



SUCCESS TRANSFORMER CORPORATION BERHAD ("STC")  
(Company No. 636939-W)

CONDENSED INTERIM FINANCIAL STATEMENTS  
UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE 2ND QUARTER ENDED 30 JUNE 2010

	2ND QUARTER ENDED		SIX MONTHS ENDED	
	30-Jun-10	30-Jun-09 ( Restated )	30-Jun-10	30-Jun-09 ( Restated )
	RM'000	RM'000	RM'000	RM'000
Revenue	48,527	51,938	87,891	97,394
Operating profit	9,755	9,639	17,167	18,070
Interest expense	(276)	(231)	(530)	(590)
Interest income	128	23	159	50
Profit before tax	<u>9,607</u>	<u>9,431</u>	<u>16,796</u>	<u>17,530</u>
Income tax expense	(2,165)	(2,327)	(4,107)	(4,331)
Net profit for the period	<u>7,442</u>	<u>7,104</u>	<u>12,689</u>	<u>13,199</u>
Other comprehensive income				
Currency translation differences for foreign operations	150	(179)	(408)	62
Total comprehensive income for the period	<u>7,592</u>	<u>6,925</u>	<u>12,281</u>	<u>13,261</u>
Net profit attributable to:				
Owners of the parent	6,868	6,837	12,066	12,902
Non-controlling interest	574	267	623	297
	<u>7,442</u>	<u>7,104</u>	<u>12,689</u>	<u>13,199</u>
Total comprehensive income attributable to:				
Owners of the parent	7,018	6,837	11,658	12,902
Non-controlling interest	574	267	623	297
	<u>7,592</u>	<u>6,925</u>	<u>12,281</u>	<u>13,261</u>
Earnings per share (in sen) for net profit attributable to owners of the parents :				
Basic earnings per share	5.79	5.73	10.17	10.81

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SUCCESS TRANSFORMER CORPORATION BERHAD ("STC")  
(Company No. 636939-W)

CONDENSED INTERIM FINANCIAL STATEMENTS  
UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2010

	<b>30-Jun-10</b> <b>RM'000</b>	<b>Audited</b> <b>31-Dec-09</b> <b>RM'000</b> <b>(Restated)</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	63,038	62,870
Investment properties	847	847
Investment in jointly controlled entity	14	14
Other investment	-	2
Goodwill on consolidation	7,616	11,717
Deferred tax assets	228	139
	<u>71,743</u>	<u>75,589</u>
<b>Current assets</b>		
Inventories	47,709	29,702
Trade and other receivables	64,458	67,629
Amount due from contract customer	2,260	3,170
Derivative financial asset	6	-
Cash and bank balances	29,903	19,124
	<u>144,336</u>	<u>119,625</u>
<b>TOTAL ASSETS</b>	<b><u>216,079</u></b>	<b><u>195,214</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	60,000	60,000
Treasury shares	(7,578)	(110)
Reserve	86,193	73,590
<b>Equity attributable to owners of the parent</b>	<u>138,615</u>	<u>133,480</u>
<b>Non-controlling interests</b>	<u>19,398</u>	<u>4,425</u>
<b>Total equity</b>	<u>158,013</u>	<u>137,905</u>
<b>Non-current liabilities</b>		
Long term borrowings	5,291	5,208
Deferred tax liabilities	4,941	4,837
	<u>10,232</u>	<u>10,045</u>
<b>Current liabilities</b>		
Trade and other payables	36,452	36,098
Short term borrowings	9,214	9,678
Derivative financial liabilities	2	-
Current tax payable	2,166	1,488
	<u>47,834</u>	<u>47,264</u>
<b>TOTAL LIABILITIES</b>	<u>58,066</u>	<u>57,309</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>216,079</u></b>	<b><u>195,214</u></b>
Net Assets per share attributable to owners of the parent holders of the parent (RM)*	<u>1.17</u>	<u>1.12</u>

\* Non-controlling interests are excluded from the computation of the net assets per STC Share.

