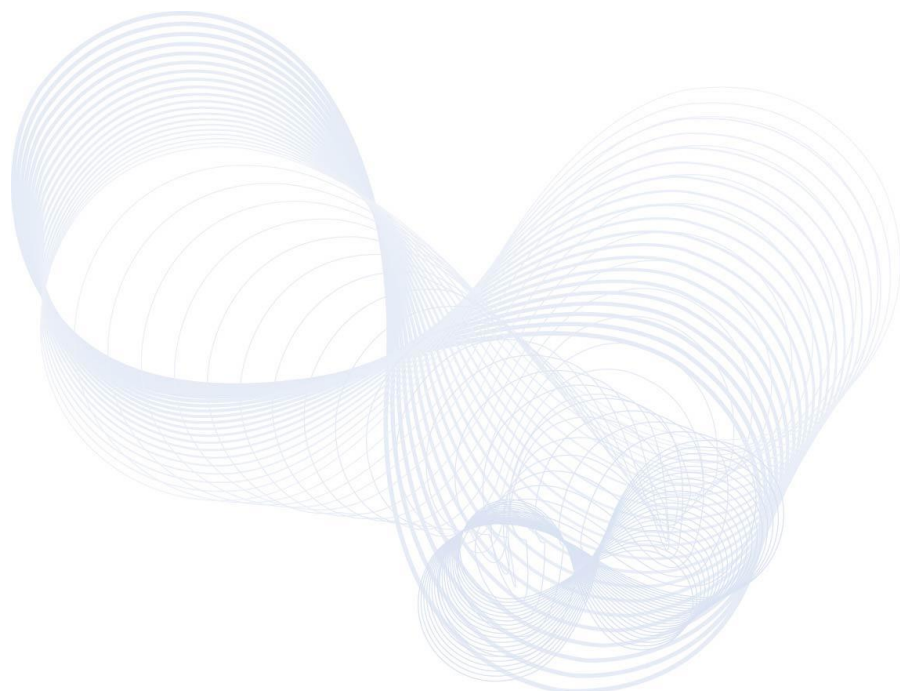


**Goodway Integrated Industries Berhad**  
**(Company No. 618972-T)**



**Quarterly Results for the Financial Period ended**  
**31 December 2008**



**GOODWAY INTEGRATED INDUSTRIES BERHAD**  
**(Company No. 618972-T)**

**CONDENSED CONSOLIDATED INCOME STATEMENTS**  
**FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2008**  
**(The figures have not been audited)**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter ended 31.12.08 RM'000	Preceding Year Corresponding Quarter ended 31.12.07 RM'000	Current Year Period-to-date ended 31.12.08 RM'000	Preceding Year Corresponding Period-to-date ended 31.12.07 RM'000
Revenue	39,724	56,255	253,591	208,818
Cost of sales	<u>(36,820)</u>	<u>(47,722)</u>	<u>(228,596)</u>	<u>(175,697)</u>
Gross /profit	2,904	8,533	24,995	33,121
Other operating income	593	196	1,780	463
Interest Income	101	66	220	174
Operating expenses	(15,473)	(7,513)	(31,270)	(20,478)
Finance cost	(1,489)	(1,777)	(8,127)	(6,578)
Share of loss in jointly controlled entity	(76)	-	(66)	-
Share of loss in associated company	(91)	-	(91)	-
<b>(Loss)/Profit before tax</b>	<u>(13,531)</u>	<u>(495)</u>	<u>(12,559)</u>	<u>6,702</u>
Taxation	675	594	(287)	(2,445)
<b>(Loss)/Profit for the period</b>	<u><u>(12,856)</u></u>	<u><u>99</u></u>	<u><u>(12,846)</u></u>	<u><u>4,257</u></u>
<b>Attributable to:</b>				
Equity holders of the parent	(12,848)	(339)	(12,911)	4,723
Minority interest	(8)	438	65	(466)
	<u><u>(12,856)</u></u>	<u><u>99</u></u>	<u><u>(12,846)</u></u>	<u><u>4,257</u></u>
Earnings per share attributable to equity holders of the parent				
- Basic earnings per share (sen)	<u><u>(15.98)</u></u>	<u><u>2.90</u></u>	<u><u>(16.06)</u></u>	<u><u>6.30</u></u>
- Diluted earnings per share (sen)	<u><u>N/A</u></u>	<u><u>2.88</u></u>	<u><u>N/A</u></u>	<u><u>6.26</u></u>

The unaudited Condensed Consolidated Income Statement should be read in conjunction with the accompanying explanatory notes to the interim financial statements and the audited financial statements for the year ended 31 December 2007.

