

Unaudited Condensed Consolidated Statement of Comprehensive Income
For the Period Ended 31 October 2011

	Note	3 months ended		9 months ended	
		31 October 2011 RM'000	31 October 2010 RM'000	31 October 2011 RM'000	31 October 2010 RM'000
Revenue	A4	159,672	196,115	512,812	572,095
Costs of sales		(127,983)	(168,143)	(421,764)	(487,556)
Gross profit		31,689	27,972	91,048	84,539
Other income/(expenses)		1,636	(182)	7,893	15,653
Administrative and other expenses		(19,309)	(18,149)	(62,137)	(58,136)
Interest/finance costs		(3,603)	(4,118)	(10,546)	(12,649)
Share of results of associates		(259)	584	(168)	(2,276)
Profit before tax	A4	10,154	6,107	26,090	27,131
Income tax expense	B5	(535)	(764)	(1,331)	(3,632)
Profit for the financial period		9,619	5,343	24,759	23,499
Other comprehensive (loss)/gain, net of tax					
(Loss)/gain on foreign currency translation		(257)	3,680	1,106	1,088
(Loss)/gain on cash flow hedges		(12)	59	2,439	(2,859)
Other comprehensive (loss)/gain for the financial period, net of tax		(269)	3,739	3,545	(1,771)
Total comprehensive income for the financial period		9,350	9,082	28,304	21,728

**Unaudited Condensed Consolidated Statement of Comprehensive Income
For the Period Ended 31 October 2011 (Continued)**

	Note	3 months ended		9 months ended	
		31 October 2011 RM'000	31 October 2010 RM'000	31 October 2011 RM'000	31 October 2010 RM'000
Profit attributable to:					
Owners of the Company		6,734	2,090	17,426	15,030
Minority interests		2,885	3,253	7,333	8,469
Profit for the financial period		9,619	5,343	24,759	23,499
Total comprehensive income attributable to:					
Owners of the Company		6,644	4,449	20,935	13,132
Minority interests		2,706	4,633	7,369	8,596
Total comprehensive income for the financial period		9,350	9,082	28,304	21,728
Basic earnings per share attributable to owners of the parent (sen)	B13	8.8	2.7	22.7	19.6

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 January 2011 and the accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Statement of Financial Position
As at 31 October 2011

	Note	Unaudited As at 31 October 2011 RM'000	Audited As at 31 January 2011 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		271,483	281,172
Intangible assets		3,527	3,544
Investment in associates		5,091	2,820
Investment securities		100	100
Deferred tax assets		26,982	26,789
		<u>307,183</u>	<u>314,425</u>
Current assets			
Inventories		59,864	44,979
Trade receivables		118,430	125,506
Other receivables		29,078	26,759
Tax recoverable		1,171	1,312
Cash and bank balances		76,270	73,016
Assets of disposal group classified as held for sale		-	7,239
		<u>284,813</u>	<u>278,811</u>
TOTAL ASSETS		<u>591,996</u>	<u>593,236</u>

**Condensed Consolidated Statement of Financial Position
As at 31 October 2011 (Continued)**

	Note	Unaudited As at 31 October 2011 RM'000	Audited As at 31 January 2011 RM'000
EQUITY AND LIABILITIES			
Current liabilities			
Borrowings/financing	B9	130,680	111,262
Trade payables		72,096	89,311
Other payables		33,170	38,996
Current tax payable		111	819
Liabilities directly associated with disposal classified held for sale		-	6,426
		<u>236,057</u>	<u>246,814</u>
Net current assets		<u>48,756</u>	<u>31,997</u>
Non-current liabilities			
Borrowings/financing	B9	103,107	119,861
Deferred tax liabilities		5,006	5,006
		<u>108,113</u>	<u>124,867</u>
Total liabilities		<u>344,170</u>	<u>371,681</u>
Net assets		<u>247,826</u>	<u>221,555</u>
Equity attributable to owners of the parent			
Share capital		76,800	76,800
Reserves		97,395	76,963
		<u>174,195</u>	<u>153,763</u>
Minority interests		73,631	67,792
Total equity		<u>247,826</u>	<u>221,555</u>
TOTAL EQUITY AND LIABILITIES		<u>591,996</u>	<u>593,236</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 January 2011 and the accompanying explanatory notes attached to the interim financial statements.

