b>               | <b>932,752</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 2007)