

YUNG KONG GALVANISING INDUSTRIES BHD

(Company No. 032939-U)

CONDENSED CONSOLIDATED BALANCE SHEET

AT 30 SEPTEMBER 2008

	Unaudited 30 September 2008 RM'000	Audited 31 December 2007 RM'000
ASSETS		
Property, plant and equipment	277,092	265,557
Prepaid lease payments	3,680	3,740
Quoted investments	23	23
Deferred tax assets	341	276
Goodwill	1,438	1,438
Total non-current assets	282,574	271,034
Inventories	143,839	116,005
Properties held for sale	521	2,758
Trade and other receivables	86,646	94,014
Current tax assets	1,201	1,185
Cash and cash equivalents	41,914	22,807
Total current assets	274,121	236,769
Total assets	556,695	507,803
EQUITY		
Share capital	97,767	65,178
Reserves	63,474	58,574
Total equity attributable to the equity holders of the company	161,241	123,752
Minority interests	12,303	9,688
Total equity	173,544	133,440
LIABILITIES		
Loans and borrowings	119,081	112,011
Deferred tax liabilities	12,889	9,594
Employee benefits	2,169	2,169
Total non-current liabilities	134,139	123,774
Trade and other payables	34,491	26,345
Loans and borrowings	212,512	223,940
Current tax liabilities	2,009	304
Total current liabilities	249,012	250,589
Total liabilities	383,151	374,363
Total equity and liabilities	556,695	507,803
Net Assets per share of RM0.50 each attributable to ordinary equity holders of the company (sen)	82	95

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

YUNG KONG GALVANISING INDUSTRIES BHD

(Company No. 032939-U)

CONDENSED CONSOLIDATED INCOME STATEMENTS

For the period ended 30 September 2008

	3 months ended 30 Sept		Year to date ended 30 Sept	
	2008	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
Revenue	133,296	117,843	396,539	334,254
Cost of sales	(117,358)	(103,589)	(337,594)	(294,258)
Gross profit	15,938	14,254	58,945	39,996
Other income	(789)	471	1,968	1,121
Selling and distribution expenses	(1,582)	(1,326)	(5,123)	(3,831)
Administrative expenses	(8,160)	(4,200)	(19,197)	(12,883)
Interest expense	(4,689)	(3,188)	(12,213)	(10,217)
Profit before taxation	718	6,011	24,380	14,186
Tax expense	(203)	(1,602)	(6,148)	(3,637)
Profit for the period	515	4,409	18,232	10,549
Attributable to:				
Equity holders of the company	494	4,243	15,980	9,468
Minority interests	21	166	2,252	1,081
	515	4,409	18,232	10,549
Basic earnings per ordinary share of RM0.50 each (sen)	0.38	3.26	12.26	7.26
Diluted earnings per ordinary share of RM0.50 each (sen)	-	-	-	-

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

YUNG KONG GALVANISING INDUSTRIES BHD

(Company No. 032939-U)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the period ended 30 September 2008

