

**Company name** : WAH SEONG CORPORATION BERHAD (Company No.:495846-A)  
**Stock name** : WASEONG  
**Financial Period Ended** : 31 March 2012  
**Quarter** : 1

**Quarterly Report on Consolidated Results for the First Quarter Ended 31 March 2012**

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**

	Individual Quarter		Cumulative Period	
	Current Quarter Ended 31 March 2012 Unaudited RM'000	Preceding Year Corresponding Quarter Ended 31 March 2011 Unaudited RM'000	Current Period To-date Ended 31 March 2012 Unaudited RM'000	Preceding Year Corresponding Period To-date Ended 31 March 2011 Unaudited RM'000
Gross revenue	481,560	490,898	481,560	490,898
Cost of sales	(416,571)	(383,463)	(416,571)	(383,463)
Gross profit	<b>64,989</b>	<b>107,435</b>	<b>64,989</b>	107,435
Other operating income	10,324	9,020	10,324	9,020
Selling and distribution expenses	(6,251)	(7,938)	(6,251)	(7,938)
Administration and general expenses	(40,745)	(34,698)	(40,745)	(34,698)
Other gains/(losses) - net	3,448	330	3,448	330
Finance costs	(5,424)	(5,480)	(5,424)	(5,480)
Share of results of associates and jointly controlled entities	(2,684)	13	(2,684)	13
<b>Profit before tax</b>	<b>23,657</b>	<b>68,682</b>	<b>23,657</b>	<b>68,682</b>
Taxation	575	(16,937)	575	(16,937)
<b>Net profit for the financial period</b>	<b>24,232</b>	<b>51,745</b>	<b>24,232</b>	<b>51,745</b>
<b>Net profit attributable to:</b>				
- Owners of the Company	17,784	43,368	17,784	43,368
- Non-controlling interests	6,448	8,377	6,448	8,377
	<b>24,232</b>	<b>51,745</b>	<b>24,232</b>	<b>51,745</b>
Earnings per share				
- Basic earnings per share (sen)	2.30	5.63	2.30	5.63
- Diluted earnings per share (sen)	2.30	5.63	2.30	5.63
<b>Net profit for the financial period</b>	<b>24,232</b>	<b>51,745</b>	<b>24,232</b>	<b>51,745</b>
<b>Other comprehensive income/(expense), net of tax:</b>				
Available-for-sale financial assets				
- Fair value gains	1	30	1	30
Cash flow hedge				
- Fair value gains	-	199	-	199
- Tax charge on fair value gains	-	(34)	-	(34)
Foreign currency translation differences for foreign operations	(4,036)	(1,369)	(4,036)	(1,369)
	(4,035)	(1,174)	(4,035)	(1,174)
<b>Total comprehensive income for the financial period</b>	<b>20,197</b>	<b>50,571</b>	<b>20,197</b>	<b>50,571</b>
<b>Total comprehensive income attributable to:</b>				
- Owners of the Company	13,579	42,317	13,579	42,317
- Non-controlling interests	6,618	8,254	6,618	8,254
	<b>20,197</b>	<b>50,571</b>	<b>20,197</b>	<b>50,571</b>

(The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2011)

Company name : WAH SEONG CORPORATION BERHAD (Company No.:495846-A)  
 Stock name : WASEONG  
 Financial Period Ended : 31 March 2012  
 Quarter : 1

**Quarterly Report on Consolidated Results for the First Quarter Ended 31 March 2012**

**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

	As at 31 March 2012 Unaudited RM'000	As at 31 December 2011 Restated RM'000	As at 1 January 2011 Restated RM'000
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Property, plant and equipment	493,591	511,628	541,463
Prepaid lease payments	99,201	78,546	79,719
Investment properties	4,895	4,930	6,172
Investment in associates	13,868	17,941	17,091
Investment in jointly controlled entities	79,653	22,107	27,625
Available-for-sale financial assets	1,174	1,173	1,137
Derivative financial assets	717	1,580	10
Goodwill	109,847	112,552	110,469
Other intangible assets	504	544	549
Deferred tax assets	10,161	8,693	9,581
	<u>813,611</u>	<u>759,694</u>	<u>793,816</u>
<b>Current Assets</b>			
Inventories	264,255	284,159	243,115
Amounts due from customers on contracts	97,206	69,702	46,000
Trade and other receivables	514,613	570,347	481,078
Amounts owing by associates	1,507	3,815	4,079
Amounts owing by jointly controlled entities	4,934	463	7,044
Tax recoverable	13,575	14,478	12,217
Derivative financial assets	633	-	2,187
Time deposits	345,600	399,493	175,531
Cash and bank balances	233,843	184,896	189,891
	<u>1,476,166</u>	<u>1,527,353</u>	<u>1,161,142</u>
<b>Assets of disposal groups held for sale</b>	<u>8,298</u>	<u>8,576</u>	<u>54,753</u>
<b>TOTAL ASSETS</b>	<u>2,298,075</u>	<u>2,295,623</u>	<u>2,009,711</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and Reserves Attributable to Owners of the Company</b>			
Share capital	378,663	376,787	361,971
Equity component of Irredeemable Convertible Unsecured Loan Stocks ("ICULS")	4,033	4,895	11,701
Share premium	162,010	162,385	165,348
Warrants reserve	25,786	25,786	25,786
Exchange translation reserves	2,266	6,472	-
Hedging reserve	-	-	(439)
Treasury shares	(222)	(222)	(138)
Available-for-sale reserve	78	77	41
Retained profits	420,114	427,854	360,916
<b>Equity attributable to owners of the Company</b>	<u>992,728</u>	<u>1,004,034</u>	<u>925,186</u>
Non-controlling interests	96,872	93,658	115,052
<b>TOTAL EQUITY</b>	<u>1,089,600</u>	<u>1,097,692</u>	<u>1,040,238</u>

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2011)

Company name : WAH SEONG CORPORATION BERHAD (Company No.:495846-A)  
 Stock name : WASEONG  
 Financial Period Ended : 31 March 2012  
 Quarter : 1

