



CONSOLIDATED RESULTS FOR THE SECOND FINANCIAL QUARTER ENDED 30 JUNE 2011

The Board of Directors is pleased to announce the Group's un-audited quarterly report on consolidated results for the period ended 30 June 2011.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Quarter ended 30.06.2011 RM'000	Quarter ended 30.06.2010 RM'000	Year to date ended 30.06.2011 RM'000	Year to date ended 30.06.2010 RM'000
Revenue		59,333	57,548	113,043	110,393
Cost of sales		(44,375)	(42,742)	(84,468)	(81,761)
Gross profit		14,958	14,806	28,575	28,632
Other operating income		2,834	2,498	5,902	4,391
Operating expenses		(9,283)	(8,154)	(17,773)	(16,292)
Finance costs		(363)	(335)	(749)	(726)
Profit before tax		8,146	8,815	15,955	16,005
Tax expenses	19	(995)	(289)	(1,635)	(1,023)
Net profit for the period		7,151	8,526	14,320	14,982
Other comprehensive income, net of tax					
Foreign currency translation differences arising from consolidation		39	-	39	-
Total comprehensive income for the period		7,190	8,526	14,359	14,982
Profit attributable to :					
Owners of the parent		7,069	8,412	14,151	14,817
Non-controlling interest		82	114	169	165
Net profit for the period		7,151	8,526	14,320	14,982
Total comprehensive income attributable to :					
Owners of the parent		7,108	8,412	14,190	14,817
Non-controlling interest		82	114	169	165
Total comprehensive income for the period		7,190	8,526	14,359	14,982
Earnings per share attributable to equity holders of the Company:	28				
Basic (sen)		9.41	11.19	18.83	19.71
Diluted (sen)		N.A.	N.A.	N.A.	N.A.

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2010)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	Unaudited As At 30.06.2011 RM'000	Audited As At 31.12.2010 RM'000
ASSETS			
Non-Current Assets			
Property, plant and equipment		174,673	172,223
Prepaid lease payments for land		1,477	1,520
Investment properties		8,300	8,300
Available- for- sale financial assets		83	83
Intangible asset – Goodwill		15,339	15,339
		199,872	197,465
Current Assets			
Inventories		39,216	41,868
Trade receivables		53,758	55,567
Other receivables, deposits & prepayments		4,484	3,383
Current tax assets		319	3
Cash and cash equivalents		29,997	33,328
		127,774	134,149
Total Assets		327,646	331,614
EQUITY AND LIABILITIES			
Equity attributable to owners 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
Foreign currency exchange reserves		39	-
<u>Distributable:</u>			
Retained profits		163,359	156,724
		181,121	174,447
Non-controlling Interest		2,766	2,597
Total Equity		259,044	252,201
Non-Current Liabilities			
Borrowings (interest bearing)	23	10,016	11,903
Deferred tax liabilities		14,139	14,210
		24,155	26,113
Current Liabilities			
Trade payables		10,306	10,944
Other payables & accruals		5,278	6,839
Borrowings (interest bearing)	23	28,043	35,050
Current tax payable		820	467
		44,447	53,300
Total Liabilities		68,602	79,413
Total Equity and Liabilities		327,646	331,614
Net assets per share attributable to ordinary equity holders of the Company (RM)		3.41	3.32