	Attributable to Equity Holders of the Company							Total Equity RM'000
	Non-distributable				Distributable		Minority Interests RM'000	
	Share Capital RM'000	Share Premium RM'000	Revaluation Reserve RM'000	Capital Reserve RM'000	Retained Profits RM'000	Total RM'000		
At 1 January 2008	65,178	500	11,475	1,793	44,806	123,752	9,688	133,440
Two-call rights issue	32,589	-	(5,400)	-	(4,377)	22,812	-	22,812
Shares issued by a subsidiary	-	-	-	-	-	-	798	798
Realisation of revaluation reserve	-	-	(17)	-	17	-	-	-
Net profit for the period	-	-	-	-	15,980	15,980	2,252	18,232
Total recognised income and expense for the period	-	-	(17)	-	15,997	15,980	2,252	18,232
Dividends paid to:								
- shareholders of the company	-	-	-	-	(1,303)	(1,303)	-	(1,303)
- minority shareholders	-	-	-	-	-	-	(435)	(435)
At 30 September 2008	<u>97,767</u>	<u>500</u>	<u>6,058</u>	<u>1,793</u>	<u>55,123</u>	<u>161,241</u>	<u>12,303</u>	<u>173,544</u>
At 1 January 2007	65,178	500	691	1,793	32,952	101,114	5,826	106,940
Shares issued by a subsidiary	-	-	-	-	-	-	2,930	2,930
Revaluation of land	-	-	10,818	-	-	10,818	870	11,688
Realisation of revaluation reserve	-	-	(34)	-	34	-	-	-
Net profit for the year	-	-	-	-	14,427	14,427	1,490	15,917
Total recognised income and expense for the year	-	-	10,784	-	14,461	25,245	2,360	27,605
Acquisition of additional interest in existing subsidiaries	-	-	-	-	-	-	(173)	(173)
Dividends paid to:								
- shareholders of the company	-	-	-	-	(2,607)	(2,607)	-	(2,607)
- minority shareholders	-	-	-	-	-	-	(1,255)	(1,255)
At 31 December 2007	<u>65,178</u>	<u>500</u>	<u>11,475</u>	<u>1,793</u>	<u>44,806</u>	<u>123,752</u>	<u>9,688</u>	<u>133,440</u>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31st December 2007)

YUNG KONG GALVANISING INDUSTRIES BHD

(Company No. 032939-U)

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the period ended 30 September 2008

	2008	2007
	RM'000	RM'000
Cash flows from operating activities		
Profit before taxation	24,380	14,186
Adjustments for:		
Depreciation of property, plant and equipment	12,738	10,437
Amortisation of prepaid lease payments	60	60
Gain on disposal of property, plant & equipment	(300)	(98)
Provision for doubtful debts	608	-
Dividend income	-	(1)
Interest expense	12,207	10,217
Interest income	(605)	(453)
Operating profit before changes in working capital	49,088	34,348
Changes in working capital:		
Inventories	(27,834)	(34,062)
Trade and other receivables	6,760	(18,785)
Trade and other payables	10,101	19,422
Cash generated from operations	38,115	923
Income tax paid	(1,229)	(149)
Interest paid	(7,115)	(7,488)
Interest received	376	341
Net cash generated from/(used in) operating activities	<u>30,147</u>	<u>(6,373)</u>
Cash flows from investing activities		
Acquisition of property, plant and equipment	(24,378)	(38,216)
Proceeds from disposal of property, plant & equipment	2,642	156
Interest received	230	112
Dividend received	-	1
Increase in deposits pledged with banks	(2,653)	(405)
Net cash used in investing activities	<u>(24,159)</u>	<u>(38,352)</u>

YUNG KONG GALVANISING INDUSTRIES BHD

(Company No. 032939-U)

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the period ended 30 September 2008

	2008	2007
	RM'000	RM'000
Cash flows from financing activities		
(Repayment of)/net proceed from loans	(252)	15,360
Net proceed from bankers' acceptances and revolving credit	12,325	36,004
Repayment of hire purchase loans	(4,225)	(1,198)
Interest paid	(5,092)	(2,729)
Dividend paid to:		
- shareholders of the Company	(3,259)	(652)
- minority shareholders	(435)	(552)
Proceeds from issuance of shares under rights issue	22,812	-
Proceeds from issuance of shares to minority shareholders	798	2,230
Net cash generated from financing activities	<u>22,672</u>	<u>48,463</u>
Net increase in cash and cash equivalents	28,660	3,738
Cash and cash equivalents at beginning of year	<u>2,506</u>	<u>2,816</u>
Cash and cash equivalents at end of year	<u>31,166</u>	<u>6,554</u>
Cash and cash equivalents comprise:		
Fixed deposits (excluding deposits pledged)	1,155	1,155
Cash and bank balances	31,454	11,827
Bank overdrafts	(1,443)	(6,428)
	<u>31,166</u>	<u>6,554</u>

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