EP Manufacturing Bhd.

(Company No. 390116-T)
(Incorporated in Malaysia)

and its subsidiaries

Financial statements for the year ended 31 December 2008

EP Manufacturing Bhd.
(Company No. 390116-T)
(Incorporated in Malaysia)
and its subsidiaries

Directors' report for the year ended 31 December 2008

The Directors have pleasure in submitting their report and the audited financial statements of the Group and of the Company for the year ended 31 December 2008.

Principal activities

The principal activity of the Company is that of investment holding whilst the principal activities of the subsidiaries are as stated in Note 4 to the financial statements. There has been no significant change in the nature of these activities during the financial year.

Results

	Group RM'000	Company RM'000
Profit attributable to:		
Shareholders of the Company	7,559	(484)
Minority interest	766	-
	8,325	(484)

Reserves and provisions

There were no material transfers to or from reserves and provisions during the financial year except as disclosed in the financial statements.

Dividends

The Company paid a single tier preference dividend of 17.5% per EPMB ICUPS and RCSPS totalling RM1,452,682 in respect of the financial year ended 31 December 2008.

Company No. 390116-T

Directors of the Company

Directors who served since the date of the last report are:

Hamidon bin Abdullah
Shaari bin Haron
Dr. Linden Hamidon
Hew Voon Foo
Y.B. Dato' Seri Ismail bin Shahudin (appointed on 28.11.2008)
Y.B. Dato' Ibrahim Hussein @ Ibrahim bin Nyar Hussin (demised on 19.2.2009)

The interests and deemed interests in the ordinary shares of the Company and of its related corporations (other than wholly-owned subsidiaries) of those who were Directors at year end (including the interests of the spouses or children of the Directors who themselves are not Directors of the Company) as recorded in the Register of Directors' Shareholdings are as follows:

	Number of ordinary shares of RM1 each			
	At 1.1.2008	**Bought/ Converted**	**(Sold)**	**At 31.12.2008**
Shareholdings in which Directors have direct interest				
Interest in EP Manufacturing Bhd. ("EPMB"): Ordinary shares				
Hamidon bin Abdullah	8,447,133	-	-	8,447,133
Dr. Linden Hamidon	1,236,967	92,417	-	1,329,384
Y.B. Dato' Ibrahim Hussein @ Ibrahim bin Nyar Hussin	50,000	-	-	50,000
Y.B. Dato' Seri Ismail bin Shahudin	372,000	-	-	372,000
Shaari bin Haron	20,000	-	-	20,000
Shareholdings in which Directors have deemed interest				
Hamidon bin Abdullah				
- deemed interest*	29,801,967	35,416,866	-	65,218,833
- deemed interest**	1,236,967	92,417	-	1,329,384
Dr. Linden Hamidon				
- deemed interest**	38,249,100	35,416,866	-	73,665,966

Company No. 390116-T

	Number of ordinary shares of RM1 each issued arising from the exercise of EPMB ICUPS and EPMB RCSPS			
	At 1.1.2008	**Bought/ Converted**	**(Converted)**	**At 31.12.2008**
Irredeemable Convertible Unsecured Preference Shares ("EPMB ICUPS")				
Hamidon bin Abdullah				
- deemed interest**	73,934	-	(73,934)	-
- deemed interest***	35,416,866	-	(35,416,866)	-
Dr. Linden Hamidon				
- direct interest	73,934	-	(73,934)	-
- deemed interest**	35,416,866	-	(35,416,866)	-
Redeemable Convertible Secured Preference Shares ("EPMB RCSPS")				
Hamidon bin Abdullah				
- deemed interest**	18,484	-	(18,484)	-
Dr. Linden Hamidon				
- direct interest	18,484	-	(18,484)	-

* Deemed interested by virtue of his substantial shareholdings in EP Properties (M) Sdn. Bhd. and Mutual Concept Sdn. Bhd., the registered owner of the shares in the Company.

** Deemed interest in each others' shareholdings by virtue of their spousal relationship.

*** Deemed interested by virtue of his substantial shareholdings in Mutual Concept Sdn. Bhd.

By virtue of their interests in the shares of the Company, Hamidon bin Abdullah and Dr. Linden Hamidon are also deemed interested in the shares of the subsidiaries during the financial year to the extent that EPMB has an interest.

None of the other Directors holding office at 31 December 2008 had any interest in the ordinary shares of the Company and its related corporations during the financial year.

Directors' benefits

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors as shown in the financial statements or the fixed salary of a full time employee of the related companies) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest, other than certain Directors who have significant financial interests in companies which traded with certain companies in the Group in the ordinary course of business as disclosed in Note 27 to the financial statements.