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2010)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Year to date ended 30.06.2011	Year to date ended 30.06.2010
	RM'000	RM'000
Cash Flow From Operating Activities		
Profit before tax	15,955	16,005
Adjustments for:-		
Non-cash items	9,088	8,526
Non-operating items	439	332
Operating profit before changes in working capital	25,482	24,863
Net change in current assets	3,060	(2,401)
Net change in current liabilities	(2,199)	(2,190)
Tax paid	(1,668)	(1,473)
Net cash generated from operating activities	24,675	18,799
Cash Flows From Investing Activities		
Proceeds from disposal of property, plant and equipment	184	638
Purchase of property, plant and equipment	(11,380)	(21,579)
Interest received	310	394
Net cash used in investing activities	(10,886)	(20,547)
Cash Flow From Financing Activities		
Interest paid	(749)	(726)
(Repayment)/Drawdown of short term borrowings	(7,912)	6,555
Dividend paid	(7,516)	(6,764)
Proceeds from / (Repayment of) hire purchase	22	(36)
(Repayment) / Drawdown of term loan	(1,004)	5,980
Net cash (used in) / from financing activities	(17,159)	5,009
Net (decrease) / increase in cash and cash equivalents	(3,370)	3,261
Effect of exchange rate changes on cash & cash equivalents	39	-
Cash and cash equivalents at beginning of financial period	33,328	34,523
Cash and cash equivalents at end of the financial period	29,997	37,784
Cash and cash equivalents comprise of :		
Cash and bank balances	15,460	11,979
Short term placements	14,537	25,805
	29,997	37,784

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2010)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to equity holders of the parent								
	Non-distributable				Distributable		Total	Non-controlling interest	Total Equity
	Share capital	Share premium	Revaluation reserves	Foreign currency exchange reserves	Retained profits				
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
Balance as at 1 January 2010	75,157	4,210	13,513	-	138,489	231,369	2,272	233,641	
Total comprehensive income for the period	-	-	-	-	14,817	14,817	165	14,982	
Dividend	-	-	-	-	(6,764)	(6,764)	-	(6,764)	
Balance as at 30 June 2010	75,157	4,210	13,513	-	146,542	239,422	2,437	241,859	
Balance as at 1 January 2011	75,157	4,210	13,513	-	156,724	249,604	2,597	252,201	
Total comprehensive income for the period	-	-	-	39	14,151	14,151	169	14,359	
Dividend	-	-	-	-	(7,516)	(7,516)	-	(7,516)	
Balance as at 30 June 2011	75,157	4,210	13,513	39	163,359	256,278	2,766	259,044	

(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 2010)

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 paragraph 9.22 of the Main Market 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 2010.

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 2010.

2 Adoption of Revised Financial Reporting Standards

The significant accounting policies 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 2010 except for the adoption of the following new/revised Financial Reporting Standards (“FRSs”), Amendments to FRSs and new IC Interpretations (“IC”) with effective from 1 July 2010 and 1 January 2011:-

FRS 1	First-time Adoption of Financial Reporting Standards
FRS 3	Business Combinations (Revised)
FRS 127	Consolidation and Separate Financial Statements
Amendments to FRS 1	Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters
Amendments to FRS 1	Additional Exemptions for First-time Adopters
Amendments to FRS 2	Share-based Payments
Amendments to FRS 2	Group Cash-settled Share-based Payment Transactions
Amendments to FRS 3	Business Combination
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS 7	Improving Disclosures about Financial Instruments
Amendments to FRS 101	Presentation of Financial Statements
Amendments to FRS 121	The Effects of Changes in Foreign Exchange Rates
Amendments to FRS 128	Investments in Associates
Amendments to FRS 131	Interest in Joint Ventures
Amendments to FRS 132	Financial Instruments: Presentation
Amendments to FRS 134	Interim Financial Reporting
Amendments to FRS 138	Intangible Assets
Amendments to FRS 139	Financial Instruments: Recognition and Measurement
IC Interpretation 4	Determining whether an Arrangement contains a Lease
IC Interpretation 12	Service Concession Arrangements
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17	Distributions of Non-cash Assets to Owners
IC Interpretation 18	Transfers of Assets from Customers
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives
Amendments to IC Interpretation 13	Customer Loyalty Programmes

The adoption of the above FRSs, Amendments to FRSs and IC Interpretations did not result in any impact on the financial statements of the Group.

2 Adoption of Revised Financial Reporting Standards (cont.)

The Group has not adopted the following new/revised FRSs, Amendments to FRSs and IC that were in issue but not yet effective:

		<u>Effective Date</u>
IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments	1 July 2011
Amendments to IC Interpretation 14	Prepayments of a Minimum Funding Requirement	1 July 2011
FRS 124	Related Party Disclosures	1 January 2012
IC Interpretation 15	Agreement for the Construction of Real Estate	1 January 2012

3 Qualified audit report

The financial statements for the financial year ended 31 December 2010 was not qualified.

