

UMW HOLDINGS BERHAD

(COMPANY NO. 090278-P)
(INCORPORATED IN MALAYSIA)

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 31ST MARCH 2009 (THE FIGURES HAVE NOT BEEN AUDITED)

CONDENSED CONSOLIDATED INCOME STATEMENT

	CURRENT QUARTER ENDED 31/03/2009 RM'000	COMPARATIV E QUARTER ENDED 31/03/2008 RM'000	3 MONTHS CUMULATIVE TO DATE 31/03/2009 RM'000	COMPARATIV E 3 MONTHS CUMULATIVE TO DATE 31/03/2008 RM'000
<u>Continuing Operations</u>				
Revenue	2,349,803	2,985,126	2,349,803	2,985,126
Operating Expenses	(2,280,144)	(2,767,462)	(2,280,144)	(2,767,462)
Other Operating Income	20,958	20,094	20,958	20,094
Profit From Operations	90,617	237,758	90,617	237,758
Finance Costs	(10,143)	(8,724)	(10,143)	(8,724)
Share Of Profits Of Associated Companies	34,366	51,747	34,366	51,747
Investment Income	8,897	12,117	8,897	12,117
Profit Before Taxation	123,737	292,898	123,737	292,898
Taxation	(25,555)	(66,373)	(25,555)	(66,373)
Profit For The Period	98,182	226,525	98,182	226,525
<u>Attributable To :</u>				
Equity Holders Of The Company	65,958	141,770	65,958	141,770
Minority Interests	32,224	84,755	32,224	84,755
	98,182	226,525	98,182	226,525
<u>EPS Attributable To Equity Holders Of The Company :</u>				
Basic EPS For The Period (Sen)	6.03	13.17	6.03	13.17
Diluted EPS For The Period (Sen)	5.98	13.00	5.98	13.00

(The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the year ended 31st December 2008)

CONDENSED CONSOLIDATED BALANCE SHEET

	(UNAUDITED) AS AT 31/03/2009 RM'000	(AUDITED) AS AT 31/12/2008 RM'000
<u>ASSETS</u>		
Non-Current Assets		
Investment In Associates	1,526,218	1,468,121
Investment Properties	14,282	14,384
Property, Plant And Equipment	1,825,932	1,792,362
Prepaid Land Lease Payments	207,761	221,660
Leased Assets	148,826	157,899
Deferred Tax Assets	19,886	21,331
Intangible Assets	226,968	132,906
Other Financial Assets	22,280	86,293
	3,992,153	3,894,956
Current Assets		
Deposits, Cash And Bank Balances	1,474,526	1,537,802
Trade Receivables	689,183	683,307
Other Receivables	289,648	254,611
Inventories	1,362,700	1,453,830
	3,816,057	3,929,550
Non-Current Assets Held For Sale	3,535	3,535
	3,819,592	3,933,085
	7,811,745	7,828,041
<u>EQUITY AND LIABILITIES</u>		
Equity Attributable To Equity Holders Of The Company		
Share Capital	548,086	546,072
Share Premium	426,571	414,651
Capital Reserve	5,793	5,793
Foreign Exchange Reserve	57,513	50,442
Share Option Reserve	61,169	61,169
Retained Profits	2,512,552	2,444,126
	3,611,684	3,522,253
Minority Interests	1,123,183	1,083,167
TOTAL EQUITY	4,734,867	4,605,420
Non-Current Liabilities		
Long Term Liabilities	733,491	719,517
Provision For Liabilities	21,742	43,995
Deferred Tax Liabilities	23,713	16,027
	778,946	779,539
Current Liabilities		
Bank Overdrafts	30,982	18,103
Short Term Borrowings	536,548	509,851
Trade Payables	744,539	730,190
Other Payables	814,256	920,324
Provision For Liabilities	109,138	66,620
Taxation	62,469	115,931
Dividend Payable	-	82,063
	2,297,932	2,443,082
TOTAL LIABILITIES	3,076,878	3,222,621
TOTAL EQUITY AND LIABILITIES	7,811,745	7,828,041
Net Assets Per Share (RM)	3.2948	3.2251

(The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the year ended 31st December 2008)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31ST MARCH 2009

|----- ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY -----|
 < ----- NON-DISTRIBUTABLE ----- >

	SHARE CAPITAL RM'000	SHARE PREMIUM RM'000	CAPITAL RESERVE RM'000	FOREIGN EXCHANGE RESERVE RM'000	SHARE OPTION RESERVE RM'000	RETAINED PROFITS RM'000	TOTAL RM'000	MINORITY INTERESTS RM'000	TOTAL RM'000
3 MONTHS PERIOD ENDED 31ST MARCH 2009									
At 1st January 2009	546,072	414,651	5,793	50,442	61,169	2,444,126	3,522,253	1,083,167	4,605,420
Foreign currency translation	-	-	-	7,071	-	-	7,071	1,140	8,211
Net assets accretion arising from the share issue of a jointly controlled entity	-	-	-	-	-	2,468	2,468	-	2,468
Net income/(expense) recognised directly in equity	-	-	-	7,071	-	2,468	9,539	1,140	10,679
Profit for the period	-	-	-	-	-	65,958	65,958	32,224	98,182
Total recognised income and expense for the period	-	-	-	7,071	-	68,426	75,497	33,364	108,861
New subsidiaries	-	-	-	-	-	-	-	5,276	5,276
Increase in share capital of subsidiaries	-	-	-	-	-	-	-	6,527	6,527
Reduction of minority interest in subsidiaries	-	-	-	-	-	-	-	(5,151)	(5,151)
Issue of ordinary shares:									
Pursuant to ESOS	2,014	11,920	-	-	-	-	13,934	-	13,934
At 31st March 2009	548,086	426,571	5,793	57,513	61,169	2,512,552	3,611,684	1,123,183	4,734,867
3 MONTHS PERIOD ENDED 31ST MARCH 2008									
At 1st January 2008	537,711	357,328	5,793	25,318	17,072	2,186,863	3,130,085	878,459	4,008,544
Foreign currency translation	-	-	-	(173)	-	-	(173)	(984)	(1,157)
Net income/(expense) recognised directly in equity	-	-	-	(173)	-	-	(173)	(984)	(1,157)
Profit for the period	-	-	-	-	-	141,770	141,770	84,755	226,525
Total recognised income and expense for the period	-	-	-	(173)	-	141,770	141,597	83,771	225,368
New subsidiary	-	-	-	-	-	-	-	728	728
Increase in share capital of subsidiaries	-	-	-	-	-	-	-	4,441	4,441
Issue of ordinary shares :									
Pursuant to ESOS	906	5,135	-	-	-	-	6,041	-	6,041
Share-based payment under ESOS	-	-	-	-	1,971	-	1,971	-	1,971
At 31st March 2008	538,617	362,463	5,793	25,145	19,043	2,328,633	3,279,694	967,399	4,247,093

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31st December 2008)

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED
31ST MARCH 2009**

	3 MONTHS ENDED 31/03/2009 RM'000	3 MONTHS ENDED 31/03/2008 RM'000
Cash Flow From Operating Activities		
Profit Before Taxation	123,737	292,898
Adjustments For:		
Non-Cash Items	43,900	93,570
Non-Operating Items	(8,897)	(12,118)
Operating Profit Before Working Capital Changes	<u>158,740</u>	<u>374,350</u>
Changes In Working Capital:		
Net Change In Current Assets	78,235	(449,235)
Net Change In Current Liabilities	(184,277)	(2,689)
Net Cash Generated From/(Used In) Operating Activities	<u>52,698</u>	<u>(77,574)</u>
Cash Flow From Investing Activities		
Net Cash Outflow Arising From Equity Investments	(103,772)	(6,920)
Dividends Received	3,655	-
(Purchase)/Disposal Of Fixed Assets (Net)	(79,634)	(52,034)
Interest Income	8,897	12,117
Other Investments	36,584	(38,000)
Net Cash Used In Investing Activities	<u>(134,270)</u>	<u>(84,837)</u>
Cash Flow From Financing Activities		
Proceeds From Issue Of Shares	22,821	10,482
Dividends Paid	(82,063)	(47,811)
Bank Borrowings (Net)	56,153	(20,028)
Net Cash Used In Financing Activities	<u>(3,089)</u>	<u>(57,357)</u>
Net Decrease In Cash And Cash Equivalents	(84,661)	(219,768)
Cash And Cash Equivalents As At 1st January	1,519,699	1,567,223
Effects Of Exchange Rate Changes	8,506	(1,157)
Cash And Cash Equivalents As At 31st March	<u>1,443,544</u>	<u>1,346,298</u>

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the year ended 31st December 2008)

Note 1 - Accounting Policies

The interim financial statements have been prepared in accordance with FRS 134 : Interim Financial Reporting and Chapter 9, Part K of the Listing Requirements of Bursa Malaysia Securities Berhad. The significant accounting policies and methods of computation in the interim financial statements are consistent with those in the annual financial statements for the year ended 31st December 2008.

The Group has not opted for early adoption of the following new or revised Financial Reporting Standards (“FRS”) and Issues Committee Interpretations (“IC Interpretations”):

- (a) Effective for financial periods beginning on or after 1st July 2009

FRS 8 : Operating Segments

- (b) Effective for financial periods beginning on or after 1st January 2010

FRS 4 : Insurance Contracts

FRS 7 : Financial Instruments : Disclosures

FRS 139 : Financial Instruments : Recognition and Measurement

IC Int. 9 : Reassessment of Embedded Derivatives

IC Int. 10 : Interim Financial Reporting and Impairment

The above new or revised FRSs and IC Interpretations are expected to have no significant impact on the financial statements of the Group upon their initial application except for the changes in disclosures arising from the adoption of FRS 7 and FRS 8. The Group is exempted from disclosing the possible impact to the financial statements, if any, upon the initial application of FRS 139.

Note 2 - Seasonal or Cyclical Factors

The Group is principally engaged in:

- (a) import, assembly and marketing of passenger and commercial vehicles and related spares and manufacturing of original/replacement automotive parts;
- (b) trading and manufacturing of a wide range of light and heavy equipment including related spares for use in the industrial, construction and agricultural sectors; and
- (c) manufacturing and trading of oil pipes and providing various oil and gas services including drilling and pipe-coating.

The Group’s products and services are generally dependent on the Malaysian and global economies, consumer demand and market sentiment.

Note 3 - Exceptional Items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows.

Note 4 - Accounting Estimates

There were no changes in estimates of amounts reported in prior financial periods that have a material effect in the current interim period.

Note 5 - Issuance or Repayment of Debt and Equity Securities

There were no issuances and repayment of debt securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the period ended 31st March 2009.

During the quarter ended 31st March 2009, the issued and paid-up capital of the Company increased from RM546,071,716 to RM548,085,566 as a result of the exercise and allotment of:

- (a) 1,163,500 option shares of par value RM0.50 each at an option price of RM3.335 per share;
- (b) 2,505,800 option shares of par value RM0.50 each at an option price of RM3.330 per share;
- (c) 41,700 option shares of par value RM0.50 each at an option price of RM3.325 per share;
- (d) 279,300 option shares of par value RM0.50 each at an option price of RM4.93 per share; and
- (e) 37,400 option shares of par value RM0.50 each at an option price of RM5.16 per share.

As at 31st March 2009, the total number of unexercised share options was 74,072,000 option shares of par value RM0.50 each.

At the date of this report, 2,235,800 option shares were exercised and allotted subsequent to 31st March 2009. After taking into account these new shares, the paid-up capital of the Company increased to RM549,203,466.

Note 6 - Dividends Paid

There was no dividend paid during the quarter ended 31st March 2009.

Note 7 - Segmental Reporting

	Three Months Ended 31 st March 2009		
	Segment Revenue RM'000	Segment Result RM'000	Profit Attributable to Equity Holders of the Company* RM'000
Business Segment			
Automotive	1,721,254	73,338	44,913
Equipment	300,796	22,772	16,430
Oil & Gas	217,101	5,036	11,988
Manufacturing & Engineering	114,733	2,839	162
Others	15,880	(7,748)	(7,535)
Sub-Total	2,369,764	96,237	65,958
Unallocated Corporate Expenses	-	(5,620)	
Elimination of Inter-Segment Sales	(19,961)	-	
Consolidated Total	2,349,803	90,617	

* Profit attributable to equity holders of the Company includes net profit contributions from all associated companies in the Group.

Note 8 - Subsequent Material Events

There was no material event or transaction during the period from 31st March 2009 to the date of this announcement, in the opinion of the Directors, which affects substantially the results of the operations of the Group for the period ended 31st March 2009 in respect of which this announcement is made.

Note 9 - Changes in Composition/Group

- (a) On 13th January 2009, UMW Malaysian Ventures Sdn. Bhd. ("UMWMV"), a wholly-owned subsidiary of the Company, entered into a Sale and Purchase Agreement with Encik Azhari bin Ngadenan @ Adnan ("Encik Azhari Adnan") for the acquisition of 1,206,000 ordinary shares of RM1.00 each, representing 60% of the issued and paid-up share capital in Synergistic Generation Sdn. Bhd. ("SGSB"), by UMWMV from Encik Azhari Adnan, for a cash consideration of RM10 million. On completion of the acquisition, SGSB became a 60%-owned subsidiary of UMW.
- (b) On 22nd January 2009, Oil Country Tubular Ltd. ("OCTL"), a public company listed on the Bombay Stock Exchange and the National Stock Exchange (India), has been allotted 1,000,000 ordinary shares of par value INR10 each, representing 20% equity interest in United Seamless Tubular Private Limited ("USTPL") for a total cash consideration of INR200,000,000. USTPL is a 50%-owned jointly controlled entity of UMW India Ventures (L) Ltd. ("UMWIV"), which in turn is a 65%-owned subsidiary in the UMW Group. UMWIV has 14.9% equity interest in OCTL. Consequent to the share allotment, UMWIV's direct interest in USTPL was diluted from 50% to 40%.
- (c) On 18th March 2009, UMW Pressure Control Sdn. Bhd. ("UMW Pressure Control") was incorporated. The authorised share capital of UMW Pressure Control is RM20,000,000 divided into 20,000,000 ordinary shares of par value RM1.00 each, of which 600,000 ordinary shares have been issued. UMW Petrodril (Malaysia) Sdn. Bhd., a 99%-owned subsidiary of UMW owns 306,000 ordinary shares and Snubco Pressure Control International Ltd. owns the remaining 294,000 ordinary shares, representing 51% and 49% of the issued and paid-up share capital in UMW Pressure Control, respectively.
- (d) On 25th March 2009, UMW Petropipe (L) Ltd., a wholly-owned subsidiary of the Company, incorporated a wholly-owned subsidiary known as UMW Singapore Ventures Pte. Ltd. ("UMW SVPL") in the Republic of Singapore. The initial paid-up capital of UMW SVPL is SGD100,000 and the intended principal activity is investment holding.

Note 10 - Contingent Liabilities and Contingent Assets

There was no material change in contingent liabilities or contingent assets since 31st December 2008.

Note 11 - Commitments

These are in respect of capital commitments:

	RM'000	RM'000
Approved and contracted for:		
Land and buildings	169,961	
Equipment, plant and machinery	447,478	
Others	<u>10,868</u>	628,307
Approved but not contracted for:		
Land and buildings	43,662	
Equipment, plant and machinery	210,884	
Others	<u>10,280</u>	<u>264,826</u>
Total		<u>893,133</u>

Note 12 - Significant Related Party Transactions

No.	UMW & Its Subsidiaries	Transacting Parties	Relationship	Nature of Transaction	RM'000
1.	UMW Advantech Sdn. Bhd.	Perodua Group	Associated Company	Sale of Goods	3,490
2.	KYB-UMW Malaysia Sdn. Bhd. and its subsidiary	Perodua Group	Associated Company	Sale of Goods	13,613
3.	UMW Toyota Motor Sdn. Bhd. and its subsidiaries	Perodua Group	Associated Company	Sale of Goods and Services	100,360
				Purchase of Goods and Services	166,758
4.	UMW Industries (1985) Sdn. Bhd.	Perodua Group	Associated Company	Sale of Goods and Services	1,633
5.	U-TravelWide Sdn. Bhd.	Perodua Group	Associated Company	Sale of Services	3,241
6.	UMW Toyota Motor Sdn. Bhd.	UMW Toyotsu Motors Sdn. Bhd.	Associated Company	Sale of Goods and Services	28,522
7.	UMW Toyota Motor Sdn. Bhd. and its subsidiaries	Toyota Motor Corporation, Japan and its subsidiaries	Corporate Shareholders of UMW Toyota Motor Sdn. Bhd.	Sale of Goods and Services	136,666
				Purchase of Goods and Services	540,652

No.	UMW & Its Subsidiaries	Transacting Parties	Relationship	Nature of Transaction	RM'000
8.	Otomobil Sejahtera Sdn. Bhd.	Toyota Motor Corporation, Japan and its subsidiaries	Corporate Shareholders of UMW Toyota Motor Sdn. Bhd.	Purchase of Goods and Services	201,958
9.	KYB-UMW Malaysia Sdn. Bhd.	Kayaba Industry Co., Ltd., Japan and its subsidiaries	Corporate Shareholders of KYB-UMW Malaysia Sdn. Bhd.	Sale of Goods and Services	2,996
		Toyota Tsusho (Malaysia) Sdn. Bhd.	Corporate Shareholder of KYB-UMW Malaysia Sdn. Bhd.	Purchase of Assets	853
				Purchase of Goods and Services	4,454
10.	Lubetech Sdn. Bhd.	UMW Pennzoil Distributors Sdn. Bhd.	Associated Company	Sale of Goods	1,416
11.	UMW JDC Drilling Sdn. Bhd.	Japan Drilling Co., Ltd. and its subsidiaries	Corporate Shareholders of UMW JDC Drilling Sdn. Bhd.	Purchase of Goods and Services	3,244
				Bare Boat Charter	3,793

Note 13 - Review of Performance

Group revenue of RM2,349.8 million for the first quarter ended 31st March 2009 was RM635.3 million or 21.3% lower than the RM2,985.1 million achieved in the preceding year's corresponding quarter. Lower sales of Toyota vehicles and heavy equipment resulted in the decline in revenue.

In line with the lower turnover, the Group's profit before taxation for the first quarter ended 31st March 2009 of RM123.7 million was RM169.2 million or 57.8% lower than the RM292.9 million registered in the same quarter of 2008. Higher cost of sales resulting from the strengthening of the Japanese Yen and the US Dollar, coupled with lower profit contributions from our associated companies, also contributed to the lower profit before taxation for the current quarter.

As a result of the above, net profit attributable to the equity holders of the Company for the first quarter of 2009 was RM66.0 million compared to the RM141.8 million achieved in the same quarter of 2008, a decrease of RM75.8 million or 53.5%.

Total Toyota and Perodua vehicle sales of 55,895 units represented 47.1% of the total industry volume ("TIV") of 118,681 units for the quarter ended 31st March 2009, as reported by the Malaysian Automotive Association.

Note 14 - Comparison with Preceding Quarter's Results

Group revenue of RM2,349.8 million for the first quarter ended 31st March 2009 was lower than the RM2,918.3 million registered for the fourth quarter of 2008 by RM568.5 million or 19.5%. Similarly, the first quarter Group profit before taxation of RM123.7 million was lower than the RM269.9 million achieved in the fourth quarter of 2008. Generally, lower demand for goods and services and cautious consumer spending due to the global financial crisis, resulted in the lower Group revenue and profit.

Note 15 - Current Prospects

The Malaysian Government has revised downwards its 2009 real economic growth rate from approximately 6% to a range of -1% to 1%. Decline in external trade due to the global economic crisis has affected the electronic and manufacturing companies in Malaysia.

TIV for vehicles in 2009 is forecasted to be in the range of 450,000 units to 470,000 units versus the 548,115 units achieved in 2008, a reduction of 17.9% to 14.3%, respectively. Cautious consumer spending resulted in a decline in vehicle sales for the months of January and February 2009. However, since then, March and April sales have shown improvement and we expect this improved sales trend to continue into the forthcoming months although it may not reach 2008 levels. Margins are likely to be affected by higher promotional expenses and foreign exchange rates.