There were no arrangements during and at the end of the financial year which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Issue of shares and debentures

During the financial year, all the outstanding 80,789,000 EPMB's Irredeemable Convertible Unsecured Preference Shares 2003/2008 ("EPMB ICUPS") of RM0.10 each and 2,287,407 EPMB's Redeemable Convertible Secured Preference Shares 2003/2008 ("EPMB RCSPS") of RM0.10 each were converted into 40,393,000 and 1,145,000 ordinary shares respectively by tendering Two (2) EPMB ICUPS/RCSPS for One (1) EPMB Share valued at RM1.00. The Company's issued and fully paid-up capital increased to 165,960,000 ordinary shares of RM1.00 each.

There were no other changes in the authorised, issued and paid up capital of the Company during the financial year.

There were no debentures issued during the financial year.

Options granted over unissued shares

No options were granted to any person to take up unissued shares of the Company during the financial year except for the 20,730,000 warrants, EPMB ICUPS and EPMB RCSPS.

The 20,730,000 warrants have expired without being exercised on 3 September 2008. The 20,730,000 warrants were in registered form and constituted by a Deed Poll and entitle the registered holders to subscribe for One (1) new ordinary share of RM1.00 in the Company at a price of RM1.00 per ordinary share for every warrant held at any time during the five (5) year subscription period.

During the financial year, all the outstanding 80,789,000 EPMB ICUPS and 2,287,407 EPMB RCSPS were converted into ordinary shares as mentioned above.

Other statutory information

Before the balance sheets and income statements of the Group and of the Company were made out, the Directors took reasonable steps to ascertain that:

i) all known bad debts have been written off and adequate provision made for doubtful debts, and

ii) all current assets have been stated at the lower of cost and net realisable value.

At the date of this report, the Directors are not aware of any circumstances:

i) that would render the amount written off for bad debts, or the amount of the provision for doubtful debts, in the Group and in the Company inadequate to any substantial extent, or

ii) that would render the value attributed to the current assets in the financial statements of the Group and of the Company misleading, or

iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate, or

iv) not otherwise dealt with in this report or the financial statements, that would render any amount stated in the financial statements of the Group and of the Company misleading.

At the date of this report, there does not exist:

i) any charge on the assets of the Group or of the Company that has arisen since the end of the financial year and which secures the liabilities of any other person, or

ii) any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial year.

No contingent liability or other liability of any company in the Group has become enforceable, or is likely to become enforceable within the period of twelve (12) months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group and of the Company to meet their obligations as and when they fall due.

In the opinion of the Directors, the financial performance of the Group and of the Company for the financial year ended 31 December 2008 have not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

Company No. 390116-T

Auditors

The auditors, Messrs KPMG, have indicated their willingness to accept re-appointment.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors:

…………………………………………………………
Hamidon bin Abdullah

…………………………………………………………
Hew Voon Foo

Kuala Lumpur,

Date: 24 April 2009

EP Manufacturing Bhd.
(Company No. 390116-T)
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Balance sheets as at 31 December 2008

	Note	Group 2008 RM'000	Group 2007 RM'000 restated	Company 2008 RM'000	Company 2007 RM'000
Assets					
Property, plant and equipment	3	333,909	323,830	35,674	36,204
Investments in subsidiaries	4	-	-	224,781	224,665
Other investments	6	38	38	-	-
Intangible assets	7	146,775	142,807	-	-
Deferred tax assets	8	3,043	1,187	-	-
Loans to subsidiaries	9	-	-	72,865	91,825
Total non-current assets		483,765	467,862	333,320	352,694
Receivables, deposits and prepayments	9	89,766	111,341	24,371	47,557
Inventories	10	45,608	32,662	-	-
Current tax assets		1,081	456	770	118
Cash and cash equivalents	11	13,531	13,383	1,630	1,265
Total current assets		149,986	157,842	26,771	48,940
Total assets		633,751	625,704	360,091	401,634
Equity					
Share capital	12	165,960	131,598	165,960	131,598
Reserves	12	48,588	69,060	14,376	44,333
Total equity attributable to equity holders of the Company		214,548	200,658	180,336	175,931
Minority interest	13	5,427	11,288	-	-
Total equity		219,975	211,946	180,336	175,931

Company No. 390116-T

Balance sheets as at 31 December 2008 (continued)

		Group		Company	
	Note	**2008**	**2007**	**2008**	**2007**
		RM'000	**RM'000**	**RM'000**	**RM'000**
Liabilities			**restated**		
Borrowings	14	149,213	160,961	103,000	137,000
Deferred tax liabilities	8	11,084	12,694	1,332	1,332
Total non-current liabilities		160,297	173,655	104,332	138,332
Payables and accruals	15	129,001	137,122	41,108	56,134
Borrowings	14	122,380	101,676	34,000	30,656
Current tax liabilities		17	17	-	-
Provision for warranties	16	1,766	707	-	-
Dividend payable		315	581	315	581
Total current liabilities		253,479	240,103	75,423	87,371
Total liabilities		413,776	413,758	179,755	225,703
Total equity and liabilities		633,751	625,704	360,091	401,634

The notes on pages 17 to 68 are an integral part of these financial statements.