**Unaudited Condensed Consolidated Statement of Changes in Equity
For the Period Ended 31 October 2011**

	Attributable to Owner of the Parent					Retained Profits RM'000	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					
At 1 February 2010	76,800	1,024	26,148	3,902	(1,705)	36,925	143,094	51,403	194,497	
Total comprehensive (expenses)/ income for the financial period	-	-	(230)	1,191	(2,859)	15,030	13,132	8,596	21,728	
Purchase of shares by minority interest	-	-	-	-	-	-	-	7,759	7,759	
Dividends paid	-	-	-	-	-	-	-	(1,445)	(1,445)	
At 31 October 2010	76,800	1,024	25,918	5,093	(4,564)	51,955	156,226	66,313	222,539	
At 1 February 2011	76,800	1,024	25,293	1,610	(5,013)	54,049	153,763	67,792	221,555	
Total comprehensive income/ (expenses) for the financial period	-	-	680	(113)	2,439	17,426	20,432	7,369	27,801	
Purchase of shares by minority interest	-	-	-	-	-	-	-	503	503	
Dividends paid	-	-	-	-	-	-	-	(2,033)	(2,033)	
At 31 October 2011	76,800	1,024	25,973	1,497	(2,574)	71,475	174,195	73,631	247,826	

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 2011 and the accompanying explanatory notes attached to the interim financial statements.

**Condensed Consolidated Statement of Cash Flow
For the Period Ended 31 October 2011**

	9 months ended	
	31 October 2011 RM'000	31 October 2010 RM'000
Cash Flows from Operating Activities		
Profit before tax	26,090	27,131
Adjustments for:		
Interest/finance income	(280)	(285)
Interest/finance costs	10,546	12,649
Depreciation of property, plant and equipment	38,815	50,968
Amortisation of intangible assets	505	752
Gain on disposal of property, plant and equipment	-	(6,563)
(Gain)/loss on disposal of shares in subsidiaries	(4,501)	1,422
Gain on disposal of shares in associates	(100)	(7,619)
Allowance for doubtful debts	5,055	-
Net unrealised foreign exchange gain	(486)	(294)
Share of results of associates	168	2,276
Operating profit before working capital changes	<u>75,812</u>	<u>80,437</u>
(Increase)/decrease in inventories	(14,885)	8,965
Decrease in receivables	5,302	16,525
Decrease in payables	<u>(23,041)</u>	<u>(20,516)</u>
Cash generated from operations	43,188	85,411
Interest/finance costs paid	(10,546)	(12,648)
Tax refund	-	779
Tax paid	<u>(2,090)</u>	<u>(3,183)</u>
Net cash generated from operating activities	<u>30,552</u>	<u>70,359</u>
Cash Flows from Investing Activities		
Purchase of property, plant and equipment	(29,126)	(14,487)
Proceeds from disposal of property, plant and equipment	-	17,257
Proceeds from disposal of subsidiaries	200	6,337
Proceeds from subscription of shares in a subsidiary company by minority interest	503	-
Proceeds from disposal of shares in associates	100	11,400
Interest/finance income received	280	285
Net cash (used in)/generated from investing activities	<u>(28,043)</u>	<u>20,792</u>

Condensed Consolidated Statement of Cash Flow
For the Period Ended 31 October 2011 (Continued)

	9 months ended	
	31 October 2011 RM'000	31 October 2010 RM'000
Cash Flows from Financing Activities		
Placement of deposits with licensed banks under lien	(7,657)	(2,944)
Early redemption of Sukuk Al-Ijarah	-	(139,998)
Net (repayment)/drawdown of Syndicated CMTF-i	(7,500)	110,000
Net (repayment)/drawdown of term loan	(13,316)	8,171
Net repayment of hire purchase and lease financing	(2,437)	(3,195)
Net drawdown/(repayment) of short term borrowings	27,378	(26,965)
Dividends paid	(2,033)	(1,445)
Net cash used in financing activities	(5,565)	(56,376)
Net (decrease)/increase in cash and cash equivalents	(3,056)	34,775
Effects of foreign exchange rate changes	115	1,513
Cash and cash equivalents at beginning of the financial period	41,995	14,006
Cash and cash equivalents at end of the financial period	39,054	50,294

