



NI HSIN RESOURCES BERHAD

(Company No.: 653353-W)

(Incorporated in Malaysia under the Companies Act, 1965)

INTERIM FINANCIAL STATEMENTS

FOR THE NINE MONTHS ENDED

30 SEPTEMBER 2008

NI HSIN RESOURCES BERHAD

(Company no. 653353-W)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2008**

(The figures have not been audited)

	Note	CURRENT QUARTER 3 MONTHS ENDED		CUMULATIVE QUARTER 9 MONTHS ENDED	
		30.9.2008 RM'000	30.9.2007 RM'000	30.9.2008 RM'000	30.9.2007 RM'000
Revenue	A10	17,849	10,772	40,462	29,632
Cost of sales		(12,730)	(8,584)	(30,459)	(21,489)
Gross Profit		5,119	2,188	10,003	8,143
Other operating income		336	276	854	512
Operating expenses		(1,734)	(1,919)	(5,208)	(5,507)
Interest income		6	2	14	23
Finance costs		(236)	(134)	(740)	(301)
Profit before taxation		3,491	413	4,923	2,870
Income tax expenses	B5	(962)	(46)	(1,241)	(709)
Profit for the period		2,529	367	3,682	2,161
Attributable to:					
Equity holders of the parent		2,529	56	3,682	1,088
Minority interests		-	311	-	1,073
Profit for the period		2,529	367	3,682	2,161
Earnings per share (sen) attributable to equity holders of the parent:					
~ Basic	B12	1.12	0.03	1.63	0.49
~ Diluted	B12	1.06	0.02	1.54	0.46

The Unaudited Condensed Consolidated Balance Sheets should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the Interim Financial Statements.

NI HSIN RESOURCES BERHAD

(Company no. 653353-W)

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2008

(The figures have not been audited)

		(UNAUDITED) AS AT 30.9.2008 RM'000	(AUDITED) AS AT 31.12.2007 RM'000
ASSETS			
Non-current asset			
Property, plant and equipment	A7	33,839	35,150
Goodwill		6,160	6,160
		<u>39,999</u>	<u>41,310</u>
Current assets			
Inventories		24,024	26,914
Receivables, deposits and prepayments		6,708	7,880
Tax recoverable		1,408	1,484
Cash & cash equivalent		5,294	1,708
		<u>37,434</u>	<u>37,986</u>
TOTAL ASSETS		<u>77,433</u>	<u>79,296</u>
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital		47,320	45,000
Reserves		3,967	3,425
Retained earnings		3,557	2,201
		<u>54,844</u>	<u>50,626</u>
Total equity		<u>54,844</u>	<u>50,626</u>
Non-current liabilities			
Borrowings	B8	173	7,021
Deferred tax liability		2,524	2,570
		<u>2,697</u>	<u>9,591</u>
Current liabilities			
Payables and accruals		3,533	6,430
Borrowings	B8	16,359	12,649
		<u>19,892</u>	<u>19,079</u>
Total liabilities		<u>22,589</u>	<u>28,670</u>
TOTAL EQUITY AND LIABILITIES		<u>77,433</u>	<u>79,296</u>
Net Assets per share attributable to equity holders of the parent (RM)		0.23	0.23

The Unaudited Condensed Consolidated Balance Sheets should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the Interim Financial Statements.

NI HSIN RESOURCES BERHAD

(Company no. 653353-W)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2008**

(The figures have not been audited)

