



Condensed Consolidated Income Statements
For the quarter ended 31 July 2008

	(UNAUDITED)		(UNAUDITED)	(AUDITED)
	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31/07/2008	31/07/2007	31/07/2008	31/07/2007
	RM'000	RM'000 (restated)	RM'000	RM'000 (restated)
Revenue	189,673	151,266	611,935	550,865
Operating expenses	(175,976)	(128,919)	(567,181)	(445,713)
Other operating expenses	(4,638)	(6,130)	(18,555)	(20,320)
Other operating income	2,795	1,527	7,586	5,094
Operating profit	11,854	17,744	33,785	89,926
Finance costs	(1,140)	(380)	(3,840)	(1,329)
Profit before tax	10,714	17,364	29,945	88,597
Taxation	(3,424)	(4,018)	(5,185)	(21,919)
Profit after tax	7,290	13,346	24,760	66,678
Attributable to:				
Equity holders of the Company	7,292	13,346	24,762	66,678
Minority interests	(2)	-	(2)	-
	Sen	Sen	Sen	Sen
Earnings per share attributable to equity holders of the Company:				
- Basic	3.86	7.06	13.10	35.28
- Diluted	N/A	N/A	N/A	N/A

Note: N/A: Not Applicable

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 July 2007 and the accompanying explanatory notes attached to the quarterly report.



Condensed Consolidated Balance Sheet

As At 31 July 2008

	(UNAUDITED) AS AT END OF CURRENT QUARTER 31/07/2008 RM'000	(AUDITED) AS AT PRECEDING FINANCIAL YEAR END 31/7/2007 RM'000 (restated)
ASSETS		
Non-current assets		
Property, plant & equipment	428,938	354,738
Investment properties	18,449	19,226
Prepaid lease payments	42,393	31,063
Intangible assets	75,085	99,487
Long term receivables	23,560	17,656
Deferred tax assets	14,177	16,062
	<u>602,602</u>	<u>538,232</u>
Current assets		
Inventories	103,181	115,380
Trade and other receivables	69,318	46,249
Tax recoverable	5,649	1,734
Cash and bank balances	65,141	86,945
	<u>243,289</u>	<u>250,308</u>
TOTAL ASSETS	<u><u>845,891</u></u>	<u><u>788,540</u></u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company:		
Share capital	209,000	200,000
Share premium	59,680	59,680
Treasury shares	(53,570)	(53,570)
Retained earnings	354,060	342,240
Total equity	<u>569,170</u>	<u>548,350</u>
Non-current liabilities		
Borrowings	91,060	69,656
Deferred tax liabilities	18,286	18,453
	<u>109,346</u>	<u>88,109</u>
Current liabilities		
Borrowings	35,610	14,331
Trade and other payables	129,975	136,194
Tax payables	1,790	1,556
	<u>167,375</u>	<u>152,081</u>
Total liabilities	<u>276,721</u>	<u>240,190</u>
TOTAL EQUITY AND LIABILITIES	<u><u>845,891</u></u>	<u><u>788,540</u></u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	3.01	2.90
Number of shares net of treasury shares ('000)	189,000	189,000

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 July 2007 and the accompanying explanatory notes attached to the quarterly report.

**Condensed Consolidated Statements of Changes in Equity**
For the quarter ended 31 July 2008

	Attributable to Equity Holders of the Company					Minority interest	Total Equity
	Share capital	Share premium	Treasury shares	Retained earnings	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Twelve Months Ended 31 July 2008							
At 1 August 2007	200,000	59,680	(53,570)	324,493	530,603	-	530,603
Effect of adopting Revised FRS 112	-	-	-	17,747	17,747	-	17,747
At 1 August 2007 (restated)	200,000	59,680	(53,570)	342,240	548,350	-	548,350
Investment in a subsidiary company by minority interests	-	-	-	-	-	2	2
Profit/(loss) for the year	-	-	-	24,762	24,762	(2)	24,760
Dividends	-	-	-	(3,942)	(3,942)	-	(3,942)
Bonus issue	9,000	-	-	(9,000)	-	-	-
At 31 July 2008	<u>209,000</u>	<u>59,680</u>	<u>(53,570)</u>	<u>354,060</u>	<u>569,170</u>	<u>-</u>	<u>569,170</u>
Twelve Months Ended 31 July 2007							
At 1 August 2006	200,000	59,680	(53,570)	252,811	458,921	-	458,921
Effect of adopting Revised FRS 112	-	-	-	22,751	22,751	-	22,751
At 1 August 2006 (restated)	200,000	59,680	(53,570)	275,562	481,672	-	481,672
Profit for the year	-	-	-	66,678	66,678	-	66,678
At 31 July 2007	<u>200,000</u>	<u>59,680</u>	<u>(53,570)</u>	<u>342,240</u>	<u>548,350</u>	<u>-</u>	<u>548,350</u>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 July 2007 and the accompanying explanatory notes attached to the quarterly report.