4 Seasonal or cyclical factors

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

5 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.

6 Changes in estimates

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

7 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.

8 Dividends paid

	Quarter ended 30.06.2011 RM'000	Year to date ended 30.06.2011 RM'000
Final single tier dividend of 8 sen and a special final single tier dividend of 2 sen per ordinary share declared for the financial year ended 31 December 2010, was paid on 23 June 2011	7,516	7,516

9 Segmental information

	Quarter ended		Year to date ended	
	30.06.2011	30.06.2010	30.06.2011	30.06.2010
	RM'000	RM'000	RM'000	RM'000
<u>Segment Revenue</u>				
- Trading	42,075	43,111	81,049	83,257
- Manufacturing	36,727	33,598	70,112	64,340
- Investment Holding	52,455	6,896	56,010	6,992
- Others	-	60	-	60
Elimination of inter segment revenue	(71,924)	(26,117)	(94,128)	(44,256)
Total Segment Revenue	59,333	57,548	113,043	110,393
<u>Segment Results</u>				
- Trading	630	1,496	1,347	2,573
- Manufacturing	4,753	7,622	15,454	14,152
- Investment Holding	55,487	6,772	55,719	6,751
- Others	(11)	60	(16)	55
Consolidated Adjustment	(52,350)	(6,800)	(55,800)	(6,800)
Total Segment Results	8,509	9,150	16,704	16,731
Finance Costs	(363)	(335)	(749)	(726)
Group Results	8,146	8,815	15,955	16,005

10 Valuation of property, plant and equipment

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

11 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 July 2011 which is likely to affect substantially the results of the operations of the Group for the financial period ended 30 June 2011.

12 Changes in the composition of the Group

The Group had the following changes in its composition during the quarter:

- The Group had on 17 May 2011 obtained the approval from the Ministry of Commerce in the People's Republic of China to set up a wholly foreign owned enterprise by the name of Ampire Auto Parts (Shanghai) Co. Ltd with a paid-up capital of RMB10.5 million. The subsidiary is principally involved in the importing, exporting and trading of automotive spare parts and accessories.

12 Changes in the composition of the Group (cont.)

- b) On 20 May 2011, the Group had submitted to the Companies Commission of Malaysia, an application to strike off from the Register the name of Advance Auto Supplies Sdn Bhd, a wholly-owned subsidiary of New Kean Tat Auto Parts Sdn Bhd (the 60% owned subsidiary of the Group), pursuant to Section 308(1) of the Companies Act, 1965.
- c) On 7 June 2011, the Company's wholly-owned subsidiaries, namely, New Hoong Fatt Auto Supplies Sdn Bhd and New Hoong Fatt Industries Sdn Bhd, had entered into a conditional sale and purchase agreement for the disposal of the entire 60% equity interest totaling 3,000,000 ordinary shares of RM1.00 each held by them in New Kean Tat Auto Parts Sdn Bhd. The disposal is pending completion.
- d) On 30 June 2011, Hoeken Industrial Sdn Bhd, the Company's wholly owned subsidiary, had commenced the member's voluntary winding up pursuant to Section 254(1)(b) of the Companies Act, 1965.

Save for the above, there are no other changes in the composition of the Group.

13 Changes in contingent liabilities - unsecured

The contingent liabilities of the Company are as follows:

	Company	
	As at 30.06.2011 RM'000	As at 31.12.2010 RM'000
Guarantee in favour of banks for banking facilities granted to subsidiary companies	37,914	46,830
Guarantee in favour of third parties for supply of goods to subsidiary companies	567	1,619
	38,481	48,449

14 Capital commitments

	Group As at 30.06.2011 RM'000
Contracted but not provided for in respect of Property, Plant and Equipment	2,334

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

15 Review of performance

For the second quarter of 2011, the Group recorded total revenue of RM59.3 million which was 3.1% higher as compared to RM57.5 million in the corresponding quarter of last year. Total revenue for the six months was RM113.0 million which was 2.4% higher as compared to RM110.4 million in the corresponding period of last year. The increase was mainly due to higher demand for the export market.

