

Condensed Consolidated Income Statements For the Three-Month Period Ended 31 January 2008

The figures have not been audited

	Note	3 months ended		12 months ended	
		31 January 2008 RM'000	31 January 2007 RM'000 (Restated)	31 January 2008 RM'000	31 January 2007 RM'000 (Restated)
Continuing Operations					
Revenue	A4	107,650	82,564	398,545	358,776
Costs of sales		<u>(91,809)</u>	<u>(78,008)</u>	<u>(338,327)</u>	<u>(291,854)</u>
Gross profit		15,841	4,556	60,218	66,922
Other income		453	19,028	2,201	23,801
Administrative and other expenses		(17,881)	(36,129)	(65,338)	(75,446)
Finance costs		(5,933)	(6,580)	(22,116)	(21,290)
Share of net-profit of associates		1,116	6,759	11,618	7,234
(Loss)/profit before tax	A4	<u>(6,404)</u>	<u>(12,366)</u>	<u>(13,417)</u>	<u>1,221</u>
Income tax expense	B5	<u>2,122</u>	<u>(935)</u>	<u>4,135</u>	<u>(3,879)</u>
Loss for the period		<u>(4,282)</u>	<u>(13,301)</u>	<u>(9,282)</u>	<u>(2,658)</u>
Attributable to:					
Equity holders of the parent		(5,167)	(11,553)	(10,958)	(5,861)
Minority interests		885	(1,748)	1,676	3,203
		<u>(4,282)</u>	<u>(13,301)</u>	<u>(9,282)</u>	<u>(2,658)</u>
Loss per share attributable to equity holders of the parent:					
Basic, for loss of the period (sen)	B13	(6.7)	(15.0)	(14.3)	(7.6)

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 January 2007 and the accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Balance Sheet

As at 31 January 2008

The figures have not been audited

	Note	As at 31 January 2008 RM'000	As at 31 January 2007 RM'000 (Restated)
ASSETS			
Non-current assets			
Property, plant and equipment		357,469	357,310
Prepaid lease payments		18,734	19,589
Intangible assets		3,139	3,290
Investment in associates		8,140	6,431
Other investment		100	100
Deferred tax assets		27,041	29,893
		<u>414,623</u>	<u>416,613</u>
Current assets			
Inventories		30,192	27,399
Trade receivables		135,879	105,677
Other receivables		33,951	40,262
Cash and bank balances		35,247	48,618
		<u>235,269</u>	<u>221,956</u>
TOTAL ASSETS		<u>649,892</u>	<u>638,569</u>

Condensed Consolidated Balance Sheet

As at 31 January 2008

The figures have not been audited

	Note	As at 31 January 2008 RM'000	As at 31 January 2007 RM'000 (Restated)
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital		76,800	76,800
Reserves		85,632	101,083
		<u>162,432</u>	<u>177,883</u>
Minority interests		48,285	47,303
Total equity		<u>210,717</u>	<u>225,186</u>
Non-current liabilities			
Borrowings	B9	184,207	218,235
Deferred tax liabilities		234	8,213
		<u>184,441</u>	<u>226,448</u>
Current liabilities			
Borrowings	B9	147,941	111,155
Trade payables		51,423	33,759
Other payables		54,576	40,685
Tax payables		794	1,336
		<u>254,734</u>	<u>186,935</u>
Total liabilities		<u>439,175</u>	<u>413,383</u>
TOTAL EQUITY AND LIABILITIES		<u>649,892</u>	<u>638,569</u>

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 January 2007 and the accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Statement of Changes in Equity
For the Twelve-Month Period Ended 31 January 2008