EP Manufacturing Bhd.
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Income statements for the year ended 31 December 2008

	Note	Group 2008 RM'000	Group 2007 RM'000	Company 2008 RM'000	Company 2007 RM'000
Revenue - manufacturing		483,589	302,454	-	-
- dividend income		-	-	3,100	4,850
- rental income		144	580	1,709	1,562
		483,733	303,034	4,809	6,412
Other operating income		5,022	7,118	-	-
Changes in inventories		(3,043)	(5,900)	-	-
Raw materials and consumables used		(338,773)	(202,949)	-	-
Staff costs		(29,194)	(24,515)	(445)	(420)
Depreciation and amortisation		(43,310)	(22,069)	(530)	(526)
Operating expenses		(56,062)	(41,266)	(810)	(965)
Operating profit	17	18,373	13,453	3,024	4,501
Finance costs	19	(14,179)	(14,886)	(4,173)	(3,023)
Interest income		62	162	40	42
Profit/(Loss) before tax		4,256	(1,271)	(1,109)	1,520
Tax expense	20	4,069	2,033	625	(787)
Profit/(Loss) for the year		8,325	762	(484)	733
Attributable to:					
Equity holders of the Company		7,559	(511)	(484)	733
Minority interests		766	1,273	-	-
Profit/(Loss) for the year		8,325	762	(484)	733
Basic earnings/(loss) per ordinary share (sen)	21	4.09	(0.77)		

The notes on pages 17 to 68 are an integral part of these financial statements.

EP Manufacturing Bhd.
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Consolidated statement of changes in equity for the year ended 31 December 2008

		------------------------Attributable to equity holders of the Company ------------------------									
		------*Share capital*------		--------------- *Non distributable*---------------				*Distributable*			
Group	**Note**	**Ordinary shares RM'000**	**Financial instruments* RM'000**	**Share premium RM'000**	**Capital reserve RM'000**	**Exchange translation reserve RM'000**	**Treasury shares RM'000**	**Retained profits RM'000**	**Total RM'000**	**Minority interest RM'000**	**Total equity RM'000**
At 1 January 2007		124,337	7,191	42,833	4,146	(1,161)	(1,783)	26,628	202,191	10,015	212,206
Effect of adopting revised FRS 112	28	-	-	-	-	-	-	1,060	1,060	-	1,060
At 1 January 2007, restated		124,337	7,191	42,833	4,146	(1,161)	(1,783)	27,688	203,251	10,015	213,266
Conversion to ordinary shares											
- EPMB ICUPS	12	63	(11)	(43)	-	-	-	-	9	-	9
- EPMB RCSPS	12	22	(4)	(15)	-	-	-	-	3	-	3
Net loss recognised directly in equity		-	-	-	-	(313)	-	-	(313)	-	(313)
(Loss)/Profit for the year		-	-	-	-	-	-	(511)	(511)	1,273	762
Total recognised income and expense for the year		-	-	-	-	(313)	-	(511)	(824)	1,273	449
Treasury shares acquired		-	-	-	-	-	(864)	-	(864)	-	(864)
Preference dividends											
- EPMB ICUPS		-	-	-	-	-	-	(893)	(893)	-	(893)
- EPMB RCSPS		-	-	-	-	-	-	(24)	(24)	-	(24)
At 31 December 2007, restated		124,422	7,176	42,775	4,146	(1,474)	(2,647)	26,260	200,658	11,288	211,946

---Note 12---

Company No. 390116-T

Consolidated statement of changes in equity for the year ended 31 December 2008 (continued)

		------------------------Attributable to shareholders of the Company ------------------------									
		------*Share capital*------		-------------- *Non distributable*--------------				*Distributable*			
						Exchange					
		Ordinary	Financial	Share	Capital	translation	Treasury	Retained		Minority	Total
	Note	shares	instruments*	premium	reserve	reserve	share	profits	Total	interest	equity
Group		**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
At 1 January 2008, restated		124,422	7,176	42,775	4,146	(1,474)	(2,647)	26,260	200,658	11,288	211,946
Conversion to ordinary shares											
- EPMB ICUPS	12	40,393	(6,979)	(27,914)	-	-	-	-	5,500	-	5,500
- EPMB RCSPS	12	1,145	(197)	(792)	-	-	-	-	156	-	156
Net gain recognised directly in equity		-	-	-	-	1,442	-	-	1,442	-	1,442
Profit for the year		-	-	-	-	-	-	7,559	7,559	766	8,325
Total recognised income and expense for the year		-	-	-	-	1,442	-	7,559	9,001	766	9,767
Warrants expired	12	-	-	-	(4,146)	-	-	4,146	-	-	-
Preference dividends											
- EPMB ICUPS		-	-	-	-	-	-	(746)	(746)	-	(746)
- EPMB RCSPS		-	-	-	-	-	-	(21)	(21)	-	(21)
Dilution following the conversion of EPMB ICUPS and RCSPS	4	-	-	-	-	-	-	-	-	(6,627)	(6,627)
At 31 December 2008		165,960	-	14,069	-	(32)	(2,647)	37,198	214,548	5,427	219,975
		------------------------Note 12------------------------									

EP Manufacturing Bhd.

