

Company No: 633621-X

A-RANK BERHAD

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED BALANCE SHEETS

AS AT 30 APRIL 2008

(The figures have not been audited)

	As at 30-Apr-08 RM'000	As at 31-Jul-07 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	54,843	54,808
Current assets		
Inventories	22,503	19,871
Trade receivables	50,064	39,773
Deposits and prepayments	206	355
Tax recoverable	121	118
Cash and bank balances	746	748
	<u>73,640</u>	<u>60,865</u>
TOTAL ASSETS	<u><u>128,483</u></u>	<u><u>115,673</u></u>
EQUITY AND LIABILITIES		
Share capital	40,000	40,000
Share premium	716	716
Retained profits	18,561	15,332
Total equity	<u>59,277</u>	<u>56,048</u>
Non-current liabilities		
Bank borrowings	1,746	1,746
Deferred tax liabilities	4,850	4,643
	<u>6,596</u>	<u>6,389</u>
Current liabilities		
Trade payables	2,873	4,611
Other payables and accruals	1,606	2,396
Bank borrowings	58,131	46,229
	<u>62,610</u>	<u>53,236</u>
Total liabilities	69,206	59,625
TOTAL EQUITY AND LIABILITIES	<u><u>128,483</u></u>	<u><u>115,673</u></u>
	RM	RM
Net assets per share based on 80,000,000 ordinary shares of RM0.50 each	<u>0.74</u>	<u>0.70</u>

These condensed consolidated balance sheets should be read in conjunction with the audited financial statements of A-Rank Berhad for the financial year ended 31 July 2007.

A-RANK BERHAD
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE PERIOD ENDED 30 APRIL 2008
(The figures have not been audited)

	Current quarter ended 30-Apr-08 RM'000	Comparative quarter ended 30-Apr-07 RM'000	9 months cumulative 30-Apr-08 RM'000	9 months cumulative 30-Apr-07 RM'000
Revenue	128,554	58,430	327,542	198,853
Cost of sales	<u>(124,178)</u>	<u>(54,877)</u>	<u>(315,279)</u>	<u>(188,048)</u>
Gross profit	4,376	3,553	12,263	10,805
Other operating income	11	1	15	24
Selling and distribution expenses	(288)	(175)	(732)	(569)
Administrative expenses	(953)	(814)	(2,983)	(2,433)
Other operating expenses	<u>(33)</u>	<u>(69)</u>	<u>(101)</u>	<u>(209)</u>
Profit from operations	3,113	2,496	8,462	7,618
Finance costs	<u>(755)</u>	<u>(603)</u>	<u>(1,887)</u>	<u>(1,684)</u>
Profit before tax	2,358	1,893	6,575	5,934
Tax expense	<u>(212)</u>	<u>(263)</u>	<u>(546)</u>	<u>(758)</u>
Net profit attributable to shareholders	<u><u>2,146</u></u>	<u><u>1,630</u></u>	<u><u>6,029</u></u>	<u><u>5,176</u></u>
Basic earnings per share (sen)	2.68	2.04	7.54	6.47
Diluted earnings per share (sen)	N/A	N/A	N/A	N/A

These condensed consolidated income statements should be read in conjunction with the audited financial statements of A-Rank Berhad for the financial year ended 31 July 2007.

A-RANK BERHAD
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 APRIL 2008
(The figures have not been audited)

	Share Capital RM'000	Share Premium RM'000	Negative Goodwill RM'000	Retained Profits RM'000	Total RM'000
Balance as at 1 Aug 2006					
As previous stated	40,000	716	1,583	9,120	51,419
Effect of adopting FRS 3	-	-	(1,583)	1,583	-
Restated	<u>40,000</u>	<u>716</u>	<u>-</u>	<u>10,703</u>	<u>51,419</u>
Net profit for the financial period	-	-	-	5,176	5,176
Dividend paid	-	-	-	(2,800)	(2,800)
Balance as at 30 April 2007	<u><u>40,000</u></u>	<u><u>716</u></u>	<u><u>-</u></u>	<u><u>13,079</u></u>	<u><u>53,795</u></u>
Balance as at 1 Aug 2007	40,000	716	-	15,332	56,048
Net profit for the financial period	-	-	-	6,029	6,029
Dividend paid	-	-	-	(2,800)	(2,800)
Balance as at 30 April 2008	<u><u>40,000</u></u>	<u><u>716</u></u>	<u><u>-</u></u>	<u><u>18,561</u></u>	<u><u>59,277</u></u>

These condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements of A-Rank Berhad for the financial year ended 31 July 2007.

A-RANK BERHAD
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CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 30 APRIL 2008
(The figures have not been audited)

	9 months period ended 30-Apr-08 RM'000	9 months period ended 30-Apr-07 RM'000
Cash flows from operating activities		
Profit before tax	6,575	5,934
Adjustments for:		
Non-cash items	1,558	1,725
Non-operating expenses	1,884	1,673
Operating profit before working capital changes	<u>10,017</u>	<u>9,332</u>
Changes in working capital		
Inventories	(2,632)	(11,727)
Trade and other receivables	(10,142)	(1,534)
Trade and other payables	(2,528)	(9,275)
Cash used in operations	<u>(5,285)</u>	<u>(13,204)</u>
Interest paid	(39)	(104)
Tax paid	(342)	(357)
Net cash used in operating activities	<u>(5,666)</u>	<u>(13,665)</u>
Cash flows from investing activities		
Interest received	3	11
Purchase of property, plant and equipment	<u>(1,593)</u>	<u>(5,894)</u>
Net cash used in investing activities	<u>(1,590)</u>	<u>(5,883)</u>
Cash flows from financing activities		
Net movements in bank borrowings	11,906	22,499
Dividend paid	(2,800)	(2,800)
Interest paid	<u>(1,848)</u>	<u>(1,580)</u>
Net cash generated from financing activities	<u>7,258</u>	<u>18,119</u>
Net increase/(decrease) in cash and cash equivalents	2	(1,429)
Cash and cash equivalents at beginning of financial period	<u>744</u>	<u>1,972</u>
Cash and cash equivalents at end of financial period	<u><u>746</u></u>	<u><u>543</u></u>
Cash and cash equivalents at end of financial period comprise of :		
Cash and bank balances	746	543
Bank overdraft	-	-
	<u><u>746</u></u>	<u><u>543</u></u>

These condensed consolidated cash flow statement should be read in conjunction with the audited financial statements of A-Rank Berhad for the financial year ended 31 July 2007.

A-Rank Berhad
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 APRIL 2008

A Explanatory Notes: FRS 134

A 1 Basis of preparation

The condensed financial statements are unaudited and have been prepared in accordance with FRS 134, "Interim Financial Reporting" and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The condensed financial statements should be read in conjunction with the Group's audited financial statements for the financial year ended 31 July 2007. The explanatory notes to these 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 July 2007.

A 2 Changes in accounting policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended 31 July 2007 except for the adoption of the following new / revised FRSs effective for the Group's financial statement commencing 1 August 2007:-

FRS 117 Leases

FRS 117 requires lease payments under operating leases be recognised as an expense on a straight line basis over the lease term. The Group will apply this standard from its annual period beginning 1 August 2007.

FRS 124 Related party Disclosure

FRS 124 requires disclosure on key management personnel remuneration and additional disclosures by the Group on related company transaction. The Group will apply this standard from its annual period beginning 1 August 2007.

The adoption of the new / revised FRSs, where relevant to the Group's operations, does not have any significant financial impact on the Group.

A 3 Qualification of financial statements

The audited consolidated financial statements of the Group for the financial year ended 31 July 2007 were not qualified.

A 4 Seasonal or cyclical factors

The business operations of the Group were not significantly affected by any seasonal or cyclical factors.

A 5 Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence for the current quarter and/or financial year to-date.

