

CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2009

The figures have not been audited.

	AS AT 30/09/2009 UNAUDITED RM'000	AS AT 31/12/2008 AUDITED RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	30,461	33,664
Prepaid Lease Payment	3,214	3,232
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	33,675	36,896
	-----	-----
Current Assets		
Property development costs	8,232	8,193
Inventories	5,561	3,191
Trade and other receivables	22,633	25,586
Short term deposit	2,063	806
Fixed Deposit	2,057	1,160
Cash and bank balances	1,936	830
	-----	-----
	42,482	39,766
	-----	-----
TOTAL ASSETS	76,157	76,662
EQUITY AND LIABILITIES		
Equity Attributable to Equity Holders of The Parent		
Share capital	41,960	41,960
Treasury Share.at cost	(188)	-
Unappropriated profit / (loss)	(8,104)	(10,872)
	-----	-----
	33,668	31,088
	-----	-----
Total Equity	33,668	31,088
Minority Interest	(21)	29
	-----	-----
	33,647	31,117
	-----	-----
Non-Current Liabilities		
Borrowings - Term Loan	185	192
Hire Purchase	1,289	1,529
Deferred Tax	440	-
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	1,914	1,721
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Current Liabilities		
Trade and other payables	23,909	25,167
Bank Borrowings	16,525	18,290
Hire Purchase	115	367
Tax payables	47	-
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	40,596	43,824
	-----	-----
Total Liabilities	42,510	45,545
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TOTAL EQUITY AND LIABILITIES	76,157	76,662
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Net assets per share attributable to ordinary equity holders of the parent (RM)	0.80	0.74
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(The condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statement for the year ended 31 December 2008 and the accompanying explanatory notes attached to the Interim Financial Statements)

CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE PERIOD ENDED 30 SEPTEMBER 2009

The figures have not been audited.

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30/09/2009 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/09/2008 RM'000	CURRENT YEAR PERIOD 30/09/2009 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/09/2008 RM'000
Gross revenue	22,716	29,467	62,040	86,936
Cost of sales	(19,572)	(26,657)	(52,732)	(81,059)
Gross profit/(loss)	3,144	2,810	9,308	5,877
Other operating income	435	117	1,196	766
Operating expenses	(2,229)	(2,202)	(6,320)	(6,263)
Finance costs	(324)	(386)	(979)	(1,172)
Profit / (Loss) before tax	1,026	339	3,205	(792)
Tax expense	(16)	-	(487)	0
Net profit / (loss) for the period	1,010	339	2,718	(792)
Attributable to:				
Equity holders of the parent	1,032	339	2,768	(792)
Minority interests	(22)	0	(50)	0
	1,010	339	2,718	(792)
Earnings per share (sen)	2.47	0.81	6.64	(1.89)

(The condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statement for the year ended 31 December 2008 and the accompanying explanatory notes attached to the Interim Financial Statements)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2009

The figures have not been audited.

	----- Attributable to equity holders of the parent -----				Minority interest RM'000	Total equity RM'000
	Share capital RM'000	Treasury Share RM'000	Unappropriated profit RM'000	Total RM'000		
At 1 January 2008	41,960	-	(12,021)	29,939	-	29,939
Ordinary shares subscribed by minority interest	-	-	-	-	15	15
Issue of ordinary shares to minority interest	-	-	-	-	15	15
Net profit for the year	-	-	1,149	1,149	(1)	1,148
Total income for the year	-	-	1,149	1,149	29	1,178
At 31 December 2008	41,960	-	(10,872)	31,088	29	31,117
At 1 January 2009	41,960	-	(10,872)	31,088	29	31,117
Treasury Shares		(188)		(188)		(188)
Net profit for the year	-	-	2,768	2,768	(50)	2,718
Total income for the year	-	-	2,768	2,768	(50)	2,718
At 30 September 2009	41,960	(188)	(8,104)	33,856	(21)	33,647

(The condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statement for the year ended 31 December 2008 and the accompanying explanatory notes attached to the Interim Financial Statements)

CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 30 SEPTEMBER 2009

The figures have not been audited.