**GOODWAY INTEGRATED INDUSTRIES BERHAD**  
(Company No. 618972-T)

**CONDENSED CONSOLIDATED BALANCE SHEETS AS AT 31 DECEMBER 2008  
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2008**

	As At End of Current Quarter 31.12.08 RM'000	Audited As At 31.12.07 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	86,585	94,596
Prepaid interest in leased land	29,196	29,109
Investment in jointly controlled entity	2,010	-
Other investments	409	500
Deferred tax assets	1,746	6,266
Intangible Assets	6,000	6,148
	<u>125,946</u>	<u>136,619</u>
<b>Current assets</b>		
Inventories	37,291	42,431
Receivables	42,665	59,172
Tax recoverable	948	1,141
Cash and cash equivalents	8,961	16,401
	<u>89,865</u>	<u>119,145</u>
<b>TOTAL ASSETS</b>	<u><u>215,811</u></u>	<u><u>255,764</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	40,189	40,189
Reserves	13,682	14,368
Retained earnings	9,070	23,171
	<u>62,941</u>	<u>77,728</u>
Minority shareholders' interests	620	658
<b>Total equity</b>	<u>63,561</u>	<u>78,386</u>
<b>Non-current liabilities</b>		
Deferred tax liabilities	6,713	12,969
Long term borrowings	47,901	54,786
<b>Total non-current liabilities</b>	<u>54,614</u>	<u>67,755</u>
<b>Current liabilities</b>		
Payables	26,879	42,995
Short term borrowings	70,737	66,212
Taxation	20	416
<b>Total current liabilities</b>	<u>97,636</u>	<u>109,623</u>
<b>Total liabilities</b>	<u>152,250</u>	<u>177,378</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>215,811</u></u>	<u><u>255,764</u></u>
Net Assets per share (RM)	0.79	0.98

The unaudited Condensed Consolidated Balance Sheet should be read in conjunction with the accompanying explanatory notes to the interim financial statements and the audited financial statements for the year ended 31 December 2007.

**GOODWAY INTEGRATED INDUSTRIES BERHAD**  
(Company No. 618972-T)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2008**  
(The figures have not been audited)

	← Attributable to shareholders of the company →					Sub-total RM'000	Minority Interest RM'000	Total Equity RM'000	
	Share Capital RM'000	Share Premium RM'000	Translation Reserve RM'000	Revaluation Reserve RM'000	Share Option Reserves RM'000				Distributable Retained Profit/(Loss) RM'000
<b>Balance as at 1 January 2008</b>	40,189	11,143	(46)	3,049	222	18,298	72,855	658	73,513
Changes in accounting policies: - Recognition of Reinvestment Allowance	-	-	-	-	-	4,873	4,873	-	4,873
<b>Restated balance</b>	40,189	11,143	(46)	3,049	222	23,171	77,728	658	78,386
<b>Changes in equity ended 31 December 2008</b>									
Exchange differences on translation of foreign subsidiary	-	-	(686)	-	-	-	(686)	-	(686)
Net profit recognised in equity	-	-	(686)	-	-	-	(686)	-	(686)
Loss for the period	-	-	-	-	-	(12,911)	(12,911)	(38)	(12,949)
Total recognised income and expense for the period	-	-	(686)	-	-	(12,911)	(13,597)	(38)	(13,635)
Dividend paid	-	-	-	-	-	(1,190)	(1,190)	-	(1,190)
<b>Balance as at 31 December 2008</b>	40,189	11,143	(732)	3,049	222	9,070	62,941	620	63,561

**GOODWAY INTEGRATED INDUSTRIES BERHAD**  
(Company No. 618972-T)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2008**  
(The figures have not been audited)

	← Attributable to shareholders of the company →					Sub-total RM'000	Minority Interest RM'000	Total Equity RM'000	
	Share Capital RM'000	Share Premium RM'000	Translation Reserve RM'000	Revaluation Reserve RM'000	Share Option Reserves RM'000				Distributable Retained Profit/(Loss) RM'000
<b>Balance as at 1 January 2007</b>	40,000	11,087	(168)	3,049	94	14,881	68,943	1,047	69,990
Changes in accounting policies: - Recognition of Reinvestment Allowance	-	-	-	-	-	4,873	4,873	-	4,873
<b>Restated balance</b>	40,000	11,087	(168)	3,049	94	19,754	73,816	1,047	74,863
<b>Changes in equity ended 31 December 2007</b>									
Exchange differences on translation of foreign subsidiary	-	-	122	-	-	-	122	77	199
Net loss recognised in equity	-	-	122	-	-	-	122	77	199
Profit for the period	-	-	-	-	-	4,723	4,723	(466)	4,257
Total recognised income and expense for the period	-	-	122	-	-	4,723	4,845	(389)	4,456
Dividend paid	-	-	-	-	-	(1,306)	(1,306)	-	(1,306)
Issuance of new ordinary shares	189	56	-	-	-	-	245	-	245
Share based payments	-	-	-	-	128	-	128	-	128
<b>Balance as at 31 December 2007</b>	40,189	11,143	(46)	3,049	222	23,171	77,728	658	78,386

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying explanatory notes to the interim financial statements and the audited financial statement for the year ended 31 December 2007.

