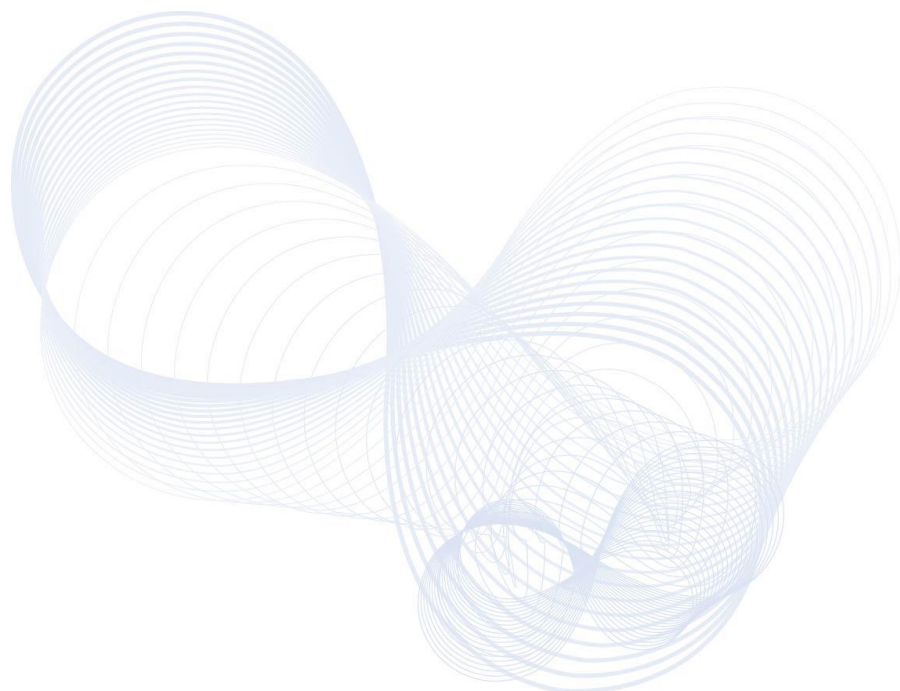


Goodway Integrated Industries Berhad
(Company No. 618972-T)



Quarterly Results for the Financial Period ended
31 March 2009



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

CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2009
(The figures have not been audited)

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter ended 31.3.09 RM'000	Preceding Year Corresponding Quarter ended 31.3.08 RM'000	Current Year Period-to-date ended 31.3.09 RM'000	Preceding Year Corresponding Period-to-date ended 31.3.08 RM'000
Revenue	38,392	61,160	38,392	61,160
Cost of sales	<u>(34,732)</u>	<u>(54,445)</u>	<u>(34,732)</u>	<u>(54,445)</u>
Gross profit	3,660	6,715	3,660	6,715
Other operating income	1,645	298	1,645	298
Interest Income	11	42	11	42
Operating expenses	(4,316)	(4,847)	(4,316)	(4,847)
Finance cost	(1,780)	(1,880)	(1,780)	(1,880)
Share of loss in jointly controlled entity	(96)	-	(96)	-
(Loss)/Profit before tax	<u>(876)</u>	<u>328</u>	<u>(876)</u>	<u>328</u>
Taxation	(19)	(31)	(19)	(31)
(Loss)/Profit for the period	<u><u>(895)</u></u>	<u><u>298</u></u>	<u><u>(895)</u></u>	<u><u>298</u></u>
Attributable to:				
Equity holders of the holding company	(900)	157	(900)	157
Minority interest	5	140	5	140
	<u>(895)</u>	<u>297</u>	<u>(895)</u>	<u>297</u>
Earnings per share attributable to equity holders of the holding company				
- Basic earnings per share (sen)	<u>(1.12)</u>	<u>0.20</u>	<u>(1.12)</u>	<u>0.20</u>
- Diluted earnings per share (sen)	<u>Nil</u>	<u>0.20</u>	<u>Nil</u>	<u>0.20</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 2008.

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

CONDENSED CONSOLIDATED BALANCE SHEETS AS AT 31 MARCH 2009
(The figures have not been audited)