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

	As at 31 October 2011 RM'000	As at 31 October 2010 RM'000
Cash and bank balances	76,270	82,205
Bank overdrafts (included within short term borrowings in Notes B9)	(14,890)	(16,557)
	61,380	65,648
Less: Deposits under lien	(22,326)	(15,354)
	39,054	50,294

The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the financial year ended 31 January 2011 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 2011.

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 2011 except for the adoption of the following new Financial Reporting Standards ("FRSs"), amendments to FRSs and IC Interpretations:

Effective for financial periods beginning on or after 1 March 2010

Amendments to FRS 132	Classification of Rights Issues
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Effective for financial periods beginning on or after 1 July 2010

FRS 1	First-time Adoption of Financial Reporting Standards
FRS 3	Business Combinations (Revised)
Amendments to FRS 2	Share-based Payment
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS 127	Consolidated and Separate Financial Statements
Amendments to FRS 138	Intangible Assets
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 12	Service Concession Arrangements
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17	Distributions of Non-cash Assets to Owners

Effective for financial periods beginning on or after 1 January 2011

Amendments to FRS 1	Limited Exemption from Comparative FRS 7 Disclosures for First-Time Adopters
Amendments to FRS 7	Improving Disclosures about Financial Instruments
Amendments to FRS 2	Share-based Payment - Group Cash Settled Share-based Payment Transactions
IC Interpretation 4	Determining Whether an Arrangement Contains a Lease
IC Interpretation 18	Transfers of Assets from Customers

A2. Changes in Accounting Policies (Continued)

Effective for financial periods beginning on or after 1 July 2011

IC Interpretation 19

Extinguishing Financial Liabilities with Equity Instruments

Except for the changes in accounting policies arising from the adoption of the revised FRS 3 and the Amendments to FRS 127, as well as the new disclosures required under the Amendments to FRS 7, the directors expect that the adoption of the other standards and interpretations above will have no material impact on the financial statements in the period of initial application. The nature of the impending changes in accounting policy on adoption of the revised FRS 3 and the Amendments to FRS 127 are described below.

Revised FRS 3: Business Combinations and Amendments to FRS 127: Consolidated and Separate Financial Statements

The revised FRS 3 introduces a number of changes in the accounting for business combinations occurring after 1 July 2010. These changes will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs, and future reported results. The Amendments to FRS 127 require that a change in the ownership interest of a subsidiary (without loss of control) is accounted for as an equity transaction. Therefore, such transactions will no longer give rise to goodwill, nor will they give rise to a gain or loss. Furthermore, the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. Other consequential amendments have been made to FRS 107: Statement of Cash Flows, FRS 112: Income Taxes, FRS 121: The Effects of Changes in Foreign Exchange Rates, FRS 128: Investments in Associates and FRS 131: Interests in Joint Ventures. The changes from revised FRS 3 and Amendments to FRS 127 will affect future acquisitions or loss of control and transactions with minority interests.

A3. Auditors' Report on Preceding Annual Financial Statements

The Auditors' Report on the financial statements for the financial year ended 31 January 2011 was not qualified.

