

Unaudited Condensed Consolidated Statements of Comprehensive Income
For the Period Ended 31 July 2010

	Note	3 months ended		6 months ended	
		31 July 2010 RM'000	31 July 2009 RM'000	31 July 2010 RM'000	31 July 2009 RM'000
Revenue	A4	195,566	177,689	375,980	329,364
Costs of sales		(167,025)	(152,656)	(319,413)	(286,723)
Gross profit		28,541	25,033	56,567	42,641
Other income		6,616	1,055	15,835	2,624
Administrative and other expenses		(24,217)	(15,433)	(39,987)	(28,809)
Finance costs		(4,072)	(4,229)	(8,531)	(8,451)
Share of loss of associates		(1,122)	(947)	(2,860)	(1,000)
Profit before tax	A4	5,746	5,479	21,024	7,005
Income tax expense	B5	(1,414)	(754)	(2,868)	(1,411)
Profit for the financial period		4,332	4,725	18,156	5,594
Other comprehensive loss, net of tax					
(Loss)/gain on foreign currency translation		(1,312)	545	(2,592)	319
Loss on cash flow hedges		(420)	-	(2,918)	-
Other comprehensive (loss)/gain for the financial period, net of tax		(1,732)	545	(5,510)	319
Total comprehensive income for the financial period		2,600	5,270	12,646	5,913

**Unaudited Condensed Consolidated Statements of Comprehensive Income
For the Period Ended 31 July 2010 (Contd)**

	Note	3 months ended		6 months ended	
		31 July 2010 RM'000	31 July 2009 RM'000	31 July 2010 RM'000	31 July 2009 RM'000
Profit attributable to:					
Owners of the Company		2,470	2,951	12,940	3,536
Minority interests		1,862	1,774	5,216	2,058
Profit for the financial period		4,332	4,725	18,156	5,594
Total comprehensive income attributable to:					
Owners of the Company		744	3,452	8,683	3,843
Minority interests		1,856	1,818	3,963	2,070
Total comprehensive income for the financial period		2,600	5,270	12,646	5,913
Profit per share attributable to owners of the Company:					
Basic, for profit for the financial period (sen)	B13	3.2	3.8	16.8	4.6

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the financial year ended 31 January 2010 and the accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Statements of Financial Position
As at 31 July 2010

	Note	Unaudited As at 31 July 2010 RM'000	Audited As at 31 January 2010 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		280,771	314,306
Prepaid land lease payments		15,856	16,264
Intangible assets		3,745	4,237
Investment in associates		-	11,124
Other investment		100	100
Deferred tax assets		22,786	23,497
		<u>323,258</u>	<u>369,528</u>
Current assets			
Inventories		67,087	67,580
Trade receivables		130,937	136,225
Other receivables		39,607	30,379
Tax recoverable		1,265	2,144
Cash and bank balances		63,909	45,246
Assets classified held for sale		-	9,599
		<u>302,805</u>	<u>291,173</u>
TOTAL ASSETS		<u>626,063</u>	<u>660,701</u>

Condensed Consolidated Statements of Financial Position
As at 31 July 2010 (Contd)

	Note	Unaudited As at 31 July 2010 RM'000	Audited As at 31 January 2010 RM'000
EQUITY AND LIABILITIES			
Equity			
Share capital		76,800	76,800
Reserves		74,977	67,999
Total equity attributable to owners of the Company		<u>151,777</u>	<u>144,799</u>
Minority interests		<u>53,921</u>	<u>51,403</u>
Total equity		<u>205,698</u>	<u>196,202</u>
Non-current liabilities			
Borrowings	B9	132,301	12,678
Deferred tax liabilities		5,027	5,027
		<u>137,328</u>	<u>17,705</u>
Current liabilities			
Borrowings	B9	148,075	298,171
Trade payables		92,395	96,399
Other payables		40,897	51,774
Tax payables		1,670	450
		<u>283,037</u>	<u>446,794</u>
Total liabilities		<u>420,365</u>	<u>464,499</u>
TOTAL EQUITY AND LIABILITIES		<u>626,063</u>	<u>660,701</u>

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the financial year ended 31 January 2010 and the accompanying explanatory notes attached to the interim financial statements.



