INGRESS CORPORATION BERHAD (490799-K)

Condensed Consolidated Income Statements

For the Three-Month Period Ended 31 October 2006

The figures have not been audited

	Note	3 months ended 31 October 2006 RM'000	3 months ended 31 October 2005 RM'000 (Restated)	9 months ended 31 October 2006 RM'000	9 months ended 31 October 2005 RM'000 (Restated)
Continuing Operations					
Revenue	A5	122,386	78,016	276,212	207,791
Costs of sales		(96,491)	(57,332)	(213,846)	(156,249)
Gross profit		25,895	20,684	62,366	51,542
Other income		1,380	527	4,773	1,138
Administrative and other expenses		(12,965)	(10,828)	(39,317)	(33,955)
Finance cost		(5,696)	(4,168)	(14,710)	(11,057)
Share of profit of associates		(21)	144	475	517
Profit before tax	A5	8,593	6,359	13,587	8,185
Taxation	B5	(127)	(716)	706	(1,831)
Profit for the period		8,466	5,643	14,293	6,354
Attributable to:					
Equity holders of the parent		6,330	3,190	7,991	2,283
Minority interests		2,136	2,453	6,302	4,071
		8,466	5,643	14,293	6,354
Earnings per share attributable to equity holders of the parent:					
Basic, for profit or the period (sen)	B13	8.2	4.2	10.4	3.0

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 January 2006 and the accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Balance Sheet
As at 31 October 2006
The figures have not been audited

	Note	As at 31 October 2006 RM'000	As at 31 January 2006 RM'000 (Restated)
ASSETS			
Non-current assets			
Property, plant and equipment		387,808	339,083
Investment properties		4,889	2,095
Intangible assets		2,039	2,139
Investment in associates		7,022	5,587
Other investment		100	100
Goodwill on consolidation		573	573
Deferred tax assets		6,944	6,991
		409,375	356,568
Current assets			
Inventories		33,754	25,634
Trade recievables		103,221	117,348
Other receivables		29,364	16,919
Cash and bank balances		69,066	64,040
		235,405	223,941
TOTAL ASSETS		**644,780**	**580,509**

Condensed Consolidated Balance Sheet

As at 31 October 2006

The figures have not been audited

	Note	As at 31 October 2006 RM'000	As at 31 January 2006 RM'000 (Restated)
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital		76,800	76,800
Reserves		98,860	87,303
		175,660	164,103
Minority interests		42,782	37,796
Total equity		218,442	201,899
Non-current liabilities			
Long term borrowings	B9	224,037	186,376
Deferred tax liabilities		8,006	11,139
		232,043	197,515
Current liabilities			
Short term borrowings	B9	103,806	83,699
Trade payables		35,616	39,611
Other payables		54,074	57,160
Tax payables		799	625
		194,295	181,095
Total liabilities		426,338	378,610
TOTAL EQUITY AND LIABILITIES		**644,780**	**580,509**

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 January 2006 and the accompanying explanatory notes attached to the interim financial statements.

INGRESS CORPORATION BERHAD (490799-K)

Condensed Consolidated Cash Flow Statement
For the Nine-Month Period Ended 31 October 2006
The figures have not been audited

	9 months ended 31 October 2006 RM'000	31 October 2005 RM'000
Net cash generated from operating activities	37,074	52,938
Net cash used in investing activities	(86,743)	(36,885)
Net cash generated from/(used in) financing activities	55,485	(17,847)
Net increase/(decrease) in cash and cash equivalents	5,816	(1,794)
Cash and cash equivalents at beginning of financial period	43,845	67,112
Cash and cash equivalents at end of financial period	49,661	65,318

Cash and cash equivalents at the end of the financial period comprise the following:

	As at 31 October 2006 RM'000	As at 31 October 2005 RM'000
Cash and bank balances	69,066	77,808
Bank overdrafts (included within short term borrowings in Notes B9)	(19,405)	(12,490)
	49,661	65,318

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 January 2006 and the accompanying explanatory notes attached to the interim financial statements.