A4. Segmental Information of Current Quarter

	Automotive Division *		Power Engineering and Projects Division **		Company		Eliminations		Consolidated	
	31 October 2011	31 October 2010	31 October 2011	31 October 2010	31 October 2011	31 October 2010	31 October 2011	31 October 2010	31 October 2011	31 October 2010
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue										
External sales	151,467	170,650	8,205	25,465	-	-	-	-	159,672	196,115
Inter-segment sales	5,073	10,359	68	76	2,666	3,617	(7,807)	(14,052)	-	-
Total revenue	156,540	181,009	8,273	25,541	2,666	3,617	(7,807)	(14,052)	159,672	196,115
Result										
Segment operating results	14,994	9,072	325	(172)	(1,303)	754	-	(13)	14,016	9,641
Interest/finance costs									(3,603)	(4,118)
Share of results of associates	-	-	(259)	584	-	-	-	-	(259)	584
Profit before tax									10,154	6,107
Income tax expense									(535)	(764)
Profit for the financial period									9,619	5,343

	Malaysia		Thailand		Indonesia		Consolidated	
	31 October 2011	31 October 2010	31 October 2011	31 October 2010	31 October 2011	31 October 2010	31 October 2011	31 October 2010
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Total revenue from external customers	120,405	149,523	35,537	43,422	3,730	3,170	159,672	196,115

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

** 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 October 2011.

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

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

There were no changes in the composition of the Group during the reporting quarter.

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 2011.

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 RM157,454,113.

A14. Subsequent Events

On 21 September 2011, the Company via a subsidiary company, Ingress Precision Sdn Bhd has entered into a Share Purchase Agreement for the disposal of 35% or 885,325 ordinary shares of IDR8,875 each in PT Ingress Malindo Ventures with a cash consideration of IDR7,857,259,375 to Katayama Kogyo Co., Ltd and Yonei Co., Ltd, both are incorporated in Japan. The transaction has been completed on 18 November 2011.

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

A15. Related Party Disclosures

	3 months ended		9 months ended	
	31 October 2011 RM'000	31 October 2010 RM'000	31 October 2011 RM'000	31 October 2010 RM'000
(a) Sales of products by subsidiaries to:				
Perodua Manufacturing Sdn Bhd *	40,164	33,454	111,626	123,665
(b) Purchases of materials by subsidiaries from:				
Katayama Kogyo Co., Ltd **	115	177	145	351
Yonei Co., Ltd ***	537	738	1,273	1,725
G-Shin Corporation Sdn Bhd ****	1,672	2,609	5,130	8,948

A15. Related Party Disclosures (Continued)

	3 months ended		9 months ended	
	31 October 2011 RM'000	31 October 2010 RM'000	31 October 2011 RM'000	31 October 2010 RM'000
(c) Purchases of machinery and tooling by subsidiaries from:				
Katayama Kogyo Co., Ltd **	-	169	829	4,432
Yonei Co., Ltd ***	-	-	1,286	-
(d) Advisory fees by subsidiaries to:				
Katayama Kogyo Co., Ltd **	57	146	609	324

* Perodua Manufacturing Sdn Bhd is an associate company of a corporate shareholder of a subsidiary - Ingress Technologies Sdn Bhd

** Katayama Kogyo Co., Ltd is a foreign corporate shareholder of subsidiaries - Ingress Autoventures Co., Ltd and Ingress Precision Sdn Bhd

*** Yonei Co., Ltd is a foreign corporate shareholder of a subsidiary - Ingress Autoventures Co., Ltd

**** G-Shin Corporation Sdn Bhd is a company related to former executive director of the Company. This company supply parts and raw 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 Third Quarter of Financial Year 2012 ("FY12")

For the current quarter, the Group registered a revenue of RM159.7 million and profit before tax of RM10.2 million in comparison to previous financial year corresponding quarter revenue of RM196.1 million and profit before tax of RM6.1 million.

In the reporting quarter,

- i. the Automotive Division which includes Automotive Component Manufacturing Division ("ACM Division") and Premium Automotive Dealership recorded revenue of RM151.5 million and profit before tax of RM11.7 million as against the previous financial year's corresponding quarter revenue of RM170.7 million and profit before tax of RM6.3 million.

On 17 October 2011, the Group announced that its Ayutthaya plant located in High-Tech Industrial Estate, Ayutthaya under Ingress Autoventures (Thailand) Co., Ltd was inundated by massive flood and had temporarily halted operations. Our other plant in Rayong, Thailand remained in operation but at a much lower volume.