**Quarterly Report on Consolidated Results for the First Quarter Ended 31 March 2012**  
**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (continued)**

	As at 31 March 2012 Unaudited RM'000	As at 31 December 2011 Restated RM'000	As at 1 January 2011 Restated RM'000
<b>LIABILITIES</b>			
<b>Non-current and Deferred Liabilities</b>			
Irredeemable Convertible Unsecured Loan Stocks ("ICULS")	-	-	8,678
Hire purchase liabilities	25	27	31
Term loans	360,400	373,318	428,365
Deferred tax liabilities	6,779	13,712	18,831
Other liabilities	8,236	2,201	2,415
	<u>375,440</u>	<u>389,258</u>	<u>458,320</u>
<b>Current Liabilities</b>			
Irredeemable Convertible Unsecured Loan Stocks ("ICULS")	2,991	3,630	-
Amounts due to customers on contracts	45,724	35,831	32,992
Trade and other payables	349,417	302,442	246,238
Amount owing to an associate	-	-	68
Amounts owing to jointly controlled entities	3,179	1,331	279
Derivative financial liabilities	110	3,808	414
Provision for warranties	12,226	12,231	18,604
Hire purchase liabilities	8	8	24
Term loans	31,321	38,262	75,635
Other bank borrowings	360,595	398,169	116,042
Dividend payable	22,717	-	1,343
Current tax liabilities	4,747	12,961	9,183
	<u>833,035</u>	<u>808,673</u>	<u>500,822</u>
<b>Liabilities of disposal groups held for sale</b>	-	-	10,331
<b>TOTAL LIABILITIES</b>	<u>1,208,475</u>	<u>1,197,931</u>	<u>969,473</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>2,298,075</u>	<u>2,295,623</u>	<u>2,009,711</u>

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2011)

**Company name** : WAH SEONG CORPORATION BERHAD (Company No.:495846-A)  
**Stock name** : WASEONG  
**Financial Period Ended** : 31 March 2012  
**Quarter** : 1

**Quarterly Report on Consolidated Results for the First Quarter Ended 31 March 2012**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

These figures have not been audited

	----- Attributable to owners of the Company -----												
	Share capital RM'000	Equity component of ICULS RM'000	Share premium RM'000	Warrants reserve RM'000	Exchange translation reserves RM'000	Capital reserves RM'000	Treasury shares RM'000	Hedging reserve RM'000	Available- for-sale reserve RM'000	Retained profits RM'000	Total RM'000	Non- controlling interests RM'000	Total equity RM'000
<b>At 1 January 2011</b>													
- as previously stated	361,971	11,701	165,348	25,786	(9,930)	85	(138)	(439)	41	370,761	925,186	115,052	1,040,238
- effects of transitioning to MFRS (Note 1)	-	-	-	-	9,930	(85)	-	-	-	(9,845)	-	-	-
- as restated	361,971	11,701	165,348	25,786	-	-	(138)	(439)	41	360,916	925,186	115,052	1,040,238
Net profit for the financial period	-	-	-	-	-	-	-	-	-	43,368	43,368	8,377	51,745
Other comprehensive income for the financial period	-	-	-	-	(1,246)	-	-	165	30	-	(1,051)	(123)	(1,174)
Total comprehensive income for the financial period	-	-	-	-	(1,246)	-	-	165	30	43,368	42,317	8,254	50,571
<b>Transactions with owners:</b>													
Issuance of shares:													
- conversion of ICULS	5,200	(2,986)	-	-	-	-	-	-	-	-	2,214	-	2,214
- bonus shares arising from conversion of ICULS	1,300	-	(1,300)	-	-	-	-	-	-	-	-	-	-
Dividends paid to non- controlling interests	-	-	-	-	-	-	-	-	-	-	-	(1,421)	(1,421)
Total contributions by and distributions to owners	6,500	(2,986)	(1,300)	-	-	-	-	-	-	-	2,214	(1,421)	793

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**Stock name** : WASEONG  
**Financial Period Ended** : 31 March 2012  
**Quarter** : 1

**Quarterly Report on Consolidated Results for the First Quarter Ended 31 March 2012**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)**

These figures have not been audited

	----- Attributable to owners of the Company -----												
	Share capital	Equity component of ICULS	Share premium	Warrants reserve	Exchange translation reserves	Capital reserves	Treasury shares	Hedging reserve	Available-for-sale reserve	Retained profits	Total	Non-controlling interests	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Disposal of shares in existing subsidiaries to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	1,022	1,022
Total changes in ownership interest in subsidiaries that did not result in a loss of control	-	-	-	-	-	-	-	-	-	-	-	1,022	1,022
Total transactions with owners	6,500	(2,986)	(1,300)	-	-	-	-	-	-	-	2,214	(399)	1,815
<b>At 31 March 2011</b>	<b>368,471</b>	<b>8,715</b>	<b>164,048</b>	<b>25,786</b>	<b>(1,246)</b>	<b>-</b>	<b>(138)</b>	<b>(274)</b>	<b>71</b>	<b>404,284</b>	<b>969,717</b>	<b>122,907</b>	<b>1,092,624</b>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2011)

**Company name** : WAH SEONG CORPORATION BERHAD (Company No.:495846-A)  
**Stock name** : WASEONG  
**Financial Period Ended** : 31 March 2012  
**Quarter** : 1

**Quarterly Report on Consolidated Results for the First Quarter Ended 31 March 2012**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)**

