

SEE HUP CONSOLIDATED BERHAD
(Company no. 391077-V)
(Incorporated in Malaysia)
(and its subsidiaries)

NOTES TO INTERIM FINANCIAL REPORT - 30 SEPTEMBER 2008

1 Basis of preparation

The interim financial report is unaudited and has been prepared in compliance with FRS 134, "Interim Financial Reporting" and the additional disclosure requirements as set out in Part A of Appendix 9B of the Revised Listing Requirements.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the financial statements for the year ended 31 March 2008.

2 Qualification of audit report of the preceding annual financial statements

There were no qualifications on the audit report of the financial statements for the year ended 31 March 2008.

3 Seasonal or cyclical factors

The Group's performance in the current quarter and current year to date was not affected by any seasonal or cyclical factors.

4 Unusual items

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

5 Changes in estimates

There were no material changes in the estimates used for the preparation of this interim financial report.

6 Debts and equity securities

During the quarter under review, the issued and paid-up share capital of the Company was increased from RM40,124,600 to RM40,127,600 by way of an issue 3,000 new ordinary shares of RM1.00 each pursuant to the exercise of share options under its Employee Share Option Scheme at an option price of RM1.00 per share.

Save as disclosed above, there were no issuance, cancellations, repurchase, resale and repayments of debt and equity securities for the current year to date.

7 Dividend paid

The Shareholders approved the payment of a final dividend of 3.6% less 25% tax amounting to RM1,083,445 for the financial year ended 31 March 2008 at the Twelfth Annual General Meeting held on 19 September 2008. The said dividend was paid on 9 October 2008 to depositors registered in the Record of Depositors as at the close of business on 30 September 2008.

8 Segmental information

Segment information is presented in respect of the Group's business segment.

	Transportation and logistics services RM'000	Trading RM'000	Others RM'000	Total RM'000
Revenue	55,184	5,150	82	60,416
Inter-segment elimination	-	-	-	-
	<u>55,184</u>	<u>5,150</u>	<u>82</u>	<u>60,416</u>
Profit before taxation	2,564	183	38	2,785
Share of profit of associates	29	-	-	29
	<u>2,593</u>	<u>183</u>	<u>38</u>	<u>2,814</u>

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9 Property, plant and equipment

The property, plant and equipment are stated at cost/valuation less accumulated depreciation and accumulated impairment losses, if any.

There were no material write-down in property, plant and equipment during the quarter under review.

The valuation of property, plant and equipment has been brought forward without any amendments from the previous annual financial statements.

10 Events subsequent to balance sheet date

There were no material events subsequent to balance sheet date.

11 Changes in composition of the Group

During the quarter under review, the Group:-

- i) acquired 70% equity in Agriplex (M) Sdn. Bhd. for a consideration of RM105,000 on 13 August 2008.

The acquisition of Agriplex (M) Sdn. Bhd. gave rise to negative goodwill of approximately RM74,000.

The subsidiary's profit since the acquisition date included in the Group's net profit for the financial period attributable to shareholders of the Company amounted to approximately RM126,000. Had the acquisition date been 1 April 2008, the management estimates that the Group's revenue and net profit for the financial year attributable to shareholders of the Company would have been approximately RM61,545,000 and RM2,013,000 respectively.

The carrying amounts of the subsidiaries' assets and liabilities immediately before the acquisition, determined in accordance with Financial Reporting Standards and approximating their fair values recognised at the acquisition date, are as follows:-

	RM'000
Property, plant and equipment	1
Receivables	1,167
Cash and cash equivalents	5
Payables	(918)
Minority interests	(76)
Net identifiable assets acquired	179

- ii) acquired 50% equity in SH Freight Services Sdn. Bhd. for a consideration of RM1 on 22 August 2008 and further subscribed for 100,000 new ordinary shares of RM1.00 each.

12 Changes in contingent liabilities/contingent assets

There were no contingent liabilities/assets during the quarter under review.

13 Capital commitments

	As at 30-Sep-08 RM'000
Contracted but not provided for	10,989

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14 Review of performance of current quarter and current year to date

The Group has performed favourably with turnover of RM29.0 million in the current quarter and accumulated turnover of RM60.0 million current year to date. Comparatively, the lower turnover achieved against the previous corresponding year to date of RM66.0 million was due to a drop in trading activities from RM12.0 million to RM5.0 million in the current year to date arising from completion of certain construction projects by its customers. Overall the Group is able to report a favourable profit before tax of RM1.9 million in the current quarter and accumulated RM2.8 million for the current year to date.

15 Results against preceding quarter

In the current quarter, the Group's revenue was marginally lower at RM29.0 million but profit before tax was higher at RM1.9 million against RM31.0 million and RM0.9 million respectively in the immediate preceding quarter. The improved profit before tax was due to positive revision in transport rates, prudent operating cost management and the acquisition of a subsidiary, Agriplex (M) Sdn Bhd in August 2008.

16 Prospects for the remaining quarters

Barring any unforeseen circumstances, the overall financial performance of the Group is expected to remain positive in an environment of economic uncertainties ahead.

17 Profit forecast

Not applicable as no profit forecast was published.

18 Tax expense

	Current Year Quarter 30-Sep-08 RM'000	Preceding Year Corresponding Quarter 30-Sep-07 RM'000	Current Year To date 30-Sep-08 RM'000	Preceding Year To date 30-Sep-07 RM'000
Current tax expense				
- Current period	493	574	881	1,139
- Prior years	-	-	-	-
	493	574	881	1,139
Deferred taxation				
- Current period	-	-	-	-
- Prior years	-	-	-	-
	-	-	-	-
	493	574	881	1,139

The tax expense was mainly in respect of the results of certain profit-making subsidiaries.

19 Unquoted investments and properties

There were no disposal of unquoted investments and properties during the quarter under review.

20 Quoted investments

	As at 30-Sep-08 RM'000
Total investment at cost	21
Total investment at net book value	21
Total investment at market value	14

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21 Status of corporate proposals announced

There were no corporate proposals announced during the quarter ended 30 September 2008.

22 Group borrowings and debts securities

	30-Sep-08 RM'000
Current	
- Secured	7,146
- Unsecured	<u>24,292</u>
	<u>31,438</u>
Non-current	
- Secured	4,213
- Unsecured	<u>6,450</u>
	<u>10,663</u>

The above borrowings are denominated in Ringgit Malaysia.

23 Off balance sheet financial instruments

The Group did not have financial instruments with off balance sheet risk as at 24 November 2008 (the latest practicable date which is not earlier than 7 days from the date of this quarterly report).

24 Changes in material litigation

The Group was not engaged in any material litigation as at 24 November 2008 (the latest practicable date which is not earlier than 7 days from the date of this quarterly report).

25 Earnings per share

The earnings per share are calculated by dividing the profit or loss attributable to ordinary equity holders of the parent by the weighted average numbers of shares in issue during the period as follows:

	Weighted Average No. of Shares	
	Current Year Quarter 30-Sep-08 '000	Current Year To date 30-Sep-08 '000
For computing basic earnings per share	40,126	40,126
No. of shares under ESOS deemed to have been issued for no consideration	644	127
For computing diluted earnings per share	<u>40,770</u>	<u>40,253</u>

BY ORDER OF THE BOARD

Lam Voon Kean
Company Secretary

Dated this 28th day of November 2008