INGRESS CORPORATION BERHAD (490799-K)

Condensed Consolidated Statement of Changes in Equity

For the Nine-Month Period Ended 31 October 2006

The figures have not been audited

	<----------------Attributable to Equity Holders of the Parent					---------------------->	Minority Interests	Total Equity
		<------------Non-Distributable		------------>	Distributable			
	Share Capital RM'000	Share Premium RM'000	Revaluation Reserves RM'000	Foreign Exchange Reserve RM'000	Retained Earnings RM'000	Total RM'000	RM'000	RM'000
At 1 February 2005								
As previously stated	76,800	1,024	2,429	1,743	90,974	172,970	40,756	213,726
Prior years adjustment	-	-	-	-	(14,242)	(14,242)	(5,433)	(19,675)
At 1 February 2005 (restated)	76,800	1,024	2,429	1,743	76,732	158,728	35,323	194,051
Foreign currency translation, representing net expenses recognised directly to equity	-	-	-	(339)	-	(339)	-	(339)
Profit for the period	-	-	-	-	2,283	2,283	4,071	6,354
Dividends	-	-	-	-	(3,840)	(3,840)	(2,580)	(6,420)
At 31 October 2005 (restated)	76,800	1,024	2,429	1,404	75,175	156,832	36,814	193,646
At 1 February 2006								
As previously stated	76,800	1,024	2,429	3,029	99,687	182,969	44,317	227,286
Prior year adjustment	-	-	-	-	(18,866)	(18,866)	(6,521)	(25,387)
At 1 February 2006 (restated)	76,800	1,024	2,429	3,029	80,821	164,103	37,796	201,899
Revaluation reserves	-	-	4,712	-	-	4,712	1,130	5,842
Foreign currency translation, representing net expenses recognised directly to equity	-	-	-	1,926	-	1,926	447	2,373
Acquisition of a subsidiary	-	-	-	-	-	-	(180)	(180)
Profit for the period	-	-	-	-	7,991	7,991	6,302	14,293
Dividends paid and payable	-	-	-	-	(3,072)	(3,072)	(2,713)	(5,785)
At 31 October 2006	76,800	1,024	7,141	4,955	85,740	175,660	42,782	218,442

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 January 2006 and the accompanying explanatory notes attached to the interim financial statements.

Part A - Explanatory Notes Pursuant to FRS 134

A1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirement of Financial Reporting Standards ("FRS") 134: Interim Financial Reporting and paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 January 2006.

The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 January 2006 except for the treatment of deferred tax arising from Reinvestment Allowances (RA) and Investment Tax Allowances (ITA).

In prior year, the Group recognised deferred tax assets arising from RA and ITA for all deductable temporary differences, when it is probable that significant taxable profit will be available against which the temporary difference can be utilised. In the current financial year, the Directors decided that accounting policy shall derecognise such deferred tax benefits in order to comply with the requirement of the relevant authority. The change was accounted for under FRS 108 which requires the comparative figures to be restated. The effect of the changes in policy is detailed below:

Balance Sheet

	As at 31 January 2006		
	As previously stated	**Adjustments**	**As restated**
	RM'000	**RM'000**	**RM'000**
Retained earnings	99,687	(18,866)	80,821
Minority interests	44,317	(6,521)	37,796
Deferred tax assets	21,506	(14,515)	6,991
Deferred tax liabilities	267	10,872	11,139

Income Statement

	3 months ended 31 October 2005		
	As previously stated	**Adjustments**	**As restated**
	RM'000	**RM'000**	**RM'000**
Profit for the period	6,538	(895)	5,643
Attributable to:			
Equity holders of the parent	3,954	(764)	3,190
Minority interests	2,584	(131)	2,453
	6,538	(895)	5,643

A1. **Basis of Preparation (Contd.)**

Income Statement

	9 months ended 31 October 2005		
	As previously stated	**Adjustments**	**As restated**
	RM'000	**RM'000**	**RM'000**
Profit for the period	14,049	(7,695)	6,354
Attributable to:			
Equity holders of the parent	8,721	(6,438)	2,283
Minority interests	5,328	(1,257)	4,071
	14,049	(7,695)	6,354

