



CHOO BEE METAL INDUSTRIES BERHAD (10587-A)

INTERIM REPORT ON CONSOLIDATED RESULTS FOR THE THIRD FINANCIAL QUARTER ENDED 30 SEPTEMBER 2009

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS

	Individual quarter		Cumulative quarter	
	Current financial quarter ended 30 Sep 2009 RM'000	Preceding year corresponding quarter ended 30 Sep 2008 RM'000	Current financial period ended 30 Sep 2009 RM'000	Preceding year corresponding period ended 30 Sep 2008 RM'000
Revenue	102,103	143,465	301,014	476,340
Other income	112	(3,594)	744	(3,405)
Operating expenses	(85,135)	(132,201)	(282,461)	(406,279)
Finance costs	(201)	(1,711)	(595)	(4,310)
Profit before taxation	16,879	5,959	18,702	62,346
Taxation	(5,858)	(1,016)	(6,412)	(10,198)
Profit for the period	11,021	4,943	12,290	52,148
Attributable to:				
Equity holders of the parent	11,021	4,943	12,290	52,148
Earnings per share (EPS):				
a) Basic (sen)	10.48	4.65	11.64	49.10
b) Diluted (sen)	10.48	4.65	11.64	49.10

(The Condensed Consolidated Income Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2008)



CHOO BEE METAL INDUSTRIES BERHAD (10587-A)

**INTERIM REPORT ON CONSOLIDATED RESULTS FOR THE THIRD FINANCIAL QUARTER
ENDED 30 SEPTEMBER 2009**

CONDENSED CONSOLIDATED BALANCE SHEETS

	As at 30 Sep 2009 (Unaudited) RM'000	As at 31 Dec 2008 (Audited) RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	110,612	112,948
Investment properties	2,000	2,000
Prepaid interests in leased land	4,971	5,053
Goodwill on consolidation	87	87
Deferred tax assets	-	160
	<u>117,670</u>	<u>120,248</u>
Current Assets		
<i>Inventories</i>	162,652	213,848
<i>Trade and other receivables</i>	144,982	126,538
<i>Current tax assets</i>	1,098	3,127
<i>Cash and bank balances</i>	6,911	5,552
	<u>315,643</u>	<u>349,065</u>
TOTAL ASSETS	<u><u>433,313</u></u>	<u><u>469,313</u></u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	109,903	109,903
Reserves attributable to capital	18,232	19,113
Retained earnings	238,343	230,797
Total Equity	<u>366,478</u>	<u>359,813</u>
Non-current liabilities		
<i>Deferred tax liabilities</i>	10,354	9,377
<i>Long-term provisions</i>	507	559
Total non-current liabilities	<u>10,861</u>	<u>9,936</u>



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**INTERIM REPORT ON CONSOLIDATED RESULTS FOR THE THIRD FINANCIAL QUARTER
ENDED 30 SEPTEMBER 2009**

CONDENSED CONSOLIDATED BALANCE SHEETS

	As at 30 Sep 2009 (Unaudited) RM'000	As at 31 Dec 2008 (Audited) RM'000
Current liabilities		
<i>Trade and other payables</i>	25,867	11,001
<i>Borrowings</i>	29,008	88,563
<i>Current tax liabilities</i>	1,099	-
Total current liabilities	<u>55,974</u>	<u>99,564</u>
TOTAL LIABILITIES	66,835	109,500
TOTAL EQUITY AND LIABILITIES	<u>433,313</u>	<u>469,313</u>
Net Tangible Assets Per Share (RM)	3.48	3.40
Net Assets Per Share (RM)	3.48	3.40

(The Condensed Consolidated Balance Sheets should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2008)



CHOO BEE METAL INDUSTRIES BERHAD (10587-A)

**INTERIM REPORT ON CONSOLIDATED RESULTS FOR THE THIRD FINANCIAL QUARTER ENDED
30 SEPTEMBER 2009**

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

	Period ended 30 Sep 2009 RM'000	Period ended 30 Sep 2008 RM'000
Net Profit before tax	18,702	62,346
Adjustments for non-cash flow:-		
Non-cash items	5,430	29,888
Non-operating items	595	4,293
Interest income from operating activities	(371)	(540)
Operating Profit Before Changes In Working Capital	24,356	95,987
Changes In Working Capital :		
Net Change in Current Assets	32,255	(75,218)
Net Change in Current Liabilities	15,643	(3,926)
Income Tax Paid	(2,148)	(5,378)
Retirement benefits paid	(52)	(4)
Interest income	371	540
Net Cash Generated From Operating Activities	70,425	12,001
Investing Activities :		
Other Investments	(3,325)	(4,059)
Net Cash Used In Investing Activities	(3,325)	(4,059)
Financing Activities :		
Bank Borrowings	(58,946)	7,190
Others	(6,220)	(4,776)
Net Cash (Used In) / Generated From Financing Activities	(65,166)	2,414
Net Change in Cash & Cash Equivalents	1,934	10,356
Cash & Cash Equivalents at beginning of year	4,977	3,879
Cash & Cash Equivalents at end of period	6,911	14,235

