

## Condensed Consolidated Income Statements

### For the Three-Month Period Ended 31 January 2009

		3 months ended		Unaudited	Audited
	Note	31 January	31 January	31 January	31 January
		2009	2008	2009	2008
		RM'000	RM'000	RM'000	RM'000
Revenue	A4	151,122	107,967	574,320	398,863
Costs of sales		(180,588)	(92,956)	(526,127)	(339,474)
<b>Gross (loss) / profit</b>		<u>(29,466)</u>	<u>15,011</u>	<u>48,193</u>	<u>59,389</u>
Other income		1,356	114	4,737	1,861
Administrative and other expenses		(24,829)	(17,074)	(74,229)	(64,531)
Finance costs		(6,599)	(6,336)	(21,278)	(22,520)
Share of (loss) / profit of associates		(208)	1,108	2,499	11,610
<b>Loss before tax</b>	A4	<u>(59,746)</u>	<u>(7,177)</u>	<u>(40,078)</u>	<u>(14,191)</u>
Income tax expense	B5	2,017	2,361	(2,267)	4,374
<b>Loss for the period</b>		<u>(57,729)</u>	<u>(4,816)</u>	<u>(42,345)</u>	<u>(9,817)</u>
Attributable to:					
Equity holders of the Company		(49,650)	(5,553)	(39,955)	(11,344)
Minority interests		(8,079)	737	(2,390)	1,527
		<u>(57,729)</u>	<u>(4,816)</u>	<u>(42,345)</u>	<u>(9,817)</u>
<b>Loss per share attributable to equity holders of the Company:</b>					
Basic, for loss of the period (sen)	B13	(64.6)	(7.2)	(52.0)	(14.8)

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 January 2008 and the accompanying explanatory notes attached to the interim financial statements.

## Condensed Consolidated Balance Sheet

As at 31 January 2009

	Note	Unaudited As at 31 January 2009 RM'000	Audited As at 31 January 2008 RM'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		311,855	357,695
Prepaid land lease payments		26,002	22,450
Intangible assets		4,291	6,088
Investment in associates		10,630	8,131
Other investment		100	100
Deferred tax assets		22,691	21,508
		<u>375,569</u>	<u>415,972</u>
<b>Current assets</b>			
Inventories		82,666	29,882
Trade receivables		113,724	128,173
Other receivables		52,165	25,070
Cash and bank balances		30,505	35,621
		<u>279,060</u>	<u>218,746</u>
<b>TOTAL ASSETS</b>		<b><u>654,629</u></b>	<b><u>634,718</u></b>

**Condensed Consolidated Balance Sheet**  
**As at 31 January 2009**

	Note	Unaudited As at 31 January 2009 RM'000	Audited As at 31 January 2008 RM'000
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to equity holders of the Company</b>			
Share capital		76,800	76,800
Reserves		38,353	82,267
		<u>115,153</u>	<u>159,067</u>
<b>Minority interests</b>		42,045	45,780
<b>Total equity</b>		<u>157,198</u>	<u>204,847</u>
<b>Non-current liabilities</b>			
Borrowings	B9	28,880	39,128
Deferred tax liabilities		53	313
		<u>28,933</u>	<u>39,441</u>
<b>Current liabilities</b>			
Borrowings	B9	298,864	294,304
Trade payables		95,193	51,559
Other payables		73,186	43,613
Tax payables		1,255	954
		<u>468,498</u>	<u>390,430</u>
Total liabilities		<u>497,431</u>	<u>429,871</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>654,629</b></u>	<u><b>634,718</b></u>

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 January 2008 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 2009**

