



**CONSOLIDATED RESULTS FOR THE FIRST FINANCIAL QUARTER ENDED 31 MARCH 2009**

The Board of Directors is pleased to announce the Group's quarterly report on consolidated results for the period ended 31 March 2009. The cumulative quarter figures have not been audited.

**CONDENSED CONSOLIDATED INCOME STATEMENT**

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Quarter ended 31.03.2009	Quarter ended 31.03.2008	Year to date ended 31.03.2009	Year to date ended 31.03.2008
		RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>		<b>45,537</b>	<b>42,670</b>	<b>45,537</b>	<b>42,670</b>
Cost of sales		(34,647)	(31,035)	(34,647)	(31,035)
Gross profit		10,890	11,635	10,890	11,635
Other operating income		1,727	1,773	1,727	1,773
Operating expenses		(6,304)	(6,565)	(6,304)	(6,565)
Finance costs		(418)	(543)	(418)	(543)
<b>Profit before tax</b>		<b>5,895</b>	<b>6,300</b>	<b>5,895</b>	<b>6,300</b>
Tax expenses	18	(243)	(558)	(243)	(558)
<b>Profit after tax</b>		<b>5,652</b>	<b>5,742</b>	<b>5,652</b>	<b>5,742</b>
Minority interest		(53)	-	(53)	-
<b>Net profit for the period</b>		<b>5,599</b>	<b>5,742</b>	<b>5,599</b>	<b>5,742</b>
Basic earnings per share (sen)	26	7.45	7.64	7.45	7.64
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 2008)*

**CONDENSED CONSOLIDATED BALANCE SHEET**

	Note	Unaudited As At 31.03.2009 RM'000	Audited As At 31.12.2008 RM'000
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment		151,889	154,283
Prepaid lease payments for land		9,562	9,617
Investments		83	83
Intangible asset – Goodwill		25,519	25,519
		187,053	189,502
<b>Current Assets</b>			
Inventories		35,536	33,830
Trade receivables		42,386	40,547
Other receivables, deposits & prepayments		3,431	3,203
Tax recoverable		2	2
Cash and cash equivalents		26,662	28,126
		108,017	105,708
<b>Total Assets</b>		<b>295,070</b>	<b>295,210</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to equity holders of the parent</b>			
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		130,382	124,783
		148,105	142,506
<b>Minority Interest</b>		2,053	-
<b>Total Equity</b>		<b>225,315</b>	<b>217,663</b>
<b>Non-Current Liabilities</b>			
Borrowings (interest bearing)	22	8,369	9,391
Deferred tax liabilities		13,827	14,223
		22,196	23,614
<b>Current Liabilities</b>			
Trade payables		10,062	4,542
Other payables & accruals		4,775	6,313
Borrowings (interest bearing)	22	32,025	42,274
Current tax payable		697	804
		47,559	53,933
<b>Total Liabilities</b>		<b>69,755</b>	<b>77,547</b>
<b>Total Equity and Liabilities</b>		<b>295,070</b>	<b>295,210</b>
Net assets per share attributable to ordinary equity holders of the parent (RM)		2.97	2.90

*(The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2008)*

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

	<b>3 months ended 31.03.2009</b>	<b>3 months ended 31.03.2008</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash Flow From Operating Activities</b>		
Profit before tax	5,895	6,300
Adjustments for:-		
Non-cash items	3,833	4,333
Non-operating items	310	431
Operating profit before working capital changes	10,038	11,064
Net change in current assets	(3,678)	1,028
Net change in current liabilities	3,981	(2,574)
Tax paid	(746)	(599)
<b>Net cash generated from operating activities</b>	<b>9,595</b>	<b>8,919</b>
<b>Cash Flows From Investing Activities</b>		
Proceeds from disposal of property, plant and equipment	1,415	28
Purchase of property, plant and equipment	(2,894)	(4,231)
Net cash from investment in subsidiary	2,000	-
Interest received	109	112
<b>Net cash from/(used in) investing activities</b>	<b>630</b>	<b>(4,091)</b>
<b>Cash Flow From Financing Activities</b>		
Interest paid	(418)	(543)
(Repayment)/Drawdown of short term borrowings	(10,300)	12,400
Dividend paid	-	(2,255)
Proceeds from hire purchase	120	-
Repayment of term loan	(1,091)	(409)
<b>Net cash (used in)/from financing activities</b>	<b>(11,689)</b>	<b>9,193</b>
Net (decrease)/increase in cash and cash equivalents	(1,464)	14,021
Cash and cash equivalents at beginning of financial period	28,126	17,583
<b>Cash and cash equivalents at end of the period</b>	<b>26,662</b>	<b>31,604</b>

*(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2008)*

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Attributable to equity holders of the parent					Minority interest	Total equity
	Share capital	Share premium	Revaluation reserves	Retained profits	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000		
Balance as at 1 January 2008	75,157	4,210	13,513	114,769	207,649	-	207,649
Profit after tax	-	-	-	5,742	5,742	-	5,742
<b>Balance as at 31 March 2008</b>	<b>75,157</b>	<b>4,210</b>	<b>13,513</b>	<b>120,511</b>	<b>213,391</b>	<b>-</b>	<b>213,391</b>
Balance as at 1 January 2009	75,157	4,210	13,513	124,783	217,663	-	217,663
Ordinary shares contributed by minority shareholders of a subsidiary	-	-	-	-	-	2,000	2,000
Profit after tax	-	-	-	5,599	5,599	53	5,652
<b>Balance as at 31 March 2009</b>	<b>75,157</b>	<b>4,210</b>	<b>13,513</b>	<b>130,382</b>	<b>223,262</b>	<b>2,053</b>	<b>225,315</b>

*(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 2008)*

**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 2008.

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 2008.

**2 Qualified audit report**

The financial statements for the financial year ended 31 December 2008 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		Year to date ended	
	31.03.2009	31.03.2008	31.03.2009	31.03.2008
	RM’000	RM’000	RM’000	RM’000
<u>Segment Revenue</u>				
– Trading	36,366	30,998	36,366	30,998
– Manufacturing	26,789	30,355	26,789	30,355
– Investment Holding	90	84	90	84
– Others	110	123	110	123
Elimination of inter segment sales	(17,818)	(18,890)	(17,818)	(18,890)
Group Revenue	45,537	42,670	45,537	42,670

**8 Segmental information (continued)**

	Quarter ended		Year to date ended	
	31.03.2009	31.03.2008	31.03.2009	31.03.2008
	RM'000	RM'000	RM'000	RM'000
<u>Segment Results</u>				
- Trading	811	1,462	811	1,462
- Manufacturing	5,557	5,441	5,557	5,441
- Investment Holding	(45)	(56)	(45)	(56)
- Others	(10)	(4)	(10)	(4)
Consolidated Adjustment	-	-	-	-
Segment Results	6,313	6,843	6,313	6,843
Finance Costs	(418)	(543)	(418)	(543)
Group Results	5,895	6,300	5,895	6,300

**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 7 May 2009 which is likely to affect substantially the results of the operations of the Group for the financial period ended 31 March 2009.

**11 Changes in the composition of the Group**

The Group has subscribed for 3,000,000 shares representing 60% of the total issued and paid-up share capital of New Kean Tat Auto Parts Sdn. Bhd. ('NKT'), a company incorporated in Malaysia for a total cash consideration of RM3,000,000 on 15 January 2009.

Save as disclosed above, there was no changes in the composition of the Group during the quarter under review.

**12 Changes in contingent liabilities - unsecured**

The contingent liabilities of the Company are as follows:

	Company	
	As at 31.03.2009 RM'000	As at 31.12.2008 RM'000
Guarantee in favour of banks for banking facilities granted to subsidiary companies	40,275	51,665
Guarantee in favour of third parties for supply of goods to subsidiary companies	473	484
	<u>40,748</u>	<u>52,149</u>

**13 Capital commitments**

	Group As at 31.03.2009 RM'000
Contracted but not provided for in respect of property, plant and equipment	<u>3,217</u>

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

**14 Review of performance**

For the first quarter of 2009, the Group recorded a higher revenue of RM45.5 million which is 6.6% higher as compared to RM42.7 million in the corresponding quarter of last year. The increase in revenue for the current quarter is mainly due to the increase in sales contributed by NKT, a newly established subsidiary which is engaged in trading of motor vehicle parts and accessories.

However, the Group recorded a 6.3% lower Profit Before Tax of RM5.9 million in the current quarter under review as compared to RM6.3 million in the corresponding period of last year. Higher raw material prices had resulted in the lower profit margins in the current quarter under review.

**15 Variation of results against preceding quarter**

The Profit Before Tax for the current quarter of RM5.9 million is higher as compared to Loss Before Tax of RM0.6 million in the immediate preceding quarter. Without taking the impact of goodwill impairment of RM5.7 million in the preceding quarter into consideration, the current quarter profit would have increased by 15.7% compared to the preceding quarter. The increase was mainly due to lower manufacturing costs.

**16 Current year prospects**

In view of the current global economic slowdown and uncertainties, the Group expects the operating conditions for the remaining period of the current financial year to be challenging and competitive. Recognising the challenges ahead, the Group will continue to build on its core strength by controlling costs and managing its resources better in order to ensure that the Group can emerge strongly from these challenging economic conditions.

Barring any unforeseen circumstances, the Group expects to continue its positive performance in the current financial year.

**17 Profit forecast**

Not applicable as no profit forecast was published.

**18 Tax expenses**

	<b>Quarter ended 31.03.2009 RM'000</b>
Tax expenses for the period	639
Deferred tax liabilities	(396)
	<hr/> <u>243</u> <hr/>

The effective tax rate of the Group for the current quarter is 4.1%. 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 7 May 2009.  
(b) Utilisation of proceeds raised from corporate proposals: Not applicable.

**22 Group borrowings and debt securities**

	<b>As at 31.03.2009 RM'000</b>
<b>Current (unsecured)</b>	
Term loans	4,385
Bankers' acceptance	22,600
Revolving credit	5,000
Hire purchase payables	40
	<u>32,025</u>
<b>Non-current (unsecured)</b>	
Term loans	8,289
Hire purchase payables	80
	<u>8,369</u>
<b>Total Borrowings</b>	<u>40,394</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 7 May 2009.

**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 7 May 2009.

**25 Dividend**

The Board of Directors has not recommended any interim dividend for the financial quarter ended 31 March 2009.

**26 Earnings per share**

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	<b>Quarter ended 31.03.2009</b>	<b>Quarter ended 31.03.2008</b>	<b>Year to date ended 31.03.2009</b>	<b>Year to date ended 31.03.2008</b>
Net profit for the quarter (RM'000)	<u>5,599</u>	<u>5,742</u>	<u>5,599</u>	<u>5,742</u>
Number of ordinary shares in issue	75,156,600	75,156,600	75,156,600	75,156,600
Basic earnings per share (sen)	7.45	7.64	7.45	7.64

By Order of the Board  
MAH LI CHEN  
Secretary

Kuala Lumpur  
14 May 2009