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Statement of changes in equity for the year ended 31 December 2008

Company	Note	*-----Share capital-----* Ordinary shares RM'000	Financial instruments* RM'000	*------------Non distributable----------* Share premium RM'000	Capital reserve RM'000	Treasury shares RM'000	*Distributable* Retained profits RM'000	Total RM'000
At 1 January 2007		124,337	7,191	42,833	4,146	(1,783)	243	176,967
Conversion to ordinary shares								
- EPMB ICUPS	12	63	(11)	(43)	-	-	-	9
- EPMB RCSPS	12	22	(4)	(15)	-	-	-	3
Net profit for the year		-	-	-	-	-	733	733
Treasury shares acquired		-	-	-	-	(864)	-	(864)
Preference dividends								
- EPMB ICUPS		-	-	-	-	-	(893)	(893)
- EPMB RCSPS		-	-	-	-	-	(24)	(24)
At 31 December 2007		124,422	7,176	42,775	4,146	(2,647)	59	175,931
		---------------Note 12---------------						

Company No. 390116-T

Statement of changes in equity for the year ended 31 December 2008 (continued)

		-----Share capital-----		*-----------Non distributable------------*			*Distributable*	
Company	**Note**	**Ordinary shares RM'000**	**Financial instruments* RM'000**	**Share premium RM'000**	**Capital reserve RM'000**	**Treasury shares RM'000**	**Retained profits RM'000**	**Total RM'000**
At 1 January 2008		124,422	7,176	42,775	4,146	(2,647)	59	175,931
Conversion to ordinary shares								
- EPMB ICUPS	12	40,393	(6,979)	(27,914)	-	-	-	5,500
- EPMB RCSPS	12	1,145	(197)	(792)	-	-	-	156
Net loss for the year		-	-	-	-	-	(484)	(484)
Warrants expired	12	-	-	-	(4,146)	-	4,146	-
Preference dividends								
- EPMB ICUPS		-	-	-	-	-	(746)	(746)
- EPMB RCSPS		-	-	-	-	-	(21)	(21)
At 31 December 2008		165,960	-	14,069	-	(2,647)	2,954	180,336
		----------Note 12----------						

* Par value of the equity components of EPMB ICUPS and EPMB RCSPS.

The notes on pages 17 to 68 are an integral part of these financial statements.

EP Manufacturing Bhd.
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Cash flow statements for the year ended 31 December 2008

		Group		Company	
		2008	2007	2008	2007
	Note	RM'000	RM'000	RM'000	RM'000
Cash flows from operating activities					
Profit/(Loss) before taxation		4,256	(1,271)	(1,109)	1,520
Adjustments for:					
Amortisation of intangible assets		10,296	2,518	-	-
Depreciation		33,014	19,551	530	526
Dividend income		(2)	(2)	(3,100)	(4,850)
Finance costs		14,179	14,886	4,173	3,023
Gain on disposal of property, plant and equipment		(179)	(9)	-	-
Interest income		(62)	(162)	(40)	(42)
Negative goodwill on acquisition of a subsidiary		-	(4,143)	-	-
Net unrealised foreign exchange (gain)/loss		(50)	20	-	-
Property, plant and equipment written off		783	-	-	-
Reversal of diminution in value of investment		-	(25)	-	-
Operating profit before working capital changes		62,235	31,363	454	177
Changes in working capital:					
Inventories		(12,946)	(2,048)	-	-
Receivables, deposits and prepayments		23,030	(31,037)	42,146	(19,522)
Payables and accruals		(8,121)	85,263	(15,026)	11,296
Provision for warranties		1,059	388	-	-
Cash generated from/(used in) operations		65,257	83,929	27,574	(8,049)
Income taxes (paid)/refunded		(22)	237	(27)	(120)
Net cash from/(used in) operating activities		65,235	84,166	27,547	(8,169)

Company No. 390116-T

Cash flow statements for the year ended 31 December 2008 (continued)

	Note	Group 2008 RM'000	Group 2007 RM'000	Company 2008 RM'000	Company 2007 RM'000
Cash flows from investing activities					
Dividends received		2	2	3,100	4,107
Increase in investments in subsidiaries		-	-	(116)	-
Intangible cost capitalised		(20,891)	(293)	-	-
Interest received		62	162	40	42
Conversion of shares		-	-	5,656	12
Pledge of deposits with licensed banks		(1,518)	(138)	(36)	(34)
Proceeds from disposal of property, plant and equipment		367	1,176	-	-
Purchase of property, plant and equipment	(ii)	(44,015)	(33,136)	-	(344)
Acquisition of a subsidiary company		-	(38,736)	-	(38,992)
Net cash (used in)/from investing activities		(65,993)	(70,963)	8,644	(35,209)
Cash flows from financing activities					
Ordinary dividends paid to shareholders of the company		-	(36)	-	(36)
Preference dividend paid to EPMB ICUPS and EPMB RCSPS holders		(1,033)	(917)	(1,033)	(917)
Finance costs paid		(14,179)	(14,886)	(4,173)	(3,023)
Net repayment in hire purchase		(8,201)	(5,114)	-	-
Net repayment from subsidiaries		-	-	-	48,390
Net proceeds from/(repayment of) borrowings		22,764	(8,305)	(30,656)	(1,012)
Purchase of treasury shares		-	(864)	-	(864)
Net cash (used in)/from financing activities		(649)	(30,122)	(35,862)	42,538

Company No. 390116-T

Cash flow statements for the year ended 31 December 2008 (continued)

		Group		Company	
		2008	2007	2008	2007
	Note	RM'000	RM'000	RM'000	RM'000
Net (decrease)/increase in cash and cash equivalents		(1,407)	(16,919)	329	(840)
Cash and cash equivalents at 1 January	**(i)**	10,342	27,261	64	904
Effect of exchange rate fluctuations on cash held		37	-	-	-
Cash and cash equivalents at 31 December	**(i)**	8,972	10,342	393	64
		=====	=====	=====	=====

(i) ***Cash and cash equivalents***

Cash and cash equivalents included in the cash flow statements comprise the following balance sheet amounts:

	Group		Company	
	2008	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
Deposits (excluding deposits pledged)	901	217	-	-
Cash and bank balances	8,071	10,125	393	64
	8,972	10,342	393	64
	=====	=====	=====	=====

(ii) ***Purchase of property, plant and equipment***

During the year, the Group acquired property, plant and equipment with an aggregate cost of RM44,064,000 (2007 - RM38,048,000), of which RM49,000 (2007 - RM4,912,000) were acquired by means of hire purchase.

The notes on pages 17 to 68 are an integral part of these financial statements.

EP Manufacturing Bhd.
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Notes to the financial statements

EP Manufacturing Bhd. is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Board of Bursa Malaysia Securities Berhad. The address of its registered office and principal place of business is as follows:

Registered office/Principal place of business
No. 8 & 10 Jalan Jurutera U1/23
Seksyen U1
Kawasan Perindustrian Hicom Glenmarie
40150 Shah Alam
Selangor Darul Ehsan

The consolidated financial statements as at and for the year ended 31 December 2008 comprise the Company and its subsidiaries (together referred to as the Group). The financial statements of the Company as at and for the year ended 31 December 2008 do not include other entities.

The principal activity of the Company is that of investment holding whilst the principal activities of the subsidiaries are as stated in Note 4 to the financial statements.

The financial statements were approved by the Board of Directors on 24 April 2009.

1. Basis of preparation

(a) Statement of compliance

The financial statements of the Group and of the Company have been prepared in accordance with Financial Reporting Standards (“FRS”), accounting principles generally accepted and the Companies Act, 1965 in Malaysia. These financial statements also comply with the applicable disclosure provisions of the Listing Requirements of the Bursa Malaysia Securities Berhad.

The Group and the Company have not applied the following accounting standards (including its consequential amendments) and interpretations that have been issued by the Malaysian Accounting Standards Board (MASB) but are not yet effective:

FRSs / Interpretations	**Effective date**
FRS 4, *Insurance Contracts*	1 January 2010
FRS 7, *Financial Instruments: Disclosures*	1 January 2010
FRS 8, *Operating Segments*	1 July 2009
FRS 139, *Financial Instruments: Recognition and Measurement*	1 January 2010
IC Interpretation 9, *Reassessment of Embedded Derivatives*	1 January 2010
IC Interpretation 10, *Interim Financial Reporting and Impairment*	1 January 2010

1. Basis of preparation (continued)

(a) Statement of compliance (continued)

The Group and the Company plan to apply abovementioned FRSs / Interpretations from the annual period beginning 1 January 2010, except for FRS 4 which are not applicable.

The impact of applying FRS 7 and FRS 139 on the financial statements upon first adoption as required by paragraph 30(b) of FRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors* is not disclosed by virtue of the exemptions given in the respective FRSs. The initial application of the other standards and interpretations is not expected to have any material impact on the Group's and Company's financial statements.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis.

As at 31 December 2008, the Group and the Company's current liabilities are in excess of its current assets by approximately RM103,493,000 and RM48,652,000 respectively. The net current liabilities position of the Group is mainly due to some of its capital expenditures and development costs being financed by short term borrowings. However, the Group has been generating positive operating activities cash flows amounting to approximately RM84,168,000 and RM65,237,000 for the financial years ended 31 December 2007 and 2008 respectively. This provides indication that the Group is able to generate sufficient operating cash flows to meet its liabilities as and when they fall due.

