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CONSOLIDATED RESULTS FOR THE THIRD FINANCIAL QUARTER ENDED 30 SEPTEMBER 2008

The Board of Directors is pleased to announce the Group's quarterly report on consolidated results for the period ended 30 September 2008. The figures have not been audited.

CONDENSED CONSOLIDATED INCOME STATEMENT

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Quarter ended 30.09.2008	Quarter ended 30.09.2007	9 months ended 30.09.2008	9 months ended 30.09.2007
		RM'000	RM'000	RM'000	RM'000
Revenue		41,836	41,999	128,408	114,897
Cost of sales		(30,274)	(29,553)	(92,240)	(82,732)
Gross profit		11,562	12,446	36,168	32,165
Other operating income		2,040	1,400	5,650	3,696
Operating expenses		(5,664)	(6,342)	(17,933)	(17,001)
Finance costs		(539)	(406)	(1,702)	(1,298)
Profit before tax		7,399	7,098	22,183	17,562
Tax expenses	18	(939)	(772)	(2,419)	(491)
Profit after tax		6,460	6,326	19,764	17,071
Minority interests		-	-	-	-
Net profit for the period		6,460	6,326	19,764	17,071
Basic earnings per share (sen)	26	8.60	8.42	26.30	22.71
Diluted earnings per share (sen)		N.A.	N.A.	N.A.	N.A.

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

CONDENSED CONSOLIDATED BALANCE SHEET

		Unaudited As At 30.09.2008	Audited As At 31.12.2007
	Note	RM'000	RM'000
ASSETS			
Non-Current Assets			
Property, plant and equipment		153,712	151,284
Prepaid lease payments for land		9,672	9,838
Investments		83	83
Intangible asset - Goodwill		31,226	31,226
		194,693	192,431
Current Assets			
Inventories		31,856	24,476
Trade receivables		40,126	40,268
Other receivables, deposits & prepayments		4,509	4,156
Cash and cash equivalents		29,577	17,583
		106,068	86,483
Total Assets		300,761	278,914
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the Company			
Share capital		75,157	75,157
Reserves			
<u>Non-Distributable:</u>			
Share premium		4,210	4,210
Revaluation reserve		13,513	13,513
<u>Distributable:</u>			
Retained profits		128,521	114,769
		146,244	132,492
Total Equity		221,401	207,649
Non-Current Liabilities			
Borrowings (interest bearing)	22	9,133	10,636
Deferred tax liabilities		13,844	13,987
		22,977	24,623
Current Liabilities			
Trade payables		5,780	5,394
Other payables & accruals		7,483	9,758
Borrowings (interest bearing)	22	41,739	30,642
Current tax payable		1,381	848
		56,383	46,642
Total Liabilities		79,360	71,265
Total Equity and Liabilities		300,761	278,914
Net assets per share attributable to ordinary equity holders of the parent (RM)		2.95	2.76

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

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	9 months ended 30.09.2008	9 months ended 30.09.2007
	RM'000	RM'000
Cash Flow From Operating Activities		
Profit before tax	22,183	17,562
Adjustments for:-		
Non-cash items	12,524	10,931
Non-operating items	1,099	1,067
Operating profit before working capital changes	35,806	29,560
Net change in current assets	(7,513)	(6,691)
Net change in current liabilities	365	127
Tax paid	(2,028)	(1,955)
Net cash generated from operating activities	26,630	21,041
Cash Flows From Investing Activities		
Proceeds from disposal of property, plant and equipment	102	427
Purchase of property, plant and equipment	(14,966)	(18,819)
Interest received	603	232
Net cash used in investing activities	(14,261)	(18,160)
Cash Flow From Financing Activities		
Interest paid	(1,702)	(1,298)
Drawdown of short term borrowings	12,800	1,309
Dividend paid	(8,267)	(8,290)
(Repayment)/drawdown of term loan	(3,206)	5,618
Net cash used in financing activities	(375)	(2,661)
Net increase in cash and cash equivalents	11,994	220
Cash and cash equivalents at beginning of financial period	17,583	11,808
Cash and cash equivalents at end of the period	29,577	12,028