These figures have not been audited

	----- Attributable to owners of the Company -----											
	Share capital RM'000	Equity component of ICULS RM'000	Share premium RM'000	Warrants reserve RM'000	Exchange translation reserves RM'000	Capital reserves RM'000	Treasury shares RM'000	Available- for-sale reserve RM'000	Retained profits RM'000	Total RM'000	Non- controlling interests RM'000	Total equity RM'000
<b>At 1 January 2012</b>												
- as previously stated	376,787	4,895	162,385	25,786	(3,458)	85	(222)	77	437,699	1,004,034	93,658	1,097,692
- effects of transitioning to MFRS (Note 1)	-	-	-	-	9,930	(85)	-	-	(9,845)	-	-	-
- as restated	376,787	4,895	162,385	25,786	6,472	-	(222)	77	427,854	1,004,034	93,658	1,097,692
Net profit for the financial period	-	-	-	-	-	-	-	-	17,784	17,784	6,448	24,232
Other comprehensive income for the financial period	-	-	-	-	(4,206)	-	-	1	-	(4,205)	170	(4,035)
Total comprehensive income for the financial period	-	-	-	-	(4,206)	-	-	1	17,784	13,579	6,618	20,197
<b>Transactions with owners:</b>												
Issuance of shares:												
- conversion of ICULS	1,501	(862)	-	-	-	-	-	-	-	639	-	639
- bonus shares arising from conversion of ICULS	375	-	(375)	-	-	-	-	-	-	-	-	-
Dividends payable to owners of the Company	-	-	-	-	-	-	-	-	(22,717)	(22,717)	-	(22,717)
Liquidation of a subsidiary	-	-	-	-	-	-	-	-	-	-	37	37
Total contributions by and distributions to owners	1,876	(862)	(375)	-	-	-	-	-	(22,717)	(22,078)	37	(22,041)

**Company name** : WAH SEONG CORPORATION BERHAD (Company No.:495846-A)  
**Stock name** : WASEONG  
**Financial Period Ended** : 31 March 2012  
**Quarter** : 1

**Quarterly Report on Consolidated Results for the First Quarter Ended 31 March 2012**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (continued)**

These figures have not been audited

	----- Attributable to owners of the Company -----											
	Share capital RM'000	Equity component of ICULS RM'000	Share premium RM'000	Warrants reserve RM'000	Exchange translation reserves RM'000	Capital reserves RM'000	Treasury shares RM'000	Available- for-sale reserve RM'000	Retained profits RM'000	Total RM'000	Non- controlling interests RM'000	Total equity RM'000
Acquisition of shares in an existing subsidiary from non-controlling interests	-	-	-	-	-	-	-	-	(2,807)	(2,807)	(3,441)	(6,248)
Total changes in ownership interest in subsidiaries that did not result in a loss of control	-	-	-	-	-	-	-	-	(2,807)	(2,807)	(3,441)	(6,248)
Total transactions with owners	1,876	(862)	(375)	-	-	-	-	-	(25,524)	(24,885)	(3,404)	(28,289)
<b>At 31 March 2012</b>	<b>378,663</b>	<b>4,033</b>	<b>162,010</b>	<b>25,786</b>	<b>2,266</b>	<b>-</b>	<b>(222)</b>	<b>78</b>	<b>420,114</b>	<b>992,728</b>	<b>96,872</b>	<b>1,089,600</b>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2011)

Company name : WAH SEONG CORPORATION BERHAD (Company No.:495846-A)  
 Stock name : WASEONG  
 Financial Period Ended : 31 March 2012  
 Quarter : 1

Quarterly Report on Consolidated Results for the First Quarter Ended 31 March 2012

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Current Period Ended 31 March 2012 Unaudited RM'000	Preceding Year Corresponding Period Ended 31 March 2011 Unaudited RM'000
<b>Cash flows from operating activities</b>		
Profit before tax	23,657	68,682
Adjustments for non-operating items:		
Depreciation and amortisation	14,523	13,767
Other non-cash items	(462)	(5,080)
Interest expense	5,424	5,480
Interest income	(2,957)	(1,587)
Operating profit before changes in working capital	40,185	81,262
Changes in working capital:		
Net changes in current assets	40,665	(21,645)
Net changes in current liabilities	44,802	65,607
Cash generated from operations	125,652	125,224
Interest received	2,957	1,587
Interest paid	(5,424)	(5,480)
Tax paid	(15,010)	(7,149)
<b>Net cash generated from operating activities</b>	<b>108,175</b>	<b>114,182</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(5,110)	(7,407)
Prepaid lease payments	(3,233)	-
Proceeds from disposal of property, plant and equipment	12	39
Payment for subscription of interest in jointly controlled entities	(59,152)	-
Dividend received from an associated company	126	95
Proceeds from disposal of shares in subsidiaries	-	1,278
<b>Net cash used in investing activities</b>	<b>(67,357)</b>	<b>(5,995)</b>
<b>Cash flows from financing activities</b>		
Drawdown of other bank borrowings	72,614	220,275
Repayments of other bank borrowings	(99,098)	(106,840)
Repayment of term loans	(5,826)	-
Purchase of interest rate caps	-	(2,117)
Changes in restricted cash	-	1,295
Dividends paid to non-controlling interests of subsidiaries	-	(1,421)
Acquisition of additional shares in a subsidiary	(6,248)	-
<b>Net cash (used in)/generated from financing activities</b>	<b>(38,558)</b>	<b>111,192</b>
<b>Net changes in cash and cash equivalents</b>	<b>2,260</b>	<b>219,379</b>
<b>Currency translation differences</b>	<b>(7,206)</b>	<b>(1,384)</b>
<b>Cash and cash equivalents within assets of disposal groups held for sale</b>	<b>-</b>	<b>(4,770)</b>
<b>Cash and cash equivalents at beginning of the financial period</b>	<b>584,389</b>	<b>364,127</b>
<b>Cash and cash equivalents at end of the financial period</b>	<b>579,443</b>	<b>577,352</b>
<b>Cash and cash equivalents at the end of the financial period comprise of the following:</b>		
Cash and bank balances	345,600	386,871
Time deposits	233,843	190,535
Less: Bank overdraft	-	(54)
	<b>579,443</b>	<b>577,352</b>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2011)



Company name : WAH SEONG CORPORATION BERHAD (Company No.:495846-A)  
Stock name : WASEONG  
Financial Period Ended : 31 March 2012  
Quarter : 1

## Quarterly Report on Consolidated Results for the First Quarter Ended 31 March 2012

These figures have not been audited

### NOTES TO INTERIM FINANCIAL REPORT

#### 1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of MFRS 134: Interim Financial Reporting and paragraph 9.22 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements. The interim financial statements are in compliance with IAS 34 "Interim Financial Reporting".