Condensed Consolidated Cash Flow Statements
For the quarter ended 31 July 2008

	(UNAUDITED) CURRENT YEAR TO DATE ENDED 31/07/2008 RM'000	(AUDITED) PRECEDING YEAR CORRESPONDING PERIOD ENDED 31/07/2007 RM'000 (restated)
Cash Flows from Operating Activities		
Profit before taxation	29,945	88,597
Adjustments for :		
Amortisation of intangible assets	20,456	20,822
Amortisation of prepaid land lease	568	398
Depreciation of property, plant and equipment	45,703	33,059
Depreciation of investment properties	871	461
Property, plant and equipment written off	54	70
Impairment loss on timber rights	4,064	1,400
Net gain on disposal of property, plant and equipment	(351)	(206)
Interest expense	3,840	1,329
Interest income	(1,620)	(2,056)
Operating profit before working capital changes	103,530	143,874
Changes in working capital :		
Inventories	15,566	(53,314)
Trade and other receivables	(27,678)	(21,730)
Trade and other payables	(9,706)	70,429
Cash generated from operations	81,712	139,259
Interest paid	(3,840)	(2,057)
Tax paid	(10,816)	(18,997)
Tax refund	1,080	299
Net cash generated from operating activities	68,136	118,504
Cash Flows from Investing Activities		
Acquisition of subsidiaries	(10,012)	-
Purchase of property, plant and equipment	(94,284)	(102,422)
Purchase of prepaid land lease	(370)	-
Proceeds from disposal of property, plant and equipment	495	640
Purchase of investment properties	(94)	(7,859)
Interest received	1,620	2,056
Net cash used in investing activities	(102,645)	(107,585)
Cash Flows from Financing Activities		
Drawdown of term loan	22,424	28,586
Proceeds from hire purchase	11,343	-
Drawdown of bankers' acceptance	3,390	910
Drawdown of revolving credit	6,000	-
Repayment of term loan	-	(36,516)
Repayment of bankers' acceptance	(7,168)	-
Repayment of hire purchase	(19,321)	(1,546)
Capital contribution of minority interest	2	-
Dividends paid to shareholders	(3,965)	(12,889)
Net cash generated from/(used in) financing activities	12,705	(21,455)
Net change in cash and cash equivalents	(21,804)	(10,536)
Cash and cash equivalents at beginning of year	86,945	97,481
Cash and cash equivalents at end of year	65,141	86,945

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 July 2007 and the accompanying explanatory notes attached to the quarterly financial report.



NOTES :

Note 1 Basis of Preparation

The quarterly report is unaudited and has been prepared in accordance with revised FRS 134 “Interim Financial Reporting” and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The quarterly report should be read in conjunction with the Group’s audited financial statements for the year ended 31 July 2007. These explanatory notes attached to the quarterly report provide an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the year ended 31 July 2007.

Note 2 Changes in Accounting Policies

The significant accounting policies adopted in the quarterly report are consistent with those adopted in the Group’s audited financial statements for the financial year ended 31 July 2007 except for the adoption of the following FRSs, amendments to FRSs and Interpretations which have effective dates as follows:

FRSs, Amendments to FRSs and Interpretations	Effective for financial periods beginning on or after
FRS 117: Leases	1 October 2006
FRS 124: Related Party Transactions	1 October 2006
FRS 6: Exploration for and Evaluation of Mineral Resources	1 January 2007
Amendment to FRS 119 ₂₀₀₄ : Employee Benefits - Actuarial Gains and Losses, Group Plans and Disclosures	1 January 2007
Amendment to FRS 121: The effect of Changes in Foreign Exchange Rates - Net investments in a Foreign Operation	1 July 2007
Revised FRS 107: Cash Flow Statements	1 July 2007
Revised FRS 111: Construction Contracts	1 July 2007
Revised FRS 112: Income Taxes	1 July 2007
Revised FRS 118: Revenue	1 July 2007
Revised FRS 120: Accounting for Government Grant and Disclosure of Government Assistances	1 July 2007
Revised FRS 134: Interim Financial Reporting	1 July 2007
Revised FRS 137: Provisions, Contingent Liabilities and Contingent Assets	1 July 2007
IC Interpretation 1: Changes in Existing Decommissioning, Restoration and Similar Liabilities	1 July 2007
IC Interpretation 2: Members’ Shares in Co-operative Entities and Similar Instruments	1 July 2007



FRSs, Amendments to FRSs and Interpretations	Effective for financial periods beginning on or after
IC Interpretation 5: Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	1 July 2007
IC Interpretation 6: Liabilities arising from Participating in a Specific Market - Waste Electrical and Electronic Equipment	1 July 2007
IC Interpretation 7: Applying the Restatement Approach under FRS 129 ₂₀₀₄ Financial Reporting in Hyperinflationary Economies	1 July 2007
IC Interpretation 8: Scope of FRS 2	1 July 2007

The Group has not early adopted FRS 139: Financial Instruments: Recognition and Measurement which will be effective for the financial period beginning on or after 1 January 2010.

The adoption of FRS 124, FRS 6, Amendment to FRS 119₂₀₀₄, Amendment to FRS 121, Revised FRS 107, 111, 118, 120, 134, 137, IC Interpretations 1, 2, 5, 6, 7 and 8, does not have significant financial impact on the Group. The principal effects of the changes in accounting policies resulting from the adoption of the other new/revised FRSs are discussed below:

(a) FRS 117: Leases

The adoption of FRS 117 has resulted in a retrospective change in accounting policy relating to the classification of leasehold land. The upfront payments made for the leasehold land represents prepaid lease payments and are amortised on a straight-line basis over the lease term. A lease of land and building is apportioned into a lease of land and a lease of building in proportion to the relative fair values of the leasehold interests in the land element and the building element of the lease at the inception of the lease. Prior to 1 August 2007, leasehold land was classified as property, plant and equipment and was stated at cost less accumulated depreciation and impairment losses.

The Group has applied the change in accounting policy in respect of leasehold land in accordance with the transitional provisions of FRS 117. At 1 August 2007, the unamortised carrying amount of leasehold land was classified as prepaid lease payments. The reclassification of leasehold land as prepaid lease payments have been accounted for retrospectively and certain comparative amounts as at 31 July 2007 have been restated as disclosed in Note 3.

(b) Revised FRS 112: Income Taxes

The adoption of Revised FRS 112 will allow the Group to recognise deferred tax assets on unutilised investment tax allowances and reinvestment allowances, to the extent it is probable that future taxable profit will be available against which unutilised investment tax allowances and reinvestment allowances can be utilised.

The Group has applied the change in accounting policy retrospectively in respect of the above in accordance with FRS 112 and adjusted the opening retained earnings. Certain comparative amounts as at 31 July 2007 and for the prior periods have been restated as disclosed in Note 3.



(c) **Summary of effects of adopting new and revised FRSs on the current period's financial statements**

The following table provides estimates of the extent to which each of the items in the condensed consolidated balance sheet, income statement and cash flow statement for the quarter ended 31 July 2008 is higher or lower than it would have been had the previous policies applied in the current quarter.

(i) Effects on condensed consolidated balance sheet as at 31 July 2008

Description of change	Increase/(decrease)		
	FRS 117 Note 2(a)	Revised FRS 112 Note 2(b)	Total
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
At 31 July 2008			
Property, plant and equipment	(42,393)	-	(42,393)
Prepaid lease payments	42,393	-	42,393
Deferred tax assets	-	13,326	13,326
Retained earnings	-	14,911	14,911
Deferred tax liabilities	-	(1,585)	(1,585)

(ii) Effects on condensed consolidated income statement for the quarter ended 31 July 2008

