

UMS-NEIKEN GROUP BERHAD (650473-V)
(Incorporated in Malaysia)
UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS
For The Second Quarter Ended 30 June 2008

	Note	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
		Current Year 30 Jun 2008 RM'000 (unaudited)	Preceding Year Corresponding Quarter 30 Jun 2007 RM'000 (unaudited)	Current Year To date 30 Jun 2008 RM'000 (unaudited)	Preceding Year Corresponding Period 30 Jun 2007 RM'000 (unaudited)
Revenue		26,998	24,907	49,387	50,864
Cost of sales		(22,333)	(20,385)	(41,523)	(42,408)
Gross profit		4,665	4,522	7,864	8,456
Other income		557	45	805	45
Selling and distribution expenses		(1,340)	(1,061)	(2,130)	(2,094)
Administrative expenses		(951)	(866)	(1,811)	(1,666)
Other operating expenses		(233)	(181)	(975)	(246)
Finance costs		(304)	(319)	(699)	(706)
Share of associate profit/(loss)		(8)	6	6	14
Profit/(loss) before taxation		2,386	2,146	3,060	3,803
Income tax expense	B5	(626)	(561)	(763)	(983)
Profit/(loss) after taxation		1,760	1,585	2,297	2,820
ATTRIBUTABLE TO:					
Equity holders of the parent		1,760	1,585	2,297	2,820
Minority interests		-	-	-	-
Profit after taxation		1,760	1,585	2,297	2,820
Earnings per share (sen):					
Basic	B13	2.20	1.98	2.87	3.52
Diluted		N/A	N/A	N/A	N/A

Note:

This is prepared based on the consolidated results of the Group for the financial period ended 30 June 2008. The unaudited Condensed Consolidated Income Statement should be read in conjunction with the Group's Audited Financial Statements for the financial year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements.

UMS-NEIKEN GROUP BERHAD (650473-V)
(Incorporated in Malaysia)
UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET
As at 30 June 2008

	Note	As at end of current year quarter ended 30 Jun 2008 RM'000 (Unaudited)	Audited 31 Dec 07 RM'000 (Audited)
ASSETS			
NON-CURRENT ASSETS			
Investment in associates		166	155
Property, plant and equipment		18,840	18,650
Investment in shares		-	-
Development expenditure		914	952
Prepaid lease rental		540	554
		<u>20,460</u>	<u>20,311</u>
CURRENT ASSETS			
Inventories		20,586	22,572
Trade receivables		29,715	28,634
Other receivables, prepayments and deposits		1,517	2,079
Amount owing by associates		1,383	901
Amount owing by related parties		5,830	4,215
Tax recoverable		810	853
Fixed deposits with licensed banks		627	1,070
Cash and bank balances		2,415	6,200
		<u>62,883</u>	<u>66,524</u>
TOTAL ASSETS		<u>83,343</u>	<u>86,835</u>
EQUITY AND LIABILITIES			
Share capital		40,000	40,000
Share premium		1,531	1,531
Other reserve		92	92
Exchange fluctuation reserve		(1,389)	(1,271)
Retained profits		10,434	8,137
TOTAL EQUITY		<u>50,668</u>	<u>48,489</u>
NON-CURRENT AND DEFERRED LIABILITIES			
Term loans		-	-
Deferred taxation		1,661	1,662
		<u>1,661</u>	<u>1,662</u>
CURRENT LIABILITIES			
Trade payables		6,994	8,153
Other payables and accruals		1,191	2,341
Amount owing to directors		-	90
Amount owing to a related company		-	1,122
Amount owing to related parties		383	11
Short-term borrowings	B9	20,191	22,441
Bank overdrafts	B9	2,255	2,233
Provision for taxation		-	293
		<u>31,014</u>	<u>36,684</u>
TOTAL LIABILITIES		32,675	38,346
TOTAL EQUITY AND LIABILITIES		<u>83,343</u>	<u>86,835</u>
Net Assets per share based on number of shares in issue (RM)		<u>0.63</u>	<u>0.61</u>