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(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 APRIL 2008

A Explanatory Notes: FRS 134

A 6 Change in estimates

There were no changes in estimates that have a material effect on the current quarter and financial year to-date.

A 7 Issuances and repayment of debt and equity securities

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the current quarter and financial year to-date.

A 8 Dividend paid

No dividend has been paid by the Company during the current quarter.

A 9 Segmental information

i) Business segments

No business segment information has been provided as the Group is principally engaged in the manufacturing and marketing of aluminium billets.

ii) Geographical segments

The Group operates principally in Malaysia. In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers.

Cumulative 30-Apr-08	Malaysia RM'000	South East Asia other than Malaysia RM'000	South Asia RM'000	Africa RM'000	Others RM'000	Total RM'000
Revenue	161,247	91,286	31,419	27,322	16,268	327,542
Profit from operations						8,462
Finance costs						(1,887)
Profit before tax						6,575
Tax expense						(546)
Profit after tax						6,029

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 APRIL 2008

A Explanatory Notes: FRS 134

A 10 Valuation of property, plant and equipment

The property, plant and equipment of the Group are stated at cost less accumulated depreciation and impairment losses, if any. The valuation of property, plant and equipment have been brought forward without amendment from the financial statements for the financial year ended 31 July 2007.

A 11 Material events subsequent to balance sheets date

There were no material events subsequent to the end of the current quarter that has not been reflected in the financial statements for the current financial year to date.

A 12 Changes in the composition of the Group

There were no changes in the composition of the Group during the current quarter under review and financial year to date.

A 13 Contingent liabilities

At the end of the current quarter, there are no material contingent liabilities which, upon becoming enforceable, may have a material impact on the financial position of the Group except for the following:

	30-Apr-08	31-Jul-07
	RM'000	RM'000
Outstanding as at:		
Corporate guarantee in respect of banking facilities granted to a subsidiary company	<u>58,518</u>	<u>34,152</u>

The Company has provided corporate guarantees for banking facilities granted to a wholly owned subsidiary company of up to RM89.2 million. (2007: RM64.2 million).

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 APRIL 2008

A Explanatory Notes: FRS 134

A 14 Capital commitments

At the end of the current quarter, capital commitments of the Group are as follows: -

	30-Apr-08	31-Jul-07
	RM'000	RM'000
Capital expenditure in respect of purchase of property, plant and equipment:-		
- Approved but not contracted for	<u>-</u>	<u>135</u>
Operating lease commitments		
	30-Apr-08	31-Jul-07
	RM'000	RM'000
Future minimum lease payment		
- not later than one year	99	396
- later than one year and not later than five years	<u>396</u>	<u>396</u>
	<u>495</u>	<u>792</u>

A 15 Acquisition of property, plant and equipment

There were no material acquisition or disposal of items of property, plant and equipment during the current financial year to date.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 APRIL 2008

B Additional information required by the Bursa Securities' Listing Requirements

B 1 Review of performance

The Group's revenue increased by 120% to RM128.5 million compared to RM58.4 million for the corresponding quarter last year due mainly to higher volume of aluminium billets sold as well as higher selling price as a result of the rise in raw material costs.

Profit before tax increased by 24.6% compared to the corresponding quarter in the previous year owing to the higher revenue which was, however, moderated by lower margins as a result of the change in sales mix in which a higher proportion of the revenue is derived from sales of aluminium billets compared to provision of tolling services. Margins for sales are much lower than that for tolling services.

Profit after tax also increased in line with the above.

B 2 Variance of results against preceding quarter

Revenue of the Group increased by 22.9% compared to the preceding quarter's revenue of RM104.6 million due to both higher selling prices and volume of aluminum billets sold.

Profit before tax show an improvement of 8.0% compared to RM2.2 million for the preceding quarter in view of the higher revenue. Profit after tax also increased in line with the above.