	CURRENT PERIOD TO DATE 30/09/2009 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/09/2008 RM'000
Profit/(loss) before tax	2,768	(792)
Adjustment for non cash items	4,767	5,269
Operating profit/(loss) before changes in working capital	<u>7,535</u>	<u>4,477</u>
Changes in working capital	<u>(931)</u>	<u>(326)</u>
Interest paid	(978)	(1,172)
Tax (refunded)/payable	487	(11)
Interest received	<u>64</u>	<u>12</u>
Net cash from operating activities	6,177	2,980
Net cash used in investing activities	(820)	(927)
Net cash used in financing activities	<u>(2,249)</u>	<u>208</u>
NET CHANGES IN CASH AND CASH EQUIVALENTS	3,108	2,261
EFFECT OF CHANGES IN EXCHANGE RATE	-	-
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	<u>(8,788)</u>	<u>(13,073)</u>
CASH AND CASH EQUIVALENTS CARRIED FORWARD	<u><u>(5,680)</u></u>	<u><u>(10,812)</u></u>
Represented by:		
FIXED DEPOSIT	4,120	950
CASH AND BANK BALANCES	1,936	532
BANK OVERDRAFTS	<u>(11,736)</u>	<u>(12,294)</u>
	<u><u>(5,680)</u></u>	<u><u>(10,812)</u></u>

(The condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statement for the year ended 31 December 2008 and the accompanying explanatory notes attached to the Interim Financial Statements)

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A) Notes to the Interim Financial Report For the 3rd Quarter ended 30 September 2009: Explanatory Notes in compliance to FRS 134 on Interim Financial Reporting

(1) Basis of Preparation

The interim financial statements have been prepared in accordance with 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 have been prepared using the same accounting policies, methods of computation and basis of consolidation as those used in the preparation of the audited financial statements for the financial year ended 31 December 2008.

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 financial year ended 31 December 2008.

(2) Changes in Accounting Policies

The Group has not opted for early adoption of the following new and revised FRSs and Issues Committee Interpretations (“IC Interpretations”), which are applicable to the Group which are effective for financial periods beginning on or after 1 January 2010.

- i. FRS 7 : Financial Instruments Disclosures
- ii. FRS 139 : Financial Instruments; Recognition and Measurement
- iii. IC Interpretation 10 : Interim Financial Reporting and Impairment,
- iv. IC Interpretation 11 : FRS 2 – Group and Treasury Shares Transactions.

The adoption of the above FRSs are expected to have no significant changes in the accounting policies of the Group or has no significant impact on the Financial Statements.

(3) Audit Report

The Group’s financial statements for the year ended 31 December 2008 were reported without any qualification.

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(4) **Seasonal or Cyclical Factors**

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

(5) **Unusual Items Affecting Financial Statements**

There were no unusual items affecting the financial statements of the Group during the quarterly financial period under review.

(6) **Changes in Accounting Estimates**

There were no changes in accounting estimates for the financial period under review.

(7) **Issuances, Cancellations, Repurchases, Resale and Repayments of Debt and Equity Securities**

Treasury Shares

The shareholders of the Company, by a resolution passed at an extraordinary general meeting held on 25 June 2009 approved the Company's proposal to repurchase of up to 10% of its issued and paid up share capital of the Company. ("Share Buy Back")

During the current quarter under review, the Company had repurchased 260,000 ordinary shares of RM1.00 each of its issued share capital from the open market for a total consideration of RM0.22 million. The repurchased transaction was financed by internally generated funds. The repurchased shares are held as treasury shares in accordance with the requirements of Section 67A of the Companies Act, 1965.

Other than above, there were no other issuance, cancellations, repurchases, resale and repayments of debt and equity securities for the quarterly financial period under review.

(8) **Dividend Paid**

No interim dividend has been paid or declared in respect of the financial period under review.

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(9) **Segmental Reporting**

9 months period ended	30/09/2009		30/09/2008	
	Revenue	Operating profit/(loss)	Revenue	Operating profit/(loss)
	RM '000	RM '000	RM '000	RM '000
Plastic products	62,018	4,651	86,917	762
Others	22	(467)	19	(382)
	62,040	4,184	86,936	380
Finance costs		(979)		(1,172)
Profit / (Loss) before tax		3,205		(792)
Tax (expense) / income		(487)		-
Net profit / (loss) for the period		2,718		(792)
Attributable to				
Equity holders of the parent		2,768		(792)
Minority interests		(50)		-
		2,718		(792)

(10) **Valuation of Property, Plant and Equipment**

There has been no revaluation of property, plant and equipment during the current quarter.

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(11) **Material Subsequent Events**

- i. The Company has on 12 October 2009 entered into a Share Sale Agreement with Mr. Yeong Thin Sang and Mr. How Yoke Wah for the proposed disposal of 801,000 ordinary shares of RM1.00 each representing a 100% of its shareholdings in Ralco Construction Sdn Bhd at a disposal price of RM801,000.
- ii. The Company has on 12 October 2009 entered into a Share Sale Agreement with Mr. Yeong Thin Sang and Mr. How Yoke Wah for the proposed disposal of 500,000 ordinary shares of RM1.00 each representing a 100% of its shareholdings in Ralco Bidara Sdn Bhd at a disposal price of RM500,000.

(12) **Changes in Composition of the Group**

There were no changes during the financial period under review.

(13) **Contingent Liabilities or Contingent Assets**

The contingent liabilities of the group are as follows:

	As at 30 September 2009 RM	As at 31 December 2008 RM
Unsecured Corporate Guarantee given to financial institution for banking facility granted to a former subsidiary	- =====	1,000,000 =====

There were no contingent assets arose during the quarter.

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B) Notes to the interim Financial Reporting for the 3rd Quarter ended 30 September 2009: Explanatory Notes in compliance with Appendix 9B Part A of the BMSB Listing Requirements

(1) Review of Performance of the Company and its Principal Subsidiaries

Third Quarter ended 30 September 2009 compared with Third Quarter ended 30 September 2008

For the current quarter ended 30 September 2009, the Group registered lower gross revenue of RM22.7 million compared to the corresponding quarter ended 30 September 2008 of RM 29.5 million which was mainly due to lower unit selling price

However, the Group recorded higher profit before tax of RM1.0 million in the current quarter compared to the profit before tax of RM0.3 million in the previous corresponding quarter. The better performance in the current quarter is mainly due to lower resin prices and effective cost saving measures.

For the current year period ending 30 September 2009 under review, the Group registered a gross revenue of RM62.0 million compared to RM86.9 million in preceding year corresponding period which represented a decrease of 28.6% or RM24.9 million. The drop in gross revenue was mainly due to economic downturn which resulted in lower demand and selling price. However, the group recorded a higher profit before tax of RM3.2 million as compared to loss before tax of RM0.8 million in the preceding year corresponding period. This was contributed by continuous cost saving measures and lower resin prices which resulted in a better margin.

(2) Material Changes In The Quarterly Results Compared to the Results of the Preceding Quarter

Third Quarter ended 30 September 2009 against preceding quarter ended 30 June 2009

For the current quarter under review, the Group registered gross revenue of RM22.7 million compared to the preceding quarter of RM17.9 million which represented an increase of 26.8% or RM4.8 million. As a result, the Group registered a higher profit before tax of RM1.0 million compared to a profit before tax of RM0.8 million in the preceding quarter.

(3) Prospects for the Current Financial Year

Barring unforeseen circumstances, the Board is of the opinion that the Group's cost saving measures and the more favourable resin prices would result in a better performance for the current financial year ending 2009.

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(4) **Variance of Actual Profit from Forecast Profit**

This note is not applicable.

(5) **Taxation**

Tax comprises:

	Individual Quarter		Cumulative Quarter	
	Current year quarter 30/09/2009 RM '000	Preceding year corresponding quarter 30/09/2008 RM '000	Current year to date 30/09/2009 RM '000	Preceding year corresponding period 30/09/2008 RM '000
Current year (expense)				
- current period	(5)	-	(47)	-
- underestimated in prior year	-	-	-	-
Deferred tax (expense)				
- current period	-	-	(440)	-
	(5)	-	(487)	-
	(5)	-	(487)	-

(6) **Profit/(Losses) On Sale of Unquoted Investments and/or Properties**

There was no transaction during the quarterly financial period under review.

(7) **Quoted Securities**

There was no transaction during the quarterly financial period under review.