	As At End of Current Quarter 31.3.09 RM'000	Audited As At 31.12.08 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	80,835	83,037
Prepaid interest in leased land	28,051	29,197
Investment in jointly controlled entity	2,043	2,010
Investment in associate company	409	409
Deferred tax assets	5,586	5,596
Intangible Assets	6,000	6,000
	<u>122,924</u>	<u>126,249</u>
Current assets		
Inventories	31,202	37,292
Receivables	42,365	42,677
Tax recoverable	980	953
Non Current assets classified as held for sale	1,538	5,293
Cash and cash equivalents	4,748	8,961
	<u>80,833</u>	<u>95,176</u>
TOTAL ASSETS	<u><u>203,757</u></u>	<u><u>221,425</u></u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	40,189	40,189
Reserves	13,051	13,757
Retained earnings	8,185	9,085
	<u>61,425</u>	<u>63,031</u>
Minority shareholders' interests	625	620
Total equity	<u>62,050</u>	<u>63,651</u>
Non-current liabilities		
Deferred tax liabilities	12,287	12,297
Long term borrowings	47,748	57,900
Total non -current liabilities	<u>60,035</u>	<u>70,197</u>
Current liabilities		
Payables	19,908	26,819
Short term borrowings	61,635	60,737
Taxation	129	21
Total current liabilities	<u>81,672</u>	<u>87,577</u>
Total liabilities	141,707	157,774
TOTAL EQUITY AND LIABILITIES	<u><u>203,757</u></u>	<u><u>221,425</u></u>
Net Assets per share (RM)	0.77	0.79

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 2008.

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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2009
(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	Capital Reserve RM'000				Distributable Retained Profit/(Loss) RM'000
Balance as at 1 January 2009	40,189	11,143	(657)	3,049	222	-	9,085	63,031	620	63,651
Exchange differences on translation of foreign subsidiary	-	-	(130)	-	-	-	-	(130)	-	(130)
Net loss recognised in equity	-	-	(130)	-	-	-	-	(130)	-	(130)
Loss for the period	-	-	-	(576)	-	-	(900)	(1,476)	5	(1,471)
Total recognised income and expense for the period	-	-	(130)	(576)	-	-	(900)	(1,606)	5	(1,601)
Balance as at 31 March 2009	40,189	11,143	(787)	2,473	222	-	8,185	61,425	625	62,050

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

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2009
(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	Capital Reserve RM'000				Distributable Retained Profit/(Loss) RM'000
Balance as at 1 January 2008	40,189	11,143	(45)	3,049	222	-	18,297	72,855	658	73,513
Changes in accounting policies:										
- Recognition of Reinvestment Allowance	-	-	-	-	-	-	4,144	4,144	-	4,144
Restated balance	40,189	11,143	(45)	3,049	222	-	22,441	76,999	658	77,657
Changes in equity ended 31 March 2008										
Exchange differences on translation of foreign subsidiary	-	-	132	-	-	-	-	132	23	155
Net loss recognised in equity	-	-	132	-	-	-	-	132	23	155
Profit for the period	-	-	-	-	-	-	157	157	140	297
Total recognised income and expense for the period	-	-	132	-	-	-	157	289	163	452
Balance as at 31 March 2008	40,189	11,143	87	3,049	222	-	22,598	77,288	821	78,109

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 2008.

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2009
(The figures have not been audited)

	Cumulative Current Year Ended 31.3.09 RM'000	Cumulative Preceding Year Ended 31.3.08 RM'000
Cash flows from operating activities		
(Loss)/Profit before taxation	(876)	328
Adjustments for :		
Non-cash items adjustments	<u>2,229</u>	<u>3,806</u>
Operating profit before working capital changes	1,353	4,134
Increase/Decrease in working capital		
Inventories	6,089	(10,033)
Receivables	5,751	909
Payables	<u>(6,821)</u>	<u>4,481</u>
Cash generated from/ (used in) operations	6,372	(509)
Interest received	11	42
Interest paid	(1,780)	(1,881)
Tax paid	<u>(43)</u>	<u>(25)</u>
Net cash flow generated from/ (used in) operating activities	<u>4,560</u>	<u>(2,373)</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(27)	(1,794)
Proceeds from disposal of property, plant and equipment	<u>622</u>	<u>511</u>
Net cash flow used in investing activities	<u>595</u>	<u>(1,283)</u>
Cash flows from financing activities		
Repayment of borrowings	(11,181)	(2,602)
Repayment of hire purchase creditors	<u>(127)</u>	<u>(105)</u>
Net cash flow used in financing activities	<u>(11,308)</u>	<u>(2,707)</u>
Exchange differences on translation of the financial statements of foreign subsidiary	<u>(115)</u>	<u>197</u>
Net changes in cash and cash equivalents	(6,268)	(6,166)
Cash and cash equivalents at beginning of period	<u>8,961</u>	<u>15,327</u>
Cash and cash equivalents at end of period	<u><u>2,693</u></u>	<u><u>9,161</u></u>
<u>Cash and cash equivalents comprises of</u>		
Cash and bank balances	4,748	13,697
Bank Overdraft	<u>(2,055)</u>	<u>(4,536)</u>
	<u><u>2,693</u></u>	<u><u>9,161</u></u>

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 2008.

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

A. EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT - FRS 134

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 2008.

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 audited financial statements for the financial year ended 31 December 2008.

A3. Audit Report of Preceding Annual Financial Statements

The audit report of the Group's Financial Statements for the year ended 31 December 2008 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 and 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 2008.