A2. **Changes in Accounting Policies**

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 January 2006 except for the adoption of the following new and revised Financial Reporting Standards ("FRS") effective for the financial period beginning 1 February 2006:

FRS 3	Business Combinations
FRS 101	Presentation of Financial Statements
FRS 102	Inventories
FRS 108	Accounting Policies, Changes in Estimates and Errors
FRS 110	Events after the Balance Sheet Date
FRS 116	Property, Plant and Equipment
FRS 121	The Effects of Changes in Foreign Exchange Rates
FRS 127	Consolidated and Separate Financial Statements
FRS 128	Investments in Associates
FRS 131	Interests in Joint Ventures
FRS 132	Financial Instruments: Disclosure and Presentation
FRS 133	Earnings Per Share
FRS 136	Impairment of Assets
FRS 138	Intangible Assets
FRS 140	Investment Property

A2. **Changes in Accounting Policies (Contd.)**

The adoption of FRS 102, 108, 110, 116, 121, 127, 128, 131, 132, 133, 138 and 140 does not have significant financial impact to the Group. The principle effects of changes in accounting policies resulting from adoption of the new and revised FRS are as follows:

FRS 3: Business Combinations and FRS 136: Impairment of Assets

The adoption of these new FRSs resulted in the Group to cease annual goodwill amortisation. Goodwill is carried at cost less accumulated impairment losses and is now tested for impairment annually, or more frequently if events or changes in circumstances indicate that it may have to be impaired. Any impairment loss is recognised in profit or loss and subsequent reversal is not allowed. Prior to 1 February 2006, goodwill was ammortised on straight-line basis over its estimated useful life of 10 years. This change in accounting policy was effected prospectively for business combinations where the agreement date was on or after 1 February 2006. FRS 3 required the Group to eliminate at 1 February 2006 the carrying amount of the accumulated amortisation of RM953,066 against the carrying amount of goodwill. The carrying amount of goodwill as at 1 February 2006 of RM573,001 ceased to be amortised. This has the effect of reducing the amortisation charges by RM31,318 in the current financial quarter.

FRS 101: Presentation of Financial Statements

The adoption of FRS 101 has no financial impact on the Group but has affected the presentation of minority interest, share of net after-tax results of associates and certain disclosures. In the Consolidated Balance Sheet, minority interests are now presented within total equity. In the Consolidated Income Statement, minority interests are presented as an allocation of the total profit or loss for the period. A similar requirement is also applicable to the statement of changes in equity. FRS 101 also requires disclosure, on the face of the statement of changes in equity, total recognised income and expenses for the period, showing separately the amounts attributable to equity holders of the parent and to minority interest. The share of net after-tax results of associates is now disclosed net of tax in the Consolidated Income Statement.

The current period's presentation of the Group's financial statements is based on the requirements of FRS 101, with the comparatives restated to conform with the current period's presentation.

A2. **Changes in Accounting Policies (Contd.)**

FRS 101: Presentation of Financial Statements (Contd.)

The following comparatives were restated following adoption of FRS 101:

	3 months ended 31 October 2005		
	As previously stated RM'000	Reclassi-fication RM'000	As restated RM'000
Income statements			
Share of profit of associates	221	(77)	144
Profit before tax	6,436	(77)	6,359
Taxation	(793)	77	(716)

	9 months ended 31 October 2005		
	As previously stated RM'000	Reclassi-fication RM'000	As restated RM'000
Income statements			
Share of profit of associates	704	(187)	517
Profit before tax	8,372	(187)	8,185
Taxation	(2,018)	187	(1,831)

FRS 138: Intangible Assets

The adoption of FRS 138 had resulted in extension of the accounting policy on Intangible Assets. Computer software amounting to RM2.139 million was previously capitalised as an integral component of property, plant and equipment. Under FRS 138 which is applied prospectively, such computer software is now recognised separately as an intangible asset and ammortised over the useful lives. The adoption of FRS 138 has no significant effect to the income statement.

