

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

**CONDENSED CONSOLIDATED BALANCE SHEET**  
**AS AT 30 SEPTEMBER 2008**

	Note	Unaudited 30 Sept 2008 RM'000	Audited 31 Dec 2007 RM'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Property, plant and equipment</b>		40,231	41,202
<b>Prepaid land lease payment</b>		5,129	5,219
<b>Intangible asset</b>		24,626	24,626
		69,986	71,047
<b>Current Assets</b>			
Inventories		2,740	4,537
Trade receivables		13,666	11,087
Amount due from customer for contract works		1,405	1,634
Other receivables		3,590	2,341
Current tax assets		184	181
Cash and bank balances		182	2,483
		21,767	22,263
<b>Non current assets held for sale</b>		3,257	3,257
<b>TOTAL ASSETS</b>		95,010	96,567
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to equity holders of the parent</b>			
Share Capital		97,486	97,486
Reserves		(48,708)	(47,694)
		48,778	49,792
<b>Minority Interests</b>		-	-
<b>Total Equity</b>		48,778	49,792
<b>Non-current liabilities</b>			
Long term borrowings	B9	9,072	9,847
Deferred tax liabilities		-	-
		9,072	9,847
<b>Current Liabilities</b>			
Trade payables		9,190	10,973
Other payables		3,708	4,674
Amount owing to directors		4,691	3,013
Medium Term Notes	B9	-	2,000
Short term borrowings	B9	9,181	6,486
Bank Overdraft	B9	10,390	9,782
		37,160	36,928
<b>Total Liabilities</b>		46,232	46,775
<b>TOTAL EQUITY AND LIABILITIES</b>		95,010	96,567
Net assets per share attributable to ordinary equity holders		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 30 SEPTEMBER 2008**

	Note	Individual Quarter 3 months ended		Cumulative Quarter 9 months ended	
		30 Sept 2008 RM'000	30 Sept 2007 RM'000	30 Sept 2008 RM'000	30 Sept 2007 RM'000
Revenue		8,203	7,660	18,357	26,723
Cost of Sales		(5,504)	(7,296)	(13,035)	(22,953)
Gross Profit		2,699	364	5,322	3,770
Other Income		2	42	206	105
		2,701	406	5,528	3,875
Operating Expenses		(1,756)	(2,464)	(4,305)	(7,130)
		945	(2,058)	1,223	(3,255)
Finance cost		(277)	(483)	(914)	(1,510)
Depreciation		(438)	(458)	(1,323)	(1,448)
Profit/(Loss) Before Tax		230	(2,999)	(1,014)	(6,213)
Taxation	B5	-	(1)	-	(1)
<b>Profit/(Loss) after taxation</b>		<b>230</b>	<b>(3,000)</b>	<b>(1,014)</b>	<b>(6,214)</b>
<b>Attributable to :</b>					
Equity Holders of The Parent		230	(3,000)	(1,014)	(6,214)
Minority interests		-	-	-	-
Pre-acquisition profit		-	-	-	-
		230	(3,000)	(1,014)	(6,214)
Basic earnings/ (loss) per ordinary share (sen)	B13	0.24	(3.08)	(1.04)	(6.37)
Diluted earnings/(loss) per ordinary share (sen)	B13	0.24	(3.08)	(1.04)	(6.37)

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

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**AS AT 30 SEPTEMBER 2008**

← Attributable to Equity Holders of the Parent →

	<b>Share Capital RM'000</b>	<b>Distributable Retained Earnings RM'000</b>	<b>Total RM'000</b>	<b>Minority Interest RM'000</b>	<b>Total Equity RM'000</b>
At 1 January 2008	97,486	(47,694)	49,792	-	49,792
Net loss for the period	-	(1,014)	(1,014)	-	(1,014)
At 30 September 2008	<u>97,486</u>	<u>(48,708)</u>	<u>48,778</u>	<u>-</u>	<u>48,778</u>
At 1 January 2007	97,486	(37,889)	59,597	-	59,597
Net loss for the period	-	(6,214)	(6,214)	-	(6,214)
At 30 September 2007	<u>97,486</u>	<u>(44,103)</u>	<u>53,383</u>	<u>-</u>	<u>53,383</u>

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# VTI VINTAGE BERHAD ( Co No. 589167-W )

(Incorporated In Malaysia)

## CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 30 SEPTEMBER 2008

	9 months ended	
	30 Sept 2008 RM'000	30 Sept 2007 RM'000
<b>Cash flows from operating activities</b>		
Profit before taxation	(1,014)	(6,213)
Adjustments for :		
Depreciation	1,323	1,448
Loss on disposal of property, plant and equipment	-	69
Interest expenses	914	1,483
Interest income	-	(54)
	<hr/>	<hr/>
Operating profit/(loss) before working capital changes	1,223	(3,267)
Changes in working capital		
Inventories	1,797	627
Receivables	(3,599)	34
Payables	(2,749)	5,336
Amount owing to directors	1,678	-
	<hr/>	<hr/>
	(2,873)	5,997
	<hr/>	<hr/>
Cash (absorbed by)/generated from operations	(1,650)	2,730
Interest paid	(653)	(731)
Tax refund	-	787
Tax paid	(3)	(53)
	<hr/>	<hr/>
<b>Net cash (used in)/from operating activities</b>	<b>(2,306)</b>	<b>2,733</b>
	<hr/>	<hr/>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(15)	(367)
Proceeds from disposal of property, plant and equipment	70	574
Interest received	-	54
	<hr/>	<hr/>
<b>Net cash from investing activities</b>	<b>55</b>	<b>261</b>
	<hr/>	<hr/>

# VTI VINTAGE BERHAD ( Co No. 589167-W )

(Incorporated In Malaysia)

## CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 30 SEPTEMBER 2008

	9 months ended	
	30 Sept 2008	30 Sept 2007
	RM'000	RM'000
<b>Cash flows from financing activities</b>		
Withdrawal of fixed deposit	2,000	-
Proceeds from term loan	2,698	602
Repayment of hire purchase creditors	(273)	(394)
Repayment of term loan	(2,818)	(1,126)
Interest paid	(261)	(753)
Repayment of medium term notes	(2,000)	-
<b>Net cash used in financing activities</b>	<u>(654)</u>	<u>(1,671)</u>
Net increase in cash and cash equivalents	(2,905)	1,323
Cash and cash equivalents at the beginning of the period	<u>(7,303)</u>	<u>(8,749)</u>
Cash and cash equivalents at the end of the period	<u><u>(10,208)</u></u>	<u><u>(7,426)</u></u>
<b>Note :</b>		
Closing balance of cash and cash equivalents comprises : -		
Fixed deposit with licensed bank		
Cash and bank balances	182	2,063
Bank overdrafts	<u>(10,390)</u>	<u>(9,489)</u>
Cash and cash equivalents at the end of the period	<u><u>(10,208)</u></u>	<u><u>(7,426)</u></u>

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 )

## EXPLANATORY NOTES TO QUARTERLY FINANCIAL STATEMENT

### 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	9 months ended	9 months ended
	30 Sept 2008	30 Sept 2007
	Revenue RM'000	Revenue RM'000
Revenue from continuing operations :		
Manufacturing & trading	29,134	23,112
Construction contract	2,394	7,900
	<u>31,528</u>	<u>31,012</u>
Inter-segment eliminations	(13,171)	(4,289)
	<u>18,357</u>	<u>26,723</u>

Segment Results	9 months ended	9 months ended
	30 Sept 2008	30 Sept 2007
	Profit before tax RM'000	Profit before tax RM'000
Profit/ (Loss) Before Tax		
Manufacturing & trading	(646)	(4,346)
Construction contract	(368)	(1,867)
	<u>(1,014)</u>	<u>(6,213)</u>
Inter-segment eliminations	-	-
	<u>(1,014)</u>	<u>(6,213)</u>

## 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 of their nature, size or incidence during the current quarter.

### A5. Changes in Estimates

There were no material changes in estimate 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 30 September 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

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the current quarter.

### A10. Changes in Composition of the Group

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

### A11. Capital Commitments

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

### A12. Changes in Contingent Liabilities

There is 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 30 Sept 2008 RM	As at 30 June 2008 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 of subsidiaries	9,000,000	9,000,000

**VTI VINTAGE BERHAD ( Co No. 589167-W )**  
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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 30 September 2008 was 7.1% higher as compared to the corresponding quarter in 2007 due to higher contract income recorded by the construction subsidiary and higher sales volume by the manufacturing subsidiary. The increase in contract income and sales volume was mainly due to the Group secured several new projects from government and private sectors. In line with the increase in revenue, the Group has recorded a profit of RM230,000 as compared to a loss of RM3,000,000 in the corresponding quarter in 2007 and the profit margin has increased from 4.8% to 32.9%. 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 transportation cost.

**B2. Variation of results against preceding quarter**

	<b>Current Quarter</b> <b>30 Sept 2008</b> <b>RM'000</b>	<b>Previous Quarter</b> <b>30 June 2008</b> <b>RM'000</b>
<b>Revenue</b>	<u>8,203</u>	<u>5,112</u>
<b>Profit/(Loss) before taxation</b>	<u>230</u>	<u>50</u>

For the quarter under review, the revenue of the Group was 60.5% higher as compared to the preceding quarter. This was mainly due to increase in contract income and sales volume after the Group secured several new projects from government and private sectors. In addition, the profit before taxation for the quarter was higher at RM230,000 as compared to RM50,000 recorded in the preceding quarter mainly due to 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. Although there is no immediate impact on us due to healthy order bank, we acknowledged the challenging times ahead. Some measures implemented include stepping up collection efforts, and to be selective in projects. We are focusing our attention on projects from Government and from selective developers and distributors only.

**B4. Profit forecast**

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

**B5. Taxation**

	<b>Individual Quarter</b> <b>3 months ended</b>		<b>Cumulative Quarter</b> <b>9 months ended</b>	
	<b>30 Sept</b> <b>2008</b> <b>RM'000</b>	<b>30 Sept</b> <b>2007</b> <b>RM'000</b>	<b>30 Sept</b> <b>2008</b> <b>RM'000</b>	<b>30 Sept</b> <b>2007</b> <b>RM'000</b>
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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**Additional information required by the Bursa Malaysia Securities Listing Requirements**

**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").

**(b) Status of utilisation of proceeds**

Not applicable.

**B9. Borrowings and debt securities**

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

	<b>30 Sept 2008</b>
	<b>RM'000</b>
Short term borrowings :	
Secured	19,571
Unsecured	-
Long term borrowings :	
Secured	9,072
	<u>28,643</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.

**B11. Changes in material litigation**

Since the last quarterly announcement, there is no changes in material litigation.

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**Additional information required by the Bursa Malaysia Securities Listing Requirements**

**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.

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>30 Sept 2008</b>	<b>30 Sept 2007</b>	<b>30 Sept 2008</b>	<b>30 Sept 2007</b>
Net profit/(loss) for the period (RM'000)	230	(3,000)	(1,014)	(6,214)
Weighted average number of ordinary shares in issue ('000)	97,486	97,486	97,486	97,486
Basic earnings/(loss) per share (sen)	0.24	(3.08)	(1.04)	(6.37)

**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 15 November 2008.