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2011. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2011.

#### First-time Adoption of Malaysian Financial Reporting Standards ("MFRS")

The Group has adopted the Malaysian Financial Reporting Standards ("MFRS") framework commencing 1 January 2012. The MFRS Framework comprises standards as issued by the International Accounting Standards Board ("IASB"). This condensed quarterly report is the Group's first MFRS compliant condensed report, hence MFRS 1 "First-time Adoption of Malaysian Financial Reporting Standards" has been applied.

Subject to certain transition elections as disclosed below, the Group has consistently applied the same accounting policies in its opening MFRS statement of financial position as at 1 January 2011 (date of transition) and throughout all financial periods presented, as if these policies had always been in effect. Comparative figures for 2011 in this condensed report have been restated to give effect to these changes. Note 1 discloses the impact of the transition to MFRS on the Group's previously reported equity balances. The adoption of the MFRS Framework did not result in any material impact to the interim financial statements as the accounting policies applicable to the Group under the MFRS Framework are consistent with the accounting policies previously adopted under the Financial Reporting Standards ("FRS") in Malaysia.

#### (a) MFRS mandatory exceptions

##### Estimates

MFRS estimates as at the date of transition are consistent with the estimates as at the same date made in conformity with FRS.

##### Hedge accounting

Hedge accounting can only be applied prospectively from the date of transition to a hedging relationship that qualifies for hedge accounting under MFRS 139 "Financial Instruments: Recognition and Measurement" at that date. Hedging relationships cannot be designated retrospectively. The Group has not applied hedge accounting in the current quarter.

Company name : WAH SEONG CORPORATION BERHAD (Company No.:495846-A)  
Stock name : WASEONG  
Financial Period Ended : 31 March 2012  
Quarter : 1

## Quarterly Report on Consolidated Results for the First Quarter Ended 31 March 2012

### 1. Basis of preparation (continued)

#### (b) MFRS exemption options

##### Exemption for business combinations

MFRS 1 provides the option to apply MFRS 3 “Business Combinations” prospectively for business combinations that occurred from the date of transition or from a designated date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date or a designated date prior to the transition date. The Group has elected to apply MFRS 3 prospectively to business combinations that occurred from 1 January 2011 (date of transition) and onwards. Business combinations that occurred prior to 1 January 2011 have not been restated. In addition, the Group has also applied MFRS 127 “Consolidated and Separate Financial Statements” from the same date.

##### Exemption for cumulative foreign currency translation differences

MFRS 1 permits cumulative foreign currency translation gains and losses for all foreign operations to be reset to zero at the date of transition. This provides relief from determining cumulative currency translation differences in accordance with MFRS 121 “The Effects of Changes in Foreign Exchange Rates” from the date a foreign operation was acquired. The Group elected to reset all cumulative translation differences to zero against its opening retained earnings as at 1 January 2011. The cumulative translation differences as at that date amounted to a loss of RM9,930,000.

#### (c) Other transitional adjustments – capital reserves

In view of an absence of any MFRS specifically governing the accounting treatment for capital reserves, the Group has decided to reset its capital reserves balance as at 1 January 2011 against its retained profits as at the same date. The capital reserve balance transferred to retained earnings amounted to RM85,000.

The table below reconciles equity balances previously reported in accordance with FRSs to equity balances restated in accordance with MFRSs on 1 January 2011 (date of transition), 31 March 2011 and 31 December 2011:

Company name : WAH SEONG CORPORATION BERHAD (Company No.:495846-A)  
 Stock name : WASEONG  
 Financial Period Ended : 31 March 2012  
 Quarter : 1

**Quarterly Report on Consolidated Results for the First Quarter Ended 31 March 2012**

**1. Basis of preparation (continued)**

Retained profits

	1 January 2011 RM'000	31 March 2011 RM'000	31 December 2011 RM'000
Retained profits as reported under FRS	370,761	414,129	437,699
<u>Transitional adjustments:</u>			
Cumulative foreign currency translation differences as at 1 January 2011 transferred to retained earnings	(9,930)	(9,930)	(9,930)
Capital reserves as at 1 January 2011 transferred to retained earnings	85	85	85
Effects of transitioning to MFRS	(9,845)	(9,845)	(9,845)
Retained profits restated under MFRS	<u>360,916</u>	<u>404,284</u>	<u>427,854</u>

Exchange translation reserves

Exchange translation reserves as reported under FRS	(9,930)	(11,176)	(3,458)
<u>Transitional adjustments:</u>			
Cumulative foreign currency translation differences as at 1 January 2011 transferred to retained earnings	9,930	9,930	9,930
Exchange translation reserves restated under MFRS	<u>-</u>	<u>(1,246)</u>	<u>6,472</u>

Capital reserves

Capital reserves as reported under FRS	85	85	85
<u>Transitional adjustments:</u>			
Capital reserves as at 1 January 2011 transferred to retained earnings	(85)	(85)	(85)
Capital reserves restated under MFRS	<u>-</u>	<u>-</u>	<u>-</u>

The transitional adjustments did not result in any changes to previously reported amounts of the total comprehensive income.

**Company name** : WAH SEONG CORPORATION BERHAD (Company No.:495846-A)  
**Stock name** : WASEONG  
**Financial Period Ended** : 31 March 2012  
**Quarter** : 1

## 2. Qualification of financial statements

The audited financial statements of the preceding financial year were not subject to any qualification.

## 3. Seasonal or cyclical factors

The Group's operation was not affected by seasonal or cyclical factors.

## 4. Unusual items

Save for the information disclosed in this financial report, there were no other material items affecting assets, liabilities, equity, net income, or cash flows for the financial period that were unusual due to their nature, size, or incidence.

## 5. Changes in estimates

There were no significant changes in estimates of amounts reported in prior interim periods that had a material effect in the current interim period.

## 6. Debt and equity securities

	<b>Current Quarter Ended 31 March 2012 No. of Shares</b>	<b>Cumulative Period To-date 31 March 2012 No. of Shares</b>
Issuance of ordinary shares:		
- Conversion of ICULS	3,002,000	3,002,000
- Bonus shares arising from conversion of ICULS	750,500	750,500
	3,752,500	3,752,500

The Company did not repurchase from the open market, distribute or cancel any of its issued ordinary shares during the current quarter. The Company held 105,549 treasury shares as at 31 March 2012.

Apart from the above, there were no other issuance and repayment of debt and equity securities, share cancellations, shares held as treasury shares and resale of treasury shares for the current quarter and financial period ended 31 March 2012.

## 7. Dividends

(a) In respect of financial year ended 31 December 2011:

On 22 February 2012, the Directors declared a second interim Malaysian tax exempt cash dividend of 3.0 sen per share amounting to RM22,716,637, paid on 2 April 2012.

(b) In respect of financial year ended 31 December 2010:

On 17 February 2011, the Directors declared a second interim Malaysian tax exempt cash dividend of 2.5 sen per share amounting to RM18,421,927, paid on 1 April 2011.

**Company name** : WAH SEONG CORPORATION BERHAD (Company No.:495846-A)  
**Stock name** : WASEONG  
**Financial Period Ended** : 31 March 2012  
**Quarter** : 1

## 8. Segment information

	<u>Oil &amp; Gas</u> RM'000	<u>Renewable Energy</u> RM'000	<u>Industrial Trading &amp; Services</u> RM'000	<u>Others</u> RM'000	<u>Total</u> RM'000
<b>RESULTS</b>					
<u>Financial period ended 31 March 2012</u>					
Revenue	244,997	56,920	170,857	13,033	485,807
Less: Inter segment revenue	-	-	(1,639)	(2,608)	(4,247)
External revenue	<u>244,997</u>	<u>56,920</u>	<u>169,218</u>	<u>10,425</u>	<u>481,560</u>
Segment profits	18,681	8,115	4,116	1,345	32,257
Share of results of associates					(2,159)
Unallocated expenses relating to financing activities					(4,360)
Unallocated corporate expenses					(2,081)
Profit before tax					<u>23,657</u>
<b>TOTAL ASSETS</b>					
<u>As at 31 March 2012</u>					
Segment assets	1,355,585	240,844	282,906	49,852	1,929,187
Investment in associates	-	-	13,868	-	13,868
Investment in jointly controlled entities	31,953	-	-	47,700	79,653
	<u>1,387,538</u>	<u>240,844</u>	<u>296,774</u>	<u>97,552</u>	<u>2,022,708</u>
Assets of disposal groups held for sale					8,298
Unallocated corporate assets					
- Deferred tax assets					10,161
- Tax recoverable					13,575
- Cash and cash equivalents					242,886
- Others					447
Total assets					<u>2,298,075</u>

**Company name** : WAH SEONG CORPORATION BERHAD (Company No.:495846-A)  
**Stock name** : WASEONG  
**Financial Period Ended** : 31 March 2012  
**Quarter** : 1

**8. Segment information (continued)**

	<u>Oil &amp; Gas</u> RM'000	<u>Renewable Energy</u> RM'000	<u>Industrial Trading &amp; Services</u> RM'000	<u>Others</u> RM'000	<u>Total</u> RM'000
OTHER INFORMATION					
<u>Financial period ended 31 March 2012</u>					
Depreciation of:					
- Property, plant and equipment	12,258	902	747	245	14,152
- Investment properties	-	-	8	27	35
Amortisation of:					
- Prepaid lease payments	195	2	100	7	304
- Other intangible assets	26	6	-	-	32
Additions of:					
- Property, plant and equipment	4,520	483	83	24	5,110
- Prepaid lease payments	20,959	-	-	-	20,959
	<u>20,959</u>	<u>483</u>	<u>83</u>	<u>24</u>	<u>20,959</u>

Company name : WAH SEONG CORPORATION BERHAD (Company No.:495846-A)  
 Stock name : WASEONG  
 Financial Period Ended : 31 March 2012  
 Quarter : 1

**8. Segment information (continued)**

	<u>Oil &amp; Gas</u> RM'000	<u>Renewable Energy</u> RM'000	<u>Industrial Trading &amp; Services</u> RM'000	<u>Others</u> RM'000	<u>Total</u> RM'000
<b>RESULTS</b>					
<u>Financial period ended 31 March 2011</u>					
Revenue	251,757	47,172	166,613	28,521	494,063
Less: Inter segment revenue	(175)	(83)	(2,721)	(186)	(3,165)
External revenue	<u>251,582</u>	<u>47,089</u>	<u>163,892</u>	<u>28,335</u>	<u>490,898</u>
Segment profits	60,647	5,146	3,605	1,927	71,325
Share of results of associates					1,235
Unallocated expenses relating to financing activities					(3,632)
Unallocated corporate expenses					(246)
Profit before tax					<u>68,682</u>
<b>TOTAL ASSETS</b>					
<u>As at 31 March 2011</u>					
Segment assets	1,471,691	207,998	254,704	59,375	1,993,768
Investment in associates	4,732	-	13,411	-	18,143
Investment in jointly controlled entities	26,069	-	-	-	26,069
	<u>1,502,492</u>	<u>207,998</u>	<u>268,115</u>	<u>59,375</u>	<u>2,037,980</u>
Assets of disposal groups held for sale					46,789
Unallocated corporate assets					4,948
- Deferred tax assets					12,551
- Tax recoverable					133,389
- Cash and cash equivalents					1,319
- Others					-
Total assets					<u>2,236,976</u>

Company name : WAH SEONG CORPORATION BERHAD (Company No.:495846-A)  
 Stock name : WASEONG  
 Financial Period Ended : 31 March 2012  
 Quarter : 1

