



CONSOLIDATED RESULTS FOR THE THIRD FINANCIAL QUARTER ENDED 30 SEPTEMBER 2009

The Board of Directors is pleased to announce the Group's quarterly report on consolidated results for the period ended 30 September 2009. The figures have not been audited.

CONDENSED CONSOLIDATED INCOME STATEMENT

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Quarter ended 30.09.2009	Quarter ended 30.09.2008	Year to date ended 30.09.2009	Year to date ended 30.09.2008
		RM'000	RM'000	RM'000	RM'000
Revenue		53,806	41,836	150,420	128,408
Cost of sales		(37,997)	(30,274)	(110,482)	(92,240)
Gross profit		15,809	11,562	39,938	36,168
Other operating income		1,574	2,040	4,690	5,650
Operating expenses		(7,184)	(5,664)	(20,317)	(17,933)
Finance costs		(283)	(539)	(1,077)	(1,702)
Profit before tax		9,916	7,399	23,234	22,183
Tax expenses	18	(1,102)	(939)	(2,200)	(2,419)
Net profit for the period		8,814	6,460	21,034	19,764
Attributable to :					
Equity holders of the parent		8,684	6,460	20,685	19,764
Minority interest		130	-	349	-
Net profit for the period		8,814	6,460	21,034	19,764
Basic earnings per share (sen)	26	11.55	8.60	27.52	26.30
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 30.09.2009 RM'000	Audited As At 31.12.2008 RM'000
ASSETS			
Non-Current Assets			
Property, plant and equipment		149,158	154,283
Prepaid lease payments for land		9,452	9,617
Investments		83	83
Intangible asset – Goodwill		25,519	25,519
		184,212	189,502
Current Assets			
Inventories		30,941	33,830
Trade receivables		48,957	40,547
Other receivables, deposits & prepayments		4,228	3,203
Tax recoverable		2	2
Cash and cash equivalents		29,648	28,126
		113,776	105,708
Total Assets		297,988	295,210
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
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		139,456	124,783
		157,179	142,506
Minority Interest		2,349	-
Total Equity		234,685	217,663
Non-Current Liabilities			
Borrowings (interest bearing)	22	4,903	9,391
Deferred tax liabilities		13,767	14,223
		18,670	23,614
Current Liabilities			
Trade payables		10,427	4,542
Other payables & accruals		4,372	6,313
Borrowings (interest bearing)	22	29,014	42,274
Current tax payable		820	804
		44,633	53,933
Total Liabilities		63,303	77,547
Total Equity and Liabilities		297,988	295,210
Net assets per share attributable to ordinary equity holders of the parent (RM)		3.09	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

	9 months ended 30.09.2009	9 months ended 30.09.2008
	RM'000	RM'000
Cash Flow From Operating Activities		
Profit before tax	23,234	22,183
Adjustments for:-		
Non-cash items	12,662	12,524
Non-operating items	754	1,099
Operating profit before working capital changes	36,650	35,806
Net change in current assets	(6,744)	(7,513)
Net change in current liabilities	3,943	365
Tax paid	(2,639)	(2,028)
Net cash generated from operating activities	31,210	26,630
Cash Flows From Investing Activities		
Proceeds from disposal of property, plant and equipment	1,917	102
Purchase of property, plant and equipment	(8,840)	(14,966)
Cash contributed by minority shareholders of a subsidiary	2,000	-
Interest received	323	603
Net cash used in investing activities	(4,600)	(14,261)
Cash Flow From Financing Activities		
Interest paid	(1,077)	(1,702)
(Repayment)/Drawdown of short term borrowings	(11,153)	12,800
Dividend paid	(6,012)	(8,267)
Repayment of hire purchase	(30)	-
Repayment of term loan	(6,816)	(3,206)
Net cash used in financing activities	(25,088)	(375)
Net increase in cash and cash equivalents	1,522	11,994
Cash and cash equivalents at beginning of financial period	28,126	17,583
Cash and cash equivalents at end of the period	29,648	29,577

(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	-	-	-	19,764	19,764	-	19,764
Dividend	-	-	-	(6,012)	(6,012)	-	(6,012)
Balance as at 30 September 2008	75,157	4,210	13,513	128,521	221,401	-	221,401
Balance as at 1 January 2009	75,157	4,210	13,513	124,783	217,663	-	217,663
Cash contributed by minority shareholders of a subsidiary	-	-	-	-	-	2,000	2,000
Profit after tax	-	-	-	20,685	20,685	349	21,034
Dividend	-	-	-	(6,012)	(6,012)	-	(6,012)
Balance as at 30 September 2009	75,157	4,210	13,513	139,456	232,336	2,349	234,685