The figures have not been audited

	<-----A ttributable to Equity Holders of the Parent----->						M inority I nterests	T otal E quity
	<-----N on-D istributable----->			D istributable				
	Share C apital	Share P remium	R evaluation R eserves	F oreign E xchange R eserve	R etained E arnings	T otal		
	R M '000	R M '000	R M '000	R M '000	R M '000	R M '000	R M '000	R M '000
At 1 February 2006								
As previously stated	76,800	1,024	2,429	3,029	79,109	162,391	37,614	200,005
Prior year adjustment	-	-	-	-	18,866	18,866	6,521	25,387
At 1 February 2006 (restated)	<u>76,800</u>	<u>1,024</u>	<u>2,429</u>	<u>3,029</u>	<u>97,975</u>	<u>181,257</u>	<u>44,135</u>	<u>225,392</u>
Revaluation increase on land and buildings net of deferred tax	-	-	4,712	-	-	4,712	1,129	5,841
Foreign currency translation	-	-	-	3,706	-	3,706	1,729	5,435
Net income recognised directly to equity	-	-	4,712	3,706	-	8,418	2,858	11,276
Acquisition of a subsidiary	-	-	-	-	(555)	(555)	(180)	(735)
Loss for the year	-	-	-	-	(5,861)	(5,861)	3,203	(2,658)
Total recognised income and expense for the year	-	-	4,712	3,706	(6,416)	2,002	5,881	7,883
Dividend	-	-	-	-	(5,376)	(5,376)	(2,713)	(8,089)
At 31 January 2007	<u>76,800</u>	<u>1,024</u>	<u>7,141</u>	<u>6,735</u>	<u>86,183</u>	<u>177,883</u>	<u>47,303</u>	<u>225,186</u>
At 1 February 2007								
As previously stated	76,800	1,024	7,141	6,735	70,415	162,115	42,601	204,716
Prior year adjustment	-	-	-	-	15,768	15,768	4,702	20,470
At 1 February 2007 (restated)	<u>76,800</u>	<u>1,024</u>	<u>7,141</u>	<u>6,735</u>	<u>86,183</u>	<u>177,883</u>	<u>47,303</u>	<u>225,186</u>
Foreign currency translation, representing net expenses recognised directly to equity	-	-	-	(1,421)	-	(1,421)	3,149	1,728
Loss for the year	-	-	-	-	(10,958)	(10,958)	1,676	(9,282)
Total recognised income and expense for the year	-	-	-	(1,421)	(10,958)	(12,379)	4,825	(7,554)
Dividend	-	-	-	-	(3,072)	(3,072)	(3,843)	(6,915)
At 31 January 2008	<u>76,800</u>	<u>1,024</u>	<u>7,141</u>	<u>5,314</u>	<u>72,153</u>	<u>162,432</u>	<u>48,285</u>	<u>210,717</u>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 January 2007 and the accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Cash Flow Statement
For the Twelve-Month Period Ended 31 January 2008

The figures have not been audited

	12 months ended	
	31 January	31 January
	2008	2007
	RM'000	RM'000
Net cash generated from operating activities	48,394	8,052
Net cash used in investing activities	(62,170)	(77,413)
Net cash generated from financing activities	1,411	53,678
Net increase in cash and cash equivalents	<u>(12,365)</u>	<u>(15,683)</u>
Cash and cash equivalents at beginning of financial period	20,816	36,499
Cash and cash equivalents at end of financial period	<u>8,451</u>	<u>20,816</u>

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

	As at	As at
	31 January	31 January
	2008	2007
	RM'000	RM'000
Cash and bank balances	35,247	48,618
Deposits under lien	(7,805)	(7,446)
Bank overdrafts (included within short term borrowings in Notes B9)	<u>(18,991)</u>	<u>(20,356)</u>
	<u>8,451</u>	<u>20,816</u>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 January 2007 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 2007.

A2. Changes in Accounting Policies

On 1 February 2007, the Group adopted the following revised FRSs and amendment to FRS which are applicable and mandatory to the Group for the current financial year beginning 1 February 2007:

FRS 117	Leases
FRS 124	Related Party Disclosures
FRS 119 ²⁰⁰⁴	Employee Benefits - Actuarial Gains and Losses, Group Plans and Disclosures
FRS 107	Cash Flow Statements
FRS 111	Construction Contracts
FRS 112	Income Taxes
FRS 118	Revenue
FRS 119	Employee Benefits
FRS 120	Accounting for Government Grants and Disclosure of Government Assistance
Amendment to FRS 121	The Effects of Changes in Foreign Exchange Rates - Net Investment in a Foreign Operation
FRS 126	Accounting and Reporting by Retirement Benefit Plans
FRS 137	Provisions, Contingent Liabilities and Contingent Assets

A2. Changes in Accounting Policies (Contd.)