Description of change	Increase/(decrease)
	Revised FRS 112 Note 2(b)
	<u>RM'000</u>
Three months ended 31 July 2008	
Taxation	(299)
Profit for the period wholly attributable to equity holders of the Company	299
Earnings per share attributable to equity holders of the Company:	
- Basic (sen)	0.16
Twelve months ended 31 July 2008	
Taxation	2,051
Profit for the period wholly attributable to equity holders of the Company	(2,051)
Earnings per share attributable to equity holders of the Company:	
- Basic (sen)	(1.09)



Note 3 Comparatives

The following comparative amounts have been restated due to the adoption of FRS 117 and Revised FRS 112:

Description of change	As previously stated	Increase/(decrease)		As restated
		Effects of adoption of FRS 117	Effects of adoption of Revised FRS 112	
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
At 31 July 2007				
Property, plant and equipment	385,801	(31,063)	-	354,738
Prepaid lease payments	-	31,063	-	31,063
Deferred tax assets	568	-	15,494	16,062
Retained earnings	324,493	-	17,747	342,240
Deferred tax liabilities	20,706	-	(2,253)	18,453

Description of change	As previously stated	Increase/(decrease)		As restated
		Effects of bonus shares issue	Effects of adoption of Revised FRS 112	
	<u>RM'000</u>		<u>RM'000</u>	<u>RM'000</u>
Three months ended 31 July 2007				
Taxation	2,254	-	1,764	4,018
Profit for the period wholly attributable to equity holders of the Company	15,110	-	(1,764)	13,346
Earnings per share attributable to equity holders of the Company:				
- Basic (sen)	8.39	(0.35)	(0.98)	7.06
Twelve months ended 31 July 2007				
Taxation	16,915	-	5,004	21,919
Profit for the period wholly attributable to equity holders of the Company	71,682	-	(5,004)	66,678
Earnings per share attributable to equity holders of the Company:				
- Basic (sen)	39.82	(1.76)	(2.78)	35.28
Amortisation of prepaid lease payments	-	-	398	398
Depreciation of property, plant and equipment	33,457	-	(398)	33,059



Note 4 Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the year ended 31 July 2007 was not qualified.

Note 5 Seasonal or Cyclical factors

Timber operations are, to a certain extent, affected by weather condition especially for logging operations. In addition, the four seasons also had some impact on the buying patterns of traditional buyers of timber products.

Note 6 Unusual Items

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the current quarter and financial year-to-date.

Note 7 Changes in Estimates

There were no changes in estimates of amounts reported in prior quarters that have a material effect in the current quarter and financial year-to-date.

Note 8 Debt and Equity Securities

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current quarter and financial year-to-date. All the shares purchased were held as treasury shares in accordance with the requirements of Section 67A of the Companies Act 1965.

Note 9 Dividends Paid

A final dividend of 3% less 27% taxation per share, amounting to RM3,942,000, in respect of the financial year ended 31 July 2007, was paid on 26 February 2008 to the depositors whose names appear in the Record of Depositors on 28 January 2008.

Note 10 Segmental Information

Segmental revenue and profit before taxation for the current financial year-to-date by the respective operating divisions are as follows:-

	<u>Logging</u>	<u>Manufacturing</u>	<u>Others</u>	<u>Eliminations</u>	<u>Consolidated</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Revenue					
External revenue	192,930	395,728	23,277	-	611,935
Intersegment revenue	135,699	174	11,266	(147,139)	-
Total revenue	<u>328,629</u>	<u>395,902</u>	<u>34,543</u>	<u>(147,139)</u>	<u>611,935</u>
Results					
Operating profit/(loss)	147	33,204	176	258	33,785
Finance costs					<u>(3,840)</u>
Profit before tax					29,945
Income tax expense					<u>(5,185)</u>
Profit for the year					<u>24,760</u>



Note 11 Valuations of Property, Plant and Equipment

There has been no valuation undertaken for the Group's property, plant and equipment since the last annual financial statements.

Note 12 Subsequent Events

There were no material events subsequent to the end of the current quarter that has not been reflected in the financial statement.

Note 13 Changes in the Composition of the Group

On 1 August 2007, the Company completed the acquisition of 2,500,000 ordinary shares of RM1 each, which represented 100% of the total issued and paid-up share capital of Borneo Lumber Industries Sdn. Bhd. ("BLI"), for a total cash consideration of RM8,000,000 upon the fulfillment of all the conditions precedent in the Sale and Purchase Agreement dated 3 May 2007 entered into with Mr Cheng Sung Tsung and a related party, Unique Wood Holdings Sdn. Bhd.

