

**THONG GUAN INDUSTRIES BERHAD**

(Company No. 324203-K)

(Incorporated in Malaysia)

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**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS  
FOR THE THIRD QUARTER ENDED 30 SEPT 2008**

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

|  | ← Non-distributable |               |                              | → Distributable   |                  | Total          | Minority Interest | Total Equity   |
|--|---------------------|---------------|------------------------------|-------------------|------------------|----------------|-------------------|----------------|
|  | Share Capital       | Share Premium | Exchange Fluctuation Reserve | Statutory Reserve | Retained Profits |                |                   |                |
|  | RM'000              | RM'000        | RM'000                       | RM'000            | RM'000           | RM'000         | RM'000            | RM'000         |
| At 1 January 2007  | 105,205             | 3,939         | (1,460)                      | -                 | 67,064           | 174,748        | 26                | 174,774        |
| Exchange differences on translation of the financial statement of foreign entities | -                   | -             | 277                          | -                 | -                | 277            | -                 | 277            |
| Statutory reserve  | -                   | -             | (12)                         | 3,974             | (3,974)          | (12)           | -                 | (12)           |
| Profit for the year  | -                   | -             | -                            | -                 | 12,007           | 12,007         | (26)              | 11,981         |
| Dividends to shareholders  | -                   | -             | -                            | -                 | (3,156)          | (3,156)        | -                 | (3,156)        |
| <b>At 31 December 2007</b>   | <b>105,205</b>      | <b>3,939</b>  | <b>(1,195)</b>               | <b>3,974</b>      | <b>71,940</b>    | <b>183,864</b> | <b>-</b>          | <b>183,864</b> |
| Exchange differences on translation of the financial statement of foreign entities | -                   | -             | 5,852                        | -                 | -                | 5,852          | -                 | 5,852          |
| Profit for the period  | -                   | -             | -                            | -                 | 11,567           | 11,567         | -                 | 11,567         |
| Dividends to shareholders  | -                   | -             | -                            | -                 | (3,156)          | (3,156)        | -                 | (3,156)        |
| <b>At 30 September 2008</b>  | <b>105,205</b>      | <b>3,939</b>  | <b>4,657</b>                 | <b>3,974</b>      | <b>80,352</b>    | <b>198,127</b> | <b>-</b>          | <b>198,127</b> |

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