Unaudited Condensed Consolidated Statements of Changes in Equity
For the Six-Month Period Ended 31 July 2010

	<-----Attributable to Owner of the Company----->						Total RM'000	Minority Interests RM'000	Total Equity RM'000
	<-----Non-Distributable----->			Distributable					
	Share Capital RM'000	Share Premium RM'000	Revaluation Reserves RM'000	Foreign Exchange Reserve RM'000	Hedging Reserve RM'000	Retained Profits RM'000			
At 1 February 2009	76,800	1,024	5,503	4,471	-	26,114	113,912	41,854	155,766
Total comprehensive income for the financial period	-	-	132	175	-	3,536	3,843	2,070	5,913
At 31 July 2009	<u>76,800</u>	<u>1,024</u>	<u>5,635</u>	<u>4,646</u>	<u>-</u>	<u>29,650</u>	<u>117,755</u>	<u>43,924</u>	<u>161,679</u>
At 1 February 2010	76,800	1,024	26,148	3,902	-	36,925	144,799	51,403	196,202
Effect on adopting FRS 139	-	-	-	-	(1,705)	-	(1,705)	-	(1,705)
At 1 February 2010, restated	<u>76,800</u>	<u>1,024</u>	<u>26,148</u>	<u>3,902</u>	<u>(1,705)</u>	<u>36,925</u>	<u>143,094</u>	<u>51,403</u>	<u>194,497</u>
Total comprehensive income for the financial period	-	-	(561)	(778)	(2,918)	12,940	8,683	3,963	12,646
Dividends	-	-	-	-	-	-	-	(1,445)	(1,445)
At 31 July 2010	<u>76,800</u>	<u>1,024</u>	<u>25,587</u>	<u>3,124</u>	<u>(4,623)</u>	<u>49,865</u>	<u>151,777</u>	<u>53,921</u>	<u>205,698</u>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 January 2010 and the accompanying explanatory notes attached to the interim financial statements.

**Condensed Consolidated Statements of Cash Flow
For the Period Ended 31 July 2010**

	6 months ended	
	31 July 2010 RM'000	31 July 2009 RM'000
Cash Flows from Operating Activities		
Profit before tax	21,024	7,005
Adjustments for:		
Finance income (including profit sharing on Mudharabah deposits)	(192)	(79)
Finance costs	8,531	8,451
Depreciation of property, plant and equipment	36,269	17,991
Amortisation of prepaid land lease payment	334	255
Amortisation of intangible assets	492	609
Gain on disposal of property, plant and equipment	(2,162)	(35)
Gain on disposal of prepaid land lease payment	(4,401)	-
Gain on disposal of 19% shares in associate company	(7,619)	-
Net unrealised foreign exchange gain	(30)	(1,797)
Share of loss of associates	2,860	1,000
Operating profit before working capital changes	55,106	33,400
Decrease in inventories	492	16,303
Increase in receivables	(3,910)	(12,030)
Decrease in payables	(15,020)	(24,776)
Cash generated from operations	36,668	12,897
Finance costs paid	(8,531)	(8,451)
Tax refund	779	-
Tax paid	(838)	(1,568)
Net cash generated from operating activities	28,078	2,878
Cash Flows from Investing Activities		
Purchase of property, plant and equipment	(3,830)	(3,671)
Proceeds from disposal of property, plant and equipment	3,257	35
Proceeds from disposal of prepaid land lease payment	14,000	-
Proceeds from disposal of 19% of shares in associate company	11,400	-
Finance income received	192	79
Net cash generated from/(used in) investing activities	25,019	(3,557)

**Condensed Consolidated Statements of Cash Flow
For the Period Ended 31 July 2010 (Contd)**

	6 months ended	
	31 July 2010	31 July 2009
	RM'000	RM'000
Cash Flows from Financing Activities		
(Placement)/maturity of deposits with licensed banks under lien	(3,289)	187
Early redemption of Sukuk Al-Ijarah	(139,998)	(5,003)
Net drawdown/(repayment) of term loan	124,578	(33,557)
Net repayment of hire purchase and lease financing	(4,529)	(1,173)
Net (repayment)/drawdown of short term borrowings	(12,908)	32,970
Dividends paid	(1,445)	-
Net cash used in financing activities	<u>(37,591)</u>	<u>(6,576)</u>
Net increase/(decrease) in cash and cash equivalents	15,506	(7,255)
Effects of foreign exchange rate changes	(2,514)	319
Cash and cash equivalents at beginning of the financial period	14,006	3,377
Cash and cash equivalents at end of the financial period	<u>26,998</u>	<u>(3,559)</u>

