

VTI VINTAGE BERHAD (Co No. 589167-W)
(Incorporated In Malaysia)

CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2008

	Note	Unaudited 31 March 2008 RM'000	Audited 31 December 2007 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment	A1	41,123	41,202
Prepaid land lease payment		4,762	5,219
Intangible asset		24,626	24,626
		70,511	71,047
Current Assets			
Inventories		4,723	4,537
Trade receivables		10,445	11,087
Amount due from customer for contract works		1,809	1,634
Other receivables		4,445	2,341
Current tax assets		15	181
Cash and bank balances		472	2,483
		21,909	22,263
Non current assets held for sale		3,257	3,257
TOTAL ASSETS		95,677	96,567
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share Capital		97,486	97,486
Reserves		(48,988)	(47,694)
		48,498	49,792
Minority Interests			
		-	-
Total Equity		48,498	49,792
Non-current liabilities			
Long term borrowings	B9	10,057	9,847
Deferred tax liabilities		405	-
		10,462	9,847
Current Liabilities			
Trade payables		12,355	10,973
Other payables		4,294	4,674
Amount owing to directors		6,418	3,013
Medium Term Notes	B9	-	2,000
Short term borrowings	B9	5,262	6,486
Bank Overdraft	B9	8,388	9,782
		36,717	36,928
Total Liabilities		47,179	46,775
TOTAL EQUITY AND LIABILITIES		95,677	96,567
Net assets per share attributable to ordinary equity holders of the parent		0.50	0.51

The notes set out on pages 6 to 10 form an integral part of, and should be read in conjunction with this interim financial report.

VTI VINTAGE BERHAD (Co No. 589167-W)
(Incorporated In Malaysia)

CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2008

	Note	Individual Quarter 3 months ended		Cumulative Quarter 3 months ended	
		31 March 2008 RM'000	31 March 2007 RM'000	31 March 2008 RM'000	31 March 2007 RM'000
Revenue		5,042	10,087	5,042	10,087
Cost of Sales		<u>(4,295)</u>	<u>(8,117)</u>	<u>(4,295)</u>	<u>(8,117)</u>
Gross Profit		747	1,970	747	1,970
Other Income		<u>56</u>	<u>83</u>	<u>56</u>	<u>83</u>
		803	2,053	803	2,053
Operating Expenses		<u>(1,264)</u>	<u>(2,378)</u>	<u>(1,264)</u>	<u>(2,378)</u>
		(461)	(325)	(461)	(325)
Finance cost		(385)	(500)	(385)	(500)
Depreciation		<u>(448)</u>	<u>(500)</u>	<u>(448)</u>	<u>(500)</u>
Loss Before Tax		(1,294)	(1,325)	(1,294)	(1,325)
Taxation	B5	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Loss after taxation		<u><u>(1,294)</u></u>	<u><u>(1,325)</u></u>	<u><u>(1,294)</u></u>	<u><u>(1,325)</u></u>
Attributable to :					
Equity Holders of The Parent		(1,294)	(1,325)	(1,294)	(1,325)
Minority interests		-	-	-	-
Pre-acquisition profit		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
		<u><u>(1,294)</u></u>	<u><u>(1,325)</u></u>	<u><u>(1,294)</u></u>	<u><u>(1,325)</u></u>
Basic (loss)/earnings per ordinary share (sen)	B13	(1.33)	(1.36)	(1.33)	(1.36)
Diluted (loss)/earnings per ordinary share (sen)	B13	(1.33)	(1.36)	(1.33)	(1.36)

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VTI VINTAGE BERHAD (Co No. 589167-W)
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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
AS AT 31 MARCH 2008

← Attributable to Equity Holders of the Parent →

	Share Capital RM'000	Distributable Retained Earnings RM'000	Total RM'000	Minority Interest RM'000	Total Equity RM'000
Note					
At 1 January 2008	97,486	(47,694)	49,792	-	49,792
Net loss for the period	-	(1,294)	(1,294)	-	(1,294)
At 31 March 2008	<u>97,486</u>	<u>(48,988)</u>	<u>48,498</u>	<u>-</u>	<u>48,498</u>
At 1 January 2007	97,486	(37,888)	59,598	-	59,598
Net loss for the period	-	(1,325)	(1,325)	-	(1,325)
At 31 March 2007	<u>97,486</u>	<u>(39,213)</u>	<u>58,273</u>	<u>-</u>	<u>58,273</u>

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VTI VINTAGE BERHAD (Co No. 589167-W)
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CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31 MARCH 2008