The adoption of above FRSs and amendment to FRS do not have a significant financial impact on the Group. The principal effects of the change in accounting policies resulting from the adoption of FRS 112 and FRS 117 are discussed below:

FRS 117: Leases

The adoption of the revised FRS 117 has resulted in a retrospective change in the accounting policy relating to the classification of leasehold land. The up-front payments made for the leasehold land represent prepaid lease payment and are amortised on a straight-line basis over the lease term. Leases of land and buildings are now classified as prepaid lease payments. Prior to 1 February 2007, leasehold land and buildings of the Group were classified either property, plant and equipment which were stated at cost less accumulated depreciation.

Upon the adoption of the revised FRS 117 at 1 February 2007, the unamortised amounts of leasehold land and buildings are retained as the surrogate carrying amounts of prepaid lease payments as allowed by the transitional provisions of FRS 117. The reclassification of leasehold land and buildings as prepaid lease payments has been accounted for retrospectively and as disclosed below, certain comparative amounts as at 31 January 2007 have been restated.

The following comparatives were restated following the adoption of FRS 117:

	As at 31 January 2007		
	As previously stated RM'000	Reclassi- fication FRS 117 RM'000	As restated RM'000
Balance Sheet			
Property, plant and equipment	371,460	(14,150)	357,310
Prepaid lease payments	-	19,589	19,589
Other receivables	45,701	(5,439)	40,262
	<u>371,460</u>	<u>(14,150)</u>	<u>357,310</u>

A2. Changes in Accounting Policies (Contd.)
FRS 112: Income Taxes

Effective 1 July 2007, the Group has taken the option of early adoption of the revised and amendment to FRS 112. The adoption of the revised and amendment to FRS would have the impact to the existing accounting policies of the Group.

In 2007, the Group adopted an accounting policy in respect of deferred tax assets arising from reinvestment allowance ("RA") and investment tax allowances ("ITA"), which were not recognised by the Group based on paragraph 36 of FRS 112²⁰⁰⁴.

The revised FRS 112 has removed paragraph 36 and hence, the unutilised RA and ITA are now recognised as deferred tax asset, to the extent that it is possible that future taxable profit will be available against which the unutilised RA and ITA can be utilised. This change in accounting policy was adopted by the Group retrospectively and has resulted in a restatement of the Group's prior year financial statements resulted in increase in the accumulated profit of RM20,470,402 and additional income tax charge of RM4,916,738 to the Group.

The following comparatives were restated following adoption of FRS 112:

Balance Sheet

	As previously stated RM'000	Adjustment FRS 112 RM'000	As restated RM'000
As at 31 January 2007			
Deferred tax assets	9,423	20,470	29,893
Reserves	85,315	15,768	101,083
Minority interest	42,601	4,702	47,303

Income Statement

	3 months ended 31 January 2007		
	As previously stated RM'000	Adjustment FRS 112 RM'000	As restated RM'000
Income tax expense	(775)	(160)	(935)
Profit for the year	(13,141)	(160)	(13,301)
Attributable to:			
Equity holders of the Company	(11,393)	(160)	(11,553)
Minority interests	(1,748)	-	(1,748)

A2. Changes in Accounting Policies (Contd.)

	12 months ended 31 January 2007		
	As previously	Adjustment	As restated
	stated	FRS 112	As restated
	RM'000	RM'000	RM'000
Income tax expense	1,037	(4,916)	(3,879)
Profit for the year	<u>2,258</u>	<u>(4,916)</u>	<u>(2,658)</u>
Attributable to:			
Equity holders of the Company	(2,763)	(3,098)	(5,861)
Minority interests	5,021	(1,818)	3,203
	<u>2,258</u>	<u>(4,916)</u>	<u>(2,658)</u>

Interpretations that are not yet effective

At the date of authorisation of these financial statements, the following interpretations were in issue:

IC Interpretation 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
IC Interpretation 2	Members' Shares in Co-operative Entities and Similar Instruments
IC Interpretation 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
IC Interpretation 6	Liabilities arising from Participating in a Specific Market - Waste Electrical and Electronic Equipment
IC Interpretation 7	Applying the Restatement Approach under FRS 129 - Financial Reporting in Hyperinflationary Economies
IC Interpretation 8	Scope of FRS 2

The above Interpretations are effective for periods beginning on or after 1 July 2007 and are not applicable to the Group.