FRS 140: Investment Properties

Investment properties are properties held either to earn rental income or for capital appreciation or both. These properties which were classified as properties, plant and equipment have been reclassified as investment properties following the adoption of FRS 140. Investment properties are measured at ammortised cost of fair value dislosed. This change was account for under FRS 108 which requires the comparative figure to be restated.

A2. **Changes in Accounting Policies (Contd.)**

FRS 140: Investment Properties (Contd.)

The following comparatives amount have been restated due to the adoption of FRS 138 and FRS 140 as below:

	As previously stated RM'000	Reclassi-fication RM'000	As restated RM'000
At 31 January 2006			
Property, plant and equipment	343,317	(4,234)	339,083
Investment properties - FRS 140	-	2,095	2,095
Intangible assets - FRS 138	-	2,139	2,139

A3. **Auditors' Report on Preceding Annual Financial Statements**

The Auditors’ Report on the financial statements for the year ended 31 January 2006 was not qualified.

A4. **Segmental Information**

	Automotive Component Manufacturing (ACM)		Power Engineering and Railway Electrification (PER)		Others		Eliminations		Consolidated	
	31 October 2006 RM'000	**31 October 2005 RM'000**	**31 October 2006 RM'000**	**31 October 2005 RM'000**	**31 October 2006 RM'000**	**31 October 2005 RM'000**	**31 October 2006 RM'000**	**31 October 2005 RM'000**	**31 October 2006 RM'000**	**31 October 2005 RM'000 (Restated)**
Revenue										
External sales	73,026	64,821	46,751	10,014	2,609	3,181	-	-	122,386	78,016
Inter-segment sales	6,270	5,169	-	-	567	-	(6,837)	(5,169)	-	-
Total revenue	79,296	69,990	46,751	10,014	3,176	3,181	(6,837)	(5,169)	122,386	78,016
Result										
Segment results/ Profit/(loss) before taxation & associates	7,608	8,407	3,885	(2,027)	(2,184)	147	(695)	(312)	8,614	6,215
Share of profit of associates	-	-	301	144	(322)	-		-	(21)	144
Profit/(loss) before taxation	7,608	8,407	4,186	(1,883)	(2,506)	147	(695)	(312)	8,593	6,359
Taxation									(127)	(716)
Profit/(loss) for the period									8,466	5,643
Attributable to:										
Equity holders of the parent									6,330	3,190
Minority interests									2,136	2,453
									8,466	5,643

A4. **Segmental Information (Contd.)**

	Malaysia		Thailand		Indonesia		Consolidated	
	31 October 2006 RM'000	**31 October 2005 RM'000**	**31 October 2006 RM'000**	**31 October 2005 RM'000**	**31 October 2006 RM'000**	**31 October 2005 RM'000**	**31 October 2006 RM'000**	**31 October 2005 RM'000**
Total revenue from external customers	92,343	53,544	28,689	22,280	1,354	2,192	122,386	78,016

A5. Unusual Items due to their Nature, Size and Incidence

There were no items affecting assets, liabilities, equity, net income or cash flows during the financial period ended 31 October 2006.

A6. Changes in Estimates

There were no changes in the estimates reported in the prior financial year that have a material effect in the current quarter.

A7. Comment about Seasonal or Cyclical Factors

The business operations of the Group were not affected by any seasonal or cyclical factors.

A8. Dividends Paid

On 11 August 2006, a final tax exempt dividend of 4 sen per share on share capital of 76,800,000 ordinary shares for a total amount of RM3.072 million in respect of the financial year ended 31 January 2006 was paid.

A9. Carrying Amount of Revalued Assets

Property, plant and equipment and investment properties were revalued on 26 September 2006 by a firm of independent professional valuer. Fair value is determined by reference to open market values on an existing use basis.

At 31 October 2006, had the revalued property, plant and equipment and investment properties of the Group been carried under the cost model, the carrying amount would have been RM97,952,399 and RM1,904,355

The revaluation surplus of RM5,842,320 was credited to the revaluation reserve as follows :

	As at 31 October 2006		
	Reserves	**Minority Interest**	**Total**
	RM'000	**RM'000**	**RM'000**
Property, plant and equipment	4,558	1,114	**5,672**
Investment properties	154	16	**170**
	4,712	**1,130**	**5,842**

While, the balance was charged to the income statement to offset the previous charges in the last revaluation exercise in August 2003.