	← Attributable to equity holders of the parent					Distributable	Minority Interest	Total Equity	
	Non Distributable								
	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	Share Option Reserve RM'000	Property Revaluation Reserve RM'000	Retained Profits RM'000	Total RM'000	RM'000	RM'000
At 1 January 2007	45,000	1,311	(1,283)	235	3,133	1,126	49,522	8,470	57,992
Profit for the period	-	-	-	-	-	1,088	1,088	1,073	2,161
Share issue expenses	-	(3)	-	-	-	-	(3)	-	(3)
Share-based payment under ESOS	-	-	-	28	-	-	28	-	28
Effects of acquiring additional interest in subsidiary	-	-	-	(27)	-	-	(27)	(8,470)	(8,497)
Dividend - 2006 Final	-	-	-	-	-	(2,210)	(2,210)	-	(2,210)
Dividend - 2007 Interim	-	-	-	-	-	-	-	(1,073)	(1,073)
At 30 September 2007	45,000	1,308	(1,283)	236	3,133	4	48,398	-	48,398
At 1 January 2008	45,000	1,311	(1,283)	264	3,133	2,201	50,626	-	50,626
Profit for the period	-	-	-	-	-	3,682	3,682	-	3,682
Issuance of shares - Private Placement	2,320	580	-	-	-	-	2,900	-	2,900
Private Placement expenses	-	(71)	-	-	-	-	(71)	-	(71)
Share-based payment under ESOS	-	-	-	33	-	-	33	-	33
Dividend - 2008 Interim	-	-	-	-	-	(2,326)	(2,326)	-	(2,326)
At 30 September 2008	47,320	1,820	(1,283)	297	3,133	3,557	54,844	-	54,844

The Unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the Interim Financial Statements.

NI HSIN RESOURCES BERHAD

(Company no. 653353-W)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2008**

(The figures have not been audited)

	9 MONTHS ENDED	
	30.9.2008 RM'000	30.9.2007 RM'000
Net cash generated from operating activities	8,244	859
Net cash used in investing activities	(950)	(16,380)
Net cash (used in)/generated from financing activities	<u>(1,865)</u>	<u>13,020</u>
Net increase/(decrease) in cash and cash equivalents	5,429	(2,501)
Cash and cash equivalents at beginning of period	<u>(223)</u>	<u>2,687</u>
Cash and cash equivalents at end of period	<u><u>5,206</u></u>	<u><u>186</u></u>

Notes:

Cash and cash equivalent comprise the following balance sheet amounts:

	9 MONTHS ENDED	
	30.9.2008 RM'000	30.9.2007 RM'000
Bank and cash balances	5,083	2,812
Fixed Deposit with licensed bank	211	-
Bank overdraft (included within short term borrowings in Note B8)	<u>(88)</u>	<u>(2,626)</u>
	<u><u>5,206</u></u>	<u><u>186</u></u>

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The Unaudited Condensed Consolidated Cash Flow Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the Interim Financial Statements.

NI HSIN RESOURCES BERHAD

(Company no. 653353-W)

(Incorporated in Malaysia)

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2008

PART A: EXPLANATORY NOTES PURSUANT TO FRS 134: INTERIM FINANCIAL REPORTING

A1 BASIS OF PREPARATION

The interim financial statements are unaudited and have been prepared in accordance with Financial Reporting Standard (FRS) 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2007. 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 year ended 31 December 2007.

The same accounting policies and methods of computation are followed in the interim financial statements as compared with the annual financial statement for the year ended 31 December 2007.

A2 AUDITORS' REPORT ON PRECEDING FINANCIAL STATEMENTS

There was no qualification on the audited financial statements for our Company or subsidiaries for the financial year ended 31 December 2007.

A3 SEASONAL OR CYCLICAL FACTORS

The Cookware Division's revenue is subject to seasonality due to market demand and supply conditions. Historically, demand for the premium cookware and kitchenware generally increases in the second half of the year due mainly to the seasonal nature of consumer spending behaviour in our export markets, where the shopping seasons normally peak in the final quarter of the year during festive periods such as Christmas and New Year.

A4 UNUSUAL ITEMS DUE TO THE NATURE, SIZE OR INCIDENCE

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows during the current quarter and financial period ended 30 September 2008.

A5 MATERIAL CHANGES IN ESTIMATES

There were no material changes in estimates that have a material effect on the results for the current quarter and financial period ended 30 September 2008.