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2008)



CHOO BEE METAL INDUSTRIES BERHAD (10587-A)

INTERIM REPORT ON CONSOLIDATED RESULTS FOR THE THIRD FINANCIAL QUARTER ENDED 30 SEPTEMBER 2009

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

<-----> **Attributable to Equity Holders of the Company** ----->
Non-distributable Reserves

	Share Capital RM '000	Treasury Shares RM '000	Share Premium RM '000	General Reserve RM '000	Retained Earnings RM '000	Total Equity RM '000
Balance as at 1 January 2009	109,903	(6,188)	24,115	1,186	230,797	359,813
Changes in equity for the period ended 30 September 2009						
Profit for the period	-	-	-	-	12,290	12,290
Total recognised income and expense for the period	-	-	-	-	12,290	12,290
Dividend distributed to equity holders	-	-	-	-	(4,744)	(4,744)
Buy-back of ordinary shares	-	(881)	-	-	-	(881)
Balance as at 30 September 2009	109,903	(7,069)	24,115	1,186	238,343	366,478



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INTERIM REPORT ON CONSOLIDATED RESULTS FOR THE THIRD FINANCIAL QUARTER ENDED 30 SEPTEMBER 2009

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

<-----> **Attributable to Equity Holders of the Company** ----->
Non-distributable Reserves

	Share Capital RM '000	Treasury Shares RM '000	Share Premium RM '000	General Reserve RM '000	Retained Earnings RM '000	Total Equity RM '000
Balance as at 1 January 2008	109,903	(5,677)	24,115	1,186	207,253	336,780
Changes in equity for the period ended 30 September 2008						
Profit for the period	-	-	-	-	52,148	52,148
Total recognised income and expense for the period	-	-	-	-	52,148	52,148
Dividend distributed to equity holders	-	-	-	-	(4,716)	(4,716)
Buy-back of ordinary shares	-	(60)	-	-	-	(60)
Balance as at 30 September 2008	109,903	(5,737)	24,115	1,186	254,685	384,152



CHOO BEE METAL INDUSTRIES BERHAD (10587-A)

INTERIM REPORT ON CONSOLIDATED RESULTS FOR THE THIRD FINANCIAL QUARTER ENDED 30 SEPTEMBER 2009

EXPLANATORY NOTES : (AS PER FRS 134 - PARAGRAPH 16)

A1 Accounting Policies and methods of computation

This interim financial report has been prepared in accordance with FRS 134, "Interim Financial Reporting" and Chapter 9 part K of the Listing Requirements of Bursa Malaysia Securities Berhad (Bursa Malaysia). This interim financial report should be read in conjunction with the audited financial statements for the year ended 31 December 2008. The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2008.

A2 Report of Auditors

The preceding annual financial statements of the Group were reported on without any qualification.

A3 Seasonality or Cyclicity of Operations

The level of business activities usually varies with the festivals at the end and beginning of each year subject to the level of underlying demand and prices prevailing.

A4 Unusual items

There were no material items of an unusual nature and amount for the current quarter and financial period to date.

A5 Material Changes in estimates of amounts reported

There were no material changes in the estimates used in the current quarter compared to the estimates used in the previous financial year, which have a material effect in the current quarter or the financial period to date.

A6 Changes in Debt and Equity Securities

Details of share buy-back for the current financial period to date.

	<i>No. of shares purchased</i>	<i>Average Purchase price (RM)</i>	<i>Total consideration paid (RM)</i>	<i>Treasury shares No. of shares retained</i>
<i>Opening balance at 01-01-2009</i>	4,055,000	1.53	6,187,980	4,055,000
January	10,000	1.18	11,793	10,000
February	24,000	1.18	28,365	24,000
March	162,600	1.12	182,450	162,600
April	79,500	1.30	103,333	79,500
May	52,100	1.43	74,544	52,100
June	98,600	1.48	145,889	98,600
August	900	1.64	1,473	900
September	222,700	1.50	332,999	222,700
Total as at 30-09-2009	4,705,400	1.50	7,068,826	4,705,400

None of the Treasury Shares has been resold or redistributed as share dividends during the current financial year.