UMS-NEIKEN GROUP BERHAD (650473-V)

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For The Second Quarter Ended 30 June 2008

	Attributable to Equity Holders of the Company					Total RM'000
	Share Capital RM'000	Share Premium RM'000	Other Reserve RM'000	Exchange Fluctuation Reserve RM'000	Retained profits RM'000	
	Non-distributable		Distributable			
12 months period ended 31 December 2007						
At 1 January 2007	40,000	1,531	92	(552)	8,260	49,331
Net loss not recognised in the income statement	-	-	-	(719)	-	(719)
- foreign exchange difference	-	-	-	-	3,264	3,264
Profit for the financial period	-	-	-	-	(3,387)	(3,387)
Dividend paid	-	-	-	-	-	-
At 31 December 2007	40,000	1,531	92	(1,271)	8,137	48,489
6 months period ended 30 June 2008						
At 1 January 2008	40,000	1,531	92	(1,271)	8,137	48,489
Net loss not recognised in the income statement	-	-	-	(118)	-	(118)
- foreign exchange difference	-	-	-	-	2,297	2,297
Profit for the financial period	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-
At 30 June 2008	40,000	1,531	92	(1,389)	10,434	50,668

The unaudited Condensed Statement of Changes in Equity should be read in conjunction with the Group's Audited Financial Statements for the financial year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements.

UMS-NEIKEN GROUP BERHAD (650473-V)
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UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT
For The Second Quarter Ended 30 June 2008

	Current Year Quarter 30 Jun 2008 RM'000 (unaudited)	Preceding Year Corresponding Quarter 30 Jun 2007 RM'000 (unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	3,060	3,803
Adjustments for:		
Allowance for doubtful debts	215	-
Provision for unrealised profit	(11)	-
Amortisation of development expenditure	179	108
Depreciation of property, plant and equipment	1,261	858
Gain on disposal of property, plant and equipment	(36)	-
Unrealised exchange loss/(gain)	(298)	-
Amortisation of prepaid lease rental	14	86
Interest expense	607	706
Interest income	(50)	(58)
Share of profit of an associate	(11)	(14)
Operating profit before working capital changes	4,930	5,489
Inventories	1,997	(876)
Receivables	(435)	(5,938)
Payables	(2,309)	5,414
Cash from operations	4,183	4,089
Interest paid	(607)	(706)
Tax paid	(1,013)	(1,142)
Net cash from operating activities	2,563	2,241
CASH FLOWS FROM INVESTING ACTIVITIES		
Advances to associates	(482)	371
Development expenditure incurred	(141)	(155)
Interest received	50	58
Purchase of property, plant and equipment and prepaid lease	(1,459)	(1,438)
Proceeds from disposal of equipment	44	2
Repayment by/(to) director	(90)	-
Repayment by intermediate holding company	-	-
Repayment by related companies	-	-
Advances from/(Repayments to) related parties	(1,244)	80
Net cash from investing activities	(3,322)	(1,082)
CASH FLOWS FOR FINANCING ACTIVITIES		
Dividends paid	-	(3,387)
Net drawdown/(repayment) of bills payables	(2,267)	4,509
Repayments to a related company	(1,122)	(2,705)
Repayments to related parties	-	-
Hire Purchase Financing	200	-
Repayment of HP instalments	(184)	-
Net drawdown/(repayment) of loans	-	-
Net cash for financing activities	(3,373)	(1,583)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(4,132)	(424)
EFFECTS OF CHANGES IN FOREIGN EXCHANGE	(118)	(263)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE QUARTER	5,037	1,688
CASH AND CASH EQUIVALENTS AT END OF THE QUARTER	787	1,001

Note:

This is prepared based on the consolidated results of the Group for the financial year ended 30 June 2008. The unaudited Condensed Cash Flow Statement should be read in conjunction with the Group's Audited Financial Statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements.