

DPS RESOURCES BERHAD
(Company No. 630878-X)

CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2009
(The figures have not been audited)

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.09.09 RM'000	Preceding Year Corresponding Period 30.09.08 RM'000	Current Year To Date 30.09.09 RM'000	Preceding Year Corresponding Period 30.09.08 RM'000
Revenue	32,784	51,230	90,047	138,196
Cost of sales	(28,667)	(45,690)	(76,199)	(118,611)
Gross profit	<u>4,118</u>	<u>5,541</u>	<u>13,847</u>	<u>19,585</u>
Operating expenses	(2,906)	(9,073)	(10,594)	(16,955)
Other operating income	89	4,629	424	6,797
Profit from operations	<u>1,300</u>	<u>1,097</u>	<u>3,677</u>	<u>9,428</u>
Finance cost	(970)	(1,023)	(2,771)	(2,798)
Profit before tax	<u>330</u>	<u>73</u>	<u>906</u>	<u>6,629</u>
Taxation	(50)	6,030	(99)	5,475
(Loss)/profit after tax	<u>280</u>	<u>6,103</u>	<u>807</u>	<u>12,105</u>
Minority interest	-	-	-	-
Profit for the period	<u><u>280</u></u>	<u><u>6,103</u></u>	<u><u>807</u></u>	<u><u>12,105</u></u>
Weighted average number of shares ('000s)	<u>264,000</u>	<u>257,737</u>	<u>264,000</u>	<u>254,571</u>
Earning per share (sen)				
- Basic	<u>0.13</u>	<u>2.37</u>	<u>0.31</u>	<u>4.70</u>
- Diluted	<u>0.13</u>	<u>2.37</u>	<u>0.31</u>	<u>4.70</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 30 SEPTEMBER 2009
(The figures have not been audited)

	As At End Of Current Quarter 30-09-2009 RM'000	As At Preceding Financial Year End 31.12.08 RM'000
Property, plant and equipment	169,931	162,862
Prepaid land lease payments	16,266	16,151
Investment properties	15,945	15,945
	<u>202,142</u>	<u>194,958</u>
Current assets		
Inventories	22,782	20,232
Receivables	35,784	30,654
Tax refundable	-	221
Fixed deposit with licensed bank	14,010	25,243
Cash and bank balances	683	492
	<u>73,259</u>	<u>76,842</u>
Current liabilities		
Bank overdrafts	1,925	2,171
Other short term borrowings	28,346	26,695
Payables	19,211	20,824
Taxation	234	201
	<u>49,716</u>	<u>47,720</u>
Net current assets	23,543	29,122
	<u>225,685</u>	<u>224,079</u>
Share capital	132,000	132,000
Reserves	47,308	46,501
Shareholders' funds	<u>179,308</u>	<u>178,501</u>
Long term borrowings	35,513	34,714
Deferred Tax Liability	10,864	10,864
	<u>225,685</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 THIRD QUARTER ENDED 30 SEPTEMBER 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 recognized in income statement				5,650	5,650
Revaluation decrease which reverses the previous increase				(224)	(224)
Tax effect thereon				50	50
Expenses on right issue written off			(1,444)		(1,444)
Net loss not recognized 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 period	-	807	-	-	807
Balance as at 30 September 2009	132,000	41,648	185	5,475	179,308

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 THIRD QUARTER ENDED 30 SEPTEMBER 2009
(The figures have not been audited)