**8. Segment information (continued)**

	<u>Oil &amp; Gas</u> RM'000	<u>Renewable Energy</u> RM'000	<u>Industrial Trading &amp; Services</u> RM'000	<u>Others</u> RM'000	<u>Total</u> RM'000
OTHER INFORMATION					
<u>Financial period ended 31 March 2011</u>					
Depreciation of:					
- Property, plant and equipment	11,260	972	976	202	13,410
- Investment properties	39	-	11	-	50
Amortisation of:					
- Prepaid lease payments	177	2	94	7	280
- Other intangible assets	27	-	-	-	27
Additions of:					
- Property, plant and equipment	<u>6,966</u>	<u>331</u>	<u>54</u>	<u>56</u>	<u>7,407</u>



Company name : WAH SEONG CORPORATION BERHAD (Company No.:495846-A)  
Stock name : WASEONG  
Financial Period Ended : 31 March 2012  
Quarter : 1

## 9. Events subsequent to the balance sheet date

There were no material subsequent events since the end of the current quarter until a date not earlier than 7 days from the date of issuance of this quarterly report except for the following:

On 16 April 2012, the Company announced that pursuant to the terms and conditions stipulated in the Trust Deed dated 9 January 2001 and Supplementary Trust Deed dated 16 May 2002 constituting the ICULS, the ICULS would mature on 21 May 2012 ("Maturity Date").

The ICULS holders received a last interest payment at the rate of 3% per annum for the period from 1 January 2012 to 20 May 2012 which was paid on the Maturity Date to all ICULS holders whose names appeared in the Company's Record of Depositors of ICULS as at the close of business on 14 May 2012.

On the Maturity Date, the remaining 7,024,401 ICULS had been automatically converted into 17,561,001 ordinary shares of RM0.50 each as paid-up share capital of the Company. Accordingly, the ICULS had been removed from the Official List of Bursa Malaysia Securities Berhad with effect from 22 May 2012.

## 10. Effects of changes in the composition of the Group during the current quarter

- (a) On 3 February 2012, Wasco E&P Services Limited ("WEP"), a wholly-owned indirect subsidiary, completed its acquisition of 20% of the Ordinary Shares and Redeemable Preference Shares of Wah Seong China Limited ("WSCL"). Following the completion, WSCL became a wholly-owned indirect subsidiary of the Company. The acquisition did not have any significant impact on the period-to-date results of the Group.
- (b) On 9 March 2012, the Company announced the dissolution/striking off of a dormant indirect wholly-owned subsidiary, namely Wasco Coatings International Limited on 15 February 2012. The dissolution of the subsidiary did not have any significant effect on the period-to-date results of the Group.

## 11. Status of corporate proposals

Except as disclosed below, there were no other corporate proposals announced but not completed as at 25 May 2012, being the latest practicable date that shall not be earlier than 7 days from the date of this quarterly report.

### (i) Arabian-Yadong Coating Co. Ltd.

The Company had on 26 January 2011 and 31 January 2011 announced the proposed disposal of its indirect equity interest in Arabian-Yadong Coating Co. Ltd. The completion of the proposed disposal is awaiting full satisfaction of the conditions precedent in the said proposal.

### (ii) Atama Resources Inc.

On 3 February 2012 and 10 February 2012, the Company announced the proposed subscription of up to 51% equity interest in Atama Resources Inc. ("ARI") by its wholly-owned subsidiary, WS Agro Industries Pte. Ltd. ("WS Agro") in two (2) stages, for the aggregate subscription amount of up to USD25.0 million. On 28 February 2012, the Company announced the completion of stage 1 of the proposed subscription following a cash payment of USD15.7 million by WS Agro for the subscription and allotment of 35,000 ARI shares which is equivalent to 41.7% of the total ARI shares.

**Company name** : WAH SEONG CORPORATION BERHAD (Company No.:495846-A)  
**Stock name** : WASEONG  
**Financial Period Ended** : 31 March 2012  
**Quarter** : 1

## 12. Capital commitments

Capital commitments not provided for in the interim report:

	<b>As at 31 March 2012 RM'000</b>
Approved and contracted for	673
Approved but not contracted for	11,713

## 13. Operating lease commitments

Total future minimum lease payments under operating leases are as follows:

	<b>As at 31 March 2012 RM'000</b>
Payable not later than one year	3,110
Payable later than one year and not later than five years	2,465

## Other information required by Bursa Malaysia Securities Berhad Main Market Listing Requirements

### 14. Review of performance of operating segments for the current quarter and financial period ended 31 March 2012

#### Oil & Gas Segment

The Oil & Gas Segment's external revenue and profit for the first quarter ended 31 March 2012 were RM245.0 million and RM18.7 million respectively compared with RM251.6 million and RM60.6 million in the corresponding quarter in 2011, representing a decrease of 2.6% and 69.1% respectively.

The decrease in profit in the current quarter was the result of lower margin projects executed in the current quarter.

#### Renewable Energy Segment

The Renewable Energy Segment's external revenue and profit for the first quarter ended 31 March 2012 were RM56.9 million and RM8.1 million respectively compared with RM47.1 million and RM5.1 million in the corresponding quarter in 2011, representing an increase of 20.8% and 58.8% respectively.

The segment is seeing improving margins on new projects secured/executed during the quarter and this has had a positive impact on profit for the current quarter compared with the corresponding quarter in 2011.

**Company name** : WAH SEONG CORPORATION BERHAD (Company No.:495846-A)  
**Stock name** : WASEONG  
**Financial Period Ended** : 31 March 2012  
**Quarter** : 1

**Other information required by Bursa Malaysia Securities Berhad Main Market Listing Requirements (continued)**

**14. Review of performance of operating segments for the current quarter and financial period ended 31 March 2012 (continued)**

Industrial Trading & Services Segment

The Industrial Trading & Services Segment's external revenue and profit for the first quarter ended 31 March 2012 were RM169.2 million and RM4.1 million respectively compared with RM163.9 million and RM3.6 million in the corresponding quarter in 2011, representing an increase of 3.2% and 13.9% respectively.