The Group recorded a Profit Before Tax of RM8.1 million in the current quarter under review as compared to RM8.8 million in the corresponding quarter of last year, representing a decrease of 8.0%. The decrease was a result of higher operating expenses. Total Profit Before Tax for the cumulative six months was RM16.0 million, which was substantially the same as the result recorded in the corresponding period last year.

16 Variation of results against preceding quarter

Compared with the immediate preceding quarter, the Group's Profit Before Tax increased slightly by 3.8% from RM7.8 million to RM8.1 million.

17 Current year prospects

The Group expects the operating conditions for the second half year of 2011 remain challenging in view of the rising operating costs. Barring unforeseen circumstances, the Group is optimistic that it will continue its positive performance in the current financial year.

18 Profit forecast

Not applicable as no profit forecast was published.

19 Tax expenses

	Quarter ended 30.06.2011 RM'000	Year to date ended 30.06.2011 RM'000
Tax expenses	888	1,706
Deferred tax liabilities	107	(71)
	<u>995</u>	<u>1,635</u>

The effective tax rate of the Group for the current quarter is 12.2% and year to date is 10.2%. This is lower than the statutory tax rate mainly because of the utilisation of reinvestment allowances by certain subsidiary companies of the Group.

20 Unquoted investments

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

21 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.

22 Status of corporate proposal

- (a) There were no corporate proposals announced but not completed as at 21 July 2011.
 (b) Utilisation of proceeds raised from corporate proposals: Not applicable.

23 Group borrowings and debt securities (unsecured)

	As at 30.06.2011 RM'000
Current	
Term loans	5,674
Bankers' acceptance	22,271
Hire purchase creditors	98
	<u>28,043</u>
Non-current	
Term loans	9,969
Hire purchase creditors	47
	<u>10,016</u>
	<u>38,059</u>
Total Borrowings	
Term Loans	15,643
Bankers' acceptance	22,271
Hire purchase creditors	145
	<u>38,059</u>

There are no borrowings denominated in foreign currency.

24 Changes in fair value of financial instruments

The carrying amounts of the financial instruments of the Group as at balance sheet date approximate their fair values due to relatively short term maturity of these financial instruments except as set out below:

	Group	
	Carrying amount RM'000	Fair Value RM'000
At 30 June 2011		
Fixed Rate Term loans	3,088	3,000
Hire purchase creditors	<u>145</u>	<u>137</u>

Fair value is determined by using estimated discounting future cash flows at the current market interest rate available to the Group for similar instruments.

25 Off balance sheet financial instruments

There are no financial instruments with off balance sheet risks as at 21 July 2011.

26 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 July 2011.

27 Dividends

The Board of Directors has not recommended any interim dividend for the financial quarter ended 30 June 2011.

28 Earnings per share

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	<u>Quarter ended</u> 30.06.2011	<u>Quarter ended</u> 30.06.2010	<u>Year to date ended</u> 30.06.2011	<u>Year to date ended</u> 30.06.2010
Net profit attributable to equity holders of the Company (RM'000)	7,069	8,412	14,151	14,817
Number of ordinary shares in issue	75,156,600	75,156,600	75,156,600	75,156,600
Basic earnings per share (sen)	9.41	11.19	18.83	19.71

29 Realised and Unrealised Profits/Losses Disclosure

	As At 30.06.2011 RM'000	As At 31.12.2010 RM'000
Total retained profits of the Company and its subsidiaries :		
- Realised	206,162	258,283
- Unrealised	(11,117)	(11,243)
	195,045	247,040
Less : Consolidated adjustments	(31,686)	(90,316)
Total group retained profits as per consolidated financial statements	163,359	156,724

By Order of the Board

YEOH CHONG KEAT
REBECCA LEONG SIEW KWAN
Secretaries

Kuala Lumpur
28 July 2011