There were no issues of debt or equity securities for the current financial year to date.



CHOO BEE METAL INDUSTRIES BERHAD (10587-A)

**INTERIM REPORT ON CONSOLIDATED RESULTS FOR THE THIRD FINANCIAL QUARTER
ENDED 30 SEPTEMBER 2009**

EXPLANATORY NOTES : (AS PER FRS 134 - PARAGRAPH 16)

A7 Dividend

No dividend has been paid for the current financial period to date.

A8 Segmental Reporting

Segmental analysis for the current financial period ended 30 September 2009 is as follows:-

By Business Segments :	Trading	Manufacturing	Total
	RM' 000	RM' 000	RM' 000
Revenue	187,924	113,090	301,014
Results			
Segment results	6,968	12,650	19,618
Unallocated corporate expenses			(321)
Finance cost			(595)
Profit before tax			18,702

Segmental analysis for the previous financial period ended 30 September 2008 was as follows:-

By Business Segments :	Trading	Manufacturing	Total
	RM' 000	RM' 000	RM' 000
Revenue	314,041	162,299	476,340
Results			
Segment results	37,758	29,094	66,852
Unallocated corporate expenses			(196)
Finance cost			(4,310)
Profit before tax			62,346

A9 Valuation of Property, Plant and Equipment

The Group did not revalue any of its property, plant and equipment in the financial period to date and the value of property, plant and equipment has been brought forward, without amendment from the previous annual financial statements.

A10 Material Events

There were no material subsequent events that have not been reflected in the financial statements for the period at the date of issue of the quarterly report.

A11 Changes in Composition of the Group

There were no changes in composition of the Group for the current financial period to date.

A12 Changes in Contingent Liabilities or Contingent Assets

There were no contingent liabilities or contingent assets at the date of issue of the quarterly report.



CHOO BEE METAL INDUSTRIES BERHAD (10587-A)

**INTERIM REPORT ON CONSOLIDATED RESULTS FOR THE THIRD FINANCIAL QUARTER
ENDED 30 SEPTEMBER 2009**

EXPLANATORY NOTES : (AS PER FRS 134 - PARAGRAPH 16)

A13 Capital Commitments

Capital Commitments as at 30 September 2009 are as follows:

	RM '000
Capital expenditure :	
Contracted but not provided for	335
Approved but not contracted for	<u>7,807</u>
	<u><u>8,142</u></u>

A14 Write down of Inventories to Net Realisable Values

Total net inventories write down for nine months ended 30 September 2009 was RM1,424,000. The inventories were written down to either net realisable value or replacement cost as the basis for the best estimate of net realisable value.



CHOO BEE METAL INDUSTRIES BERHAD (10587-A)

**INTERIM REPORT ON CONSOLIDATED RESULTS FOR THE THIRD FINANCIAL QUARTER
ENDED 30 SEPTEMBER 2009**

EXPLANATORY NOTES : (AS PER LISTING REQUIREMENTS OF BURSA MALAYSIA - PART A OF APPENDIX 9B)

B1 Review of the Performance of the Company and its Principal Subsidiaries

The Group's revenue for the year todate ended 30 September 2009 had decreased by RM175.3 million or 37% to RM301.0 million as compared to RM476.3 million in the previous year. Profit before tax for the year todate ended 30 September 2009 had also decreased by RM43.6 million or 70% from RM62.3 million in the previous year to RM18.7 million.

Revenue decreased by 29% to RM102.1 million in the third quarter as compared to RM143.5 million for the corresponding quarter in 2008. The profit before tax for the third quarter had increased by RM10.9 million or 183% from RM6.0 million for the corresponding quarter in 2008 to RM16.9 million, primarily due to the improved profit margin.

B2 Material changes in profit before taxation for the quarter reported on compared with the immediate preceding quarter

Revenue decreased slightly by RM2.9 million or 3% in the third quarter from RM105.0 million in the immediate preceding quarter to RM102.1 million. Profit before tax, however, has increased by RM9.7 million or 135% to RM16.9 million from RM7.2 million in the immediate preceding quarter.

B3 Prospects for the current financial year

The business activities for the 4Q2009 are fairly stable amidst generally cautious buying reaction to global steel price sentiments.

Continuous improvement in operational efficiency and productivity adding to competitive edge remains as the Group's main priority besides developing existing and new business opportunities.