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

	As at 31 July 2010	As at 31 July 2009
	RM'000	RM'000
Cash and bank balances	63,909	28,551
Bank overdrafts (included within short term borrowings in Notes B9)	(21,211)	(23,298)
	<u>42,698</u>	<u>5,253</u>
Less: Deposits under lien	(15,700)	(8,812)
	<u>26,998</u>	<u>(3,559)</u>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the financial year ended 31 January 2010 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 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 financial year ended 31 January 2010.

A2. Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended 31 January 2010 except for the effect on the adoption of new FRSSs, amendments and IC interpretations that are mandatory for the Group for the financial year beginning on 1 February 2010. The adoption of these FRSSs, amendments and IC Interpretations do not have a material impact on the interim financial information of the Group except for the adoption of the followings FRSSs as set out below:

(a) Revised FRS 101: Presentation of Financial Statements

The revised FRS 101 separates owner and non-owner changes in equity. Therefore, the consolidated statements of changes in equity will now include only details of transactions with owners. All non-owner changes in equity are presented as a single line labelled as total comprehensive income. The Standard also introduces the statement of comprehensive income: presenting all items of income and expense recognised in the income statement, together with all other items of recognised income and expense, either in one single statement, or in two linked statements.

The Group has elected to present the statement of comprehensive income in one single statement. There is no impact on the results of the Group since these changes affect only the presentation of items of income and expenses.

(b) FRS 139: Financial Instruments: Recognition and Measurement

FRS 139 sets out the new requirements for the recognition and measurement of the Group's financial statements. Financial instruments are recorded initially at fair value. Subsequent measurement of the financial statements at the balance sheet date reflects the designation of the financial instruments. The Group determines the classification at initial recognition and for the purpose of the adoption of the Standard, as at transitional date on 1 January 2010.

A2. Changes in Accounting Policies (Contd)
(b) FRS 139: Financial Instruments: Recognition and Measurement (Contd)
Impact on the Opening Balance

In accordance with the transitional provisions of FRS 139, the applicable changes are applied prospectively and the comparatives as at 31 January 2010 are not restated. Instead, the changes have been accounted for by restating the following opening balances in the statements of financial position and the statements of changes in equity as at 1 February 2010 as follows:-

	As previously reported (audited)	Effect of FRS 139	As restated
	RM'000	RM'000	RM'000
Assets			
Current assets			
Investment in associates	11,124	(1,705)	9,419
Equity			
Hedging reserves	-	(1,705)	(1,705)

A3. Auditors' Report on Preceding Annual Financial Statements

The Auditors' Report on the financial statements for the financial year ended 31 January 2010 was not qualified.

A4. Segmental Information of Current Quarter

	Automotive Division *		Power Engineering and Projects Division **		Company		Eliminations		Consolidated	
	31 July 2010	31 July 2009	31 July 2010	31 July 2009	31 July 2010	31 July 2009	31 July 2010	31 July 2009	31 July 2010	31 July 2009
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue										
External sales	178,290	157,026	17,276	20,663	-	-	-	-	195,566	177,689
Inter-segment sales	11,285	8,381	185	-	3,328	2,313	(14,798)	(10,694)	-	-
Total revenue	189,575	165,407	17,461	20,663	3,328	2,313	(14,798)	(10,694)	195,566	177,689
Result										
Segment results/ operating	12,553	11,272	(478)	385	1,018	998	(2,153)	(2,000)	10,940	10,655
Finance costs									(4,072)	(4,229)
Share of loss of associates	-	-	(1,122)	(947)	-	-	-	-	(1,122)	(947)
Profit before tax									5,746	5,479
Income tax expense									(1,414)	(754)
Profit for the financial period									4,332	4,725

	Malaysia		Thailand		Indonesia		Consolidated	
	31 July 2010	31 July 2009	31 July 2010	31 July 2009	31 July 2010	31 July 2009	31 July 2010	31 July 2009
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Total revenue from external customers	147,092	150,215	44,951	25,647	3,523	1,827	195,566	177,689

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

** Power Engineering and Projects Division (PEP Division) comprises Power Engineering & Railway and Oil & Gas of fabrication and operation maintenance

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 July 2010.