The continued demand from the construction and infrastructure sectors in the country for services provided by this segment has contributed to the segments revenue and profit growth.

**15. Material changes in the profit before taxation for the current quarter as compared with the immediate preceding quarter**

The profit before taxation decreased to RM23.7 million from RM33.5 million in the previous quarter. The decrease in revenue together with the lower margin projects in the Oil & Gas segment contributed to this decrease in profit.

**16. Current period prospects**

The Group's current order book is RM1.2 billion comprising RM727 million for Oil & Gas Segment, RM243 million for Renewable Energy Segment and RM182 million for Industrial Trading & Services Segment. This order book together with a healthy tender book is expected to allow the Group to maintain satisfactory performance in the current financial year, in the face of continuing uncertainty generated by the Eurozone crisis and the slowdown in global growth including Malaysia.

**17. Profit before tax**

	<b>Current Period Ended 31 March 2012 RM'000</b>	<b>Financial Period Ended 31 March 2012 RM'000</b>
Profit before tax is stated after charging/(crediting) the following item:		
Interest income	(2,957)	(2,957)
Depreciation and amortisation	14,523	14,523
Allowance for impairment on receivables	1,078	1,078
Provision for and write-off of inventories	180	180
Impairment loss on amount due from an associate	2,184	2,184
Net foreign exchange loss	104	104

Save as disclosed above and in the Condensed Consolidated Statement of Comprehensive Income, the other items required by Bursa Malaysia Securities Berhad Main Market Listing Requirements, Chapter 9, Appendix 9B are not applicable to the Group.

**Company name** : WAH SEONG CORPORATION BERHAD (Company No.:495846-A)  
**Stock name** : WASEONG  
**Financial Period Ended** : 31 March 2012  
**Quarter** : 1

## 18. Taxation

Taxation comprises the following:

	<b>Current Quarter Ended 31 March 2012 RM'000</b>	<b>Financial Period Ended 31 March 2012 RM'000</b>
Tax		
- Malaysia tax expense	(1,566)	(1,566)
- Foreign tax expense	991	991
	<u>(575)</u>	<u>(575)</u>

The effective tax rate of the Group varies from the statutory tax rate mainly due to the following:

	<b>Current Quarter Ended 31 March 2012 RM'000</b>	<b>Financial Period Ended 31 March 2012 RM'000</b>
Profit before tax	<u>23,657</u>	<u>23,657</u>
Tax expense at the statutory tax rate – 25%	5,914	5,914
Profit from certain subsidiaries which are not subjected to tax or enjoy tax exemptions incentives	(12,147)	(12,147)
Other tax adjustments	4,861	4,861
Under provision in prior year	797	797
	<u>(6,489)</u>	<u>(6,489)</u>
Taxation	<u>(575)</u>	<u>(575)</u>

## 19. Profit forecast

The Group did not issue any profit forecast for the current quarter.

Company name : WAH SEONG CORPORATION BERHAD (Company No.:495846-A)  
 Stock name : WASEONG  
 Financial Period Ended : 31 March 2012  
 Quarter : 1

## 20. Group borrowings and debt securities

	Secured RM'000	Unsecured RM'000	Total RM'000
<b>Short term borrowings</b>			
Bankers' acceptances	-	111,482	111,482
Revolving credit	516	248,597	249,113
Term loans	-	31,321	31,321
Hire purchase liabilities	8	-	8
<b>Sub-total</b>	<u>524</u>	<u>391,400</u>	<u>391,924</u>
<b>Long term borrowings</b>			
Term loans	2,588	357,812	360,400
Hire purchase liabilities	25	-	25
<b>Sub-total</b>	<u>2,613</u>	<u>357,812</u>	<u>360,425</u>
<b>Total borrowings</b>	<u>3,137</u>	<u>749,212</u>	<u>752,349</u>

The group borrowings are denominated in the following currencies:

	RM'000
Ringgit Malaysia	
US Dollar	63,766
Euro Dollar	680,486
	8,097
	<u>752,349</u>

## 21. Financial instruments

### Gains arising from fair value changes in financial liabilities

The fair value gains arising from fair value changes in financial liabilities during the current quarter and cumulative period-to-date ended 31 March 2012 are as follows:

	Current quarter/ Cumulative period-to-date	Preceding year corresponding quarter and cumulative period-to- date
	2012 RM'000	2011 RM'000
Balance as at 1 January	(3,808)	(414)
Fair value gain/(loss) recognised in:		
- profit or loss	4,257	-
- other comprehensive income	74	205
Balance as at 31 March	<u>523</u>	<u>(209)</u>

Company name : WAH SEONG CORPORATION BERHAD (Company No.:495846-A)  
 Stock name : WASEONG  
 Financial Period Ended : 31 March 2012  
 Quarter : 1

## 21. Financial instruments (continued)

### Gains arising from fair value changes in financial liabilities (continued)

	Current quarter/ Cumulative period-to-date	Preceding year corresponding quarter and cumulative period-to- date
	2012 RM'000	2011 RM'000
Represented by:		
Derivative financial assets*	633	-
Derivative financial liabilities*	(110)	(209)
Balance as at 31 March	523	(209)

\* Derivative financial assets and liabilities as at 31 March 2012 comprise of forward foreign currency contracts. Derivative financial liabilities as at 31 March 2011 comprise of interest rate swap.

The above fair values represent an estimated valuation derived from market quotations or from proprietary models that take into consideration estimates about relevant present and future market conditions as well as the size and liquidity of the position and any related actual or potential hedging transactions.

## 22. Material litigation

Save as disclosed below, there were no material litigations pending or changes to the status of material litigations since the last annual balance sheet date up to 25 May 2012:

On 17 December 2008, Socotherm S.p.A. ("Socotherm") commenced a Request for Arbitration against the Company and its indirect wholly-owned subsidiary, Wasco Coatings Limited ("WCL").