(a) FRS 139 Financial Instruments: Recognition and Measurement

FRS 139 application has been deferred to a date yet to be announced by Malaysian Accounting Standards Board. The Directors anticipate that the adoption of FRS 139 in future periods will not have a material impact on the financial statements of the Group.

A3. Auditors' Report on Preceding Annual Financial Statements

The Auditors' Report on the financial statements for the year ended 31 January 2007 was not qualified.

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 year ended 31 January 2008.

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

During the reporting quarter, there was no dividend paid or become payable.

A9. Prepaid Lease Payments

The adoption of the revised FRS 117 has resulted in a retrospective change in accounting policy relating to the classification of leasehold land and buildings. The comparative amounts as at 31 January 2007 that have been restated as follows:-

	Total RM'000
At 1 February 2006	19,679
Prepaid lease rental	(90)
At 31 January 2007	<u>19,589</u>

A10. Carrying Amount of Revalued Assets

During the reporting quarter, there have no valuations of property, plant and equipment.

A11. 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.

A12. Changes in Composition of the Group

During the reporting quarter, Ingress Corporation Berhad ("ICB") has acquired the entire paid-up capital of Nikmat Pasti Sdn. Bhd. for a RM2 purchase consideration and changed its name to Ingress CES Sdn. Bhd. ("ICES"). ICES was incorporated on 18 September 2007 with an authorised share capital of RM100,000 comprising 100,000 ordinary shares of RM1.00 each with an issued and paid-up share capital of RM2.00, comprising 2 ordinary shares of RM1.00 each.

A13. Capital Commitments

There were no material changes in capital commitments for the Group since the last annual balance sheet date as at 31 January 2007.

A14. 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 RM344,868,453.

A15. Subsequent Events

On 13 February 2008, the Group via Ingress Engineering Sdn. Bhd. ("IESB"), entered into a Share Sale Agreement (Agreement) with Dyna Segmen Sdn. Bhd. ("DSSB") for the acquisition of the latter shares held in Ingress Fabricators Sdn. Bhd. ("IFSB"). Pursuant to the Agreement, IESB acquired all 225,000 (5%) ordinary shares held by DSSB for a total consideration of RM45,000 of the issued and paid-up capital of IFSB and IFSB becomes a wholly-owned subsidiary of IESB.

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

B1. Performance Review

For the current quarter, the Group registered a loss before tax of RM6.40 million on a revenue of RM107.65 million in comparison to the loss before tax of RM12.37 million and a revenue of RM82.56 million for the corresponding quarter in the previous year.

In the reporting quarter, the Automotive Component Manufacturing (ACM) division recorded a loss before tax of RM4.54 million. The Power Engineering and Rail Electrification (PER) division together with associate companies registered a profit before tax of RM1.04 million whereas units categorised under Others recorded a loss before tax of RM2.90 million.

In comparison to corresponding quarter previous year, Group revenue increased by 30%. Further analysis of current quarter performance is as follows:

- i. Total ACM division reported an increase of 11% in revenue.
- ii. ACM Malaysia recorded a 11% increase in revenue.

In comparison to previous year corresponding quarter, Proton Gen-2, Perodua Myvi and Toyota models registered higher volume. Perodua Viva, Proton Pesona and Toyota Vios model which commenced delivery earlier in this financial year recorded encouraging volume. Most Proton models together with models of Perodua Kancil decreased in volume.

The supply of sash for new model launched by Proton namely Saga commenced during the quarter. The supply of Myvi new parts namely Jack Assembly also commenced during the quarter.

- iii. ACM Thailand achieved a 12% growth in revenue against the previous year corresponding quarter due to encouraging performance from fine blanking operations and significant delivery improvement of moulding for Nissan Navara which commenced production at end of the last financial year. Models of Ford/Mazda and Mitsubishi recorded decreases in volume while Isuzu models recorded marginal increase in volume. As for Honda models, the City recorded improvement in volume.
- iv. ACM Indonesia recorded a 51% increase in revenue. Mitsubishi TD and Suzuki Futura which commenced supplies in first and third quarter respectively of the financial year, recorded encouraging volume. Suzuki APV registered volume increase. The supply of sash and moulding for new model by Daihatsu, the Grand Max, commenced during the quarter.