On 11 September 2007, the wholly-owned subsidiary of the Company, Infrapalm Sdn. Bhd. ("ISB") had issued additional 4,998 ordinary shares of RM1.00 each of which the Company subscribed for 2,748 ordinary shares of RM1.00 each at par for cash. Subsequent to the subscription of new shares, the Company's equity interest in ISB has diluted from 100% to 55%. Thus, ISB becomes a 55% owned subsidiary of the Company.

On 24 March 2008, the Company acquired two ordinary shares of RM1 each, which represented 100% of the total issued and paid-up share capital of Grace Million Sdn. Bhd., for a total cash consideration of RM2.

On 26 March 2008, the Company acquired two ordinary shares of RM1 each, which represented 100% of the total issued and paid-up share capital of JPH Logging Sdn. Bhd., for a total cash consideration of RM2.

On 28 April 2008, the Company entered into a Sale and Purchase Agreement of Shares for the acquisition of the entire ten thousand ordinary shares of RM1.00 each, which represented 100% of the total issued and paid-up share capital of Blessings Palm Sdn. Bhd., for a total cash consideration of RM3,706,500. The acquisition was completed on 9 July 2008.

On 25 June 2008, the Company acquired two ordinary shares of RM1 each, which represented 100% of the total issued and paid-up share capital of Semarak Veneer & Plywood Sdn. Bhd., for a total cash consideration of RM2.

Note 14 Changes in Contingent Liabilities and Contingent Assets

The contingent liabilities represent corporate guarantees in respect of banking facilities granted to subsidiary companies.

As at 31 July 2008, the amount of banking facilities utilised which were secured by corporate guarantees increased by RM9,572,000 from RM31,997,600 as at 31 July 2007 (last annual balance sheet) to RM41,569,600 as at 31 July 2008.



Note 15 Capital Commitments

	As at 31.7.2008 RM'000	As at 31.7.2007 RM'000
Authorised and contracted for	46,107	103,129
Authorised but not contracted for	11,281	-
	<u>57,388</u>	<u>103,129</u>
Analysed as follows:		
Property, plant and equipment	57,388	90,329
Long term receivables	-	8,000
Acquisition of subsidiary	-	4,800
	<u>57,388</u>	<u>103,129</u>

Note 16 Review of Performance

In the current quarter under review, the Group achieved higher revenue of RM189.67 million, an increase of RM38.40 million or 25% as compared to RM151.27 million in the preceding year corresponding quarter. The Group recorded profit before tax of RM10.71 million and profit after tax of RM7.29 million as compared to RM17.36 million and RM13.35 million respectively in the preceding year corresponding quarter.

For the current financial year-to-date, the Group achieved higher revenue of RM611.94 million, a 11% increase when compared to revenue of RM550.87 million in the preceding year corresponding period. The Group recorded profit before tax of RM29.95 million and profit after tax of RM24.76 million as compared to profit before tax of RM88.60 million and profit after tax of RM66.68 million in the preceding year corresponding period.

The increase in revenue in the current quarter and financial year-to-date as compared to the corresponding period was mainly attributable to the higher plywood and particleboard export sales revenue arising from higher plywood and particleboard export sales volume. The decrease in profit before tax in the current financial year-to-date as compared to preceding year corresponding period, was mainly due to the lower profit derived from both the logging and plywood operations, which was in turn due to higher cost of operations and also lower average plywood selling prices.

Note 17 Variation in the Quarterly Results Compared to the Results of the Immediate Preceding Quarter

For the quarter under review, the Group recorded higher profit before tax amounting to RM10.71 million, an increase of RM8.72 million as compared to RM1.99 million attained in the preceding quarter. The increase in profit before tax was mainly due to higher profit from plywood operations resulting from improved average export selling prices and increased export sales volume.



Note 18 Commentary on Prospects

With the firm demand for the timber products and the housing starts in Japan showing sign of recovery, timber prices have been trending upwards. In view of the increasing challenging operating environment, the Group remains committed to prudent management and cautious in sustaining its performance in the coming quarters in the new financial year. The Group will continue taking stringent measures and plans to improve efficiencies and effectiveness of its business operations.