	Cumulative Current Year Quarter 30.09.09 RM'000	Cumulative Preceding Year Period 31.12.08 RM'000
Net cash inflow from operating activities	(2,180)	7,131
Net cash (outflow) from investing activities	(11,391)	(62,056)
Net cash inflow from financing activities	2,791	51,041
Net increase in cash and cash equivalents	<u>(10,780)</u>	<u>(3,885)</u>
Cash and bank balances as at 1 January 2009	23,548	27,433
Cash and bank balances as at 30 September 2009	<u><u>12,769</u></u>	<u><u>23,548</u></u>
 <u>Reconciliation :</u>		
Fixed deposit with a licensed bank	14,010	25,228
Cash and bank balances	683	492
Bank overdrafts	(1,925)	(2,171)
Cash and bank balance as at 30 September 2009	<u><u>12,769</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 30.09.09		Quarter Ended 30.09.08	
	Revenue	Profit/(loss)	Revenue	Profit/(loss)
	before taxation	before taxation		
	RM '000	RM '000	RM '000	RM '000
Manufacturing of wood based products	32,337	366	49,336	538
Trading	135	(6)	1,376	37
Property investment	144	49	432	(150)
Agro-based industry	168	(79)	87	(351)
	<u>32,784</u>	<u>330</u>	<u>51,230</u>	<u>73</u>
ADD: Inter-segment revenue				
Investment holding	393		432	
Manufacturing of wood based products	<u>9,516</u>		<u>8,895</u>	
	<u>42,693</u>		<u>60,557</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 Quarter 30.09.09 RM '000	Current Year To Date 30.09.09 RM '000
Malaysia	10,528	31,189
Europe	7,997	21,432
America	7,943	20,905
Asia Pacific	3,489	9,321
Middle East	1,931	4,998
Africa	898	2,201
	<u>32,784</u>	<u>90,047</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 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 30 September 2009 are as follows:

	As at 30.09-09 RM'000
Approved and contracted for	10,750
Approved but not contracted for	-
	<u>10,750</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 RM330,000 and RM32.78 million respectively for the current quarter as compared to a profit before tax of RM73,000 and revenue of RM51.23 million in the preceding year corresponding period. The marginal increase in profit was mainly due to some cost saving initiatives for the current quarter.

B2 Comparison with immediate preceding quarter's results

The result for the quarter under review registered a 4% increase in revenue from RM31.39 million for the immediate preceding quarter as compared to RM32.78 million attained in the third quarter ended 30 September 2009.

The current quarter profit before tax of RM330,000 showed an increase in profit margin as compared to profit before tax of RM61,000 for the immediate preceding quarter. This could largely be attributable to our group-wide cost control exercise.

B3 Commentary on Prospects

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

B4 Taxation

Current Quarter 30.09.09 RM'000	Current Year To Date 30.09.09 RM'000
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Taxation comprise the following :
Malaysian income tax

Current Tax Expense	50	99
	<u>50</u>	<u>99</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 30 September 2009 were as follows :-

	Secured RM'000	Unsecured RM'000	As at 30.09.09 Total RM'000
Short term borrowings			
Bank Overdrafts	718,100	1,206,627	1,924,727
Bankers Acceptances	8,963,000	8,651,099	17,614,099
Finance Lease Creditors	124,233	-	124,233
Revolving Credits	6,000,000	-	6,000,000
Term Loans	4,410,159	197,319	4,607,478
	<u>20,215,491</u>	<u>10,055,045</u>	<u>30,270,536</u>
Long term borrowings			
Finance Lease Creditors	109,858	-	109,858
Term Loans	34,180,269	1,222,629	35,402,897
	<u>34,290,127</u>	<u>1,222,629</u>	<u>35,512,756</u>
Total borrowings	<u>54,505,619</u>	<u>11,277,673</u>	<u>65,783,292</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 engaged in a legal suit against an insurance company for mostly consequential loss claim of RM3.15 Million of which RM 1.0 Million has been recognised as other income in financial year of 2002.

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 30.09.09	Cumulative Current Year To Date 30-09-09
Profit attributable to ordinary equity holders of the parent (RM'000)	<u>280</u>	<u>807</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>0.13</u>	<u>0.31</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 30.09.09	Cumulative Current Year To Date 30-09-09
Profit attributable to ordinary equity holders of the parent (RM'000)	<u>280</u>	<u>807</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>0.13</u>	<u>0.31</u>
Diluted Earnings Per Share (sen)	<u>0.13</u>	<u>0.31</u>