A10. **Debt and Equity Securities**

There were no issuance and/or repayment of debt and equity securities, issuance of new ordinary share, share buybacks, share cancellations, share held as treasury shares and resale of treasury shares for the current reporting quarter.

A11. **Changes in Composition of the Group**

During the reporting quarter, there were no changes in composition of the Group

A12. **Capital Commitments**

There were no material changes in capital commitments for the Group since the last annual balance sheet date as at 31 January 2006.

A13. **Changes in Contingent Liabilities or Contingent Assets**

The Company provides corporate guarantee to financial institutions for all bank facilities granted to subsidiaries of the Group of RM299,880,548.

A14. **Subsequent Events**

There were no other material subsequent events between the end of the current quarter and the date ot this announcement.

Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

B1. **Performance Review**

During the current quarter, ACM Thailand commenced production of sash for the new Ford Everest MU model.

The Group recorded profit before taxation of RM8.593 million and this is a 35% improvement from the previous year corresponding quarter profit of RM6.359 million. Overall ACM recorded a profit before taxation of RM6.913 million. Profit before taxation were recorded by ACM Malaysia of RM5.231 million and ACM Thailand of RM2.025 million while ACM Indonesia suffered loss of RM0.343 million. PER recorded profit before tax of RM4.186 million while the units categorised under Others registered loss before taxation of RM2.506 million.

In comparison to previous year corresponding quarter, revenue increased by 57% to RM122.386 million while profit after tax and after minority interest improved by an almost 100% to RM6.330 million.

i. Total ACM division reported an increase of 13% in revenue.

ii. ACM Malaysia recorded a 3% decrease in revenue. Though there were substantial increases in supplies of Myvi and Kelisa models, the Proton models of Wira, Waja, Savvy and Kancil from Perodua recorded reductions in volume.

iii. ACM Thailand registered a 53% increase in revenue. There were downward price adjustments for previous and current supplies of two Honda models.
Existing models of Mitsubishi and Ford/Mazda registered decreases in supplies while encouraging volume were recorded for their new models.
For the Honda models, City recorded increase in volume while Accord and Jazz dropped in supplies. The Civic which commenced in the first quarter, recorded encouraging volume.

iv. For ACM Indonesia, negative growth of 38% was encountered in revenue.

v. PER increased by 3.7 times in revenue with the scheduled completion of a project.

vi. The units under Others experienced a 18% reduction in revenue.

For the year to date, the Group recorded 33% and 66% improvements in revenue and profit before tax respectively in comparison to previous year to date.

i. ACM Malaysia registered a 18% improvement in revenue. This was due to substantial increases in Myvi, Kelisa and Savvy models.The previous models of Wira, Waja and Kancil and Kelisa encountered volume reductions.

B1. **Performance Review (Contd.)**

ii. ACM Thailand posted a 42% increase in revenue. Existing models of Mitsubishi and Ford/Mazda registered decreases in supplies while encouraging volume were recorded by their new models. For the Honda models, City recorded increases in volume while the Jazz and Accord dropped in supplies. The Civic which commenced in the first quarter, recorded impressive volume.

iii. ACM Indonesia encountered a 46% reduction in revenue.

iv. PER division experienced a 2.5 times increase in revenue.

v. The units under Others experienced decreases in revenue.

B2. **Comment on Material Change in Profit Before Taxation**

The Group recorded a 53% increase in revenue with profit before tax of RM8.593 million as against the immediate preceding quarter loss before tax of RM1.311 million, an 8 fold increase.

Overall ACM recorded 4% improvement in revenue. ACM Malaysia recorded a 5% decrease in revenue where most models recorded decreases in volume. ACM Thailand registered 16% increase in revenue where most models recorded increases in volume.

For PER, revenue increased by 4.9 times due to a scheduled hand-over of a project.