	<-----Attributable to Equity Holders of the Company----->						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 Profits RM'000	Total RM'000	RM'000	RM'000
<b>At 1 February 2007</b>								
As previously stated	76,800	1,024	7,141	6,735	70,415	162,115	42,601	204,716
Prior year adjustment	-	-	-	-	10,923	10,923	4,316	15,239
<b>At 1 February 2007 (restated)</b>	<u>76,800</u>	<u>1,024</u>	<u>7,141</u>	<u>6,735</u>	<u>81,338</u>	<u>173,038</u>	<u>46,917</u>	<u>219,955</u>
Foreign currency translation, representing net income recognised directly to equity	-	-	(986)	1,431		445	1,179	1,624
Loss for the year	-	-	-	-	(11,344)	(11,344)	1,527	(9,817)
Total recognised income and expense for the year	-	-	(986)	1,431	(11,344)	(10,899)	2,706	(8,193)
Dividend	-	-	-	-	(3,072)	(3,072)	(3,843)	(6,915)
<b>At 31 January 2008</b>	<u>76,800</u>	<u>1,024</u>	<u>6,155</u>	<u>8,166</u>	<u>66,922</u>	<u>159,067</u>	<u>45,780</u>	<u>204,847</u>
<b>At 1 February 2008</b>	76,800	1,024	6,155	8,166	66,922	159,067	45,780	204,847
Foreign currency translation, representing net expenses recognised directly to equity	-	-	(652)	(3,307)	-	(3,959)	(520)	(4,479)
Profit for the year	-	-	-	-	(39,955)	(39,955)	(2,390)	(42,345)
Total recognised income and expense for the year	-	-	(652)	(3,307)	(39,955)	(43,914)	(2,910)	(46,824)
Purchase of shares by minority interest	-	-	-	-	-	-	375	375
Dividend	-	-	-	-	-	-	(1,200)	(1,200)
<b>At 31 January 2009</b>	<u>76,800</u>	<u>1,024</u>	<u>5,503</u>	<u>4,859</u>	<u>26,967</u>	<u>115,153</u>	<u>42,045</u>	<u>157,198</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 2008 and the accompanying explanatory notes attached to the interim financial statements.

## Condensed Consolidated Cash Flow Statement

### For the Twelve-Month Period Ended 31 January 2009

	<b>Unaudited</b>	<b>Audited</b>
	<b>12 months ended</b>	<b>12 months ended</b>
	<b>31 January</b>	<b>31 January</b>
	<b>2009</b>	<b>2008</b>
	<b>RM'000</b>	<b>RM'000</b>
Net cash generated from operating activities	66,646	46,085
Net cash used in investing activities	(64,875)	(42,597)
Net cash used in financing activities	(10,117)	(16,414)
Net decrease in cash and cash equivalents	<u>(8,346)</u>	<u>(12,926)</u>
Cash and cash equivalents at beginning of financial year	7,890	20,816
Cash and cash equivalents at end of financial year	<u>(456)</u>	<u>7,890</u>

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

	<b>Unaudited</b>	<b>Audited</b>
	<b>As at</b>	<b>As at</b>
	<b>31 January</b>	<b>31 January</b>
	<b>2009</b>	<b>2008</b>
	<b>RM'000</b>	<b>RM'000</b>
Cash and bank balances	30,505	35,621
Bank overdrafts (included within short term borrowings in Notes B9)	<u>(17,979)</u>	<u>(19,925)</u>
	12,526	15,696
Less : Deposits under lien	<u>(12,982)</u>	<u>(7,806)</u>
	<u>(456)</u>	<u>7,890</u>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 January 2008 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 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 2008.

### **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 2008.

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

The Auditors' Report on the financial statements for the year ended 31 January 2008 was not qualified.

## A4. Segmental Information of Current Quarter

	Automotive Division *		Power Engineering and Railway Electrification (PER)		Others		Eliminations		Consolidated	
	31 January 2009	31 January 2008	31 January 2009	31 January 2008	31 January 2009	31 January 2008	31 January 2009	31 January 2008	31 January 2009	31 January 2008
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>										
External sales	137,002	84,750	11,174	15,337	2,946	7,880	-	-	151,122	107,967
Inter-segment sales	(2,092)	3,264	435	463	-	2,682	1,657	(6,409)	-	-
Total revenue	134,910	88,014	11,609	15,800	2,946	10,562	1,657	(6,409)	151,122	107,967
<b>Result</b>										
Segment results / operating	(38,381)	1,836	(2,235)	490	(12,323)	(1,901)	-	(2,374)	(52,939)	(1,949)
Finance costs									(6,599)	(6,336)
Share of (loss) / profit of associates	-	-	(208)	1,108	-	-	-	-	(208)	1,108
Loss before tax									(59,746)	(7,177)
Income tax expense									2,017	2,361
Loss for the period									(57,729)	(4,816)

	Malaysia		Thailand		Indonesia		Consolidated	
	31 January 2009	31 January 2008	31 January 2009	31 January 2008	31 January 2009	31 January 2008	31 January 2009	31 January 2008
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Total revenue from external customers	118,537	66,950	30,761	39,164	1,824	1,853	151,122	107,967

\* Automotive Division comprises Automotive Component Manufacturing (ACM) and Premium Automotive Dealership (PAD)

**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 January 2009.

**A6. Changes in Estimates**

There is a change in estimate reported in the current financial period that have a material effect in the current quarter. The change in estimate relates to depreciation method and impairment loss of tooling equipment on certain models, amounting to RM45.6 million.

**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. Carrying Amount of Revalued Assets**

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

**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 the 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 2008.

**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 RM403,425,800.

**A14. Subsequent Events**

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

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

### **B1. Performance Review for the Fourth Quarter of Financial Year 2009 (FY09)**

For the current quarter, the Group registered a loss before tax of RM59.8 million on a revenue of RM151.1 million in comparison to the loss before tax of RM7.2 million and revenue of RM108 million for the corresponding quarter in the previous year.

In the reporting quarter,

- i. the Automotive Division (AD) recorded a loss before tax of RM43.2 million and revenue of RM137 million as against previous year corresponding quarter loss before tax of RM3.5 million and revenue of RM84.8 million. The results have considered an amount of RM45.6 million for change in estimates related to depreciation method and impairment of tooling equipment on certain models. This change has been applied prospectively in accordance with FRS 108.
- ii. the Power Engineering and Rail Electrification (PER) division together with its associate companies registered a loss before tax of RM2.3 million and revenue of RM11.2 million as against previous year corresponding quarter loss before tax of RM1.6 million and revenue of RM15.3 million.
- iii. The units under Others recorded a loss before tax of RM14 million as against the previous year corresponding quarter loss of RM2.3 million. These results have considered the provisioning of bad debts and impairment of equipment totaling RM9.8 million.

Further analysis of current quarter performance in comparison to corresponding quarter previous year are follows:

- i. Total Automotive Division reported an increase of 67.1% in revenue. Automotive Components Manufacturing (ACM) registered 10.4% increase and Premium Automotive Dealership which was setup in Q1 of this financial year recorded a RM43.4 million in revenue.
- ii. ACM Malaysia recorded a 138.8% increase in revenue.

In comparison to the previous year corresponding quarter, the new Saga sash and moulding which commenced delivery in the fourth quarter of previous year on a small scale recorded encouraging volume. In addition, the supply of wire harness for the new Proton Saga, commenced in Quarter 3. Proton Gen-2, Proton Satria Neo, Proton Persona and Perodua Myvi registered decreases in volume. Perodua Viva encountered marginal increase in volume.

- iii. ACM Thailand registered a 21.5% decrease in revenue in comparison to the previous year corresponding quarter. The new Honda Jazz and Honda City commenced delivery during the financial year. Other models recorded drop in volume.

**B1. Performance Review for the Fourth Quarter of Financial Year 2009 (FY09) (Contd.)**

- iv. ACM Indonesia recorded a 1.6% decrease in revenue albeit on a lower scale. All models encountered decreases in volume except for Suzuki APV and Futura.
- v. PER division recorded a 27.1% decrease in revenue.
- vi. For the units under Others, revenue decreased by 64.7%.

For the financial year 2009, the Group recorded a 44% improvement in revenue in comparison to the previous financial year.

