

DELLOYD VENTURES BERHAD
(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2009**

A. NOTES TO THE INTERIM FINANCIAL REPORT

1. Basis of preparation

The interim financial report has been prepared in accordance with FRS 134: Interim Financial Reporting and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report is unaudited and should be read in conjunction with the audited financial statements for the year ended **31 December 2008**. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of changes in the financial position and performance of the Group since the year ended **31 December 2008**.

2. Changes in accounting policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2008 except for the adoption of the following new Financial Reporting Standards (“FRS”) and Interpretations that are issued but not yet effective and have not been applied by the Group and the Company:-

FRSs and Interpretations	Effective for financial periods beginning on or after
FRS 7: Financial Instruments : Disclosures	1 January 2010
FRS 8: Operating Segments	1 July 2009
FRS 139: Financial Instruments: Recognition and Measurement	1 January 2010
IC Interpretation 9: Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 10: Interim Financial Reporting and Impairment	1 January 2010

The Group and the Company are exempted from disclosing the possible impact, if any, to the financial statements upon the initial application of FRS 7 and FRS 139.

The other new FRSs and Interpretations above are expected to have no significant impact on the financial statements of the Group and the Company upon their initial application except for the changes in disclosure arising from adoption of FRS 8.

3. Auditors’ report on the preceding annual financial statements

The auditors’ report of the previous financial year ended **31 December 2008** was not subject to any qualification.

4. **Seasonal or cyclical factors**

The operations of the Group are not affected by any significant seasonal or cyclical factors other than the plantation sector, which is dependent on the selling prices of crude palm oil and the production of fresh fruit bunches.

5. **Unusual items due to their nature, size or incidence**

There were no unusual items affecting assets, liabilities, equity, net income or cash flow during the current quarter ended 31 March 2009.

6. **Changes in estimates**

There were no changes in estimates that have had a material effect in the current quarter results.

7. **Debt and equity securities**

During the current financial quarter, the Company repurchased 38,000 ordinary shares of its issued share capital for a total consideration of RM57,375. These repurchased shares are to be held as treasury shares and the total number of treasury shares held as at 31 March 2009 is 830,500 ordinary shares.

8. **Dividends paid**

There was no dividend payment during the current financial quarter.

9. **Segmental Information**

	3 months ended	
	Current Quarter Ended	
	31/03/09	31/03/08
	<i>RM'000</i>	<i>RM'000</i>
<u>Segment Revenue</u>		
Automotive Components	53,709	51,328
Vehicle Distribution	4,270	5,675
Plantation	7,792	12,402
Others	282	285
Group Revenue	66,053	69,690
<u>Segment Results</u>		
Automotive Components	6,881	6,484
Vehicle Distribution	(208)	(305)
Plantation	797	3,551
Others	(1,178)	(1,357)
	6,292	8,373
Share of (loss) / profit in associated companies	(28)	775
	6,264	9,148

10. **Valuation of property, plant and equipment**

There were no valuation of property, plant and equipment during the current financial quarter.

11. **Material events subsequent to the balance sheet date**

There were no material events subsequent to the end of the financial period ended 31 March 2009 that have not been reflected in the financial statements.

12. **Changes in the composition of the Group**

There were no changes in the composition of the Group during the financial period ended 31 March 2009.

13. **Changes in contingent liabilities or contingent assets**

Contingent liabilities of the Group as at 21 May 2009 amounted to **RM39.3 million** which are in respect of corporate guarantees given to licensed banks for banking facilities granted to subsidiaries.

B. ADDITIONAL INFORMATION AS REQUIRED UNDER BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENT

1. Review of performance

1.1 First Quarter ended 31 March 2009 compared with First Quarter ended 31 March 2008

The Group registered a 5.2% decrease in revenue from RM 69.7m in the corresponding quarter to RM 66.1m in the current quarter. Profit before tax also declined by 30.8% from RM 9.1m to RM 6.3m.

The automotive sector continued to contribute significantly to the Group and attained higher revenue and profits in the current quarter.

The decline in Group revenue and profits is mainly due to the plantation sector where revenue and profits have reduced substantially due to the steep decline in CPO prices.