A6 ISSUANCE OR REPAYMENT OF DEBT AND EQUITY SECURITIES

Save as disclosed below, there were no issuance and repayment of debt and equity securities, share buy-backs, share cancellation for the current financial period to-date:

(a) Share Buy-backs

There is no additional share purchased during the 3rd quarter ended 30 September 2008. The total number of treasury shares remain at 3,978,800 representing 1.68% of the total paid-up share capital of the Company. The shares purchased are being held as treasury shares in accordance with Section 67A of the Companies Act, 1965. None of the treasury shares were sold or cancelled during the financial period under review.

A7 CARRYING AMOUNT OF REVALUED ASSETS

The valuations of property, plant and equipment have been brought forward without amendment from the financial statements for the year ended 31 December 2007.

A8 CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group, including business combinations, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operations during the current quarter and financial period ended 30 September 2008.

A9 DIVIDEND PAID

During the financial period ended 30 September 2008, the interim tax-exempt dividend of 1.00 sen per share in respect of the financial year ended 31 December 2008, amounting to RM2,326,212.10 was paid on 28 July 2008.

A10 SEGMENTAL INFORMATION

The Group is principally engaged in the design, manufacture and sale of stainless steel kitchenware, cookware, convex mirror and research and development and manufacture of clad metals. The segmental results of the Group for the financial period under review based on activities are as follows:

RESULTS FOR 3 MONTHS ENDED 30 SEPTEMBER 2008

	Cookware	Convex mirror	Clad metals	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
External sales	14,529	1,389	1,931	-	17,849
Inter-segment sales	-	-	5,104	(5,104)	-
Total revenue	<u>14,529</u>	<u>1,389</u>	<u>7,035</u>	<u>(5,104)</u>	<u>17,849</u>
Results					
Segment results	<u>2,191</u>	<u>174</u>	<u>1,575</u>	<u>(231)</u>	3,709
Unallocated corporate expenses					12
Interest income					6
Interest expenses					(236)
Income tax expense					<u>(962)</u>
Profit for the period					<u><u>2,529</u></u>
					-

A10 SEGMENTAL INFORMATION (CONT.)
RESULTS FOR 3 MONTHS ENDED 30 SEPTEMBER 2007

	Cookware	Convex mirror	Clad metals	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
External sales	9,250	940	582	-	10,772
Inter-segment sales	-	-	3,665	(3,665)	-
Total revenue	<u>9,250</u>	<u>940</u>	<u>4,247</u>	<u>(3,665)</u>	<u>10,772</u>
Results					
Segment results	<u>(128)</u>	<u>104</u>	<u>658</u>	<u>88</u>	<u>722</u>
Unallocated corporate expenses					(177)
Interest income					2
Interest expenses					(134)
Income tax expense					(46)
Profit for the period					<u>367</u>
					-

RESULTS FOR 9 MONTHS ENDED 30 SEPTEMBER 2008

	Cookware	Convex mirror	Clad metals	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
External sales	32,582	3,369	4,511	-	40,462
Inter-segment sales	-	-	10,577	(10,577)	-
Total revenue	<u>32,582</u>	<u>3,369</u>	<u>15,088</u>	<u>(10,577)</u>	<u>40,462</u>
Results					
Segment results	<u>2,645</u>	<u>301</u>	<u>2,763</u>	<u>(143)</u>	<u>5,566</u>
Unallocated corporate expenses					83
Interest income					14
Interest expenses					(740)
Income tax expense					(1,241)
Profit for the period					<u>3,682</u>
					-

RESULTS FOR 9 MONTHS ENDED 30 SEPTEMBER 2007

	Cookware	Convex mirror	Clad metals	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
External sales	24,930	2,545	2,157	-	29,632
Inter-segment sales	-	-	10,035	(10,035)	-
Total revenue	<u>24,930</u>	<u>2,545</u>	<u>12,192</u>	<u>(10,035)</u>	<u>29,632</u>
Results					
Segment results	<u>308</u>	<u>506</u>	<u>2,407</u>	<u>43</u>	<u>3,264</u>
Unallocated corporate expenses					(116)
Interest income					23
Interest expenses					(301)
Income tax expense					(709)
Profit for the period					<u>2,161</u>
					-

A11 MATERIAL SUBSEQUENT EVENTS

There were no material events subsequent to the end of the quarter that have not been reflected in the financial statements for the financial period under review.