However, the lower revenue and profitability of our automotive companies is expected to be partially offset by the improved performance of our Oil & Gas Division, as it sees some of its recent investments commencing operations in 2009. Our joint venture with a subsidiary in the China National Petroleum Company Group, Zhongyou BSS (Qinhuangdao) Petropipe Co., Ltd., which was formed to manufacture oil and gas transmission pipes for the Second China West-East Gas Pipeline Project, commenced initial Spiral Submerged Arc Welded pipe production in January 2009. Longitudinal Submerged Arc Welded pipe production from this plant has commenced in May 2009. In addition, contracted drilling programmes for our Naga 1 (a semi-submersible rig), three land rigs in Assam, India and workover services for Workover Rigs Gait I and Gait II, will continue as planned. Our first ultra-premium jack-up rig Naga 2, is expected to commence operations in the third quarter of 2009.

Demand for heavy and industrial equipment is anticipated to be slow in the first half of the year. However, some improvements can be expected when the Government's RM67 billion stimulus package is translated into development projects in the second half of 2009.

The Board is of the view that the Group's overall performance and profitability for the year can be better than initially expected, albeit lower than 2008 levels, due to the following factors-

- (a) Demand for motor vehicles has improved since March 2009;
- (b) Current crude oil price has increased to above USD55/barrel (Average of USD44.88/barrel for the period from January 2009 to April 2009);
- (c) US Dollar and Japanese Yen exchange rates are expected to be less volatile in the second half of 2009; and
- (d) The award of contracts from the Government stimulus package should result in higher sales of heavy and industrial equipment.

Note 16 - Statement on Headline Key Performance Indicators

Based on the latest financial performance of the Group and the current market outlook for the remaining period to 31st December 2009, the Board of Directors is of the view that the Company is expected to achieve its 2009 Headline KPIs as stated below -

- (a) Minimum annual return on shareholders' funds of 10%; and
- (b) Annual dividend payout ratio of at least 50% of net profit attributable to shareholders.

Note 17 - Variance from Profit Forecast and Profit Guarantee

This is not applicable to the Group.

Note 18 - Taxation

	Quarter Ended 31st March 2009 RM'000
Current period's provision	16,423
Add/(Less) : Under/(Over) provision in prior periods	-
	16,423
Deferred taxation	9,132
Total	25,555

The effective tax rate for the quarter ended 31st March 2009 of 28.6% was higher than the statutory tax rate of 25% primarily due to the following:

- (a) certain expenses were not allowable for tax purposes; and
- (b) higher tax rates for certain overseas subsidiaries.

Note 19 - Profit on Sales of Investment and/or Properties

There was no sale of unquoted investment or properties during the quarter ended 31st March 2009.

Note 20 - Purchase or Disposal of Quoted Securities

- a) Total purchase consideration and sale proceeds of quoted investment and profit/loss arising from the sale therefrom were as follows:

	Three Months Ended 31st March 2009 RM'000
Total purchases	177
Total sale proceeds	64,195
Total loss arising from sale	(7)

- b) As at 31st March 2009, investments which were quoted outside Malaysia held as long term investments were as follows:

	Quoted Outside Malaysia RM'000
At cost	50,705
Provision for diminution in value	(33,713)
At net book value	16,992
Market value as at 31 st March 2009	17,532

The provision for diminution in value of investment quoted outside Malaysia of RM33.7 million was made in respect of the Group's investment in a company listed on the Bombay Stock Exchange and the National Stock Exchange in India. This strategic investment is intended to be held on a long term basis. Market value of this investment has shown improvement since end of 2008.

Note 21 - Corporate Proposals

On 3rd April 2009, the Securities Commission had granted the Company a further extension of time of six months up to 30th September 2009 to implement the proposed listing of its wholly-owned subsidiary, UMW Oil & Gas Berhad.

Other than the above, there were no corporate proposals announced but not completed at the date of this announcement.