(8) **Status of Corporate Proposals**

On 7 April 2009, Ralco Corporation Berhad (“Ralco”) has announced the following proposals:

- a. Proposed renounceable rights issue of up to 20,980,000 new warrants in Ralco to all the shareholders of Ralco at an indicative issue price of RM0.02 per new warrant on the basis of two (2) new warrants for every five (5) existing ordinary shares of RM1.00 each held in Ralco on an entitlement date to be determined (“Proposed Rights Issue of Warrants”); and
- b. Proposed restricted issue of up to 4,196,000 new warrants in Ralco to the holders of unexercised warrants 2004/2009 on 22 November 2009, being the expiry date

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of the warrants 2004/2009 (“Expiry Date”) on the basis of two (2) new warrants for every five (5) unexercised warrants 2004/2009 held on the expiry date (“Proposed Restricted Issue of Warrants”)

On 19 October 2009 Ralco had announced the Notice of Expiry and last date for the exercise of warrants 2004/2009. Pursuant to the terms and conditions stipulated in the deed poll dated 7 September 2004 executed by Ralco governing the terms and condition of the Warrants 2004/2009 (“Deed Poll”), the subscription rights of the Warrant 2004/2009 will expire at 5.00pm on Sunday, 22 November 2009 (“Expiry date”). As the Expiry Date falls on a non market day, the last date and time for the exercise of the Warrants 2004/2009 will be at 5.00pm on Friday, 20 November 2009.

The above Proposals were approved in the recent extraordinary meeting and are still pending for completion.

(9) Group Borrowings and Debts Securities

Total Group borrowings as at 30 September 2009 are as follows:

	Short Term Secured RM ‘000	Short Term Unsecured RM ‘000	Long Term Secured RM ‘000	Total RM ‘000
Currency				
- Ringgit Malaysia	387	16,438	1,289	18,114
	=====	=====	=====	=====

(10) Off Balance Sheet Financial Instruments

This item is not applicable.

(11) Material Litigation

The Company and its subsidiary, Ralco Plastic Sdn Bhd (“RPSB”) have filed a civil suit against Malayan Banking Berhad (“MBB”) on 23 July 2008 vide Civil Suit No. D6-22-1369-2008; seeking certain declarations with regards to its facility agreement as well as an injunction to restrain MBB from affecting certain actions.

On 28 July 2008, the Kuala Lumpur High Court granted an ad interim injunction in favour of the Company and RPSB against MBB pending the disposal of the inter partes application for an injunction which was fixed on 18 September 2008.

On 18 September 2008 after the hearing in Chamber for an inter partes injunction, the Learned Judge has adjourned the hearing date to 18 November 2008.

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On 18 November 2008, the Kuala Lumpur High Court vide Suit No. D6-22-1369-2008 dismissed the application by the Company RPSB for an injunctive relief against MBB from affecting certain actions. (hereinafter referred to as “the Decision”)

The Company and RPSB had immediately filed an appeal at the Court of Appeal appealing against the Decision and had also filed a Notice of Motion at the Court of Appeal for an Erinford Injunction to restrain MBB from affecting certain actions pending the disposal of the appeal that is fixed for hearing on 9 December 2008.

The Court of Appeal has on the 10th December 2008 dismissed the Company's Motion for an Erinford Injunction to restrain MBB from affecting certain actions pending the disposal of the Appeal.

On 25 February 2009, the Company and RPSB were served with a Writ summons by MBB demanding full repayment of facilities granted to RPSB. The total amount claimed by MBB against the Company and RPSB is RM10,698,151 together with interest calculated at 3.5% above the base lending rate per annum commencing 1 November 2008 till the settlement of this case.

The Company and RPSB have been advised by their solicitors that the MBB's Suit is related to or connected to the commercial suit filed by the Company and RPSB against MBB on 23 July 2008 which is still pending.

Based on legal advice from the Company's solicitors, the Company and RPSB's claims against MBB are bona fide and in respect of MBB's claim against the Company and RPSB have a good defence. It is the opinion of the Company's board of directors that the suits would only be resolved by way of a full trial and at this material time, the Company and its subsidiary are unable to provide an anticipated date of the trial as the pleadings for both suits have yet to be resolved.

(12) Dividend

No interim dividend has been proposed in the current financial period.

(13) Earnings Per Share

(a) Basic Earnings Per Share

Basic earnings per share of the Group is calculated by dividing the net profit/(loss) attributable to shareholders of the Group for the financial periods under review by the number of ordinary shares in issue of 41,960,000 (31/12/2008: 41,960,000) during the said financial period.

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(b) **Diluted Earnings Per Share**
Not applicable.

(14) **Authorisation for Issue**

The interim financial statements were authorised for issue on 10 November 2009 by the Board of Directors.

By Order of The Board,

Chia Siew Chin (MIA 2184)
Secretary

Date: 10 November, 2009
KUALA LUMPUR