	Note	31 March 2008 RM'000	31 March 2007 RM'000
Cash flows from operating activities			
Net loss for the period		(1,294)	(1,325)
Adjustments for :			
Depreciation		448	500
Loss on disposal of property, plant and equipment		118	-
Interest expenses		324	486
Interest income		(20)	(7)
		<hr/>	<hr/>
Operating loss before working capital changes		(424)	(346)
Changes in working capital			
Inventories		(185)	507
Receivables		(121)	(1,737)
Payables		1,113	1,826
Amount owing to directors		1,006	-
		<hr/>	<hr/>
Cash from operations		1,389	250
Interest paid		(214)	(237)
Tax refund		-	788
Tax paid		(3)	(2)
		<hr/>	<hr/>
Net cash from operating activities		<hr/> 1,172	<hr/> 799
Cash flows from investing activities			
Purchase of property, plant and equipment		(50)	(107)
Proceeds from disposal of property, plant and equipment		70	-
Interest received		20	-
Factory in progress		-	7
		<hr/>	<hr/>
Net cash from / (used in) investing activities		<hr/> 40	<hr/> (100)

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CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31 MARCH 2008

	Note	31 March 2008 RM'000	31 March 2007 RM'000
Cash flows from financing activities			
Withdrawal of fixed deposit		2,000	-
Proceeds from term loan		2,147	-
Repayment of hire purchase creditors		(64)	(120)
Repayment of term loan		(2,333)	(299)
Interest paid		(110)	(249)
Repayment of medium term notes		(2,000)	-
Net cash used in financing activities		<u>(360)</u>	<u>(668)</u>
Net increase in cash and cash equivalents		852	31
Cash and cash equivalents at the beginning of the period		(8,768)	(8,749)
Cash and cash equivalents at the end of the period		<u>(7,916)</u>	<u>(8,718)</u>
Note :			
Closing balance of cash and cash equivalents comprises : -			
Fixed deposit with licensed bank		4	1,517
Cash and bank balances		468	1,677
Bank overdrafts		(8,388)	(11,912)
Cash and cash equivalents at the end of the period		<u>(7,916)</u>	<u>(8,718)</u>

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VTI VINTAGE BERHAD (Co No. 589167-W)

EXPLANATORY NOTES TO QUARTERLY FINANCIAL STATEMENTS

PART A EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARDS ("FRS") 134 – Interim financial Reporting

A1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134 and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("BMSB").

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2007. The following notes explain the 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 accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the financial statements for the year ended December 2007.

A2. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 December 2007 was not qualified.

A3. Segmental Information

Segment Revenue	3 months ended 31 March 2008 Revenue RM'000	3 months ended 31 March 2007 Revenue RM'000
Revenue from continuing operations :		
Manufacturing & trading	7,148	8,659
Construction contract	72	3,646
	<hr/>	<hr/>
	7,220	12,304
Inter-segment eliminations	(2,178)	(2,217)
	<hr/>	<hr/>
	5,042	10,087
	<hr/>	<hr/>

Segment Results	3 months ended 31 March 2008 Profit before tax RM'000	3 months ended 31 March 2007 Profit before tax RM'000
Profit Before Tax		
Manufacturing & trading	(885)	(1,025)
Construction contract	(409)	(300)
	<hr/>	<hr/>
	(1,294)	(1,325)
Inter-segment eliminations	-	-
	<hr/>	<hr/>
	(1,294)	(1,325)
	<hr/>	<hr/>

VTI VINTAGE BERHAD (Co No. 589167-W)

A4. Unusual Items due to their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income, or cashflow that are unusual in their nature, size or incidence during the current quarter.

A5. Changes in Estimates

There were no material changes in estimates used for the preparation of the interim financial report.

A6. Comments about Seasonal or Cyclical Factors

The Group's business are generally affected by the various festive seasons.

A7. Dividends Paid

There were no dividends paid during the current quarter ended 31 March 2008.

A8. Carrying Amount of Revalued Assets

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

A9. Debt and Equity Securities

On 19 March 2008, a subsidiary of the company, Tirai Impresif Sdn Bhd ("TISB") repurchased the issue of the Medium Term Notes 2006/2008 ("MTN") amounting to RM2.0 million using its internally generated funds.

A10. Changes in Composition of the Group

There were no changes in the composition of the Group during the current quarter under review.

A11. Capital Commitments

There were no outstanding capital commitments for the quarter under review.

A12. Changes in Contingent Liabilities

There were no changes in contingent liabilities since the last annual balance sheet as at 31 December 2007.

A13. Subsequent Events

There were no material events subsequent to the end of the current quarter that have not been reflected in this interim financial statements.