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. 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 previous statements of financial position as at 31 January 2010.

A13. Changes in Contingent Liabilities or Contingent Assets

The Company provides corporate guarantee to financial institutions for all bank facilities utilised by subsidiaries of the Group of RM281,899,221.

A14. Subsequent Events

On 29 July 2010, the Company via a subsidiary company, Ingress Precision Sdn Bhd has entered into a Share Purchase Agreement for the disposal of 268,994 ordinary shares of THB100 each in Ingress Autoventures Co., Ltd with a cash consideration of THB66,710,512 to Katayama Kogyo Co., Ltd, a joint venture partner incorporated in Thailand. The transaction has been completed on 8 September 2010.

There were no other material subsequent events between the end of current quarter and the date of announcement other than as disclosed above and in B9.

A15. Related Party Disclosures

	3 months ended		6 months ended	
	31 July	31 July	31 July	31 July
	2010	2009	2010	2009
	RM'000	RM'000	RM'000	RM'000

Purchase of materials by subsidiaries from:

G-Shin Corporation Sdn Bhd	2,574	3,219	6,339	5,160
Combat Coating (M) Sdn Bhd	-	2	-	12
	<u>2,574</u>	<u>3,221</u>	<u>6,339</u>	<u>5,172</u>

G-Shin Corporation Sdn Bhd and Combat Coating (M) Sdn Bhd are companies related to a former Executive Director of the Company. These companies supply parts and materials to subsidiaries - Ingress Technologies Sdn Bhd and Ingress Precision Sdn Bhd.

There were no other recurrent related party transactions of revenue or trading nature during the financial period under review other than as disclosed above.

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

B1. Performance Review for the Second Quarter of Financial Year 2011 (FY11)

For the current quarter, the Group registered a revenue of RM195.6 million and profit before tax of RM5.7 million in comparison to previous financial year corresponding quarter revenue of RM177.7 million and profit before tax of RM5.5 million.

In the reporting quarter,

- i. the Automotive Division recorded a revenue of RM178.3 million and profit before tax of RM9.9 million as against the previous financial year's corresponding quarter revenue of RM157.0 million and profit before tax of RM7.3 million.
- ii. the Power Engineering and Projects Division (PEP Division) recorded a revenue of RM17.3 million and loss before tax of RM0.9 million in comparison to the previous financial year corresponding quarter revenue of RM20.7 million and profit before tax of RM0.5 million. Together with its associate companies, PEP Division recorded loss before tax of RM2.0 million in comparison to previous financial year corresponding quarter loss before tax of RM0.5 million.

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

- i. Automotive Division reported an increase of 14% in revenue.
- ii. Automotive Components Manufacturing (ACM) registered an increase in revenue by 17% whilst Premium Automotive Dealership (PAD) recorded 7% increase in revenue.
- iii. ACM Malaysia experienced 5% decrease in revenue.

Supplies for door related parts, moulding and sash products for the Perodua Alza commenced delivery in Q4FY10 continued in this quarter. In comparison to the previous financial year corresponding quarter, Proton Savvy, Proton Exora and Perodua Myvi experienced decreases in volume.

- iv. ACM Thailand registered a 75% increase in revenue in comparison to the previous financial year corresponding quarter. All models recorded increases in volume except for Honda Jazz.

B1. Performance Review for the Second Quarter of Financial Year 2011 (FY11) (Contd)

- v. ACM Indonesia recorded a 93% increase in revenue in comparison to the previous financial year corresponding quarter. All models registered increases in volume.
- vi. PEP Division recorded 16% decrease in revenue in comparison to the previous financial year corresponding quarter.

For the first half of the financial year, the Group recorded 14% improvement in revenue in comparison to first half of previous financial year with a two fold increase in profit before tax.