- i. Overall, Automotive Division registered a 56.5% increase in revenue. Premium Automotive Dealership registered a revenue of RM132.5 million.
- ii. ACM Malaysia posted a 98.6% increase in revenue. Encouraging volume were recorded for the new Proton Saga which commenced delivery in the last quarter of the previous year. Perodua Viva recorded increase in revenue.
- iii. ACM Thailand achieved a 0.8% growth in revenue. The New City and New Jazz which were introduced this year recorded encouraging volume. Mitsubishi Triton and Nissan registered increase in volume.
- iv. ACM Indonesia registered a 69.8% increase in revenue.
- v. PER Division posted a 6.5% decrease in revenue compared to the previous year to date.
- vi. The units under Others registered 60% an increase in revenue compared to the previous year to date.

**B2. Comment on Material Change in Profit Before Tax in Comparison to the Immediate Preceding Quarter.**

The Group recorded a decrease of 3% in revenue.

Overall Automotive Division which comprise the newly commenced Premium Automotive Dealership (PAD) and the ACM of Malaysia, Thailand and Indonesia recorded a 2.6% increase in revenue against the immediate preceding quarter.

ACM Malaysia recorded a 20.8% increase in revenue with wire harness recording encouraging volume.

Compared to the immediate preceding quarter, ACM Thailand's revenue decreased by 29.3%. All models except for the New City experienced decreases in volume.

ACM Indonesia's revenue reduced by 39.1% from the preceding quarter.

For PER, compared to the preceding quarter, its revenue decreased by 43.1%.

**B3. Commentary on Prospects**

The automotive industries in Thailand, Malaysia and Indonesia are not expected to record growth in the short term. Supply for sash, moulding and body parts for Proton MPV (Exora) and Perodua MPV are expected to commence in the first and third quarter of the new financial year respectively.

For PER and the units under Others, significant progress is expected to be recorded on the existing and recently awarded jobs including the recently secured Ipoh-Padang Besar double tracking for system works. New awards are expected to materialise.

**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		Unaudited	Audited
	31 January 2009	31 January 2008	31 January 2009	31 January 2008
	RM'000	RM'000	RM'000	RM'000
Income tax	(1,288)	617	(3,710)	(359)
Deferred tax benefits	3,305	1,744	1,443	4,733
	<u>2,017</u>	<u>2,361</u>	<u>(2,267)</u>	<u>4,374</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.
- iii. Utilisation of Investment Tax Allowance, Reinvestment Allowance and Unutilised Tax Losses for 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**

	<b>Unaudited As at 31 January 2009 RM'000</b>	<b>Audited As at 31 January 2008 RM'000</b>
<b>Short term borrowings</b>		
Secured	65,259	83,675
Unsecured	233,605	210,629
	<u>298,864</u>	<u>294,304</u>
<b>Long term borrowings</b>		
Secured	22,287	31,215
Unsecured	6,593	7,913
	<u>28,880</u>	<u>39,128</u>

Including borrowings denominated in foreign currencies as at 31 January 2009:

	<b>THB'000</b>	<b>RM'000 Equivalent</b>
Thai Baht (THB'000)		
Short term borrowings	426,895	44,013
Long term borrowings	189,489	19,536
		<u>64,549</u>
	<b>IDR'000</b>	<b>RM'000 Equivalent</b>
Indonesian Rupiah (IDR'000)		
Short term borrowings	15,269,250	4,860
Long term borrowings	5,889,585	1,867
		<u>6,750</u>

**B9. Borrowings (Contd.)**

In March 2008, the Trustees for the Sukuk had issued a notice (“Notice”) to the Company for breaching the following financial covenants based on the financial statements ended 31 January 2007:

- i. Maintain the Debt to Equity ratio of the Group of not more than 1.75 times; and
- ii. Encumbrances over all of its present or future revenue or assets shall not in aggregate exceed twenty percent (20%) of the Net Tangible Assets (“NTA”) of the Group.