**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS**  
**FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2008**  
(The figures have not been audited)

	Cumulative Current Year Ended 31.12.08 RM'000	Cumulative Preceding Year Ended 30.9.07 RM'000
<b>Cash flows from operating activities</b>		
(Loss)/Profit before taxation	(12,559)	6,702
Adjustments for :		
Non-cash items adjustments	<u>17,047</u>	<u>15,426</u>
Operating profit before working capital changes	4,488	22,128
Increase/Decrease in working capital		
Inventories	5,140	(11,624)
Receivables	16,076	(13,136)
Payables	<u>(5,353)</u>	<u>18,347</u>
Cash generated generated from/ (used in) operations	20,351	15,715
Interest received	138	91
Interest paid	(6,234)	(6,578)
Tax (paid)/ refund	<u>(72)</u>	<u>174</u>
<b>Net cash flow generated from operating activities</b>	<b><u>14,183</u></b>	<b><u>9,402</u></b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(14,462)	(19,582)
Proceeds from disposal of property, plant and equipment	-	362
Acquisition of jointly-controlled entity	(2,145)	-
Acquisition of other investment		(500)
Increase in Minority Interest	(73)	(148)
Increase in investment in subsidiary	-	-
<b>Net cash flow used in investing activities</b>	<b><u>(16,680)</u></b>	<b><u>(19,868)</u></b>
<b>Cash flows from financing activities</b>		
Dividend paid	(1,190)	(1,306)
(Repayment)/Proceeds of borrowings	(1,170)	22,313
Repayment of hire purchase creditors	(513)	(573)
Proceeds from issuance of new ordinary shares	-	245
<b>Net cash flow (used in)/ generated from financing activities</b>	<b><u>(2,873)</u></b>	<b><u>20,679</u></b>
Exchange differences on translation of the financial statements of foreign subsidiary	<u>(996)</u>	<u>100</u>
<b>Net changes in cash and cash equivalents</b>	(6,366)	10,313
<b>Cash and cash equivalents at beginning of period</b>	<u>15,327</u>	<u>5,014</u>
<b>Cash and cash equivalents at end of period</b>	<b><u>8,961</u></b>	<b><u>15,327</u></b>
<b><u>Cash and cash equivalents comprises of</u></b>		
Cash and bank balances	8,961	16,401
Bank Overdraft	<u>-</u>	<u>(1,074)</u>
	<b><u>8,961</u></b>	<b><u>15,327</u></b>

The unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the accompanying explanatory notes to the interim financial statements and latest audited financial statement for the year ended 31 December 2007.

**A. EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT - FRS 134  
FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2008**

**A1. Basis of Preparation**

This interim financial statement has been prepared under the historical cost convention except for the revaluation of landed properties.

This interim financial statement is unaudited and has been prepared in accordance with Financial Reporting Standards ("FRS") 134 - "Interim Financial Reporting" and Paragraph 9.22 of the Bursa Malaysia Securities Berhad ("BMSB") and should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2007.

**A2. Changes in Accounting Policies**

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the annual financial statements for the financial year ended 31 December 2007 except for the adoption of the following new/revised Financial Reporting Standards ("FRS") effective for financial period beginning 1 January 2008.

Revised FRS 112 - Income Tax

The adoption of these new accounting standards do not have any material impact on the results of the Group for the current financial period except as stated below:

(a) Revised FRS 112: Income Taxes

FRS 112 addresses the accounting treatment for income taxes. However, FRS 112 does not prescribe the accounting treatment for reinvestment allowance and investment tax allowance (tax incentives). In the current accounting policy for income taxes, reinvestment allowance or investment tax allowance is treated as the tax base of an asset. On adoption of FRS 112, the Group accounts for the tax incentives as a reduction in tax rate applied to deferred tax liabilities in FRS 112. The change in accounting policy is to be applied retrospectively and have the following impact on the financial statements:

	31 December 07 as previously reported RM'000	Adjustment RM'000	31 December 07 restated RM'000
<b>ASSETS</b>			
Non-current assets			
Deferred tax assets	1,393	4,873	6,266
	<hr/>		<hr/>
<b>EQUITY</b>			
Retained earnings	18,298	4,873	23,171
	<hr/>		<hr/>

**A3. Audit Report of Preceding Annual Financial Statements**

The audit report of the Group's Financial Statements for the year ended 31 December 2007 was not subject to any qualifications.