For units under Others, revenue increased marginally.

B3. **Commentary on Prospects**

For ACM Thailand, the strong demand will continue. Most of the earlier models of Mitsubishi and Ford/Mazda are expected to encounter volume drop but these will be more than offsetted significantly by volume rise of their new models. Supply for Isuzu models are expected to increase. For Honda, the City and Civic models are anticipated to have substantial increases. The sash for a new Nissan Frontier is expected to commence supply in the 4th quarter.

For ACM Malaysia, key models of Wira, Waja, Savvy, Kancil, Kelisa and Toyota are expected to encounter volume contraction. Kelisa is expected to cease production by the year end.

For ACM Indonesia, existing models of Mitsubishi and Suzuki are expected to encounter reduction in volume. The moulding products for newer models of TD New Canter and Futura will commence supply during the last quarter of the year.

B3. **Commentary on Prospects (Contd.)**

For Power Engineering, no delays are foreseen on the recently awarded jobs. For the rail electrification, no delays on the new deadline set are foreseen and the compensation for the numerous extensions of time given is expected to be finalised by the end of this financial year.

For the units under Others, significant contribution is not foreseen in this financial year.

B4. **Profit Forecast or Profit Guarantee**

The Group did not issue any profit forecast or profit guarantee in respect of the current period.

B5. **Taxation**

	3 months ended		9 months ended	
	31 October 2006 RM'000	31 October 2005 RM'000 (Restated)	31 October 2006 RM'000	31 October 2005 RM'000 (Restated)
Income tax	(127)	(373)	(2,380)	(923)
Deferred tax liability	-	-	-	(565)
Deferred tax benefits	-	(343)	3,086	(343)
	(127)	(716)	706	(1,831)

The effective tax rate on the Group takes into consideration the following:

i. Tax incentive in form of tax exemption from the Board of Investment of Thailand for ACM Thailand operation.

ii. Investment Tax Allowance and Reinvestment Allowance granted to a few subsidiaries of ACM Malaysia.

B6. **Sales of Unquoted Investments and Properties**

There were no sales of unquoted investments and/or properties for the current financial period under review.

B7. **Quoted Securities**

The were no purchases or disposals of quoted securities for the current financial period under review.

B8. **Corporate Proposal**

There were no corporate proposals announced and not completed as at the date of this quarterly report.

B9. **Borrowings**

	As at 31 October 2006 RM'000	As at 31 January 2006 RM'000
Short term borrowings		
Secured	70,737	60,594
Unsecured	33,069	23,105
	103,806	83,699
Long term borrowings		
Secured	64,037	26,376
Unsecured	160,000	160,000
	224,037	186,376

Including borrowings denominated in foreign currencies as at 31 October 2006:

	THB'000	RM'000 Equivalent
Thai Baht		
Short term borrowings	465,935	48,738
Long term borrowings	392,056	41,010

	IDR'000	RM'000 Equivalent
Indonesian Rupiah		
Short term borrowings	15,256,277	6,424
Long term borrowings	13,316,531	5,607

B10. **Off Balance Sheet Financial Instruments**

There were no off balance sheet financial instruments as at the date of this quarterly report.

B11. **Changes in Material Litigation**

There was no pending material litigation as at the date of this quarterly report.

B12. **Dividend Payable**

The Board of Directors had on 21 December 2006 approved the payment of an interim tax exempt dividend of 3 sen per share in respect of financial year ending 31 January 2007 to the shareholders of the Company who are on the Record of Depositors at an entitlement date to be determined.

B13. **Earnings Per Share**

	3 months ended		**9 months ended**	
	31 October 2006	**31 October 2005 (Restated)**	**31 October 2006**	**31 October 2005 (Restated)**
Profit for the period attributable to ordinary equity holders of the parent (RM'000)	6,330	3,190	7,991	2,283
Number of ordinary shares in issue	76,800	76,800	76,800	76,800
Basic, for profit of the period (sen)	8.2	4.2	10.4	3.0

B14. **Authorisation for Issue**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 21 December 2006.