A12 CONTINGENT LIABILITIES

Save as disclosed below, the Company is not aware of any other contingent liabilities as at 30 September 2008:

	30.9.2008
	RM'000
- Corporate guarantee given by the Company to licensed banks for credit facilities granted to subsidiaries	24,140
- Corporate guarantee given by the Company to supplier for credit facilities granted to EGAM	800
- Corporate guarantee given by NHC to licensed bank for credit facilities granted to the Company	12,000
	<u>36,940</u>

A13 CAPITAL COMMITMENT

There are no outstanding capital commitments at the end of the financial period under review.

A14 SIGNIFICANT RELATED PARTY TRANSACTIONS

Significant related party transactions which involve the directors of the Group for the financial period ended 30 September 2008 are as follows:

	Transaction value for 9 months ended 30.9.2008	Balance outstanding as at 30.9.2008
	RM'000	RM'000
With a company in which Company's directors, Hsiao Chih Jen, Hsiao Chih Chien and Hsiao Chih Che, have substantial financial interest		
Sun New Stainless Steel Industry Ltd.		
Sales	3,408	17
Purchases	188	71
Ni Hsin International Trade (Shanghai) Co. Ltd.		
Sales	304	148
With a company in which Company's directors, Hsiao Chih Jen and Hsiao Chih Chien, have substantial financial interest		
Everpro Sdn. Bhd.		
Sales	4,469	2,340
Purchases	12	-
Rental income	99	-

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 SEPTEMBER 2008

PART B: ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES

B1 REVIEW OF PERFORMANCE

For the quarter ended 30 September 2008, the Group recorded a revenue of approximately RM17.8 million and a Profit Before Taxation ("PBT") of RM3.5 million, which is a significant increase of 65.7% and 745.3% respectively compared to the previous year's corresponding quarter.

For the 9 month period ended 30 September 2008, the Group achieved a revenue of RM40.5 million and PBT of approximately RM4.9 million, which is an increase of 36.5% and 71.5% respectively compared to the previous year's corresponding period.

Though the Group operated in a difficult consumer market environment during this 9 month period, Group revenue improved mainly due to higher cookware sales to our customers in Japan and Malaysia. The improvement in sales orders arose due to our new cookware designs which is the "Free" and "Function" series and also the manufacture of semi-finished pressure cookers for the Japanese market. Our "Free" and "Function" series are an innovative line of premium multi-ply stainless steel cookware which has handles which are formed together with the cookware body, thus eliminating the need of any spot welding on the cookware handles. These new models currently received a favourable demand in the cookware market due to its product and technological innovativeness. The Group's Convex Mirror and Clad Metals Division also registered higher sales during the period.

The Group was still affected by high raw materials prices as high grade stainless steel and aluminium prices escalated significantly since last financial year. Though there was an easing of prices in the third quarter from the high prices experienced at the first half of the year, the Group's raw material costs remain high which impacted all our 3 key divisions of Cookware, Clad Metals and Convex Mirrors. High grade stainless steel prices are still high due to increases of iron ore prices this year. The Group continues to utilise new manufacturing techniques such as shear and flow forming, and innovative cookware designs in its production process in order to reduce material usage.

The Group reduced its operating expenses in the period due to various cost-containment measures. In addition, the Group benefitted from foreign currency exchange gains due to the strengthening of the US Dollar and Japanese Yen vs Ringgit Malaysia as the major part of the Group's revenue are exported. Included in other income is a gain on foreign exchange of RM0.74 million for the 9 months ended 30 September 2008 (vs RM0.38 million for the 9 months ended 30 September 2007).

With the improvement in revenue and reduction in operating costs, the Group's cashflows from operations improved from a net cash from operating activities of RM0.9 million in the previous year's corresponding period, to a net cash inflow from operating activities of RM8.2 million in the period under review. Net cashflow outflow in investing activities amounted to RM1.0 million was mainly for capital expenditure. Net cashflow outflow from financing activities amounted to RM1.9 million was mainly due to the repayment of borrowings. The Group has a positive net increase in net cash and cash equivalents in the nine month period under review of RM5.4 million.

Kindly refer to Note B3 for the prospects and affirmative actions taken to improve the Group's performance.

B2 COMPARISON WITH IMMEDIATE PRECEDING QUARTER'S RESULTS

	3 months ended 30.9.2008 RM'000	3 months ended 30.6.2008 RM'000
Revenue	17,849	12,460
Profit before taxation	3,491	1,069
Profit for the period	2,529	955

The Cookware Division's revenue is subject to seasonality due to market demand and supply conditions. Historically, demand for the premium cookware and kitchenware generally increases in the second half of the year due mainly to the seasonal nature of consumer spending behaviour in our export markets, where the shopping seasons normally peak in the final quarter of the year during festive periods such as Christmas and New Year. Hence, the first and second quarters of the year are the low seasons for our Group as demand falls. Meanwhile, operating costs would be incurred as the Group gears up production of parts and semi-finished goods to meet the increase in demand in the second half of the year.

The revenue for the current quarter increased compared to the immediate preceding quarter as the revenue cycle is normally at its lowest in the first half year for the Cookware Division. The revenue will increase progressively from the beginning of the year until the end of the year, thus the revenue for current quarter is higher compared to Q2 2008.

B3 COMMENTARY ON PROSPECT

The Group's prospects are summarised as follows:

(a) Expanding customer base and geographical markets

The Group will continue to focus on securing more customers in existing markets and seek new export markets to broaden the Group's geographical reach. We have secured new customers in our major markets in Asia with the introduction of new cookware products and convex mirrors.

(b) Expanding markets for new "Free" and "Function" series of cookware with handles formed together with its body

We have commenced marketing our "Free" and "Function" series of premium multi-ply cookware. These new series of high end cookware have integrated handles formed together with the cookware body and are lighter without any loss of heat distribution efficiency. Handles are formed together with the body which will be easier to clean and more durable as the cookware has neither rivets nor spot welding process. Currently, these series of cookware are sold locally and the Group has secured a Japanese customer in the second quarter of this financial year.

(c) New product introductions and diversifications

Ongoing research and development remains as one of the core focus of the Group's operations. It is our aim to improve consumer lifestyles by producing innovative products. Using its core technologies, the Group has developed a stainless steel water filter casing. Our water filter casing is manufactured as a single piece without welding and is formed using flow and shear forming technologies. The Group will target water filter manufacturers which use stainless steel casings and need to reduce costs. The Group has received orders for our stainless steel water filter casing in the second quarter of this financial year, and will continue to seek new customers. The Group has also develop new semi-finished pressure cookers for the Japanese market and has commenced sales to Japanese customers.

The Convex Mirror Division has completed the research and development of a new type of economical convex mirror to suit the ASEAN market which will be sent for customer evaluation this year.

B3 COMMENTARY ON PROSPECT (CONT.)

(d) Improving local sales

The Group's local distributor, Everpro Sdn Bhd, will open new Buffalo Lifestyle Corner stores this year in the Klang Valley, in addition to the current 3 stores opened in FY2007. Buffalo Lifestyle Corner stores showcase our cookware products to enable our customers to easily buy our products. The Group expects the opening of the new concept stores to improve its local sales.

Based on the above and barring any unforeseen circumstances, the Board of Directors remains positive about the future prospects for the Group.

B4 VARIANCES FROM PROFIT FORECAST OR PROFIT GUARANTEE

The disclosure requirements for explanatory notes for the variance of actual profit after tax and minority interest and forecast profit after tax and minority interest and for the shortfall in profit guarantee are not applicable.

