



**Part A1 QUARTERLY REPORT**

**Company Name** : LAY HONG BERHAD  
**Stock Name** : LAY HONG  
**Date Announced** : 30/08/2006  
**Quarterly report for the financial period ended** : 30/06/2006  
**Quarter** : 1  
**Financial Year end** : 31/03/2007  
**The figures** : have not been audited

**Part A2: SUMMARY OF KEY FINANCIAL INFORMATION**

Summary of Key Financial Information for the financial period ended  
 30/06/2006

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	30/06/2006 RM'000	30/06/2005 RM'000	30/06/2006 RM'000	30/06/2005 RM'000
1 Revenue	48,780	61,059	48,780	61,059
2 Profit before tax	2,044	5,063	2,044	5,063
3 Profit for the period	1,437	3,638	1,437	3,638
4 Profit attributable to ordinary equity holder of the parent	1,627	2,713	1,627	2,713
5 Basis earnings per share (sen)	3.87	6.46	3.87	6.46
6 Proposed/Declared dividend per share (sen)	0.00	0.00	0.00	0.00
	AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	
7 Net assets per share attributable to ordinary equity holders of the parent (RM)	1.6639		1.6251	



LAY HONG BERHAD (107129-H)  
Incorporated in Malaysia

Condensed Consolidated Balance Sheet  
as at 30 June 2006

	As at 30-Jun-2006 Unaudited	As at 31-Mar-2006 Audited (restated)
	RM' 000	RM' 000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property plant and equipment	143,344	145,549
Goodwill on consolidation	1,919	1,919
Other investments	119	119
Deferred tax assets	10,725	10,344
	156,107	157,931
<b>Current assets</b>		
Inventories	36,236	33,540
Trade receivables	28,305	25,272
Other receivables	3,563	2,344
Cash and bank balances	379	554
	68,483	61,710
<b>Total assets</b>	<b>224,590</b>	<b>219,641</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	42,000	42,000
Reserves	27,883	26,256
	69,883	68,256
Minority interest	6,956	7,146
<b>Total equity</b>	<b>76,839</b>	<b>75,401</b>
<b>Non-current liabilities</b>		
Long term borrowings	34,079	36,146
Long term payables	1,024	1,024
Due to corporate shareholders	3,398	3,398
Deferred tax liabilities	20,655	20,069
	59,156	60,637
<b>Current liabilities</b>		
Short term borrowings	47,794	41,463
Trade payables	29,827	29,537
Other payables	9,834	11,770
Due to corporate shareholders	738	833
Taxation	402	-
<b>Total current liabilities</b>	<b>88,595</b>	<b>83,603</b>
<b>Total liabilities</b>	<b>147,751</b>	<b>144,240</b>
<b>Total equity and liabilities</b>	<b>224,590</b>	<b>219,641</b>

Net assets per share attributable to ordinary equity holders of the parent (RM)	1.6639	1.6251
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The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 March 2006 and the accompanying explanatory notes attached to this interim financial statements.



**LAY HONG BERHAD (107129-H)**  
Incorporated in Malaysia

**Condensed Consolidated Income Statements**  
for the period ended 30 June 2006

	Individual Quarter		Cumulative Quarter	
	Current qtr Ended 30 June 2006 Unaudited	Comparative qtr Ended 30 June 2005 Unaudited	2007 3 month cummulative to date Unaudited	2006 3 month cummulative to date Unaudited
	RM' 000	RM' 000	RM' 000	RM' 000
Revenue	48,780	61,059	48,780	61,059
Operating expenses	(45,634)	(55,289)	(45,634)	(55,289)
Other Income	199	470	199	470
Finance costs	(1,301)	(1,177)	(1,301)	(1,177)
Profit before tax	2,044	5,063	2,044	5,063
Income tax expense	(607)	(1,425)	(607)	(1,425)
Profit for the period	1,437	3,638	1,437	3,638
Attributable to:				
Equity holders of the parent	1,627	2,713	1,627	2,713
Minority interest	(190)	925	(190)	925
	1,437	3,638	1,437	3,638
Earnings per share attributable to equity holders of the parent (sen):				
Basic	3.87	6.46	3.87	6.46
Diluted	-	-	-	-

The condensed consolidated income Statements should be read in conjunction with the audited financial statements for the year ended 31 March 2006 and the accompanying explanatory notes attached to this interim financial statements.



LAY HONG BERHAD (107129-H)  
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Condensed Consolidated Statement of Changes in Equity  
for the period ended 30 June 2006

	Attributable To Equity Holders Of The Parent				Minority Interest	Total Equity
	Share Capital	Non-Distributable	Distributable	Total		
		Revaluation Reserve	Retained Profits			
	RM' 000	RM' 000	RM' 000	RM' 000	RM' 000	RM' 000
At 01 April 2006	42,000	11,888	14,000	67,888	7,146	75,034
Effects of adopting FRS 3	-	-	368	368	-	368
Transfer to distributable reserve on realisation of revaluation reserve	-	(79)	79	-	-	-
Profit for the period	-	-	1,627	1,627	(190)	1,437
At 30 June 2006	42,000	11,809	16,074	69,883	6,956	76,839
At 01 April 2005	42,000	143	7,360	49,503	3,423	52,926
Profit for the period	-	-	2,713	2,713	925	3,638
At 30 June 2005	42,000	143	10,073	52,216	4,348	56,564

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 March 2006 and the accompanying explanatory notes attached to this interim financial statements.



**LAY HONG BERHAD (107129-H)**  
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**Condensed Consolidated Cash Flow Statements**  
for the period ended 30 June 2006

	<b>3 months Ended 30-June-2006 Unaudited RM' 000</b>	<b>3 months Ended 30-June-2005 Unaudited RM' 000</b>
Net cash (used in)/generated from operating activities	(3,718)	5,276
Net cash used in investing activities	(276)	(6,796)
Net cash generated from financing activities	1,955	3,024
Net (decrease)/increase in cash and cash equivalents	(2,039)	1,504
Cash and cash equivalents at beginning of financial period	(2,591)	(3,750)
Cash and cash equivalents at end of financial period	(4,630)	(2,246)
<b>Cash and cash equivalents at the end of the financial period comprise the following:</b>		
Cash and bank balances	379	733
Bank overdrafts (included within the short term borrowings in Part B Note 9)	(5,009)	(2,979)
	(4,630)	(2,246)

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 March 2006 and the accompanying explanatory notes attached to this interim financial statements.