B1. Performance Review (Contd.)

- v. PER division recorded an almost 60% increase in revenue in comparison to the previous year corresponding quarter. The higher revenue was mainly due to contribution from good progress.

The electrification work on the Rawang-Ipoh Double Tracking project was completed during the quarter.

- vi. For Others, revenue increased by 8 times due to increase in activities in Trading and the Oil and Gas Fabrication works.

For the full year ended 31 January 2008 (FY08), the Group registered a loss before tax of RM13.42 million on a revenue of RM398.54 million in comparison to the profit before tax of RM1.22 million and revenue of RM358.77 million in the previous financial year. Group revenue increase by 11%.

- i. Overall ACM division registered a 9% increase in revenue.
- ii. ACM Malaysia recorded a 1% increase in revenue. Most models of Proton, Toyota and Naza experienced reductions in volume. Perodua Myvi recorded marginal growth. The newly launched Perodua Viva, Proton Persona and Saga and Toyota Vios recorded encouraging volume.
- iii. ACM Thailand achieved a 21% growth in revenue. The existing models of Mitsubishi and Ford/Mazda registered decreases in supplies, however, encouraging volumes were recorded by their newer models. For Honda models, only the Civic recorded increase in volume. Isuzu models overall recorded decrease in volume. Nissan Navara which commenced delivery in the end of the previous year recorded encouraging volume.
- iv. ACM Indonesia attained an almost 37% increase in revenue with the introduction of new models of Mitsubishi TD, Daihatsu Terios and Grand Max during the financial year. Suzuki APV recorded increase while Mitsubishi FET recorded a significant drop in volume. Production of Mitsubishi FET ceased in this financial year.
- v. PER Division recorded a 3% growth in revenue. The higher revenue was mainly due to contribution from completion of certain projects during this financial year. The electrification work on the Rawang-Ipoh Double Tracking project was completed during the financial year.
- vi. The units under Others registered a 80% growth in revenue due to increase in activities in Trading and the Oil and Gas Fabrication works..

B2. Comments on Material Change in Profit Before Taxation

The Group recorded a 11% reduction in revenue with a loss before tax of RM6.40 million as against the immediate preceding quarter's loss before tax of RM0.43 million.

Overall ACM recorded a 8.5% increase in revenue against the immediate preceding quarter. ACM Malaysia recorded a 11% increase in revenue. Most models of Perodua, Naza and Proton except for Persona and Gen-2 encountered reduction in volume. Toyota models except for Vios recorded decrease in volume. The supply of moulding for Toyota Vios commenced during last quarter. The supply of new Proton Saga commenced during this quarter.

ACM Thailand registered a flat growth in revenue. Isuzu models and Nissan Navara recorded increases in volume. For Honda, Ford/Mazda and Mitsubishi, generally there was a drop in volume.

For PER, revenue decreased by 55%.

B3. Commentary on Prospects for Financial Year Ending 31 January 2009 (FY09)

For ACM Thailand, the demand will continue on the strength of export volume. The earlier models of Ford/Mazda are expected to cease production while earlier models of Mitsubishi encounter volume drops. Their newer models are expected to experience volume rise. Supply for Isuzu models are expected to maintain in volume. For Honda, only Civic model is anticipated to maintain its volume. New models for Honda Jazz and City supplying both sash and moulding will commence production in Quarter 1 and Quarter 3 respectively. Blanking products manufacturing under 100% owned Fine Components (Thailand) Co. Ltd. are expected to record increase in revenue.

For ACM Malaysia, Perodua Viva, Toyota Vios, Proton's Persona, Gen-2 and the new Saga are expected to record growth in volume. Perodua Myvi is anticipated to maintain its volume.

For ACM Indonesia, only Suzuki APV and Daihatsu Terios are expected to increase in volume. New products to commence delivery during this financial year are:

- Suzuki Futura sash
- Suzuki Carry moulding

For PER, significant progress is expected to be recorded on the existing and recently awarded jobs. New awards are expected to materialise.

For the units under Others, the increase in activities in Trading is expected to continue while the Oil and Gas Fabrication units is poised to receive new awards.