Note 22 - Group Borrowings and Debt Securities

	RM'000	RM'000	'000
(a) Short term borrowings			
- Unsecured			
Short term loans and trade facilities	514,919		{ USD106,397 SGD4,129 Kina7,677
Finance lease payable	375		
Portion of long term loans payable within 12 months	18,785		USD4,160
	<hr/>	534,079	
- Secured			
Short term loans and trade facilities	1,487		{ SGD331 RMB1,362
Finance lease payable	982		
	<hr/>	2,469	{ AUD87 SGD322
Total		<hr/>	{ USD110,557 AUD87 SGD4,782 RMB1,362 Kina7,677
		536,548	
		<hr/>	

	RM'000	RM'000	'000
(b) Long term borrowings			
- Unsecured			
Long term loans	598,251		USD143,264 SGD3,125 INR38,883 Kina11,436
Finance lease payable	14		
Portion of long term loans payable within 12 months	(18,785)		(USD4,160)
		579,480	
- Secured			
Long term loans	151,936		USD218 AUD8,914 SGD1,166 INR1,781,527
Finance lease payable	2,075		SGD434
		154,011	
Total		733,491	USD139,322 AUD8,914 SGD4,725 INR1,820,410 Kina11,436

Note 23 - Financial Instruments

(a) Foreign Currency Contracts

As at 14th May 2009, the Group had entered into the following outstanding foreign currency contracts to hedge its committed purchases in foreign currencies:

Currency	Contract Amounts '000	Equivalent Amount in RM'000	Expiry Dates
Japanese Yen	1,049,502	38,816	15/05/2009 - 30/11/2009
Euro	2,705	13,683	15/05/2009 - 16/10/2009
Swedish Krone	16,521	7,124	29/05/2009 - 30/09/2009
Sterling Pound	83	415	30/06/2009
THB	8,090	836	18/05/2009 - 29/05/2009
USD	116,301	415,112	18/05/2009 - 29/01/2010
SGD	21	50	29/05/2009

As foreign currency contracts are entered into to hedge the Group's purchases in foreign currencies, the contracted rates are used to convert the foreign currency amounts into Ringgit Malaysia.

These contracts are short-term in nature and as such, we do not calculate the difference between the contracted rates and the spot rates and therefore do not take up the difference in the income statement for the current interim period.

Forward foreign exchange contracts are used to cover confirmed foreign currency payments or receipts of the Group. The maturity period for each contract depends on the terms of payments or receipts agreed with our suppliers or customers. This method of hedging mitigates the Group from currency risks such that the values of the underlying liabilities or assets are preserved. Besides a small fee, there are no other cash requirements for these contracts.

(b) Interest Rate Swap and Cross Currency Swap

As at the date of this report, a jointly controlled entity of the Group in India had entered into the following contracts:

- (i) an interest rate swap with a notional principal of USD48 million that fixed the company's obligation to pay interest at a fixed rate of 7.04% per annum. The interest rate swap will mature on 30th September 2015;
- (ii) a cross currency swap that entitles the company to convert JPY3,425 million to INR1,405.6 million and fixed the company's obligation to pay interest at a fixed rate of 9.35% per annum. The cross currency swap will mature on 31st March 2020.

The above contracts were entered into to minimise the entity's exposure to losses resulting from adverse fluctuations in interest rates and foreign currency exchange rates on the existing bank loans.

Note 24 - Material Litigation

There was no material litigation pending on the date of this announcement.

Note 25 - Dividend

No interim dividend has been recommended for the quarter ended 31st March 2009 (Nil - 2008).

Note 26 - Earnings Per Share

Basic earnings per share for the quarter ended 31st March 2009 is calculated by dividing the net profit attributable to shareholders of RM65,958,000 by the weighted average number of ordinary shares in issue as at 31st March 2009 of 1,094,572,041 shares of RM0.50 each.

Diluted earnings per share for the current quarter ended 31st March 2009 is calculated by dividing the adjusted net profit attributable to shareholders of RM65,958,000 by the adjusted weighted average number of ordinary shares in issue and issuable of 1,102,764,634 shares of RM0.50 each.

	No. of Shares of RM0.50 Each
Weighted average number of shares as at 31/03/2009	1,094,572,041
Add: Dilutive ESOS	8,192,593
Adjusted weighted average number of shares	1,102,764,634

Note 27 - Audit Qualification

The audit report in respect of the annual financial statements for the year ended 31st December 2008 was not qualified.

By Order Of The Board

SUSEELA MENON
Secretary
(MAICSA 7028386)

Shah Alam
20th May 2009