- i. Automotive Division reported an increase of 13% increase in revenue.
- ii. ACM Malaysia division registered 34% increase in revenue while PAD Division experienced 20% decrease in revenue.
- iii. ACM Malaysia recorded 23% increase in revenue. Most models of Proton and Perodua experienced increases in volume. Components for Perodua Alza was not supplied in the corresponding financial year first half.
- iv. ACM Thailand registered 52% increase in revenue. Most models recorded increase in volume.
- v. ACM Indonesia recorded a 45% increase in revenue.
- vi. PEP Division experienced 55% decrease in revenue.

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

For the current quarter, the Group recorded profit before tax of RM5.7 million in comparison to the immediate preceding quarter profit before tax of RM15.3 million.

Higher profit before tax in the immediate preceding quarter was mainly due to gain on disposal of 19% shares in an associate company amounting to RM7.6 million. In the quarter under review, the Group paid bonus to its employees and absorbed all Sukuk Refinancing Exercise Expenses in line with the successful completion of the Refinancing Exercise during the quarter. The Group via a wholly owned subsidiary company, Ingress Engineering Sdn Bhd has also recognised the gain on disposal of land amounting to RM4.4 million (Refer B6).

B3. Commentary on Prospects

For ACM Malaysia, revenue is expected to improve with the full year impact on supply of door related parts, moulding and sash for Perodua Alza. All existing models are expected to improve in volume throughout the financial year. The improvements registered for automotive in Thailand and Indonesia for the current quarter will continue.

The Premium Automotive Dealership is expected to improve in volume.

For PEP Division, significant progress on all activities are expected to be recorded on the existing and recently awarded jobs.

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		6 months ended	
	31 July 2010 RM'000	31 July 2009 RM'000	31 July 2010 RM'000	31 July 2009 RM'000
Income tax	(1,414)	(789)	(2,157)	(1,035)
Deferred tax expenses	-	35	(711)	(376)
	<u>(1,414)</u>	<u>(754)</u>	<u>(2,868)</u>	<u>(1,411)</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

Based on the Debt Settlement Agreement dated 16 October 2009, the Group via a wholly owned subsidiary company, Ingress Engineering Sdn Bhd completed the disposal of two pieces of land to a financial institution for part settlement (RM14.0 million) of borrowing amounting to RM18.0 million. The balance of RM4.0 million was fully settled via internally generated fund.

There were no other 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

	Unaudited	Audited
	As at	As at
	31 July	31 January
	2010	2010
	RM'000	RM'000
Short term borrowings		
Secured	86,936	80,833
Unsecured	61,139	217,338
	<u>148,075</u>	<u>298,171</u>
Long term borrowings		
Secured	130,474	9,396
Unsecured	1,827	3,282
	<u>132,301</u>	<u>12,678</u>

B9. Borrowings (Contd)

Including borrowings denominated in foreign currencies as at 31 July 2010:

	THB'000	RM'000 Equivalent
Thai Baht (THB'000)		
Short term borrowings	431,038	42,609
Long term borrowings	52,181	5,158
	<hr/>	<hr/>
	IDR'000	RM'000 Equivalent
Indonesian Rupiah (IDR'000)		
Short term borrowings	12,065,168	4,295
Long term borrowings	965,658	344
	<hr/>	<hr/>

On 30 June 2010, the Company has fully redeemed the outstanding Sukuk of RM120.3 million by utilising the proceeds from Syndicated Commodity Murabahah Islamic Term Financing Facility amounting to RM110 million as well as from the internally generated fund. The Company then has successfully resolved the issues for the non-compliance of the Sukuk financial covenants which transpired since April 2008.

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”).

B11. Changes in Material Litigation (Contd)

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

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 E8DR-A Topside (Piping) 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.

Consolidation with the Kuala Lumpur High Court Civil Suit No. S2-22-424-2007 was granted, currently at the stage of Pre Trial Case Management.

(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.

Consolidation with the Kuala Lumpur High Court Civil Suit No. S2-22-147-2007 was granted, currently at the stage of Pre Trial Case Management.

B11. Changes in Material Litigation (Contd)

(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 Shaharudin 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;
- 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; and
- ix. Interest at the rate of 8% per annum from the date of judgement until full settlement.

Replied on statements of counter claim on 11 December 2009, currently pending for hearing of Consolidation Application with S7-22-147-2007.

