



LAY HONG BERHAD (107129-H)
Incorporated in Malaysia

Condensed Consolidated Income Statements

	3 months ended		12 months ended	
	31 Mar 2009 Unaudited	31 Mar 2008 Audited	31 Mar 2009 Unaudited	31 Mar 2008 Audited
	RM' 000	RM' 000	RM' 000	RM' 000
Revenue	85,862	83,734	350,546.0	317,523
Operating expenses	(82,259)	(83,160)	(339,347.0)	(307,204)
Other Income	3,838	763	6,386.0	1,584
Finance costs	(1,504)	(1,614)	(6,203.0)	(6,780)
Profit before tax	5,937	(277)	11,382	5,123
Income tax	(1,444)	895	(758)	(409)
Profit for the period	4,493	618	10,624	4,714
Attributable to:				
Equity holders of the parent	4,869	360	6,695	1,400
Minority interest	(376)	258	3,929	3,314
	4,493	618	10,624	4,714
Earnings per share attributable to equity holders of the parent (sen):				
Basic	10.53	0.78	14.48	3.03
Diluted	N/A	N/A	N/A	N/A

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 March 2008 and the accompanying explanatory notes attached to this interim financial statements.



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Condensed Consolidated Balance Sheets

	As at 31 Mar 2009 Unaudited	As at 31 Mar 2008 Audited
	RM' 000	RM' 000
ASSETS		
Non-current assets		
Property, plant and equipment	157,902	140,615
Prepaid lease payments	6,961	7,030
Intangible assets	2,376	2,866
Other investments	2,119	2,119
Deferred tax assets	3,976	4,028
	173,334	156,658
Current assets		
Biological assets	21,939	20,797
Inventories	35,973	28,652
Trade receivables	41,498	47,841
Other receivables	7,377	4,528
Short term investment	1,212	4,214
Cash and bank balances	2,449	2,252
	110,448	108,284
TOTAL ASSETS	283,782	264,942
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	46,240	46,240
Reserves	36,009	29,314
	82,249	75,554
Minority interests	14,979	11,442
Total equity	97,228	86,996
Non-current liabilities		
Long term borrowings	42,742	42,270
Due to corporate shareholders	1,706	2,309
Deferred tax liabilities	14,349	13,503
	58,797	58,082
Current liabilities		
Short term borrowings	55,769	52,665
Trade payables	57,009	55,315
Other payables	14,855	11,771
Due to corporate shareholders	113	113
Income tax payable	11	-
	127,757	119,864
Total liabilities	186,554	177,946
TOTAL EQUITY AND LIABILITIES	283,782	264,942

Net assets per share attributable to ordinary equity holders of the parent (RM)	1.7787	1.6340
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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 2008 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

	Attributable to Equity Holders of the Parent				Minority Interest	Total Equity
	Share Capital	Revaluation Reserve	Retained Profits	Total		
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000
At 1 April 2008	46,240	11,801	17,513.0	75,554	11,442	86,996
Transfer to distributable reserve on realisation of revaluation reserve	-	(312)	312.0	-	-	-
Dilution of minority interest in a subsidiary	-	-	-	-	(392)	(392)
Profit for the period	-	-	6,695	6,695	3,929	10,624
At 31 March 2009	46,240	11,489	24,520	82,249	14,979	97,228
At 1 April 2007	46,240	12,056	15,790	74,086	7,818	81,904
Transfer to distributable reserve on realisation of revaluation reserve	-	(323)	323	-	-	-
Transfer from deferred tax arising from changes in tax rate	-	68	-	68	26	94
Profit for the period	-	-	1,400	1,400	3,313	4,713
Dividend paid to minority interests	-	-	-	-	(1,014)	(1,014)
Issue of shares by subsidiaries	-	-	-	-	980	980
Accretion of minority interest in subsidiaries	-	-	-	-	319	319
At 31 March 2008	46,240	11,801	17,513	75,554	11,442	86,996

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 March 2009 and the accompanying explanatory notes attached to the interim financial statements.



LAY HONG BERHAD (107129-H)
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Condensed Consolidated Cash Flow Statements

	12 months Ended 31 Mar 2009 Unaudited RM' 000	12 months Ended 31 Mar 2008 Audited RM' 000
Net cash generated from operating activities	21,834	16,715
Net cash used in investing activities	(14,812.2)	(12,155)
Net cash (used in)/generated from financing activities	(10,362)	(7,967)
Net (decrease)/increase in cash and cash equivalents	(3,340.0)	(3,407)
Cash and cash equivalents at beginning of year	4	3,411
Cash and cash equivalents at end of year	(3,335.8)	4
Cash and cash equivalents at the end of the year comprises :		
Short term investment	1,212	4,214
Deposits with licensed bank	400	415
Cash and bank balances	2,049	1,837
Bank overdrafts (included within the short term borrowings in Part B Note 9)	(6,997)	(6,462)
	(3,336)	4

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 March 2008 and the accompanying explanatory notes attached to this interim financial statements.

**PART A : EXPLANATORY NOTES PURSUANT TO FRS 134****1. Basis of Preparation**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The accounting policies and methods of computation adopted are consistent with those of the audited financial statements for the year ended 31 March 2008, except for the adoption of the following new/revised FRSs that have become effective for the current financial year :

Amendment to FRS 107, Cash Flow Statements

Amendment to FRS 111, Construction Contracts

Amendment to FRS 112, Income Taxes

Amendment to FRS 118, Revenue

Amendment to FRS 120, Accounting for Government Grants and Disclosure of Government Assistance

Amendment to FRS 121, The Effects of Changes in Foreign Exchange Rates - Net Investment in a Foreign Operation

Amendment to FRS 134, Interim Financial Reporting, and

Amendment to FRS 137, Provisions, Contingent Liabilities and Contingent Assets

FRS 111 is not applicable to the Group. The adoption of the other FRSs do not have a material impact on the disclosure in this Interim Report.

2. Auditors' Report on Preceding Annual Financial Statements

The auditors' report of the previous annual financial year ended 31 March 2008 was not subject to any qualification.

3. Segmental Information

	3 months ended 31 Mar 2009		12 months ended 31 Mar 2009	
	Segment revenue	Segment results	Segment revenue	Segment results
	RM'000		RM'000	
Integrated livestock farming	81,707	6,981	346,391	12,426
Supermarket	4,747	(1,044)	4,747	(1,044)
	86,454	5,937	351,138	11,382
Inter-segment eliminations	(592)	-	(592)	-
	85,862	5,937	350,546	11,382

All business operations are conducted in Malaysia.

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

There were no material unusual items affecting assets, liabilities, equity, net income, or cash flows during the financial period ended 31 March 2009.

5. Changes in Estimates

As required under the revised FRS 116: Property, Plant & Equipment ("PPE"), the Group reviews the residual value and remaining useful life of PPE at least at each financial year end. For the current quarter, there are no major changes in accounting estimates.

6. Comments about Seasonality or Cyclical Factors

The Group's business operations were not affected by any seasonal and cyclical factors.



7. Dividends Paid

There were no dividends paid in the current quarter.

8. 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 March 2009.

9. Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayment of debt and equity securities during the current financial quarter.

10. Changes In Composition of the Group

There were no material changes in the composition of the Group in the current financial quarter.

11. Subsequent Events

There were no events subsequent to 31 December 2008 that would have a material effect on the interim financial statement of the current quarter.

12. Changes In Contingent Liabilities

Credit facilities amounting to RM32.0 granted by financial institutions and utilised by subsidiaries are secured by corporate guarantees from Lay Hong Berhad.

13. Capital Commitments

Commitments for the purchase of property, plant and equipment not provided for in the interim financial statements as at 31 March 2009 amounted as follows:

	RM'000
Approved and contracted for	2,931
Approved but not contracted for	-
	<u>2,931</u>

PART B : EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

1. Review of Performance

The Group's revenue in the current quarter of RM86.0 million is 2.7% higher than the RM83.7 million recorded in the corresponding quarter last year, due largely to sales contributed by the opening of 3 supermarket outlets in Sabah.

The Group recorded a pre-tax profit of RM5.9 million compared to a pre-tax loss of RM277,000 in the corresponding quarter last year, due mainly to the higher selling prices of poultry products in the current quarter.

2. Comparison with Immediate Preceding Quarter's Result

The Group's revenue in the current quarter of RM86.0 million is marginally lower than the RM87.9 million recorded in the immediate preceding quarter, due mainly to lower demand for chicken and eggs.

In spite of the lower sales, the Group recorded higher pre-tax profit of RM5.9 million in the current quarter compared to RM4.1 million in the immediate preceding quarter, attributed mainly to the lower raw material cost and higher selling price of poultry products.

**3. Current Year Prospects**

The price of raw materials has risen slightly in tandem with the recovery in the world economy. Barring any major increase in raw material prices and the expected contribution from the newly acquired retail business, the performance of the Group in the coming financial year will continue to be positive.

4. Profit Forecast or Profit Guarantee

Not applicable.

5. Income Tax

	Current quarter RM'000	Year-to- date RM'000
Current Tax	(181)	(114)
Deferred Tax	1,625	872
	<u>1,444</u>	<u>758</u>

6. Sale of Unquoted Investments and Properties

There were no sales of unquoted investments and properties during the current quarter.

7. Sale of Quoted Investments

There were no purchase or disposal of quoted securities during the current quarter.

Investment in quoted securities as at 31 March 2009 :

	<u>RM'000</u>
At cost	<u>6</u>
At book value	<u>1</u>
Market value as at 31 March 2009	<u>1</u>

8. Status of Corporate Proposals

Not applicable

9. Borrowings

The Group's borrowings as at 31 March 2009 are as follows :

	Secured RM'000	Unsecured RM'000	Total RM'000
Short Term			
Overdraft	3,598	3,400	6,998
Bankers' Acceptances	17,688	18,789	36,477
Hire Purchase	4,491	-	4,491
Term Loan	7,238	565	7,803
	<u>33,015</u>	<u>22,754</u>	<u>55,769</u>
Long Term			
Hire Purchase	9,496	-	9,496
Term Loan	12,122	21,124	33,246
	<u>21,618</u>	<u>21,124</u>	<u>42,742</u>
Grand Total	<u>54,633</u>	<u>43,878</u>	<u>98,511</u>

**10. Off Balance Sheet Financial Instruments**

The Group did not enter into any contracts involving off balance sheet financial instruments during the financial year-to-date ended 31 March 2009, other than the following operating lease commitments :

	<u>RM'000</u>
Not later than 1 year	358
Later than 1 year and not later than 5 years	1,308
Later than 5 years	943
	<u>2,609</u>

11. Changes in Material Litigation

There was no pending material litigation against the Group as at the date of this report.

12. Dividend

The Board proposes a final dividend of 1.25% less 25% income tax, to be approved by shareholders at the forthcoming Annual General Meeting.

13. Earnings Per Share**a) Basic earnings per share**

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

	3 months ended 31 Mar 2009		12 months ended 31 Mar 2009	
Profit attributable to ordinary equity holders of the parent (RM'000)	4,869	360	6,695	1,400
Weighted average number of ordinary shares in issue ('000)	46,240	46,240	46,240	46,240
Basic earnings per share (sen)	10.53	0.78	14.48	3.03

b) Diluted earnings per share

The fully diluted earnings per share for the Group assuming full conversion of the ESOS is not presented as it is anti-dilutive.

14. 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 May 2009.