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CONDENSED INTERIM FINANCIAL STATEMENTS  
UNAUDITED CONSOLIDATED STATEMENT OF CASH FLOW  
FOR THE 2ND QUARTER ENDED 30 JUNE 2010

	30-Jun-10 RM'000	30-Jun-09 RM'000
<b>Cash flows from operating activities</b>		
Profit before tax	16,796	17,530
Adjustments for:		
Non-cash items	798	4,350
Non-operating items	188	540
Operating profit before changes in working capital	<u>17,782</u>	<u>22,420</u>
Changes in working capital:		
Inventories	(18,007)	5,398
Trade and other receivables	6,535	(11,583)
Trade and other payables	356	487
Cash generated from operating activities	<u>6,666</u>	<u>16,722</u>
Tax paid	(3,412)	(4,024)
Interest paid / ( received )	(188)	(540)
<b>Net cash from operating activities</b>	<u><u>3,066</u></u>	<u><u>12,158</u></u>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment (PPE)	(2,434)	(4,002)
Proceeds from disposal of PPE	173	21
Proceeds from disposal of quoted shares	4	-
Net proceeds from disposal of shares in subsidiary	6,732	-
Investment in jointly controlled entity	-	(18)
<b>Net cash used in investing activities</b>	<u><u>4,475</u></u>	<u><u>(3,999)</u></u>
<b>Cash flows from financing activities</b>		
Net movement in fixed deposit pledged	(12)	(12)
Repayment of bank borrowings and hire purchase payables	(1,360)	(8,941)
Net movement in trade bills	118	(5,164)
Drawdown from bank borrowings	697	2,448
Purchase of treasury shares	(7,468)	-
Payment of share issue expenses	(1,877)	-
Proceeds from public issue from its subsidiary company shareholder	16,939	-
Dividend Paid	(4,153)	-
<b>Net cash used in financing activities</b>	<u><u>2,884</u></u>	<u><u>(11,669)</u></u>
Net increase in cash and cash equivalents	10,425	(3,510)
Effects of exchange rate changes	179	62
Cash and cash equivalents at beginning of financial period	17,217	17,821
Cash and cash equivalents at end of financial period	<u><u>27,821</u></u>	<u><u>14,373</u></u>
<b>Cash and cash equivalents at end of period comprise:</b>		
Cash & bank balances	27,524	10,753
Deposits with licensed banks	2,379	5,234
	<u>29,903</u>	<u>15,987</u>
Less: Bank Overdraft	(432)	-
	<u>29,471</u>	<u>15,987</u>
Less : Non-cash & cash equivalent -Fixed deposit pledge for banking facilities	(1,650)	(1,614)
	<u><u>27,821</u></u>	<u><u>14,373</u></u>

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**SUCCESS TRANSFORMER CORPORATION BERHAD ("STC")**  
(Company No. 636939-W)

**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE 2ND QUARTER ENDED 30 JUNE 2010**

	Attributable to Owners of the Parent							-	-	Total Equity		
	Share Capital	Non-distributable				Distributable					Total	Non Controlling Interest
		Share Premium	Treasury shares	Reserve	Foreign currency translation reserve	Retained Profit						
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000			
At 1 January 2010	60,000	978	(110)	291	172	72,149	133,480	4,425	137,905			
Net profit for the period	-	-	-	-	-	12,066	12,066	623	12,689			
Other comprehensive income	-	-	-	-	(408)	-	(408)	89	(319)			
Total comprehensive income	-	-	-	-	(408)	12,066	11,658	712	12,370			
Share buy back	-	-	(7,468)	-	-	-	(7,468)	-	(7,468)			
Dividend	-	-	-	-	-	(4,153)	(4,153)	-	(4,153)			
Arising from incorporation of subsidiary company	-	-	-	-	-	-	-	2,338	2,338			
Issuance of share capital in subsidiary	-	6,975	-	-	-	-	6,975	11,923	18,898			
Listing expenses of subsidiary	-	(1,877)	-	-	-	-	(1,877)	-	(1,877)			
At 30 June 2010	<u>60,000</u>	<u>6,076</u>	<u>(7,578)</u>	<u>291</u>	<u>(236)</u>	<u>80,062</u>	<u>138,615</u>	<u>19,398</u>	<u>158,013</u>			
At 1 January 2009	60,000	822	(507)	-	286	50,052	110,653	3,191	113,844			
Net profit for the period	-	-	-	-	-	12,902	12,902	297	13,199			
Other comprehensive income	-	-	-	-	62	-	62	-	62			
Total comprehensive income	-	-	-	-	62	12,902	12,964	297	13,261			
Dividend	-	-	-	-	-	(3,581)	(3,581)	-	(3,581)			
At 30 June 2009	<u>60,000</u>	<u>822</u>	<u>(507)</u>	<u>-</u>	<u>348</u>	<u>59,373</u>	<u>120,036</u>	<u>3,488</u>	<u>123,524</u>			

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