B5 TAXATION

	Current Quarter 3 months ended 30.9.2008 RM'000	Cumulative Quarter 9 months ended 30.9.2008 RM'000
In respect of the current period		
- Malaysian tax	1,048	1,477
- Deferred tax	(86)	(46)
	<u>962</u>	<u>1,431</u>
In respect of the prior year		
- Malaysian tax	-	(190)
	<u>962</u>	<u>1,241</u>

The statutory tax rate was reduced to 26% from the previous year's rate of 27% effective in the current year of assessment. The computation of deferred tax has reflected these changes.

The effective tax rate of the Group is lower than the statutory tax rate mainly due to lower deferred tax charge following the reduction in the income tax rate as announced in the 2007 budget proposal by the government.

B6 PROFIT ON SALES OF UNQUOTED INVESTMENTS AND/OR PROPERTIES

There was no purchase or disposal of unquoted investment and/or properties during the financial period under review.

B7 PURCHASE OR DISPOSAL OF QUOTED SECURITIES

There was no purchase or disposal of quoted securities during the current quarter and financial period ended 30 September 2008.

B8 GROUP BORROWINGS

Save as disclosed below, there were no other borrowings or debt securities in the Group as at 30 September 2008:

	Secured RM'000	Unsecured RM'000	Total RM'000
Non-current:			
Term loan	-	-	-
Hire purchase liability	173	-	173
	<u>173</u>	<u>-</u>	<u>173</u>
Current:			
Bank overdraft	88	-	88
Bankers' acceptance	8,049	-	8,049
Term loan	8,000	-	8,000
Hire purchase liabilities	222	-	222
	<u>16,359</u>	<u>-</u>	<u>16,359</u>
	<u>16,532</u>	<u>-</u>	<u>16,532</u>

All borrowings are denominated in Malaysia Ringgit.

B9 OFF BALANCE SHEETS FINANCIAL INSTRUMENTS

Forward foreign currency exchange contracts are entered into by the Group to manage exposures to fluctuation in foreign currency exchange rate on specific transactions.

The forward exchange contracts entered into by the Group as at 21 November 2008 are as follows :-

Nature	Currency	Contracted Amount '000	Equivalent Amount RM'000
Sale contracts	JPY	37,406	1,337

The contracts mature within 12 months.

The transactions in foreign currencies which are hedged by forward foreign exchange contracts are recorded in the book at the contracted rates. Any gains or losses arising from forward contracts are recognised in the Income Statement upon maturity.

There is minimal credit and market risk as the above forward contracts are executed with a creditworthy financial institution. The Group is of the view that the possibility of non-performance by the financial institution is remote on the basis of their financial strength.

B10 CHANGES IN MATERIAL LITIGATION

The Group is not engaged in any material litigation and the Directors do not have any knowledge of any material proceeding pending or threatened against the Group.

B11 STATUS OF CORPORATE PROPOSALS

- (a) On 10 July 2008, the Company has submitted an application to the Securities Commission ("SC") seeking its approval for an extension of time of twelve (12) months from 9 August 2008 to 8 August 2009, for the Company to obtain all the necessary approvals in respect of the rectification of non-approved structures and covered terrace. The SC has approved the application of the extension of time vide its letter dated 19 August 2008.

On 15 April 2008, the Company has obtained the discharged original title deeds from the Pejabat Tanah Dan Galian Selangor ("PTG").

On 16 June 2008, Pejabat Tanah Hulu Langat has requested a consent letter from TNB and a confirmation on discharged of land from United Overseas Bank (Malaysia) Berhad ("UOB") to be submitted together with the application as a recent land search (Carian Rasmi Hakmilik) shows that TNB has leased a part of the two lands to construct TNB room and one of the land titles still charged under UOB.

The confirmation letter from UOB was received on 19 June 2008 while the letter from TNB was received 1 July 2008.

On 9 July 2008, the Company has resubmitted the application to PTG and the application was rejected on the basis that the PTG system shows the land was still charged under UOB despite the fact that it has been discharged on 20 September 2007. PTG has further requested the Company to send in an application for correction on discharged land title.

