



INTERIM REPORT ON CONSOLIDATED RESULTS FOR THE THIRD FINANCIAL QUARTER ENDED 30 SEPTEMBER 2006

The figures have not been audited.

CONDENSED CONSOLIDATED INCOME STATEMENTS

	2006 Current quarter ended 30 Sept RM'000	2005 Comparative quarter ended 30 Sept (Restated) RM'000	2006 9 months Cumulative to date RM'000	2005 9 months Cumulative to date (Restated) RM'000
Revenue	92,560	90,559	268,432	243,210
Other income	48	1,647	1,625	2,324
Operating expenses	(80,752)	(85,838)	(238,173)	(219,474)
Finance costs	(599)	(578)	(1,255)	(1,080)
Profit before taxation	11,257	5,790	30,629	24,980
Taxation	(2,128)	(1,472)	(6,357)	(6,571)
Profit for the period	9,129	4,318	24,272	18,409
Attributable to:				
Equity holders of the parent	9,129	4,160	24,272	17,749
Minority interest	-	158	-	660
	9,129	4,318	24,272	18,409
Earnings per share (EPS):				
a) Basic (sen)	8.69	3.98	23.22	17.12
b) Diluted (sen)	8.66	3.96	23.13	16.97

(The Condensed Consolidated Income Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2005)



**INTERIM REPORT ON CONSOLIDATED RESULTS FOR THE THIRD FINANCIAL QUARTER
ENDED 30 SEPTEMBER 2006**

CONDENSED CONSOLIDATED BALANCE SHEET

	As at 30 Sept 2006	As at 31 Dec 2005 (Restated)
	RM'000	RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	91,478	86,988
Investment property	260	262
Available for sale investments	5,958	5,797
Deferred tax asset	90	-
Goodwill on consolidation	1,382	1,382
	<u>99,168</u>	<u>94,429</u>
Current Assets		
<i>Inventories</i>	110,552	123,300
<i>Trade and other receivables</i>	161,401	111,878
<i>Tax recoverable</i>	4,905	4,990
<i>Cash and bank balances</i>	5,781	7,341
	<u>282,639</u>	<u>247,509</u>
TOTAL ASSETS	<u>381,807</u>	<u>341,938</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	108,689	107,499
Reserves attributable to capital	19,500	19,306
Retained profit	176,534	156,801
	<u>304,723</u>	<u>283,606</u>
Option reserves attributable to potential shareholders	57	27
Total Equity	<u>304,780</u>	<u>283,633</u>
Non-current liabilities		
<i>Long-term bank borrowings</i>	7,250	14,996
<i>Deferred tax</i>	9,040	7,978
<i>Long-term provisions</i>	355	375
Total non-current liabilities	<u>16,645</u>	<u>23,349</u>



**INTERIM REPORT ON CONSOLIDATED RESULTS FOR THE THIRD FINANCIAL QUARTER
ENDED 30 SEPTEMBER 2006**

CONDENSED CONSOLIDATED BALANCE SHEET

	As at 30 Sept 2006	As at 31 Dec 2005 (Restated)
	RM'000	RM'000
Current liabilities		
<i>Trade and other payables</i>	14,427	17,628
<i>Short-term borrowings</i>	31,655	8,757
<i>Current portion of long-term loans</i>	12,549	8,571
<i>Current tax payable</i>	1,751	-
Total current liabilities	60,382	34,956
TOTAL LIABILITIES	77,027	58,305
TOTAL EQUITY AND LIABILITIES	381,807	341,938
Net Tangible Assets Per Share (RM)	2.89	2.72
Net Assets Per Share (RM)	2.90	2.73

(The Condensed Consolidated Balance Sheets should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2005)



**INTERIM REPORT ON CONSOLIDATED RESULTS FOR THE THIRD FINANCIAL QUARTER
ENDED 30 SEPTEMBER 2006**

**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS FOR
THE PERIOD ENDED 30 SEPTEMBER 2006**

	Period ended 30 Sept 2006 RM ' 000	Period ended 30 Sept 2005 RM ' 000
Net Profit before tax	30,629	24,980
Adjustments for non-cash flow:-		
Non-cash items	1,802	2,907
Non-operating items	808	(144)
Operating Profit Before Changes In Working Capital	<u>33,239</u>	<u>27,743</u>
Changes In Working Capital :		
Net Change in Current Assets	(36,063)	27,947
Net Change in Current Liabilities	(3,202)	(8,748)
Income Tax Paid & Others	(3,563)	(11,883)
Net Cash From / (Used In) Operating Activities	<u>(9,589)</u>	<u>35,059</u>
Investing Activities :		
Equity Investments	21	1,034
Other Investments	(7,079)	(39,922)
Net Cash From / (Used In) Investing Activities	<u>(7,058)</u>	<u>(38,888)</u>
Financing Activities :		
Bank Borrowings	17,999	19,706
Issue of shares	1,422	2,300
Others	(5,833)	(7,709)
Net Cash From / (Used In) Financing Activities	<u>13,588</u>	<u>14,297</u>
Net Change in Cash & Cash Equivalents	(3,059)	10,468
Cash & Cash Equivalents at beginning of year	7,315	2,345
Cash & Cash Equivalents at end of period	<u>4,256</u>	<u>12,813</u>

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2005)



INTERIM REPORT ON CONSOLIDATED RESULTS FOR THE THIRD FINANCIAL QUARTER ENDED 30 SEPTEMBER 2006

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 30 SEPTEMBER 2006

	Attributable to equity holders of the parent							Minority interest	Option reserve	Total equity
	Share Capital	Share Premium	Reserve on Consolidation	General Reserve	Treasury Shares	Retained profit	Sub-total			
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000
Balance as at 31 December 2005	107,499	23,585	1,366	1,186	(5,465)	155,462	283,633	-	-	283,633
Changes in accounting policies:										
- Share based payment	-	-	-	-	-	(27)	(27)	-	27	-
- Reserves arising from consolidation	-	-	(1,366)	-	-	1,366	-	-	-	-
Restated balance as at 1 January 2006	107,499	23,585	-	1,186	(5,465)	156,801	283,606	-	27	283,633
Changes in equity for the quarter ended 30 September 2006										
Profit for the period	-	-	-	-	-	24,272	24,272	-	-	24,272
Total recognised income and expense for the period	-	-	-	-	-	24,272	24,272	-	-	24,272
Dividend distributed to equity holders	-	-	-	-	-	(4,539)	(4,539)	-	-	(4,539)
Issue of shares	1,190	232	-	-	-	-	1,422	-	-	1,422
Issue of equity share options	-	-	-	-	-	-	-	-	30	30
Shares repurchased	-	-	-	-	(38)	-	(38)	-	-	(38)
Balance as at 30 September 2006	108,689	23,817	-	1,186	(5,503)	176,534	304,723	-	57	304,780

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 30 SEPTEMBER 2005

	Attributable to equity holders of the parent							Minority interest	Option reserve	Total equity
	Share Capital	Share Premium	Reserve on Consolidation	General Reserve	Treasury Shares	Retained profit	Sub-total			
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000
Balance as at 1 January 2005	105,593	23,166	1,366	1,186	(4,021)	145,645	272,935	8,544	-	281,479
Profit for the period	-	-	-	-	-	17,749	17,749	660	-	18,409
Total recognised income and expense for the period	-	-	-	-	-	17,749	17,749	660	-	18,409
Dividend distributed to equity holders	-	-	-	-	-	(6,777)	(6,777)	-	-	(6,777)
Issue of shares	1,885	415	-	-	-	-	2,300	-	-	2,300
Issue of equity share options	-	-	-	-	-	-	-	-	-	-
Shares repurchased	-	-	-	-	(932)	-	(932)	-	-	(932)
Balance as at 30 September 2005	107,478	23,581	1,366	1,186	(4,953)	156,617	285,275	9,204	-	294,479

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2005)



INTERIM REPORT ON CONSOLIDATED RESULTS FOR THE THIRD FINANCIAL QUARTER ENDED 30 SEPTEMBER 2006

EXPLANATORY NOTES : (AS PER FRS 134 - PARAGRAPH 16)

A1 Accounting Policies and methods of computation

The interim financial report has been prepared in accordance with FRS 134, "Interim Financial Reporting" and Chapter 9 part K of the Listing Requirements of Bursa Malaysia Securities Berhad (Bursa Malaysia). The interim financial report should be read in conjunction with the audited financial statements for the year ended 31 December 2005. The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2005, except for the adoption of the 18 new and revised Financial Reporting Standards (FRS) applicable for annual financial periods beginning on or after 1 January 2006.

The adoption of new and revised FRSs which resulted in changes in accounting policies and methods of computation are as follows :

a) *Share-based payment (FRS 2)*

FRS 2 requires the recognition of share-based payments transactions in the financial statements. With the adoption of FRS 2 the compensation expense relating to share options is recognised in the Income Statement over the vesting periods of the grants with a corresponding increase in equity. The transitional provisions of the Standard require FRS 2 to apply to all options granted from 1 January 2005 and which had not been vested at 1 January 2006. The change in accounting policy resulted in a charge of RM14,192 to the Income Statement in the current quarter and RM29,999 for the financial year to date. The restatement of the comparative amount as at 31 December 2005 are summarised in d(iv) and d(v).

b) *Reserve on consolidation (FRS 3)*

FRS 3 requires negative goodwill to be immediately recognised in the Income Statement and prohibits any recognition of negative goodwill in the Balance Sheet. FRS 3 also requires negative goodwill which had arisen in prior years to be adjusted to the opening retained profits. In prior years, the Group has reflected negative goodwill as reserves on consolidation under Equity. In accordance with the transitional provisions, the carrying amount of the reserves on consolidation amounting to RM1.366 million at 1 January 2006 has been adjusted to the opening retained profits. The restatement of the comparative amount as at 31 December 2005 are summarised in d(iii) and

c) *Investment property (FRS 140)*

FRS 140 requires land and / or buildings (completed properties) held to earn rental and / or for capital appreciation to be accounted for as Investment Property. The Group has reclassified such properties which were previously presented as part of Property, Plant and Equipment to Investment Property. The investment properties are measured using the cost model and their values will be carried at cost less accumulated depreciation. Other than the reclassification from Property, Plant and Equipment to Investment Property of RM261,881, the change in accounting policy does not affect the results of the Company and of the Group for the financial period. The restatement of the comparative amount as at 31 December 2005 are summarised in d(i) and d(ii).

d) *Restatement of comparative amounts*

The adoption of new and revised FRSs has resulted in the restatement of the comparative amounts as at 31 December 2005 of the following :

	As previously reported RM'000	Effects of restatement RM'000	As restated RM'000
i) Investment Property	-	262	262
ii) Property, Plant and Equipment	87,250	(262)	86,988
iii) Reserve on consolidation	1,366	(1,366)	-
iv) Option reserves	-	27	27
v) Retained profits	155,462	1,339	156,801

A2 Declaration of Audit Qualification

The preceding annual financial statements of the Group were reported on without any qualification.



INTERIM REPORT ON CONSOLIDATED RESULTS FOR THE THIRD FINANCIAL QUARTER ENDED 30 SEPTEMBER 2006

EXPLANATORY NOTES : (AS PER FRS 134 - PARAGRAPH 16)

A3 Seasonality or Cyclicity of Operations

The level of business activities usually varies with the festivals at the end and beginning of each year subject to the level of underlying demand and prices prevailing.

A4 Unusual items

There were no material items of an unusual nature and amount for the current quarter and year to date.

A5 Material Changes in estimates of amounts reported

There were no material changes in the estimates used in the current quarter compared to the estimates used in the previous financial year, which have a material effect in the current quarter or the financial year to date.

A6 Changes in Debt and Equity Securities

Details of share buy-back for the current financial year to date.

	<i>No. of shares purchased</i>	<i>Average Purchase price (RM)</i>	<i>Total consideration paid (RM)</i>	<i>Treasury shares No. of shares retained</i>
<i>Opening balance at 01-01-2006</i>	3,565,500	1.53	5,464,525	3,565,500
February	1,000	1.46	1,464	1,000
April	1,000	1.64	1,635	1,000
May	16,100	1.59	25,632	16,100
August	6,000	1.56	9,332	6,000
<i>Total as at 30-09-2006</i>	3,589,600	1.53	5,502,588	3,589,600

None of the Treasury Shares has been resold or redistributed as share dividends during the current financial year. There were no issues of debt or equity securities except for 1,073,000 shares, 69,000 shares and 48,000 shares of RM1 each issued at RM1.20, RM1.05 and RM1.29 per share respectively under the Employees Share Option Scheme (ESOS) for the current financial year to date.

A7 Dividend

The final ordinary dividend of 6 sen per share less 28% tax amounting to RM4,539,087 in respect of year ended 31 December 2005 was paid on 18 August 2006.