At the relevant time, Socotherm and WCL were shareholders of PPSC Industrial Holdings Sdn Bhd ("PPSCIH"), an investment holding company where Socotherm held 32.52% and WCL held 67.48% in the total paid-up capital of PPSCIH. PPSCIH in turn held 78.00% of the paid-up capital of Wasco Coatings Malaysia Sdn Bhd ("WCM") (formerly known as PPSC Industries Sdn Bhd), a company principally involved in the coating of pipes for the oil and gas industry. In October 2009, WCL acquired Socotherm's 32.52% interest in PPSCIH and currently, PPSCIH holds 70% of the paid-up capital of WCM.

Company name : WAH SEONG CORPORATION BERHAD (Company No.:495846-A)  
Stock name : WASEONG  
Financial Period Ended : 31 March 2012  
Quarter : 1

## 22. Material litigation (continued)

Socotherm alleged that the transfer of 25,508,858 shares in PPSCIH (“PPSCIH Shares”) from the Company to WCL, as part of an internal restructuring, is in breach of the Joint Venture Agreement dated 16 December 1991 (“JVA”) and Supplemental Agreement dated 14 July 1997 (“SA”) (collectively known as the “said Agreements”) and that the Company and WCL have breached certain territorial limit provisions under the said Agreements. Socotherm is seeking for an order for damages to be assessed by the Arbitral Tribunal for the breach of the territorial limits provisions and the transfer of shares.

On 24 February 2009, WCM commenced a Request for Arbitration against Socotherm, which is consolidated as a counter-claim in the above-mentioned arbitration. WCM alleged that the Respondent has also breached certain territorial limit provisions under the said Agreements arising from its activities in the extended territories as defined in the SA which directly competes with WCM’s activities in those territories, in particular Vietnam, India, Australia, Indonesia and China.

A partial award was received from the Arbitral Tribunal concerning only the issue of liability of the parties to the two arbitral proceedings to each other under the various claims and counterclaims. The Arbitral Tribunal inter alios held that:

- The Company and WCL were in breach of certain provisions on transfer of PPSCIH shares. However, Socotherm’s claim for a re-transfer of the PPSCIH Shares for breach is dismissed.
- The Company and WCL are liable to Socotherm for breach of certain provisions in the JVA and the SA respectively that placed certain territorial limits under the JVA and the SA on the pipe coating services that could be provided and on the sale of pipe-coating plants.
- WCM is liable to pay Socotherm a fee of 5% on the net profit on projects procured within the countries defined in the SA.
- Socotherm is liable to WCM for the breach of the territorial restrictions in the SA in respect of certain projects undertaken by Socotherm in Vietnam and China.
- WCM’s claims against Socotherm for breach of the territorial restrictions in the SA in respect of certain projects undertaken by Socotherm in India, Indonesia and Australia were dismissed.
- Costs of the proceedings are reserved.

The consolidated arbitral proceedings will proceed to the next phase for the determination of the compensation payable by the parties to each other in respect of the findings on liability as described above.

The hearing date for the next phase of the arbitral proceedings is tentatively set for October 2012.

The Directors are unable to ascertain the impact of the award at this point, pending the next phase of arbitral proceedings for the determination of the compensation payable by each party.

**Company name** : WAH SEONG CORPORATION BERHAD (Company No.:495846-A)  
**Stock name** : WASEONG  
**Financial Period Ended** : 31 March 2012  
**Quarter** : 1

## 23. Earnings per share (EPS)

### (i) Basic earnings per share

The basic earnings per share for the current quarter and current period to-date have been computed based on profit attributable to the owners of the Company of RM17.8 million divided by the weighted average number of ordinary shares of RM0.50 each in issue after adjusting for movements in treasury shares during the financial year, and the potential ordinary shares that would be issued upon conversion of all outstanding Irredeemable Convertible Unsecured Loan Stocks ("ICULS"), from the date the contract was entered into:

	<b>Current Quarter Ended 31 March 2012 No. of Shares</b>	<b>Cumulative Period To- date Ended 31 March 2012 No. of Shares</b>
Weighted average number of ordinary shares in issue after adjusting for movements in treasury shares and the potential ordinary shares that would be issued upon conversion of all outstanding ICULS ('000)	772,143	772,143
	<b>Current Quarter Ended 31 March 2012</b>	<b>Cumulative Period To- date Ended 31 March 2012</b>
EPS – Basic (Sen)	2.30	2.30

### (ii) Diluted earnings per share

The Warrants 2008/2013 are anti-dilutive and hence the calculation of diluted earnings per share for the financial period does not assume the exercise of the Warrants 2008/2013.

## 24. Contingent liabilities

There were no contingent liabilities arising since the last annual audited balance sheet date.



**Company name** : WAH SEONG CORPORATION BERHAD (Company No.:495846-A)  
**Stock name** : WASEONG  
**Financial Period Ended** : 31 March 2012  
**Quarter** : 1

**25. Supplementary information disclosed pursuant to Bursa Malaysia Securities Berhad Listing Requirements**

The following analysis of realised and unrealised retained profits is prepared pursuant to Paragraphs 2.06 and 2.23 of Bursa Malaysia Securities Berhad Listing Requirements and in accordance with the Guidance on Special Matter No. 1 - Determination of Realised and Unrealised Profits or Losses as issued by the Malaysian Institute of Accountants. This disclosure is based on the format prescribed by Bursa Malaysia Securities Berhad.

	<b>As at 31 March 2012</b>	<b>As at 31 December 2011 Restated</b>
	<b>RM'000</b>	<b>RM'000</b>
Total retained profits of the Company and its subsidiaries		
- Realised gains	426,400	452,127
- Unrealised losses	(5,481)	(22,916)
Total share of retained profits from associates		
- Realised gains	2,594	4,958
Total share of retained profits from jointly controlled entities		
- Realised gains	4,141	2,783
- Unrealised gains/(losses)	1	(7)
	427,655	436,945
Consolidation adjustments	(7,541)	(9,091)
Total group retained profits as per consolidated financial statements	<b>420,114</b>	<b>427,854</b>

**By Order of the Board**

**Woo Ying Pun**  
**Company Secretary**

**Kuala Lumpur**