The Group's Ayutthaya plant supplies to Honda Thailand located in Rojana Industrial Park, Ayutthaya which was also affected by the flood. Currently the flood has receded. The Group has come out with a Master Schedule to meet the Honda recovery plan. The production is expected to commence by April 2012. Rayong Plant was back to full operations by the third week of November 2011.

The Group is working with the Insurance Company to file a claim under Plant, Machinery and Equipment insurance policies. Total sum insured is equivalent to RM118.5 million. See also commentary on prospect below.

- ii. the Power Engineering and Projects Division ("PEP Division") recorded revenue of RM8.2 million and loss before tax of RM0.8 million in comparison to the previous financial year corresponding quarter revenue of RM25.5 million and loss before tax of RM1.4 million.

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 RM10.2 million in comparison to the immediate preceding quarter profit before tax of RM5.4 million. Higher profit before tax recorded for the current quarter was mainly due to the recovery from the impact of the March 2011 earthquake and tsunami in Japan especially to the Thailand's automotive industry.

B3. Commentary on Prospects

As explained in B1 above, the Group's Thailand Automotive Division is looking forward for the insurance reimbursement for the Ayutthaya plant to meet up with the Honda Recovery Plan starting from April 2012. The other two plants located in Rayong, Thailand which are not affected by flood are expected to improve in volume.

For Malaysia Automotive Division, the Group also forecast growth in volume.

For PEP Division, we expect improvement on the results based on the current progress of the projects secured by PEP Division.

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 2011 RM'000	31 October 2010 RM'000	31 October 2011 RM'000	31 October 2010 RM'000
Income tax	(867)	(590)	(1,524)	(2,747)
Deferred tax income/(expenses)	332	(174)	193	(885)
	<u>(535)</u>	<u>(764)</u>	<u>(1,331)</u>	<u>(3,632)</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

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 As at 31 October 2011 RM'000	Audited As at 31 January 2011 RM'000
Short term borrowings		
Secured	101,196	69,454
Unsecured	29,484	41,808
	<u>130,680</u>	<u>111,262</u>
Long term borrowings		
Secured	<u>103,107</u>	<u>119,861</u>

Including borrowings denominated in foreign currencies as at 31 October 2011:

	THB'000	RM'000 Equivalent
Thai Baht (THB'000)		
Short term borrowings	202,397	20,227
Long term borrowings	6,674	667
	<u> </u>	<u> </u>
	IDR'000	RM'000 Equivalent
Indonesian Rupiah (IDR'000)		
Short term borrowings	<u>14,629,666</u>	<u>5,091</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

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

With the consolidation of four earlier suits on 9 November 2010, Ingress Fabricators Sdn Bhd ("IFSB") is claiming an aggregate amount of RM10,837,949 against Ramunia Fabricators Sdn Bhd ("Defendant") for value of work done, retention sum as well as variation orders together with interests thereon in respect of work done by IFSB on behalf of the Defendant.

The Court fixed 18 January 2012 for the next Case Management.

B12. Dividend Payable

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

B13. Earnings Per Share

	3 months ended		9 months ended	
	31 October 2011	31 October 2010	31 October 2011	31 October 2010
Profit for the period attributable to Owners of the Parent (RM'000)	6,734	2,090	17,426	15,030
Number of ordinary shares in issue ('000)	76,800	76,800	76,800	76,800
Basic, earnings per share attributable to owners of the parent (sen)	8.8	2.7	22.7	19.6

B14. Breakdown of retained profits into realised and unrealised

	Unaudited As at 31 October 2011 RM'000	Audited As at 31 January 2011 RM'000
Total retained profits of the Company and its subsidiaries		
- Realised	84,653	72,162
- Unrealised	26,982	26,789
	<u>111,635</u>	<u>98,951</u>
Total share of retained profits from associates		
- Realised	4,668	4,837
	<u>116,303</u>	<u>103,788</u>
Less: Consolidation adjustments	(44,828)	(49,739)
Retained profits as per financial statements	<u>71,475</u>	<u>54,049</u>

B15. 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 20 December 2011.