The Group will continue to improve productivity and expect results for the remaining quarter to be profitable.

B4 (a) Variance of Actual Profit After Tax and Minority Interest

Not applicable.

(b) Shortfall in Profit Guarantee

Not applicable.

B5 Taxation

	Current Quarter 30-09-2009 RM' 000	Financial Period todate 30-09-2009 RM' 000
Estimated tax payable	3,078	3,792
Deferred taxation	1,402	1,137
	<u>4,480</u>	<u>4,929</u>
Underprovision in prior years	1,378	1,483
Net provision for taxation	<u>5,858</u>	<u>6,412</u>

The effective tax rate for the current quarter and financial period todate under review was higher than the statutory tax rate because of the underprovision of tax payable in prior years.

B6 Profits/(Losses) On Sale of Unquoted Investments and/or Properties

There was no disposal of unquoted investment and property during the quarter.



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EXPLANATORY NOTES : (AS PER LISTING REQUIREMENTS OF BURSA MALAYSIA - PART A OF APPENDIX 9B)

B7 Purchases or Disposals of Quoted Securities

(a)	Current Quarter 30-09-2009 RM' 000	Financial Period to date 30-09-2009 RM' 000
Total purchase consideration	-	-
Total sale proceeds	-	-
Total gain on disposals	-	-
(b) Investments as at 30 September 2009		RM'000
At Cost		-
At Book Value		-
At Market Price		-

B8 (a) Status of Corporate Proposals announced but not completed

There were no corporate proposals at the date of issue of the quarterly report

(b) Status of utilisation of proceeds raised from any corporate proposal

Not applicable.

B9 Group Borrowings and Debt Securities

Details of Group's borrowings as at 30 September 2009 are as follows:-

Short term borrowings

	RM' 000	
USD Trade loan	-	
Bankers acceptances	29,008	Unsecured
	<u>29,008</u>	

The Group has no debt securities as at 30 September 2009.

B10 Summary of Off Balance Sheet Financial Instruments by type and maturity profile

As at 14 November 2009, being a date not earlier than 7 days from the issue of this quarterly report, the foreign exchange currency contracts which have been entered into by the Group to hedge its foreign currency purchases are as follows:

Currency	Nature of transactions	Contract Amount in foreign currency	Date of Contracts	Maturity period of Contracts	Equivalent Amount in RM
US Dollar (USD)	Purchases	USD1,357,812	06.10.2009 - 13.11.2009	23.11.2009 - 30.11.2009	RM4,636,480



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ENDED 30 SEPTEMBER 2009**

**EXPLANATORY NOTES : (AS PER LISTING REQUIREMENTS OF BURSA MALAYSIA - PART A OF APPENDIX
9B)**

B11 Changes in Material Litigation (including status of any pending material litigation)

Kent Engineering Works Sdn Bhd (KEW), a debtor of Taik Bee Hardware Sdn Bhd ("TBH") which is a subsidiary company of Choo Bee Metal Industries Berhad, filed a suit for defamation on 7 March 2000 against TBH for an amount of RM10 million claiming that the drawdown of a bank guarantee provided by KEW in favour of TBH was defamatory to KEW. In response, TBH has filed a writ of summons on defence with the High Court of Malaya on 24 April 2000 against the defamation suit and for the recovery of a debt amounting to RM118,092.

As neither the Plaintiff nor their counsel were present in Court on the hearing date, 16 April 2009, the judge struck out KEW's claim against TBH for defamation and allowed TBH's counterclaim of RM118,092 together with interest. As the company is no longer in operation, we will not actively pursue this matter.

B12 Dividend

The Directors have not recommended any dividend for the current financial period ended 30 September 2009.

B13 Earnings Per Share (EPS)

		3 months ended		9 months ended	
		30-09-2009	30-09-2008	30-09-2009	30-09-2008
Basic earnings per share					
(a) Net profit for the period	(RM '000)	11,021	4,943	12,290	52,148
Weighted average number of ordinary shares in issue	(' 000)	105,197	106,207	105,539	106,214
Basic earnings per share	(sen)	10.48	4.65	11.64	49.10
Diluted earnings per share					
(b) Net profit for the period	(RM '000)	11,021	4,943	12,290	52,148
Weighted average number of ordinary shares in issue	(' 000)	105,197	106,207	105,539	106,214
Adjustment for share options	(' 000)	-	-	-	-
Weighted average number of ordinary shares for diluted earnings per share	(' 000)	105,197	106,207	105,539	106,214
Diluted earnings per share	(sen)	10.48	4.65	11.64	49.10