

VTI VINTAGE BERHAD (Co No. 589167-W)

(Incorporated In Malaysia)

Additional information required by the Bursa Malaysia Securities Listing Requirements

B1. Review of performance

The Group's revenue for the quarter ended 30 June 2008 was 43.0% 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 as a result of consolidation of sales and marketing activities. However, despite the lower sales, the Group has recorded a profit of RM50,000 compared to a loss of RM1,936,000 in the corresponding quarter 2007 and the profit margin has increased from 15.5% to 36.7%. The increase in profit margin was mainly due to the management initiative on cost control and consolidation of sales.

During the current quarter, the management have monitored closely on the cost and profit margin of project obtained. In addition, the management have also scrutinised all order received, especially for those outstation projects and have renegotiated or cancelled some of the projects that were not profitable due to increase in raw material and cost of transportation cost.

B2. Variation of results against preceding quarter

	Current Quarter 30 June 2008 RM'000	Previous Quarter 31 Mar 2008 RM'000
Revenue	5,112	5,042
Profit/(Loss) before taxation	50	(1,294)

For the quarter under review, the revenue of the Group was 1.3% higher as compared to the preceding quarter. This was mainly due to higher sales volume to retail dealers. In addition, the Group had recorded a profit of RM50,000 as a result of continuous costs savings achieved through the various measures implemented in 2008 by the Management.

B3. Prospects

With the selling price of concrete roof tiles products stabilised at a higher level compared to 2007 and further costs savings expected from the measures implemented, the management 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 3 months ended		Cumulative Quarter 6 months ended	
	30 June 2008 RM'000	30 June 2007 RM'000	30 June 2008 RM'000	30 June 2007 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 has sufficient tax losses carried forward from previous year to offset this quarter profit.

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B6. Unquoted investments and properties

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

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").

On 27 August 2008, VVB has obtained the approval of the Securities Commission ("SC") via the SC's letter dated 27 August 2008 for and extension of time of twelve (12) months up to 27 August 2009 for VVB to complete the implementation of the Special Issue.

(b) Status of utilisation of proceeds

Not applicable.

B9. Borrowings and debt securities

The total borrowings of the Group as at 30 June 2008 comprised of the followings:

	30 June 2008
	RM'000
Short term borrowings :	
Secured	20,241
Unsecured	-
Long term borrowings :	
Secured	8,110
	<u>28,351</u>

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.

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B11. Changes in material litigation

The following is material litigation as at the financial quarter ended 30 June 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 together with Affidavit Verifying Petition.

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

B12. Dividends

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

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	
	30 June 2008	30 June 2007	30 June 2008	30 June 2007
Net loss for the period (RM'000)	50	(1,936)	(1,244)	(3,214)
Weighted average number of ordinary shares in issue ('000)	97,486	97,486	97,486	97,486
Basic loss per share (sen)	0.05	(1.99)	(1.28)	(3.30)

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 on 27 August 2008.