**A4. Seasonality or Cyclical**

The Group's operations are not materially affected by seasonality or cyclical factors during the quarter under review.

**A5. Unusual Items**

There were no items affecting assets, liabilities, equity, net income or cash flows during the current financial period that are unusual because of their nature, size or incidence.

**A6. Changes in Estimates**

There were no material changes in estimates that have been used in the preparation of the current financial period or changes in estimates of amounts reported for the last financial year ended 31 December 2007.

**A7. Debt and Equity Securities**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the current quarter under review.

**A8. Dividend Paid**

A first and final dividend of 2.00 sen per ordinary share on 80,377,000 issued and paid up ordinary shares of RM0.50 each amounted to RM 1,190 million in respect of the financial year ended 31 December 2007 was paid on 28 September 2008.

**A9. Segment Reporting**

Segmental information is presented in respect of the Group's business segments:-

	<u>Compounding</u>	<u>Retreading</u>	<u>Trading</u>	<u>Others</u>	<u>Consolidation</u>	Cumulative
	RM'000	RM'000	RM'000	RM'000	adjustment	Quarter ended
					RM'000	31.12.08
						RM'000
External revenue	132,051	69,170	52,370	-	-	253,591
Inter-segment revenue	47,165	23,590	4,333	-	(75,088)	-
<b>Total revenue</b>	<b>179,216</b>	<b>92,760</b>	<b>56,703</b>	<b>-</b>	<b>(75,088)</b>	<b>253,591</b>
Oversea revenue	74,927	6,620	-	-	-	81,547
Local revenue	104,289	86,140	57,603	-	(75,088)	172,944
<b>Total revenue</b>	<b>179,216</b>	<b>92,760</b>	<b>57,603</b>	<b>-</b>	<b>(75,088)</b>	<b>254,491</b>
Segment results	7,036	(2,374)	(3,811)	(1,094)	(4,252)	(4,495)
Interest Income						220
Share of loss in associated company						(91)
Share of loss in jointly controlled entity						(66)
Finance Cost						(8,127)
Profit before taxation						(12,559)
Taxation						(287)
Minority Interest						(65)
Loss attributable to equity holders of the parent						(12,911)

**A10. Valuation of Property, Plant and Equipment**

Valuations of freehold and leasehold land and buildings have been brought forward, without amendments from the previous annual financial statements.

**A11. Subsequent Events**

There were no material events subsequent to the end of the period that have not been reflected in the financial statements for this quarter and financial period to-date.

**A12. Changes in the Composition of the Group**

There were no changes in the composition of the Group for the current quarter and financial period to-date.

**A13. Contingent Liabilities and Contingent Assets**

As at 31.12.08  
RM'000

**Contingent Liabilities**

Corporate guarantee for credit facilities granted to subsidiaries

27,735

Save as disclosed above, there were no material changes in contingent liabilities and contingent assets since the last audited financial statements for the year ended 31 December 2007

**A14. Capital Commitments**

There are no other outstanding capital commitments at the end of the current quarter.

**A15. Related Party Transactions**

Related Party Transactions had been entered into in the ordinary course of business based on normal commercial terms and at arms length.



## B. BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS

### B1. Performance Review

	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Corresponding	Period-to-date	Corresponding
	ended	Quarter	ended	Period-to-date
	31.12.08	31.12.07	31.12.08	31.12.07
	RM'000	RM'000	RM'000	RM'000
Revenue	39,724	56,255	253,591	208,818
(Loss)/Profit for the period	(12,856)	99	(12,846)	4,257

The Group achieved revenue of RM39.7 million for the quarter under review. The overall decline in revenue generated from all business segments had pulled down the Group's earning to a net loss after tax of RM12.9 million. This was consequent to the crash of the commodities prices and economic melt down, weak market demand also forcing down profit margin. The steep drop in rubber and crude oil prices also causes a write down of inventory cost of approximately RM3 million. Other factors contributed to the adverse results includes impairment of assets amounting to RM2.2 million, and recognition of foreign exchange loss of RM1.2 million.

Working capital improved due to aggressive reduction of inventories, faster collection of receivables and improved work-in-progress efficiency, contributed to Group positive operating cash inflow of RM14.2 million during the year under review.