A14. Contigent Liabilities

	As at 31 March 2008 RM	As at 31 December 2007 RM
Corporate guarantees given to banks for credit facilities granted to subsidiaries	30,510,000	30,510,000
Corporate guarantees issued to third parties in respect of trade facilities granted to subsidiaries	9,000,000	9,000,000

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Additional information required by the Bursa Malaysia Securities Listing Requirements

B1. Review of performance

The Group's revenue for the quarter ended 31 March 2008 was 50% lower as compared to the corresponding quarter in 2007 due to lower contract income recorded by the construction subsidiary and lower sales volume by the manufacturing subsidiary. The reduction in turnover coupled with the higher cost of raw materials resulted in loss from operating activities of RM1.3 million in the first quarter of 2008 which is approximate with the loss in the same quarter of 2007.

B2. Variation of results against preceding quarter

	Current Quarter	Preceding Quarter
	31 March 2008	31 December 2007
	RM'000	RM'000
Revenue	<u>5,042</u>	<u>6,514</u>
Loss before taxation	<u>(1,294)</u>	<u>(4,103)</u>

For the quarter under review, the revenue of the Group was 23% lower as compared to the preceding quarter. Completion of projects on hand in 2007 and slow delivery of concrete roof tiles products in the first quarter resulted to lower revenue. Operating loss for the quarter was 68.5% lower than that of preceding quarter mainly due to the allowance for doubtful debts of RM1.2 million which was provided in the fourth quarter of 2007. In addition, the operating loss was also reduced as a result of continuous costs savings achieved through the various measures implemented in the first quarter of 2008.

B3. Prospects

With the selling price of concrete roof tiles products stabilising at a higher level compared to 2007 and further costs savings expected from the various measures implemented, we expect to see an improvement in the financial performance of the Group moving forward.

B4. Profit forecast

There was no profit forecast or profit guarantee made during the financial quarter under review.

B5. Taxation

	Individual Quarter		Cumulative Quarter	
	3 months ended		3 months ended	
	31 March	31 March	31 March	31 March
	2008	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
Income tax				
Current year	-	-	-	-
Prior year	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

No provision for taxation was provided for the current quarter as the Group was basically operating in a loss position.

B6. Unquoted investments and properties

There were no disposals of unquoted investments and properties during the quarter under review.

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Additional information required by the Bursa Malaysia Securities Listing Requirements

B7. Quoted investments

The Group did not deal in any quoted investments.

B8. Corporate Proposals

(a) Status of corporate proposals

Since the last quarterly announcement, there is no material development pertaining to the approved special issue of up to 42.0 million new ordinary shares of RM1.00 each to bumiputra investors to be approved by the Ministry of International Trade and Industry ("MITI") at an issue price to be determined later ("The Proposal").

(b) Status of utilisation of proceeds

Not applicable.

B9. Borrowings and debt securities

The total borrowings of the Group as at 31 March 2008 comprised of the followings:

	31 March 2008
	RM'000
Short term borrowings :	
Secured	13,650
Unsecured	-
Long term borrowings :	
Secured	10,057
	<hr/>
	23,707
	<hr/>

The above borrowings are denominated in Ringgit Malaysia.

B10. Off balance sheet financial instruments

There were no material instruments with off balance sheet risk issued as at the date of this report.

B11. Changes in material litigation

The following is material litigation as at the financial quarter ended 31 March 2008 and to the date of this announcement :

Kuala Lumpur High Court winding up Petition No : D8-28-137-2008

Ong Thuan Ming ("Petitioner") vs VTI Vintage Berhad ("Respondent")("VVB" or "the Company")

The Petitioner, being a ex-Managing Director of VVB who has been resigned on 9 October 2007, has commenced winding up proceedings against VVB and forwarded to VVB a sealed copy of a Winding Up Petition dated 26 February 2008.

However, the above Petition has been withdrawn on 7 May 2008 by the Petitioner after a full and final settlement has been agreed upon by the Petitioner and the Company.

B12. Dividends

No dividend has been recommended to date in respect of the current financial year.

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Additional information required by the Bursa Malaysia Securities Listing Requirements

B13. Basic earnings per share

Basic earnings per share is calculated by dividing the net profit/(loss) for the period by weighted average number of ordinary shares in issue during the period.

	Individual Quarter		Cumulative Quarter	
	31 March	31 March	31 March	31 March
	2008	2007	2008	2007
Net loss for the period (RM'000)	(1,294)	(1,325)	(1,294)	(1,325)
Weighted average number of ordinary shares in issue ('000)	97,486	97,486	97,486	97,486
Basic loss per share (sen)	(1.33)	(1.36)	(1.33)	(1.36)

Diluted earnings per share

The Company does not have in issue any financial instrument or other contract that may entitle its holders to ordinary shares and therefore dilute its basic earnings.

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 dated 30 May 2008.