(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	
	30.09.2009	30.09.2008	30.09.2009	30.09.2008
	RM'000	RM'000	RM'000	RM'000
<u>Segment Revenue</u>				
- Trading	41,286	32,376	116,843	96,522
- Manufacturing	30,895	28,943	88,222	89,708
- Investment Holding	90	84	6,570	8,552
- Others	115	131	338	390
Elimination of inter segment sales	(18,580)	(19,698)	(61,553)	(66,764)
Group Revenue	53,806	41,836	150,420	128,408
<u>Segment Results</u>				
- Trading	1,828	1,495	3,874	4,643
- Manufacturing	8,377	6,453	20,554	19,350
- Investment Holding	(7)	(18)	6,198	8,173
- Others	1	8	(15)	19
Consolidated Adjustment	-	-	(6,300)	(8,300)
Segment Results	10,199	7,938	24,311	23,885
Finance Costs	(283)	(539)	(1,077)	(1,702)
Group Results	9,916	7,399	23,234	22,183

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 21 October 2009 which is likely to affect substantially the results of the operations of the Group for the financial period ended 30 September 2009.

11 Changes in the composition of the Group

The Group had on 9 September 2009 acquired the entire equity interest in MJ Manufacturing Industries Sdn Bhd, a company incorporated in Malaysia, totaling 2 ordinary shares of RM1-00 each at par.

12 Changes in contingent liabilities - unsecured

The contingent liabilities of the Company are as follows:

	Company	
	As at 30.09.2009 RM'000	As at 31.12.2008 RM'000
Guarantee in favour of banks for banking facilities granted to subsidiary companies	33,696	51,665
Guarantee in favour of third parties for supply of goods to subsidiary companies	487	484
	<u>34,183</u>	<u>52,149</u>

13 Capital commitments

	Group As at 30.09.2009 RM'000
Contracted but not provided for in respect of property, plant and equipment	<u>3,247</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 third quarter of 2009, the Group recorded revenue of RM53.8 million which is 28.7% higher as compared to RM41.8 million in the corresponding quarter of last year. The cumulative revenue for the financial period to date was RM150.4 million, 17.1% higher than the cumulative revenue of RM128.4 million in the corresponding nine month period. The growth in revenue was mainly attributed to the sales contributed by New Kean Tat Auto Parts Sdn Bhd, a subsidiary subscribed in the first quarter of 2009.

The Group's Profit Before Tax increased by 33.8% to RM9.9 million in the current quarter under review as compared to RM7.4 million in the corresponding quarter of last year. The cumulative Profit Before Tax of the Group for the nine month period was RM23.2 million compared with RM22.2 million posted in the previous corresponding period, representing an increase of 4.5%. The increase in profits is mainly due to increase in revenue and lower manufacturing costs.

15 Variation of results against preceding quarter

The Group's Profit Before Tax for the current quarter under review was RM9.9 million, representing an increase of 33.8% compared with the immediate preceding quarter of RM7.4 million. The higher Profit Before Tax was the result of increase in revenue during the current quarter under review and lower manufacturing costs.

16 Current year prospects

The Group expects the operating conditions for the fourth quarter of the current financial year to remain challenging and competitive. Barring any unforeseen circumstances, the Group expects to continue its positive performance for the coming quarter.

17 Profit forecast

Not applicable as no profit forecast was published.

18 Tax expenses

	Quarter ended 30.09.2009 RM'000	Year to date ended 30.09.2009 RM'000
Tax expenses for the period	1,151	2,656
Deferred tax liabilities	<u>(49)</u>	<u>(456)</u>
	<u>1,102</u>	<u>2,200</u>

The effective tax rate of the Group for the current quarter is 11.1% and year to date is 9.5%. 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

There was no disposal of unquoted investments 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 21 October 2009.
(b) Utilisation of proceeds raised from corporate proposals: Not applicable.

22 Group borrowings and debt securities

	As at 30.09.2009 RM'000
Current (unsecured)	
Term loans	2,184
Bankers' acceptance	21,747
Revolving credit	5,000
Hire purchase payables	83
	<u>29,014</u>
Non-current (unsecured)	
Term loans	4,765
Hire purchase payables	138
	<u>4,903</u>
Total Borrowings	<u>33,917</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 21 October 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 21 October 2009.

25 Dividend

The Board of Directors is pleased to declare an interim single tier dividend of 3 sen per ordinary share of RM1.00 each in respect of the financial year ending 31 December 2009 amounting to RM2,254,698 (2008 : single tier 3 sen per ordinary share, RM2,254,698).

The dividend will be paid on 17 December 2009 to shareholders registered in the Record of Depositors on 20 November 2009.

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		CUMULATIVE QUARTER	
	Quarter ended	Quarter ended	Year to date ended	Year to date ended
	30.09.2009	30.09.2008	30.09.2009	30.09.2008
Net profit for the quarter (RM'000)	8,684	6,460	20,685	19,764
Number of ordinary shares in issue	75,156,600	75,156,600	75,156,600	75,156,600
Basic earnings per share (sen)	11.55	8.60	27.52	26.30

By Order of the Board

YEOH CHONG KEAT
REBECCA LEONG SIEW KWAN
Secretaries

Kuala Lumpur
28 October 2009