On 19th September 2008 the Sukukholders agreed to grant Ingress further indulgence and extension of time until 26 December 2008 to fully refinance the Sukuk.

On 26 November 2008, the Company wrote to the Trustee asking for further indulgence. In response, two meetings were held on 30 December 2008 and 23 March 2009 between the Company and the Sukukholders to discuss the matter.

On 23 March 2009, the management had informed the Sukukholders, of the Company's intention to appoint advisor/s to propose for a restructuring of the Sukuk. The Directors approved the appointment of PricewaterhouseCoopers Advisory Services Sdn Bhd.

**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**

(a) Kuala Lumpur High Court Civil Suit No. S-22-147-2007

A subsidiary of the Group, namely 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:

- i. The sum of RM1,494,700;
- ii. Interest at the rate of 8% per annum on the said sum from 9 November 2006 until full settlement;
- iii. Interest on all damages awarded at the rate of 8% per annum from the date of judgment until full settlement;
- iv. Costs; and
- v. Such further or other relief that the Honorable Court deems fit and proper to grant.

**B11. Changes in Material Litigation (Contd.)**

(a) Kuala Lumpur High Court Civil Suit No. S-22-147-2007 (Contd)

An application had been filed to consolidate this suit with the Kuala Lumpur High Court Civil Suit No. S2-22-424-2007 between the same parties (as mentioned in (b)). The suit is presently fixed for Pre-Trial Case Management on 22 April 2009.

(b) 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;
- ii. The sum of RM198,129;
- iii. The sum of RM235,732;
- iv. Interest on all damages awarded at the rate of 8% per annum from the date of judgement until full settlement;
- v. Costs; and
- vi. Such further or other relief that the Honorable Court deems fit and proper to grant.

(c) Kuala Lumpur High Court Civil Suit No. S-22-1134-2008

Ingress Fabricators Sdn Bhd (IFSB) and Technical Business Group Sdn Bhd (TBGSB) (“the Plaintiff”), had filed a Writ of Summons & Statement of Claims (“the Writ”) dated 18 December 2008 at the Kuala Lumpur High Court against Ramunia Fabricators Sdn Bhd and Shahrudin Bin Tahir (“the Defendant”).

In this suit, IFSB and TBGSB is claiming for the following sums alleged to be due and owing by the Defendant to IFSB and TBGSB in respect of outstanding principal and retention sum amount of the contract to provide management, supervision, qualified manpower, tools, consumables and equipments:

- i. The sum of outstanding principal amount of RM3,917,072.73;
- ii. Interest at the rate of 8% per annum on the said sum from 18 December 2008 until the date of judgement;
- iii. Interest at the rate of 8% per annum from the date of judgement until full settlement;
- iv. The sum of outstanding retention money amount of RM633,807.00
- v. Interest at the rate of 8% per annum on the said sum from 18 December 2008 until the date of judgement;
- vi. Interest at the rate of 8% per annum from the date of judgement until full settlement;



**B11. Changes in Material Litigation (Contd.)**

(c) Kuala Lumpur High Court Civil Suit No. S-22-1134-2008 (Contd.)

- vii. The sum of variation order claims amount of RM39,745.00;
- viii. Interest at the rate of 8% per annum on the said sum from 18 December 2008 until the date of judgement;
- ix. Interest at the rate of 8% per annum from the date of judgement until full settlement;

**B12. Dividend Payable**

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

**B13. Earnings Per Share**

	<b>3 months ended</b>		<b>12 months ended</b>	
	<b>31 January 2009</b>	<b>31 January 2008</b>	<b>31 January 2009</b>	<b>31 January 2008</b>
Loss for the period attributable to ordinary equity holders of the Company (RM'000)	(49,650)	(5,553)	(39,955)	(11,344)
Number of ordinary shares in issue (RM'000)	76,800	76,800	76,800	76,800
Basic, for loss of the period (sen)	(64.6)	(7.2)	(52.0)	(14.8)

**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 26 March 2009.