A8 Segmental Reporting

Segmental analysis for the current financial year to date ended 30 September 2006 are as follows:-

By Business Segments :	Trading	Manufacturing	Total
	RM' 000	RM' 000	RM' 000
Revenue	177,603	90,829	268,432
Results			
Segment results	15,123	16,492	31,615
Unallocated corporate income			269
Finance cost			(1,255)
Profit before tax			30,629

Segmental analysis for the previous financial year to date ended 30 September 2005 are as follows:-

By Business Segments :	Trading	Manufacturing	Total
	RM' 000	RM' 000	RM' 000
Revenue	158,736	84,474	243,210
Results			
Segment results	9,337	16,134	25,471
Unallocated corporate income			589
Finance cost			(1,080)
Profit before tax			24,980



INTERIM REPORT ON CONSOLIDATED RESULTS FOR THE THIRD FINANCIAL QUARTER ENDED 30 SEPTEMBER 2006

EXPLANATORY NOTES : (AS PER FRS 134 - PARAGRAPH 16)

A9 Valuation of Property, Plant and Equipment

The Group did not carry out any revaluations on its property, plant and equipment in the financial year to date. The value of property, plant and equipment have been brought forward, without amendment from the previous annual financial statements.

A10 Material Events

There were no material subsequent events that have not been reflected in the financial statements for the period at the date of issue of the quarterly report.

A11 Changes in Composition of the Group

There were no changes in composition of the Group for the current financial year to date.

A12 Changes in Contingent Liabilities or Contingent Assets

There were no contingent liabilities or contingent assets at the date of issue of the quarterly report.

A13 Capital Commitment

Capital Commitment as at 20 November 2006, being a date not earlier than 7 days from the issue of this quarterly reports are as follows:

	RM '000
Capital expenditure :	
Contracted but not provided for	14,898
Approved but not contracted for	6,186
	<u>21,084</u>

A14 Reversal of write down of inventories

There were increases in net realisable values of some previously written down inventories of the Group which resulted in a net reversal of RM58,708 and RM1,071,749 of the write down amounts for the current quarter and financial year to date respectively.



INTERIM REPORT ON CONSOLIDATED RESULTS FOR THE THIRD FINANCIAL QUARTER ENDED 30 SEPTEMBER 2006

EXPLANATORY NOTES : (AS PER LISTING REQUIREMENTS OF BURSA MALAYSIA - PART A OF APPENDIX 9B)

B1 Review of the Performance of the Company and its Principal Subsidiaries

The Group achieved a turnover of RM268.43 million for the nine months ended 30 September 2006, an increase of 10.37% when compared to RM243.21 million for the previous year corresponding period. The higher turnover was attributable to higher sales volume which were driven by improved demand. Profit before tax for the financial year to date increased by 22.61% to RM30.63 million from RM24.98 million in the previous year corresponding period. The increase was due to improved margins of the Group's products arising from lower costs.

B2 Material changes in the profit before taxation for the quarter reported on as compared with the immediate preceding quarter

Turnover increased by 4.77% in the third quarter to RM92.56 million from RM88.35 million in the preceding quarter. However, profit before tax remained flat at RM11.26 million as in the immediate preceding quarter due to a marginal drop in margins of the Group's products caused by higher raw material costs in the third quarter when compared to the immediate preceding quarter.

B3 Prospects for the current financial year

The Board is confident that the Group's performance for the current financial year will be better than the previous year as to date it has already surpassed the results of year 2005.

B4 (a) Variance of Actual Profit After Tax and Minority Interest

Not applicable

(b) Shortfall in Profit Guarantee

Not applicable

B5 Taxation

	Current Quarter 30-09-2006 RM' 000	Financial Year to date 30-09-2006 RM' 000
Estimated tax payable	2,325	5,469
Deferred taxation	(116)	969
	<u>2,209</u>	<u>6,438</u>
Over provision in prior year	(81)	(81)
Net provision for taxation	<u>2,128</u>	<u>6,357</u>

The effective tax rate for the current quarter and financial year to date is lower than the statutory tax rate mainly due to utilisation of reinvestment allowances by the Group.

B6 Profit/(Losses) On Sale of Unquoted Investments and/or Properties

During the quarter to 30 September 2006, the sale of unit trusts resulted in a loss of RM20,044. The loss arose as a result of unit splits which were recognised as income in the prior quarters in which the new units were received. The value of additional units recognised as income in prior quarters amounted to RM266,692. The net profit after deducting the above loss of RM20,044 is actually RM246,648 for the current quarter and RM383,969 for the financial year to date. Apart from the above, there are no other disposals of unquoted investments and / or properties during the quarter and financial year to date.



