

DPS RESOURCES BERHAD
(Company No. 630878-X)

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

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.03.09 RM'000	Preceding Year Corresponding Period 31.03.08 RM'000	Current Year To Date 31.03.09 RM'000	Preceding Year Corresponding Period 31.03.08 RM'000
Revenue	25,871	40,368	25,871	40,368
Cost of sales	(20,730)	(33,033)	(20,730)	(33,033)
Gross profit	<u>5,141</u>	<u>7,335</u>	<u>5,141</u>	<u>7,335</u>
Operating expenses	(3,908)	(4,095)	(3,908)	(4,095)
Other operating income	193	964	193	964
Profit from operations	<u>1,427</u>	<u>4,204</u>	<u>1,427</u>	<u>4,204</u>
Finance cost	(912)	(817)	(912)	(817)
Profit before tax	<u>515</u>	<u>3,387</u>	<u>515</u>	<u>3,387</u>
Taxation	(44)	(261)	(44)	(261)
profit after tax	<u>471</u>	<u>3,126</u>	<u>471</u>	<u>3,126</u>
Minority interest	-	-	-	-
Profit for the period	<u><u>471</u></u>	<u><u>3,126</u></u>	<u><u>471</u></u>	<u><u>3,126</u></u>
Weighted average number of shares ('000s)	<u>264,000</u>	<u>245,143</u>	<u>264,000</u>	<u>245,143</u>
Earning per share (sen)				
- Basic	<u>0.18</u>	<u>1.28</u>	<u>0.18</u>	<u>1.28</u>
- Diluted	<u>0.18</u>	<u>1.28</u>	<u>0.18</u>	<u>1.28</u>

The unaudited Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.

DPS RESOURCES BERHAD
(Company No. 630878-X)

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

	As At End Of Current Quarter 31-03-2009 RM'000	As At Preceding Financial Year End 31.12.08 RM'000
Property, plant and equipment	162,734	162,862
Prepaid land lease payments	16,119	16,151
Investment property	15,945	15,945
	<u>194,798</u>	<u>194,958</u>
Current assets		
Inventories	20,335	20,232
Receivables	30,168	30,654
Tax refundable	-	221
Cash and cash equivalents	26,415	25,735
	<u>76,918</u>	<u>76,842</u>
Current liabilities		
Short term borrowings	28,923	26,695
Payables	18,812	20,824
Taxation	245	201
	<u>47,980</u>	<u>47,720</u>
Net current assets	28,938	29,122
	<u>223,736</u>	<u>224,079</u>
Share capital	132,000	132,000
Reserves	46,972	46,501
Shareholders' funds	<u>178,972</u>	<u>178,501</u>
Long term borrowings	33,900	34,714
Deferred Tax Liability	10,864	10,864
	<u>223,736</u>	<u>224,079</u>
Net Tangible Assets per share attributable to ordinary equity holders of the parent (RM)	<u>0.68</u>	<u>0.68</u>

The unaudited Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.

DPS RESOURCES BERHAD
(Company No. 630878-X)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 31 MARCH 2009
(The figures have not been audited)

	Share Capital RM'000	<u>Distributable</u> Retained Profit RM'000	← <u>Non-Distributable</u> Share Premium RM'000	→ Revaluation reserve RM'000	Total RM'000
Balance as at 1 January 2008	66,000	38,164	1,629	-	105,793
Revaluation increase				7,542	7,542
Tax effect thereon				(1,893)	(1,893)
Net profit not recognised in income statement				5,650	5,650
Revaluation decrease which reserves the previous increase				(224)	(224)
Tax effect thereon				50	50
Expenses on right issue written off			(1,444)		(1,444)
Net loss not recognised in income statement	-	-	(1,444)	(175)	(1,618)
Issue of ordinary share on right issue	66,000				66,000
Net profit for the financial year		2,677			2,677
Balance as at 31 December 2008	132,000	40,841	185	5,475	178,501
Net profit for the financial year	-	471	-	-	471
Balance as at 31 Mar 2009	132,000	41,312	185	5,475	178,972

The unaudited Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2008.

DPS RESOURCES BERHAD
(Company No. 630878-X)

CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE FIRST QUARTER ENDED 31 MARCH 2009
(The figures have not been audited)

	Cumulative Current Year Quarter 31.03.09 RM'000	Cumulative Preceding Year Period 31.12.08 RM'000
Net cash inflow from operating activities	2,766	7,131
Net cash (outflow) from investing activities	(382)	(62,056)
Net cash inflow from financing activities	(791)	51,041
Net increase in cash and cash equivalents	<u>1,593</u>	<u>(3,885)</u>
Cash and cash equivalents as at 1 January 2009	23,548	27,433
Cash and cash equivalents as at 31 March 2009	<u><u>25,141</u></u>	<u><u>23,548</u></u>
 <u>Reconciliation :</u>		
Fixed deposit with a licensed bank	25,087	25,228
Cash and bank balances	1,328	492
Bank overdrafts	(1,274)	(2,171)
Cash and cash equivalents as at 31 March 2009	<u><u>25,141</u></u>	<u><u>23,548</u></u>

The unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.

PART A: EXPLANATORY NOTES IN ACCORDANCE WITH FRS 134 REQUIREMENTS

A1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and Chapter 9 Part K of the Listing Requirements of Bursa Malaysia Securities Berhad ("BMSB").

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2008. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2008

The same accounting policies and methods of computation are followed in the interim financial statements as compared with the financial statements for the financial year ended 31 December 2008.

A2. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the year ended 31 December 2008 was not qualified.

A3. Comments about Seasonality or Cyclicity

The Group's performance is not subject to seasonality or cyclicity.

A4. Unusual Items Due to Their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the current quarter under review due to their nature, size or incidence.

A5. Changes in Estimates

There were no changes in estimates that have had a material effect in the current quarter results.

A6. Debt and Equity Securities

There were no issuance, cancellation, repurchase, resale or repayment of debt securities nor any movement in the share capital for the quarter and financial period under review.

A7. Dividends Paid

There were no dividends paid during the quarter under review.

A8. Segmental Information

Business segments

The principal activities of the Group consist of those relating to manufacturing of wood based products, trading, property and agro-based farming. The Group's segmental reporting for business segments is as below:

Primary Reporting Format-Business Segments	Revenue			
	Quarter Ended 31.03.09		Quarter Ended 31.03.08	
	Revenue	Profit/(loss) before	Revenue	Profit/(loss) before
	RM '000	taxation	RM '000	taxation
		RM '000		RM '000
Manufacturing of wood based products	25,379	445	39,830	3,435
Trading	198	63	381	24
Property investment	144	(20)	144	(61)
Agro-based industry	150	26	13	(11)
	<u>25,871</u>	<u>515</u>	<u>40,368</u>	<u>3,387</u>
<u>ADD: Inter-segment revenue</u>				
Investment holding	144		144	
Manufacturing of wood based products	<u>3,324</u>		<u>3,841</u>	
	<u>29,339</u>		<u>44,353</u>	

Geographical segments

The Group's operations are principally carried out in Malaysia. In determining the geographical segments of the Group, sales of goods are based on the country in which the customer is located.

The Group's goods are mainly sold to customers located in Malaysia, Europe, America, Asia Pacific, Middle East and Africa.

	Current	Current Year
	Quarter	To Date
	31.03.09	31.03.08
	RM '000	RM '000
Malaysia	10,626	17,159
Europe	6,486	10,078
America	4,790	6,721
Asia Pacific	3,384	2,680
Middle East	403	2,723
Africa	182	1,008
	<u>25,871</u>	<u>40,368</u>

A9. Valuations of Property, Plant and Equipment

There were no changes in the valuation of property, plant and equipment since the last audited financial statement for the year ended 31 December 2008.

A10. Subsequent Events

There were no material events subsequent to the end of the current quarter.

A11. Changes in Composition of the Group

There were no changes in the composition of the Group for the current year to date.

A12. Changes in Contingent Liabilities and Contingent Assets

There were no changes in contingent liabilities and contingent assets of a material nature since the last audited financial statements for the year ended 31 December 2008.

A13. Capital Commitments

Capital commitments of the Group for the period ended 31 March 2009 are as follows:

	As at 31.03-09 RM'000
Approved and contracted for	11,508
Approved but not contracted for	-
	<u>11,508</u>

PART B: ADDITIONAL INFORMATION REQUIRED BY BMSB'S LISTING REQUIREMENTS

B1 Review of Performance

The Group had registered a profit before tax and revenue of RM515,000 and RM25.9 million respectively for the current quarter as compared to a profit before tax of RM3.4million and revenue of RM40.4million in the preceding year corresponding period. This was mainly due to the decrease in revenue of approximately 36% for the current quarter caused by the current weak global economy.

B2 Comparison with immediate preceding quarter's results

The result for the quarter under review registered a decrease in revenue from RM46.3 million for the immediate preceding quarter as compared to RM25.9 million attained in the first quarter ended 31 March 2009, which indicate a decrease of 44%. Reason for decrease in revenue is disclosed in Note B1 above.

The current quarter profit before tax of RM515,000 showed an improvement in profit margin as compared to loss before tax of RM3.5 million for the immediate preceding quarter. The decrease in raw material price and other direct costs in the quarter under review had contributed to improvement in profit margin. Further, in the preceding quarter, there was a revaluation decrease amounting to RM1.997 million.

B3 Commentary on Prospects

The Group continues to operate in a challenging environment due to uncertainty in the global economy.

B4 Taxation

	Current Quarter 31.03.09 RM'000	Current Year To Date 31.03.09 RM'000
<u>Taxation comprise the following :</u>		
<i>Malaysian income tax</i>		
Current Tax Expense	<u>44</u>	<u>44</u>
	<u>44</u>	<u>44</u>

The effective tax rate for the periods presented above is lower than the statutory tax rate due to the availability of reinvestment allowances, double tax deduction incentive for exports and tax incentive for approved food production project under agro-based industries in reducing taxable income.

B5 Sales of Unquoted Investments and/or Properties

There were no material sales of unquoted investments and/or properties for the current quarter and financial period under review.

B6 Purchase or Disposal of Quoted Securities

(a) There were no purchases or disposals of quoted securities for the current quarter under review.

(b) There were no investments in quoted securities as at the end of the financial period.

B7 Corporate Proposal**Proposal:**

There was no corporate proposal proposed or undertaken during the quarter under review.

B8 Group Borrowings and Debt Securities

Total Group borrowings as at 31 March 2009 were as follows :-

	Secured RM'000	Unsecured RM'000	As at 31.03.09 Total RM'000
Short term borrowings			
Bank Overdrafts	518,581	755,712	1,274,293
Bankers Acceptance	7,737,000	11,150,665	18,887,665
Finance Lease Creditor	222,399	-	222,399
Revolving Credit	6,000,000	-	6,000,000
Term Loans	2,380,421	158,653	2,539,074
	<u>16,858,400</u>	<u>12,065,030</u>	<u>28,923,430</u>
Long term borrowings			
Finance Lease Creditor	160,413	-	160,413
Term Loans	33,739,824	-	33,739,824
	<u>33,900,237</u>	<u>-</u>	<u>33,900,237</u>
Total borrowings	<u>50,758,637</u>	<u>12,065,030</u>	<u>62,823,667</u>

B9 Off Balance Sheet Financial Instruments

The Group does not have any financial instruments with off balance sheet risk as at the date of this announcement.

B10 Material Litigation

The Group is not engaged in any material litigation as at the date of this announcement.

B11 Dividend Payable

No dividend was paid during the financial year and the Directors do not recommend any dividend to be paid for the year under review.

B12 Earnings per Share

a) Basic

The earnings per share for the current quarter and cumulative year to date are computed as follows:

	Individual Current Year Quarter 31.03.09	Cumulative Current Year To Date 31-03-09
Profit attributable to ordinary equity holders of the parent (RM'000)	<u>471</u>	<u>471</u>
Weighted average number of ordinary shares of RM0.50 each in issue ('000)	<u>264,000</u>	<u>264,000</u>
Basic Earnings Per Share (sen)	<u>0.18</u>	<u>0.18</u>

b) Diluted

The calculation of the diluted earnings per share is based on the profit attributable to ordinary equity holders of the parent for the current quarter and cumulative year to date divided by the adjusted weighted average number of ordinary shares of RM0.50 each in issue and issuable under the exercise of share options granted under the DPS Employees' Share Option Scheme.

	Individual Current Year Quarter 31.03.09	Cumulative Current Year To Date 31-03-09
Profit attributable to ordinary equity holders of the parent (RM'000)	<u>471</u>	<u>471</u>
Weighted average number of ordinary shares of RM0.50 each in issue ('000)	<u>264,000</u>	<u>264,000</u>
Basic Earnings Per Share (sen)	<u>0.18</u>	<u>0.18</u>
Diluted Earnings Per Share (sen)	<u>0.18</u>	<u>0.18</u>