At the date of this report, the Directors are of the opinion that the Group will be able to continue to achieve profitable results, generate positive cash flows and obtain continuous support from the bankers and creditors. Accordingly, the financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or to amounts and classifications of liabilities that may be necessary if the Group and the Company was unable to continue as a going concern.

(c) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia (RM), which is the Company's functional currency. All financial information is presented in RM and has been rounded to the nearest thousand, unless otherwise stated.

1. Basis of preparation (continued)

(d) Use of estimates and judgements

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements other than those disclosed in the following notes:

Note 7 - measurement of the recoverable amounts of cash-generating units
Note 8 - recognition of unutilised tax losses and capital allowances
Note 16 - provision for warranties

2. Significant accounting policies

The accounting policies set out below have been applied consistently to the periods presented in these financial statements, and have been applied consistently by Group entities, unless otherwise stated.

(a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Group has the ability to exercise its power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account. Subsidiaries are consolidated using the purchase method of accounting.

Under the purchase method of accounting, the financial statements of subsidiaries are included in the consolidated financial statements from the date that control effectively commences until the date that control effectively ceases.

Investments in subsidiaries are stated in the Company’s balance sheet at cost less impairment losses.

2. Significant accounting policies (continued)

(a) Basis of consolidation (continued)

(ii) Changes in Group composition

Where a subsidiary issues new equity shares to minority interest for cash consideration and the issue price has been established at fair value, the reduction in the Group's interests in the subsidiary is accounted for as a disposal of equity interest with the corresponding gain or loss recognised in the income statement.

Where a group purchases a subsidiary's equity shares from minority interests for cash consideration and the purchase price has been established at fair value, the accretion of the Group's interests in the subsidiary is accounted for as a purchase of equity interest for which the acquisition method of accounting is applied.

The Group treats all other changes in group composition as equity transactions between the Group and its minority shareholders. Any difference between the Group's share of net assets before and after the change, and any consideration received or paid, is adjusted to or against Group reserves.

(iii) Minority interests

Minority interests at the balance sheet date, being the portion of the net identifiable assets of subsidiaries attributable to equity interests that are not owned by the Company, whether directly or indirectly through subsidiaries, are presented in the consolidated balance sheet and statement of changes in equity within equity, separately from equity attributable to the equity shareholders of the Company. Minority interests in the results of the Group are presented on the face of the consolidated income statement as an allocation of the total profit or loss for the period between minority interests and the equity shareholders of the Company.

Where losses applicable to the minority exceed the minority's interest in the equity of a subsidiary, the excess, and any further losses applicable to the minority, are charged against the Group's interest except to the extent that the minority has a binding obligation to, and is able to, make additional investment to cover the losses. If the subsidiary subsequently reports profits, the Group's interest is allocated all such profits until the minority's share of losses previously absorbed by the Group has been recovered.

2. Significant accounting policies (continued)

(a) Basis of consolidation (continued)

(iv) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Affiliated companies

Affiliated companies are companies in which certain Directors have interest or are also directors of those companies.

(c) Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at the date of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to the functional currency at the exchange rate at that date. Non-monetary assets and liabilities denominated in foreign currencies are translated at exchange rates at the dates of the transactions except for those that are measured at fair value, which are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Foreign currency differences arising on retranslation are recognised in the income statements.

(ii) Operations denominated in functional currencies other than Ringgit Malaysia

The assets and liabilities of operations in functional currencies other than RM, including goodwill and fair value adjustments arising on acquisition, are translated to RM at exchange rates at balance sheet date. The income and expenses of operations in functional currencies other than RM, are translated to RM at exchange rates at the dates of the transactions.

Foreign currency differences are recognised in translation reserve. On disposal of operations, accumulated translation differences are recognised in the consolidated income statement as part of the gain or loss on sale.

2. Significant accounting policies (continued)

(c) Foreign currency (continued)

(iii) Net investment in foreign operations

Exchange differences arising from monetary items that in substance form part of the Company's net investment in foreign operations, are recognised in the Company's income statement. Such exchange differences are reclassified to equity in the consolidated financial statements. Deferred exchange differences are released to the income statement upon disposal of the investment.

(d) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Cost includes expenditures that are directly attributable to the acquisition of the asset and any other costs directly attributable to bringing the asset to working condition for its intended use, and the costs of dismantling and removing the items and restoring the site on which they are located. The cost of self-constructed assets also includes the cost of materials and direct labour and, for qualifying assets, borrowing costs are capitalised in accordance with the Group's accounting policy. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

The cost of property, plant and equipment recognised as a result of a business combination is based on fair value at acquisition date. The fair value of property is the estimated amount for which a property could be exchanged between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. The fair value of other items of plant and equipment is based on the quoted market prices for similar items.

When significant parts of an item of plant and equipment have different useful lives, they are accounted for as separate items (major components) of plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised net within "other income" or "other operating expenses" respectively in the income statements.