On 6 August 2008, the Company's solicitor, Soo Thien Ming & Nashrah ("STMN"), has sent in the application for correction of information on one of the land titles to PTG.

On 27 August 2008, the company has submitted the application for the land amalgamation to Pejabat Tanah Hulu Langat. On 22 October 2008, Pejabat Tanah Hulu Langat has forwarded the application file to PTG for onward process.

As at 21 November 2008 (the latest practicable date not earlier than seven (7) days from the date of issue of this report), the Company is awaiting for the approval on the land amalgamation from Pejabat Daerah/Tanah Hulu Langat (Hulu Langat Land Office).

- (b) The Private Placement was completed and the shares were granted listing and quotation on the Second Board of Bursa Malaysia Securities Berhad on 8 April 2008.

The Company raised RM2.90 million from the private placement and utilisation of proceeds as at 21 November 2008 (the latest practicable date not earlier than seven (7) days from the date of issue of this report) are as follows :-

Purpose	Proposed Utilisation	Actual Utilisation	Intended Timeframe for Utilisation	Deviation	Explanation	
	RM'000	RM'000		RM'000	%	
Working capital	2,650	2,650	12 months	Nil	Nil	Completed
Estimated expenses relating to Private Placement	250	250 *	12 months	Nil	Nil	Completed
	<u>2,900</u>	<u>2,900</u>		<u>-</u>	<u>-</u>	

* The unutilised expenses has been adjusted to working capital accordingly.

B12 EARNINGS PER SHARE ("EPS")

(a) Basic

Basic EPS is calculated by dividing the profit attributable to equity holders of the parent by the weighted average number of ordinary shares in issue during the period.

	Current Quarter		Cumulative Quarter	
	3 months ended	3 months ended	9 months ended	9 months ended
	30.9.2008	30.9.2007	30.9.2008	30.9.2007
Basic EPS				
Profit attributable to equity holders of the parent (RM '000)	2,529	56	3,682	1,088
Weighted average no of ordinary share in issue ('000)	226,583	221,021	226,583	221,021
Basic EPS (sen)	1.12	0.03	1.63	0.49

(b) Diluted

For the diluted profit per share calculation, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential shares. The Group's dilutive potential ordinary shares are in respect of options over shares granted to employees.

	Current Quarter		Cumulative Quarter	
	3 months ended	3 months ended	9 months ended	9 months ended
	30.9.2008	30.9.2007	30.9.2008	30.9.2007
Diluted EPS				
Profit attributable to equity holders of the parent (RM '000)	2,529	56	3,682	1,088
Weighted average no of ordinary share in issue ('000)	226,583	221,021	226,583	221,021
Dilutive impact of unexercised share options	12,144	14,926	12,911	14,741
	<u>238,727</u>	<u>235,947</u>	<u>239,494</u>	<u>235,762</u>
Diluted EPS (sen)	1.06	0.02	1.54	0.46

B13 DIVIDENDS

The Board of Directors have declared a second interim tax exempt dividend of 0.5 sen per Ordinary Share to be paid on 30 December 2008. The entitlement date for the interim dividend shall be 18 December 2008.

A depositor shall qualify for the entitlement to the dividend only in respect of:

- (1) shares transferred into the depositor's securities account before 4.00 p.m. on 18 December 2008 in respect of transfers; and
- (2) shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis in accordance with the rules of Bursa Malaysia Securities Berhad.

The first interim tax-exempt dividend of 1.00 sen per share in respect of the financial year ending 31 December 2008, amounting to RM2,326,212.10 was paid on 28 July 2008. This second interim dividend will bring the total gross dividend distribution per share in respect of the financial year ending 31 December 2008 to 1.5 sen (previous year corresponding financial period ended 30 September 2007 : Nil).

B14 AUTHORISATION FOR ISSUE

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 26 November 2008.

By order of the Board of Directors
NI HSIN RESOURCES BERHAD

HSIAO CHIH JEN
Managing Director

Date: 26 November 2008