Barring any unforeseen circumstances, the Group's result is expected to be satisfactory for the coming quarters in the new financial year.

Note 19 Profit Forecast or Profit Guarantee

The disclosure requirements for explanatory notes on the variation of actual profit after tax and minority interest, and shortfall in profit guarantee are not applicable.

Note 20 Taxation

The Group's taxation for the current quarter and financial year-to-date were as follows:

	Current Quarter RM'000	Current Financial Year-To-Date RM'000
Income tax:		
Current period provision	2,112	7,482
Overprovision in prior year	1	(1,249)
Deferred tax:		
Current period provision	1,311	(1,048)
	<hr/>	<hr/>
	3,424	5,185
	<hr/>	<hr/>

The Group's effective tax rate for the current quarter was higher than the statutory rate mainly due to certain expenses not allowable for tax deduction. The Group's effective tax rate for the financial year-to-date was lower than the statutory rate mainly due to double deduction claimed on certain eligible expenditure.

Note 21 Sale of Unquoted Investments and/or Properties

There were no sales of unquoted investment and/or properties for the current quarter and financial year-to-date.

Note 22 Purchase or Disposal of Quoted Securities

- (a) Purchases and disposals of quoted securities
- (b) Investments in quoted securities

There were no purchase or disposal of quoted securities for the current quarter and financial year-to-date. There were no investments in quoted securities as at 31 July 2008.



Note 23 Status of Corporate Proposals

The Company had on 20 November 2007 announced a bonus issue of up to 10,000,000 new ordinary shares of RM1.00 each in the Company to be credited as fully paid-up on the basis of 1 new bonus share for every 20 existing shares held in the Company ("Proposed Bonus Issue"). The Proposed Bonus Issue was approved by shareholders at the extraordinary general meeting held on 28 December 2007. The listing and quotation of the bonus shares pursuant to the Proposed Bonus Issue was approved by Bursa Malaysia Securities Berhad vide its letter dated 25 January 2008.

The Proposed Bonus Issue was completed on 17 March 2008 with the listing and quotation of 9,000,000 shares in the Company on Bursa Securities on the same date.

Note 24 Borrowings and Debt Securities

	As at 31.7.2008 RM'000	As at 31.7.2007 RM'000
Short term borrowings:		
Unsecured - Bankers' acceptance	-	910
- Revolving credit	6,000	-
- Term loans	5,009	-
Secured - Term loans	1,048	-
Secured - Hire purchase payable	23,553	13,421
	<u>35,610</u>	<u>14,331</u>
Long term borrowings:		
Unsecured - Term loans	15,027	8,094
Secured - Term loans	40,521	31,088
- Hire purchase payable	35,512	30,474
	<u>91,060</u>	<u>69,656</u>
Total borrowings	<u>126,670</u>	<u>83,987</u>

There were no borrowings denominated in foreign currency.

Note 25 Off Balance Sheet Financial Instruments

As at the date of this announcement, the Group had entered into forward foreign exchange contracts with the notional amount of RM42,096,000 and maturity ranging from 206 to 220 days to hedge anticipated sales in USD.

Exchange gains and losses arising on forward foreign exchange contracts are recognised at settlement whereby these gains and losses are included in the measurement of the transactions hedged.

Note 26 Changes in Material Litigation

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



Note 27 Dividend Payable

The Board of Directors did not declare any dividend for the quarter ended 31 July 2008 (previous corresponding period: Nil).

Note 28 Earnings Per Share

(a) Basic earnings per share

Basic earnings per share is calculated by dividing the net profit for the period attributable to ordinary equity holders of the Company over the weighted average number of ordinary shares in issue during the period, excluding treasury shares held by the Company.

	Current Quarter	Current Financial Year-To-Date
Profit for the period attributable to ordinary equity holders of the Company (RM'000)	7,292	24,762
Weighted average number of ordinary shares in issue excluding treasury shares ('000)	189,000	189,000
Basic earnings per share (Sen)	3.86	13.10

The comparative basic earnings per share has been restated to take into account the effect of the changes in accounting policies on profit for that period and bonus issue.

(b) Diluted earnings per share N/A N/A

Note 29 Authorisation for Issue

The quarterly report was authorised for issue by the Board of Directors in accordance with a resolution of the directors on 30 September 2008.