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		12 months ended	
	31 January 2008 RM'000	31 January 2007 RM'000 (Restated)	31 January 2008 RM'000	31 January 2007 RM'000 (Restated)
Income tax	(254)	(127)	(1,229)	(2,507)
Deferred tax benefits	2,376	-	5,364	1,536
Deferred tax expense	-	(808)	-	(2,908)
	<u>2,122</u>	<u>(935)</u>	<u>4,135</u>	<u>(3,879)</u>

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

There 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 January 2008 RM'000	As at 31 January 2007 RM'000
Short term borrowings		
Secured	83,679	72,097
Unsecured	64,262	39,058
	<u>147,941</u>	<u>111,155</u>
Long term borrowings		
Secured	31,175	48,118
Unsecured	153,032	170,117
	<u>184,207</u>	<u>218,235</u>

Including borrowings denominated in foreign currencies as at 31 January 2008:

	THB'000	RM'000 Equivalent
Thai Baht (THB'000)		
Short term borrowings	427,577	47,461
Long term borrowings	217,187	24,108
	<u>644,764</u>	<u>71,569</u>
	IDR'000	RM'000 Equivalent
Indonesian Rupiah (IDR'000)		
Short term borrowings	14,869,291	5,457
Long term borrowings	9,914,647	3,639
	<u>24,783,938</u>	<u>9,096</u>

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

1. Kuala Lumpur High Court Civil Suit No. S-22-147-2007

Ingress Fabricators Sdn. Bhd. (IFSB) (“the Plaintiff”), had served a Writ of Summons & Statement of Claims (“the Writ”) dated 8 February 2007 filed at the Kuala Lumpur High Court against Ramunia Fabricators Sdn Bhd (“the Defendant”).

In this suit, IFSB is claiming for the following sums alleged to be due and owing by the Defendant to IFSB in respect of the contract “to provide management, supervision, qualified manpower, tools, consumables and equipments to carry out piping and mechanical works for E8DR-A Topside” :-

- i. The sum of RM1,494,670, for Acceleration cost;
- ii. Interest at the rate of 8% per annum on the said sum of RM1,494,670 from 9 November 2006 until full settlement;
- iii. Alternatively, damages;
- iv. Interest on all damages awarded at the rate of 8% per annum from the date of judgment until full settlement;
- v. Costs; and
- vi. Such further or other relief that the Honorable Court deems fit and proper to grant.

The suit is presently fixed for Case Management on 28 April 2008. An application is to be filed to consolidate this suit with the Kuala Lumpur High Court Civil Suit No. S2-22-424-2007 between the same parties (as mentioned below).

2. Kuala Lumpur High Court Civil No. S22-424-2007

Ingress Fabricators Sdn. Bhd. (IFSB) (“the Plaintiff”), had served a Writ of Summons & Statement of Claims (“the Writ”) dated 25 April 2007 filed at the Kuala Lumpur High Court against Ramunia Fabricators Sdn Bhd (“the Defendant”).

In this suit, IFSB is claiming for the following sums alleged to be due and owing by the Defendant to IFSB in relation to the contract to provide structural works for Guntong E-Jacket, E8DR-A Substructure, E11P-B Substructure and E8DRA Topside:-

- i. The sum of RM3,794,912, for Acceleration cost;
- ii. The Sum of RM198,129, for tools and equipment kept in the yard;
- iii. The sum of RM235,732, for Engineering Change of design;
- iv. Interest on all damages awarded at the rate of 8% per annum from the date of judgment until full settlement;
- v. Costs; and
- vi. Such further or other relief that the Honorable Court deems fit and proper to grant.

The Suit is presently fixed for Case Management on 13 May 2008. An application is to be filed to consolidate this suit with Kuala Lumpur High Court Civil Suit No. S7-22-147-2007 between the same parties.

B12. Dividend Payable

There was no dividend proposed or become payable for the reporting quarter.

B13. Earnings Per Share

	3 months ended		12 months ended	
	31 January 2008	31 January 2007	31 January 2008	31 January 2007
Loss for the period attributable to ordinary equity holders of the parent (RM'000)	(5,167)	(11,553)	(10,958)	(5,861)
Number of ordinary shares in issue (RM'000)	76,800	76,800	76,800	76,800
Basic, for loss of the period (sen)	(6.7)	(15.0)	(14.3)	(7.6)

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 27 March 2008.