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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital	Share premium	Revaluation reserves	Retained profits	Total
Note	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January 2007	75,157	4,210	12,899	100,056	192,322
Profit after tax	-	-	-	17,071	17,071
Dividend	-	-	-	(6,035)	(6,035)
Revaluation surplus	-	-	532	-	532
Balance as at 30 September 2007	75,157	4,210	13,431	111,092	203,890
Balance as at 1 January 2008	75,157	4,210	13,513	114,769	207,649
Profit after tax	-	-	-	19,764	19,764
Dividend	-	-	-	(6,012)	(6,012)
Balance as at 30 September 2008	75,157	4,210	13,513	128,521	221,401

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

PART A – EXPLANATORY NOTES IN COMPLIANCE WITH FINANCIAL REPORTING STANDARD (FRS) 134, INTERIM FINANCIAL REPORTING

1 Basis of preparation

The interim financial report has been prepared in accordance with FRS 134: Interim Financial Reporting issued by the Malaysia Accounting Standards Board (“MASB”) and Chapter 9, Part K of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited annual financial statements of the Group for the financial year ended 31 December 2007.

The significant accounting policies and methods of computation applied in the interim financial report are consistent with those adopted in the most recent audited annual financial statements for the year ended 31 December 2007 except for the adoption of the following new and revised Financial Reporting Standards (“FRS”) which are effective for the financial year beginning 1 January 2008:-

- FRS 107 Cash Flow Statements
- FRS 111 Construction Contracts
- FRS 112 Income Taxes
- FRS 118 Revenue
- FRS 120 Accounting for Government Grants and Disclosure of Government Assistance
- FRS 134 Interim Financial Reporting
- FRS 137 Provisions, Contingent Liabilities and Contingent Assets

The adoption of the FRS 107, 112, 118, 134 and 137 do not have any significant financial impact on the results of the Group. FRS 111 and 120 are not relevant to the Group’s operations.

2 Qualified audit report

The financial statements for the financial year ended 31 December 2007 was not qualified.

3 Seasonal or cyclical factors

The Group’s operation is not significantly affected by seasonal or cyclical factors.

4 Unusual items

Other than those stated in the notes, there are no other items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence.

5 Changes in estimates

There is no significant change in estimates of amounts reported in prior interim periods of the current or previous financial year.

6 Debt and equity securities

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares, repurchase and resale of treasury shares for the current quarter under review.

7 Dividends paid

There were no dividends paid during the quarter under review.

8 Segmental information

	Quarter ended		9 months ended	
	30.09.2008	30.09.2007	30.09.2008	30.09.2007
	RM'000	RM'000	RM'000	RM'000
<u>Segment Revenue</u>				
- Trading	32,376	29,746	96,522	83,725
- Manufacturing	28,943	30,273	89,708	81,548
- Investment Holding	84	96	8,552	8,367
- Others	131	258	390	741
Elimination of inter segment sales	(19,698)	(18,374)	(66,764)	(59,484)
Group Revenue	41,836	41,999	128,408	114,897
<u>Segment Results</u>				
- Trading	1,495	1,246	4,643	3,138
- Manufacturing	6,453	6,141	19,350	15,495
- Investment Holding	(18)	1	8,173	8,026
- Others	8	116	19	280
Consolidated Adjustment	-	-	(8,300)	(8,079)
Segment Results	7,938	7,504	23,885	18,860
Finance Costs	(539)	(406)	(1,702)	(1,298)
Group Results	7,399	7,098	22,183	17,562

9 Valuation of property, plant and equipment

The valuations of land and buildings have been brought forward, without amendment from the previous annual financial statements.

10 Subsequent events

In the opinion of the Directors, no item, transaction or event of a material nature has arisen during the period from the end of the reporting period to 23 October 2008 which is likely to affect substantially the results of the operations of the Group for the financial period ended 30 September 2008.

11 Changes in the composition of the Group

There was no change in the composition of the Group for the current quarter under review.

12 Changes in contingent liabilities - unsecured

The contingent liabilities of the Company are as follows:

	Company	
	As at 30.09.2008 RM'000	As at 31.12.2007 RM'000
Guarantee in favour of banks for banking facilities granted to subsidiary companies	50,872	41,278
Guarantee in favour of third parties for supply of goods to subsidiary companies	672	1,142
	51,544	42,420

13 Capital commitments

	Group As at 30.09.2008 RM'000
Contracted but not provided for in respect of property, plant and equipment	3,826

PART B – ADDITIONAL INFORMATION AS REQUIRED BY LISTING REQUIREMENT OF BURSA MALAYSIA SECURITIES BERHAD (PART A OF APPENDIX 9B)

14 Review of performance

The Group recorded a revenue of RM41.8 million for the current quarter under review which is substantially the same as compared to RM42.0 million in the corresponding quarter of last year. The cumulative revenue for the period ended 30 September 2008 was RM128.4 million, 11.7% higher than the cumulative revenue of RM114.9 million in the previous corresponding nine month period. The increase in revenue is mainly due to increase in local sales.

The Group recorded a Profit Before Tax of RM7.4 million in the current quarter under review compared to RM7.1 million corresponding period last year. The cumulative Profit Before Tax of the Group for the nine month period was RM22.2 million, an increase of 26.1% as compared to RM17.6 million posted in the previous corresponding period. The increase in profits is mainly due to the higher revenue achieved and higher sales of steel scrap this year.

15 Variation of results against preceding quarter

For the current quarter, the Group posted a Profit Before Tax of RM 7.4 million, 12.9% lower than the immediate preceding quarter of RM8.5 million. This was mainly due to lower revenue in the current quarter.

16 Current year prospects

The Group expects the business conditions persist to be challenging and competitive for the fourth quarter of 2008 due to increasing costs, inflationary pressure and global economic uncertainties. However, despite of the anticipated challenges and barring any unforeseen circumstances, the Board of Directors is confident that the Group will continue its positive performance in the remaining financial year.

17 Profit forecast

Not applicable as no profit forecast was published.

18 Tax expenses

	Quarter ended 30.09.2008 RM'000	9 months ended 30.09.2008 RM'000
Tax expenses for the period	794	2,561
Deferred tax liabilities	145	(142)
	<u>939</u>	<u>2,419</u>

The effective tax rate of the Group for the current quarter is 12.7% and year to date is 10.9%. This is lower than the statutory tax rate mainly because of the utilisation of reinvestment allowances by certain subsidiary companies of the Group.

19 Unquoted investments and properties

There was no disposal of unquoted investments or properties during the quarter under review.

20 Quoted investments

There was no purchase nor disposal of quoted securities for the current quarter.

As at the end of the current quarter, the Group does not hold any investment in quoted shares.

21 Status of corporate proposal

(a) There were no corporate proposals announced but not completed as at 23 October 2008.

(b) Utilisation of proceeds raised from corporate proposals: Not applicable.

22 Borrowings and debt securities

	As at 30.09.2008 RM'000
Current	
- Unsecured	
Term loans	4,039
Bankers' acceptance	32,700
Revolving credit	5,000
	<u>41,739</u>
Non-current	
- Unsecured	
Term loans	9,133
Total Borrowings	<u>50,872</u>

There are no borrowings denominated in foreign currency.

23 Off balance sheet financial instruments

There are no financial instruments with off balance sheet risks as at 23 October 2008.

24 Material litigation

The Group is not engaged in any material litigation and is not aware of any proceedings, which might materially affect the position or business of the Group as at 23 October 2008.

25 Dividend

The Board of Directors is pleased to declare an interim tax exempt dividend of 3 sen per ordinary share in respect of the financial year ending 31 December 2008 amounting to RM2,254,698 (2007: tax exempt 3 sen per ordinary share, RM2,254,698).

The dividend will be paid on 18 December 2008 to shareholders registered in the Record of Depositors on 20 November 2008.

The interim dividend will be accounted for as an appropriation of retained earnings in the year in which it is declared.

26 Earnings per share

	INDIVIDUAL QUARTER	INDIVIDUAL QUARTER	CUMULATIVE QUARTER	CUMULATIVE QUARTER
	Quarter	Quarter	9 months	9 months
	ended	ended	ended	ended
	30.09.2008	30.09.2007	30.09.2008	30.09.2007
Net profit for the quarter (RM'000)	<u>6,460</u>	<u>6,326</u>	<u>19,764</u>	<u>17,071</u>
Number of ordinary shares in issue	75,156,600	75,156,600	75,156,600	75,156,600
Basic earnings per share (sen)	8.60	8.42	26.30	22.71

By Order of the Board
MAH LI CHEN
Secretary

Kuala Lumpur
30 October 2008