INTERIM REPORT ON CONSOLIDATED RESULTS FOR THE THIRD FINANCIAL QUARTER ENDED 30 SEPTEMBER 2006

EXPLANATORY NOTES : (AS PER LISTING REQUIREMENTS OF BURSA MALAYSIA - PART A OF APPENDIX 9B)

B7 Purchases or Disposal of Quoted Securities

(a)	Current Quarter 30-09-2006 RM' 000	Financial Year to date 30-09-2006 RM' 000
Total purchase consideration	-	-
Total sale proceeds	-	-
Total gain on disposals	-	-
(b) Investments as at 30 September 2006		RM'000
At Cost		793
At Book Value		610
At Market Price		610

B8 (a) Status of Corporate Proposals announced but not completed

There were no corporate proposals at the date of issue of the quarterly report.

(b) Status of utilisation of proceeds raised from any corporate proposal

Not applicable.

B9 Group Borrowings and Debt Securities

Details of Group's borrowings as at 30 September 2006 are as follows:-

(a) <i>Short term borrowings</i>		RM' 000	
USD Trade loan	(USD 8,168,208)	30,130	Unsecured
Bankers acceptance		-	Unsecured
Bank overdraft		1,525	Unsecured
Fixed Term Loan			
- Amount due within 12 months	(USD 3,402,000)	<u>12,549</u>	Unsecured
		<u>44,204</u>	
(b) <i>Long term borrowings</i>			
Fixed Term Loan			
- Non current portion	(USD 1,965,500)	<u>7,250</u>	Unsecured
Total Borrowings		<u><u>51,454</u></u>	

The Group has no debt securities as at 30 Sept 2006.

B10 Summary of Off Balance Sheet Financial Instruments by type and maturity profile

As at 20 November 2006, being a date not earlier than 7 days from the issue of this quarterly report, the foreign exchange currency contracts which have been entered into by the Group to hedge its foreign currency purchases are as follows :

Currency	Contract Amount in foreign currency	Date of Contracts	Maturity period of Contracts	Equivalent Amount in RM	Equivalent Amount in USD
Japanese Yen (Yen)	85,680,000 Yen	29.03.2006	02.04.2007 - 13.04.2007	2,780,659	0
Taiwan Dollar (TWD)	30,300,000 TWD	18.07.2006	16.01.2007 - 12.03.2007	0	941,786

The above contracts were executed with creditworthy financial institutions and hence the likelihood of non performance is remote.



**INTERIM REPORT ON CONSOLIDATED RESULTS FOR THE THIRD FINANCIAL QUARTER
ENDED 30 SEPTEMBER 2006**

**EXPLANATORY NOTES : (AS PER LISTING REQUIREMENTS OF BURSA MALAYSIA - PART A OF APPENDIX
9B)**

B11 Changes in Material Litigation (including status of any pending material litigation)

Kent Engineering Works Sdn Bhd (KEW), a debtor of Taik Bee Hardware Sdn Bhd ("TBH") which is a subsidiary company of Choo Bee Metal Industries Berhad, filed a suit for defamation on 7 March 2000 against TBH for an amount of RM10 million claiming that the drawdown of a bank guarantee provided by KEW in favour of TBH was defamatory to KEW. In response, TBH has filed a writ of summons on defence with the High Court of Malaya on 24 April 2000 against the defamation suit and for the recovery of a debt amounting to RM118,092.

The lawyers advising TBH on the above matter, opined that it is highly unlikely that the litigant will be able to prove libel as TBH has a complete defence in justification.

The trial dates has been fixed by the Court to be on 13 and 14 March 2007.

B12 Dividend

The Directors have not recommended any dividend for the current financial period ended 30 September 2006.

B13 Earnings Per Share (EPS)

		3 months ended		9 months ended	
		30-09-2006	30-09-2005	30-09-2006	30-09-2005
Basic earnings per share					
(a) Net profit for the period	(RM '000)	9,129	4,160	24,272	17,749
Weighted average number of ordinary shares in issue	(' 000)	105,082	104,450	104,520	103,677
Basic earnings per share	(sen)	8.69	3.98	23.22	17.12
Diluted earnings per share					
(b) Net profit for the period	(RM '000)	9,129	4,160	24,272	17,749
Weighted average number of ordinary shares in issue	(' 000)	105,082	104,450	104,520	103,677
Adjustment for share options	(' 000)	285	666	397	918
Weighted average number of ordinary shares for diluted earnings per share	(' 000)	105,367	105,116	104,917	104,595
Diluted earnings per share	(sen)	8.66	3.96	23.13	16.97