2. Significant accounting policies (continued)

(d) Property, plant and equipment (continued)

(ii) Subsequent costs

The cost of replacing part of an item of plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in the income statement as incurred.

(iii) Depreciation

Depreciation is recognised in the income statement on a straight-line basis over the estimated useful lives of each part of an item of plant and equipment. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Freehold land is not depreciated. Property, plant and equipment under construction (capital work-in-progress) are not depreciated until the assets are ready for their intended use.

The estimated useful lives for the current and comparative periods are at principal annual rates as follows:

Building	2%
Renovation	15%
Plant and machineries	5% - 40%
Equipment, furniture and fittings	8% - 33.3%
Motor vehicles	16%

Depreciation methods, useful lives and residual values are reassessed at the balance sheet date.

(e) Leased assets

(i) Finance lease

Leases in terms of which the Group or the Company assume substantially all the risks and rewards of ownership are classified as finance leases. Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

2. Significant accounting policies (continued)

(e) Leased assets (continued)

(i) Finance lease (continued)

Minimum lease payments made under finance leases are apportioned between the finance expense and the reduction of the outstanding liability. The finance expense is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability. Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

(ii) Operating lease

Leases, where the Group does not assume substantially all the risks and rewards of the ownership are classifies as operating leases and the leased assets are not recognised on the Group's balance sheet.

Payments made under operating leases are recognised in the income statements on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

(f) Intangible assets

(i) Goodwill

Goodwill arises on business combinations and is measured at cost less any accumulated impairment losses.

For acquisitions prior to 1 January 2006, goodwill represents the excess of the cost of the acquisition over the Group's interest in the fair values of the net identifiable assets and liabilities.

For business acquisitions beginning from 1 January 2006, goodwill represents the excess of the cost of the acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree.

Any excess of the Group's interest in the net fair value of acquiree's identifiable assets, liabilities and contingent liabilities over the cost of acquisition is recognised immediately in income statement.

2. Significant accounting policies (continued)

(f) Intangible assets (continued)

(i) Goodwill (continued)

Acquisition of minority interest

Goodwill arising on the acquisition of a minority interest in a subsidiary represents the excess of the cost of the additional investment over the carrying amount of the net assets acquired at the date of exchange.

(ii) Research and development cost

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in the income statement as an expense as incurred.

Expenditure on development activities, whereby research findings are applied to a plan or design for the production of new or substantially improved products and processes, is capitalised if the product or process is technically and commercially feasible and the Group has sufficient resources to complete development.

The expenditure capitalised includes the cost of materials, direct labour and an appropriate proportion of overheads. Other development expenditure is recognised in the income statement as an expense as incurred. Capitalised development expenditure is stated at cost less accumulated amortisation and any accumulated impairment losses.

(iii) Other intangible assets

Intangible assets, other than goodwill, that are acquired by the Group are stated at cost less any accumulated amortisation and any accumulated impairment losses.

The cost of manufacturing and distribution rights acquired in a business combination is based on the discounted cash flows projections arising during the period as specified in the initial manufacturing and distribution agreement.

(iv) Subsequent expenditure

Subsequent expenditure on capitalised intangible assets is capitalised only when it increase the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

2. Significant accounting policies (continued)

(f) Intangible assets (continued)

(v) Amortisation

Goodwill and intangible assets with indefinite useful lives are allocated to cash-generating units and are tested for impairment annually and whenever there is an indication that they may be impaired. Other intangible assets are amortised from the date that they are available for use. Amortisation is charged to the income statement on a straight-line basis over the estimated useful lives of intangible assets unless such lives are indefinite. The estimated useful lives are as follows:

• development cost	3 - 5 years
• manufacturing and distribution rights	6 - 9 years

(g) Investments

Investments in equity securities are recognised initially at fair value plus attributable transaction costs.

Subsequent to initial recognition:

- Investments in non-current equity securities other than investments in subsidiaries are stated at cost less allowance for diminution in value,
- All current investments are carried at the lower of cost and market value, determined on an aggregate portfolio basis by category of investments.

Where in the opinion of the Directors, there is a decline other than temporary in the value of non-current equity securities other than investment in subsidiaries, the allowance for diminution in value is recognised as an expense in the financial year in which the decline is identified.

On disposal of an investment, the difference between net disposal proceeds and its carrying amount is recognised in the income statements.

All investments in equity securities are accounted for using settlement date accounting. Settlement date accounting refers to:

(a) the recognition of an asset on the day it is received by the entity, and
(b) the derecognition on an asset and recognition of any gain or loss on disposal on the date it is delivered.

2. Significant accounting policies (continued)

(h) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out principle and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. In the case of work-in-progress and manufactured inventories, cost includes an appropriate share of production overheads based on normal operating capacity. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

The fair value of inventory acquired in a business combination is determined based on its estimated selling price in the ordinary course of business less the estimated costs of completion and sale, and a reasonable profit margin based on the effort required to complete and sell the inventories.