A7. Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayment of debts and equity securities during the current quarter under review, except that the Group has redeemed the first tranche of the MUNIF of RM 10 million on 19 January 2009.

A8. Dividend Paid

No dividend has been paid or declared for the current quarter under review.

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>	<u>Cumulative</u>
	RM'000	RM'000	RM'000	RM'000	adjustment	Quarter ended
					RM'000	31.3.09
						RM'000
External revenue	18,666	13,337	6,389	-	-	38,392
Inter-segment revenue	8,171	12	209	-	(8,392)	-
Total revenue	<u>26,837</u>	<u>13,349</u>	<u>6,598</u>	<u>-</u>	<u>(8,392)</u>	<u>38,392</u>
Overseas revenue	16,749	723	-	-	-	17,472
Local revenue	10,089	12,626	6,598	-	(8,392)	20,921
Total revenue	<u>26,838</u>	<u>13,349</u>	<u>6,598</u>	<u>-</u>	<u>(8,392)</u>	<u>38,393</u>
Segment results	13	(529)	265	1,177	63	989
Interest Income						11
Share of loss in jointly controlled entity						(96)
Finance cost						(1,780)
Loss before taxation						(876)
Taxation						(19)
Minority Interest						(5)
Loss for the period attributable to equity holders of the holding company						<u>(900)</u>

A10. Valuation of Property, Plant and Equipment

Valuations of freehold and leasehold land and buildings have been brought forward, without amendments from the previous audited 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 under review.

A13. Contingent Liabilities and Contingent Assets

	As at 31.3.09
	RM'000
Contingent Liabilities	
Corporate guarantee for credit facilities granted to subsidiaries	<u>27,735</u>

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 2008.

A14. Capital Commitments

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

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 Quarter ended 31.3.09 RM'000	Preceding Year Corresponding Quarter ended 31.3.08 RM'000	Current Year Period-to-date ended 31.3.09 RM'000	Preceding Year Corresponding Period-to-date ended 31.3.08 RM'000
Revenue	38,392	61,160	38,392	61,160
(Loss)/Profit for the period	(895)	297	(895)	298

The Group achieved revenue of RM38.4 million for the quarter ended 31 March 2009 as compared to RM61.2 million in the corresponding quarter of the preceding year, a decrease of RM22.8 million or 37%. The decrease in revenue was mainly due to the decline in compounding sales and selling prices. Consequently, the Group reported loss after tax of RM0.9 million as compared to profit after tax of RM0.3 million in the corresponding quarter of the preceding year.

B2. Comparison Of The Current Quarter Results Against Preceding Quarter

	Current Quarter ended 31.3.09 RM'000	Preceding Quarter ended 31.12.08 RM'000
Revenue	38,392	39,724
Loss for the period	(895)	(12,856)

The Group's revenue decreased by 3% from RM39.7 million in 4Q2008 to RM38.4 million in the current quarter under review.

B3. Prospects

Despite the uncertain market conditions, the demand of the rubber compound and retread tyres has shown improvement in the following months after the end of the quarter under review. Thus, the Group is optimistic that the financial performance will improve in the forthcoming quarters.

B4. Profit forecast

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

B5. Taxation Charge

The taxation comprises the following :

	Current Quarter Ended 31.3.09 RM'000	Cumulative Period-to-date Ended 31.3.09 RM'000
Taxation		
- Current year	19	19
Total taxation	<u>19</u>	<u>19</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 investment and/or properties for the current quarter and financial period to-date, except for the disposal of office suites for a total consideration of RM6.2 million.

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 March 2009 were as follows :-

	Secured RM'000	Unsecured RM'000	Total RM'000
Short term borrowings			
- Local currency (RM)	10,646	20,989	31,635
- Bonds (RM)	30,000	-	30,000
	<u>40,646</u>	<u>20,989</u>	<u>61,635</u>
Long term borrowings			
- Local currency (RM)	7,748	-	7,748
- Bonds (RM)	40,000	-	40,000
	<u>47,748</u>	<u>-</u>	<u>47,748</u>
Total	<u>88,394</u>	<u>20,989</u>	<u>109,383</u>

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 31.3.09 RM'000
Forward foreign exchange contracts	<u>3,158</u>

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

Foreign exchange forward contracts are used to reduce the risk exposure to fluctuations in foreign exchange rates. However, this is subject to the risk of market rate 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 on the underlying assets, liabilities or net positions. Any profit or loss arising is recognised on the same basis as of 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 31.3.09	Cumulative Period-to-date Ended 31.3.09
<u>Basic EPS</u>		
Net loss attributable to the shareholders (RM'000)	(900)	(900)
Weighted average number of shares ('000)	80,377	80,377
Basic Earnings/(Loss) Per Share (sen)	(1.12)	(1.12)

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

Koon Wai Ye

Company Secretary (MAICSA 7048269)

Kuala Lumpur

22 May 2009