### B2. Comparison Of The Current Quarter Results Against Preceding Quarter

	Current Quarter	Preceding Quarter
	ended	ended
	31.12.08	30.9.08
	RM'000	RM'000
Revenue	39,724	80,931
Loss for the period	(12,856)	(796)

The Group's revenue in the current financial quarter declined by 50.9% from RM 80.9 million in the last quarter to RM 39.7 million this quarter. During the quarter under review, the SMR trading division registered higher sales declined mainly due to lower quoted price of RM5.80 per kg as compared to the average quoted price of RM10.00 per kg. This was a reduction of 42% in terms of value. Further, the Group sales in volume also declined due to the volatile market demand and weak market sentiment.

### B3. Prospects

As the financial crisis slowly dragged the world into recession, the group exercised tight revenue and expenditure management as well as cash flow management in order to improve the group's overall efficiency and cost effectiveness. In the forthcoming quarter, the group expects slower turnaround and more challenges ahead.

### B4. Profit forecast

The group has not issued any profit forecast or profit guarantee during the current financial quarter.

### B5. Taxation Charge

The taxation comprises the following :

	Current Quarter	Cumulative
	Ended	Period-to-date
	31.12.08	31.12.08
	RM'000	RM'000
Taxation		
- Current year	(1,331)	(222)
Deferred taxation		
- Current year	656	509
Total taxation	<u>(675)</u>	<u>287</u>

The effective tax rate of the Group for the current quarter was higher than the statutory tax rate as certain expenses were not deductible for tax purposes and certain subsidiaries' operational losses, which are not available for Group tax relief.

**B6. Unquoted Investments and/or Properties**

There were no sales of unquoted investments and/or properties for the current quarter and financial period to-date.

**B7. Quoted Securities**

There were no purchases or disposals of quoted securities for the current quarter and financial period to-date.

**B8. Corporate Proposal**

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

**B9. Group Borrowings**

The Group borrowings as at 31 December 2008 were as follows :-

	Secured RM'000	Unsecured RM'000	Total RM'000
Short term borrowings			
- Local currency (RM)	8,665	22,072	30,737
- Bonds (RM)	40,000	-	40,000
	<u>48,665</u>	<u>22,072</u>	<u>70,737</u>
Long term borrowings			
- Local currency (RM)	7,901	-	7,901
- Bonds (RM)	40,000	-	40,000
	<u>47,901</u>	<u>-</u>	<u>47,901</u>
Total	<u>96,566</u>	<u>22,072</u>	<u>118,638</u>

Subsequent to the financial year under review, the Company had paid down RM10 million IMTN in January 2009.

**B10. Off Balance Sheet Financial Instruments**

The Group does not have any financial instruments with off balance sheet risk as at the date of this report except for the following:-

	As at 31.12.08 RM'000
Forward foreign exchange contracts	<u>27,735</u>

The Group uses foreign exchange forward contracts to hedge its exposure to foreign exchange rates risk arising from operational, financing and investment activities.

Foreign exchange forward contracts are used to reduce exposure to fluctuations in foreign exchange rates. While these are subject to the risk of market rates changing subsequent to acquisition, such changes are generally offset by opposite effects on the items being hedged.

Foreign exchange forward contracts used for hedging purposes are accounted for on an equivalent basis as the underlying assets, liabilities or net positions. Any profit or loss arising is recognised on the same basis as that arising from the related assets, liabilities or net positions.

Foreign exchange forward contracts that do not qualify for hedge accounting are accounted for as trading instruments and marked to market at balance sheet date. Any profit or loss is recognised in the income statement.

The maturity dates for the forward foreign exchange contracts entered into range from 1 to 3 months.

**B11. Material litigation**

The Group does not have any material litigation as at the date of this report.

**B12. Proposed Dividend**

No interim dividend has been declared for the current financial quarter under review.

**B13. Earnings Per Share (EPS)**

	Current Quarter Ended 31.12.08	Cumulative Period-to-date Ended 31.12.08
<u>Basic EPS</u>		
Net profit attributable to the shareholders (RM'000)	(12,848)	(12,911)
Weighted average number of shares ('000)	80,377	80,377
Basic Earnings Per Share (sen)	(15.98)	(16.06)

Diluted EPS

The effect on the basic earning per share arising from the assumed exercise of ESOS is anti-dilutive. Accordingly, diluted earnings per share has not been presented.

By order of the Board  
**GOODWAY INTEGRATED INDUSTRIES BERHAD**  
Lim Hooi Mooi  
Company Secretary MAICSA 0799764

Kuala Lumpur  
27 February 2009