B 3 Current year prospects

Global economic growth is expected to slow in 2008 amidst concerns over soaring energy costs and rising inflation and the Group expects considerable challenges in maintaining its export volume and margins. However, the domestic market continues to be resilient and the Group, as the leading supplier of aluminium billets in Malaysia, will remain dominant. The management will continue with its efforts to improve productivity, efficiencies and reduce cost as well as increase the selling prices following the higher energy costs.

Barring unforeseen circumstances, your Directors are optimistic that the Group will be able to maintain its profitability for the forthcoming quarter.

B 4 Variance of actual and profit estimate

Not applicable as no profit forecast was published.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 APRIL 2008

B Additional information required by the Bursa Securities' Listing Requirements

B 5 Tax expense

	Current quarter ended 30-Apr-08 RM'000	Comparative quarter ended 30-Apr-07 RM'000	9 months cumulative 30-Apr-08 RM'000	9 months cumulative 30-Apr-07 RM'000
Current income tax	114	114	342	342
Deferred taxation	101	134	207	401
(Over)/Under provision income tax in respect of prior year	(3)	15	(3)	15
	<u>212</u>	<u>263</u>	<u>546</u>	<u>758</u>

The effective tax rate of the Group of 9.0% and 8.3% for the current quarter and financial period ended 30 April 2008 are lower than the statutory tax rate due principally to the availability of reinvestment allowances as well as unabsorbed reinvestment allowances carried forward which arose from the subsidiary company's capital expenditures in the current quarter and previous financial years.

Net amount of RM101,000 and RM207,000 has been provided for as deferred tax liability for the current quarter and financial period ended 30 April 2008 due to temporary differences between depreciation and capital allowances claimed.

B 6 Unquoted investments and/or properties

There were no purchase or disposal of unquoted investment and/or properties during the current quarter under review and financial year to date.

B 7 Quoted and marketable investments

There were no purchase or disposal of quoted and marketable securities during the current quarter under review and financial year to date.

B 8 Status of corporate proposals

There were no corporate proposals announced pending completion.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 APRIL 2008

B Additional information required by the Bursa Securities' Listing Requirements

B 9 Borrowings

	As at 30-Apr-08 RM'000	As at 31-Jul-07 RM'000
Current liabilities		
<u>Secured</u>		
Bankers' acceptances	28,607	28,085
Term loans	422	1,792
Export credit refinancing	-	3,800
Foreign currency loan (Currency denomination in US Dollar)	28,402	-
Bank overdraft	-	4
	<u>57,431</u>	<u>33,681</u>
<u>Unsecured</u>		
Export credit refinancing	<u>700</u>	<u>12,548</u>
	<u>58,131</u>	<u>46,229</u>
Non-current liabilities		
<u>Secured</u>		
Term loans	<u>1,746</u>	<u>1,746</u>
Total	<u>59,877</u>	<u>47,975</u>

All borrowings are denominated in Malaysia Ringgit except indicated with the above.

Certain bank borrowings of the subsidiary company are secured by legal charges over seven pieces of freehold land of the subsidiary company and factory buildings erected thereon and additionally guaranteed by the Company.

B 10 Off balance sheet financial instruments

The Group has not entered into any off balance sheet financial instrument as at the date of this quarterly report.

B 11 Changes in material litigation

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

B 12 Dividend

The Board of Directors has not proposed any dividend for this quarter ended 30 April 2008.

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NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 APRIL 2008

B Additional information required by the Bursa Securities' Listing Requirements

B 13 Earnings per share

(a) Basic earnings per share

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

	Current quarter Ended 30-Apr-08	Cumulative To-Date Ended 30-Apr-08
Profit after tax (RM'000)	2,146	6,029
Total share capital in issue during the current quarter/ cumulative period to-date (No. of ordinary shares of RM 0.50 each) ('000)	80,000	80,000
Basic earnings per share (sen)	2.68	7.54

(b) Diluted earnings per share

There are no diluted earnings per share as the Company does not have any convertible financial instruments as at the end of the current quarter and financial year to-date.

By Order of the Board

Ng Bee Lian
Company Secretary

Date: 25 June 2008