(d) Kuala Lumpur High Court Civil Suit No. S-22-419-2010

Ingress Fabricators Sdn Bhd (IFSB) (“the Plaintiff”), had served a Writ of Summons & Statement of Claims (“the Writ”) dated 13 May 2010 (After the RO leave application granted by court) filed at the Kuala Lumpur High Court against Ramunia Fabricators Sdn Bhd (“the Defendant”).

B11. Changes in Material Litigation (Contd)

(d) Kuala Lumpur High Court Civil Suit No. S-22-419-2010 (Contd)

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 E8DRA Topside (Piping) to provide management, supervision, qualified manpower, tools, consumables and equipments:

- i. The work done under Main Contract RM617,168.00;
- ii. The retention sum RM50,000; and
- iii. The interest at rate of 8% per annum on the above from 9 November 2006 until full settlement.

Replied on statements of counter claim on 11 December 2009, currently pending for hearing of Consolidation Application with S7-22-147-2007.

(e) Johor Bharu High Court Civil Suit No. MT1-22-95-2008

Ingress Fabricators Sdn Bhd (IFSB) (“the Plaintiff”), had served a writ of Summons & Statement of Claims (“the Writ”) dated 18 May 2009 filed at the Johor Bharu High Court against Megard Engineering 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 Gemusut Project to provide management, supervision, qualified manpower, tools, consumables and equipments:

- i. The sum of RM142,483.73;
- ii. The sum of RM547,500.00;
- iii. The sum of RM191,625.00;
- iv. The sum of RM50,000.00;
- v. The sum of RM232,500.00;
- vi. The sum of RM81,375.00;
- vii. The sum of RM749,509.57;
- viii. Interest at the rate of 8% per annum on the specific damages from the date of filing of the Writ until full realisation or any sums to be determined by the Honourable Court;

B11. Changes in Material Litigation (Contd)

(e) Johor Bharu High Court Civil Suit No. MT1-22-95-2008 (Contd)

- ix. Interest at the rate of 8% per annum on all claims from the date of filing of the Writ until full realisation or any sums to be determined by the Honourable Court;
- x. Interest at the rate of 8% per annum on all claims from the date of judgement until the date of full assessment by the Honourable Court or any sums to be determined by the Honourable Court;
- xi. Interest at the rate of 8% per annum on claims herein from the date of assessment by the Honourable Court until full realisation or any sums to be determined by the Honourable Court; and
- xii. Costs.

Currently, at Pre Trial Case Management stage, next Mention date had been fixed on 24 November 2010 pending parties' compliance to Court's directions for the Case Management documentations.

(f) Kuala Lumpur High Court, Commercial Division - Civil Suit No.: D-22 NCC-586-2010

On 26 March 2010, PNA Technologies Sdn Bhd ("PNA") filed a Writ of Summon and Statement of Claims at the Kuala Lumpur High Court against Ingress Engineering Sdn Bhd ("IESB"). Inter-alia, PNA is claiming an amount of RM3,650,776.26 as at 13 January 2010, plus interest. Its Statement of Claims stated that it was for the sum due and payable by IESB for the supply of raw material and wire harness components in respect of Proton Saga BLM and Proton Persona by PNA to IESB.

On 3 June 2010, IESB filed Statement of Defense and Counter Claim at the Kuala Lumpur High Court disputing the claims by PNA on the ground that, inter-alia, the invoices submitted by PNA to IESB were not according to Proton's QAF5 requirements and the figures therein were never agreed by IESB. Further, the transportation and accommodation costs charged as well as exchange rates used by PNA in its invoices were deemed unreasonable. In its Counter Claim IESB is claiming from PNA an amount of RM489,751.08, transportation costs which were not agreed together with interest.

This case is scheduled for Mediation at the Kuala Lumpur High Court on 29 September 2010.

B12. Dividend Payable

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

B13. Earnings Per Share

	3 months ended	
	31 July	31 July
	2010	2009
Profit for the financial period attributable to Owners of the Company (RM'000)	2,470	2,951
Number of ordinary shares in issue (RM'000)	76,800	76,800
Basic, for profit for the financial period (sen)	3.2	3.8

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 27 September 2010.