1.2 First Quarter ended 31 March 2009 against preceding quarter ended 31 December 2008

The Group's revenue reduced by 11.2% from RM 74.4m to RM 66.1m but the Group posted a profit before tax of RM 6.3m against a loss of RM 2.0m in the preceding quarter. The loss in the preceding quarter mainly arose from exchange losses from the translation of inter-company balances in the Indonesian plantation company.

The substantial decrease in revenue is mainly attributable to the automotive sector with a slowing demand both in the local and overseas markets in the current quarter due to the economic downturn.

The plantation sector improved in the quarter under review due to recovering CPO prices and the improvement in FFB output especially in the Indonesian plantations.

2. Prospects

On account of the adverse economic environment, the Group's automotive sector saw a substantial decrease in revenue as a result of the decline in demand for new vehicles and automotive components in both the domestic and overseas markets. As such, the Board is of the opinion the Group's automotive sector may experience declining revenue and profits in the current financial year compared to the preceding year.

The Group's plantation sector is expected to perform better in 2009 in view of the improved CPO prices and the increased FFB yield in the Indonesian plantations as a result of the rehabilitation work carried out over the last 30 months.

Notwithstanding the difficult economic environment in 2009, the Group is hopeful that with good management controls in place, we will meet our set objectives for sustainable growth for the remaining quarters of the year.

3. **Profit Forecast**

There was no profit forecast or profit guarantee made during the quarter under review.

4. **Taxation**

	3 months ended	
	31/03/09	31/03/08
	RM'000	RM'000
Income Tax		
- Local	2,192	2,189
- Overseas	22	315
	2,214	2,504
- Deferred	-	-
	2,214	2,504

The income tax charge is attributed to certain profitable subsidiary companies of the Group which are subjected to tax at the applicable statutory tax rate.

5. **Unquoted investments and properties**

There were no significant purchases or disposal of unquoted investments and/or properties during the current financial quarter.

6. **Purchase / disposal of quoted securities**

a) There were no purchases or disposals of quoted securities for the current quarter under review.

b) Investments in quoted securities as at 31 March 2009 are as follows:

	<i>RM'000</i>
At cost	<u>1,059</u>
At book value	<u>669</u>
At Market value	<u>669</u>

7. **Status of corporate proposals**

There were no corporate proposals announced but not completed as at 21 May 2009.

8. **Group borrowings and debt securities**

Details of the Group's borrowings as at the end of the current quarter are as follows:

	<u>31/03/2009</u> <i>RM'000</i>	<u>31/03/2008</u> <i>RM'000</i>
Short Term (secured)		
Hire purchase payables	416	384
Term Loan	53	93
Long Term (secured)		
Hire purchase payables	611	874
Term Loan	1,280	1,290
Medium Term Notes	50,000	50,000
	<u>52,360</u>	<u>52,641</u>

9. **Off balance sheet financial instruments**

The contracted amount and fair value of financial instruments not recognised in the balance sheet as at 31 March 2009.

	Contracted Amount <i>RM'000</i>	Fair Value <i>RM'000</i>
Forward foreign exchange contract	<u>720</u>	<u>723</u>

10. **Capital Commitments**

Amount contracted but not provided for in the accounts:

	<i>RM'000</i>
- Property, plant and equipment	2,535
- Construction of oil mill	22,034
	<u>24,569</u>

11. **Material litigation**

There was no material litigation or pending material litigation involving the Group as at the date of this announcement.

12. **Dividend**

The Board of Directors has recommended for shareholders' approval at the forthcoming Annual General Meeting, a first and final dividend of 5 sen per share (1.8 sen less 25% tax and 3.2% tax exempt).

The last date of lodgement for dividend entitlement is 17 July 2009 and the dividend will be paid on 3 August 2009.

13. **Earnings per share**

The earnings per share is derived based on the net profit attributable to ordinary shareholders for the quarter ended 31 March 2009 of **RM4.1 million** divided by the outstanding number of ordinary shares in issue, net of treasury shares, at the balance sheet date of **88,032,750** shares.

By Order of The Board

Ng Say Or
Company Secretary
27 May 2009