(i) Receivables

Receivables are initially recognised at their cost when the contractual right to receive cash or another financial asset from another entity is established.

Subsequent to initial recognition, receivables are stated at cost less allowance for doubtful debts.

Receivables are not held for the purpose of trading.

(j) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, balances and deposits with banks and highly liquid investments which have an insignificant risk of changes in value. For the purpose of the cash flow statement, cash and cash equivalents are presented net of bank overdrafts and pledged deposits.

(k) Impairment of assets

The carrying amounts of assets except for financial assets, inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset’s recoverable amount is estimated. For goodwill and intangible assets that have indefinite useful lives or that are not yet available for use, recoverable amount is estimated usually at each reporting date.

2. Significant accounting policies (continued)

(k) Impairment of assets (continued)

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units that are expected to benefit from the synergies of the combination.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the income statements. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (groups of units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment losses are credited to the income statement in the year in which the reversals are recognised.

(l) Share capital

(i) Repurchase of share capital

When share capital recognised as equity is repurchased, the amount of the consideration paid, including directly attributable costs, is recognised as a deduction from equity and is not re-valued for subsequent changes in the fair value or market price of shares. Repurchased shares are classified as treasury shares and are presented as a deduction from total equity.

Where treasury shares are distributed as share dividends, the cost of the treasury shares is applied in the reduction of the share premium account or distributable reserves, or both.

2. Significant accounting policies (continued)

(l) Share capital (continued)

(i) Repurchase of share capital (continued)

Where treasury shares are reissued by re-sale in the open market, the difference between the sales consideration net of directly attributable costs and the carrying amount of the treasury shares is recognised in equity.

(ii) Preference share capital

Financial instruments that contain both a liability and an equity element are classified according to the instrument's component parts, as a liability or as equity, in accordance with the substance of the definitions of a financial liability and an equity instrument.

Preference share capital is classified as equity if it is non-redeemable or is redeemable but only at the Company's option, and any dividends are discretionary. Dividends thereon are recognised as distributions within equity. Preference share capital is classified as liability if it is redeemable on a specific date or at the option of the shareholders, or if dividend payments are not discretionary. Dividends thereon are recognised in the as interest expense in the income statements.

(m) Compound financial instrument

A compound financial instrument is a non-derivative financial instrument that contains both a liability and an equity component.

Compound financial instruments issued by the Group comprise convertible notes that can be converted to share capital at the option of the holder, and the number of shares to be issued does not vary with changes in their fair value.

The liability component of a compound financial instrument is recognised initially at the fair value of a similar liability that does not have an equity conversion option. The equity component is recognised initially at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instruments is measured at amortised cost using the effective interest method. The equity component of a compound financial instruments is not remeasured subsequent to initial recognition.

2. Significant accounting policies (continued)

(n) Loans and borrowings

Loans and borrowings are stated at amortised cost with any differences between cost and redemption value being recognised in the income statement over the period of the borrowings using the effective interest method.

(o) Employee benefits

Short term employee benefits

Short-term employee benefit obligations in respect of salaries, annual bonuses, paid annual leave and sick leave are measured on an undiscounted basis and are expensed as the related service is provided.

A provision is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

The Group’s contribution to statutory pension funds are charged to the income statements in the year to which they relate. Once the contributions have been paid, the Group has no further payment obligations.

(p) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

(i) Warranties

A provision for warranties is recognised when the underlying products or services are sold. The provision is based on historical warranty data and a weighting of all possible outcomes against their associated probabilities.

2. Significant accounting policies (continued)

(q) Contingent liabilities

Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more future events are also disclosed as contingent liabilities unless the probability of outflow of economic benefits is remote.

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the Company considers these to be insurance arrangements, and accounts for them as such. In this respect, the Company treats the guarantee contract as a contingent liability until such time as it becomes probable that the Company will be required to make a payment under the guarantee.

(r) Payables

Payables are measured initially and subsequently at cost. Payables are recognised when there is a contractual obligation to deliver cash or another financial asset to another entity.

(s) Revenue recognition

(i) Goods sold

Revenue from sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates. Revenue is recognised in the income statement when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of goods can be estimated reliably, and there is no continuing management within the goods.

(ii) Services

Revenue from services rendered is recognised in the income statement in proportion to the stage of completion of the transaction at the balance sheet date. The stage of completion is assessed by reference to survey of works performed. Where the outcome of the transaction cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

2. Significant accounting policies (continued)

(s) Revenue recognition (continued)

(iii) Rental income

Rental income is recognised in the income statement as it accrues.

(iv) Dividend income

Dividend income is recognised when the right to receive payment is established.

(t) Interest income and borrowing costs

Interest income is recognised as it accrues, using the effective interest method.

All borrowing costs are recognised in the income statement using the effective interest method, in the period in which they are incurred except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to be prepared for its intended use.

The capitalisation of borrowing costs as part of the cost of a qualifying asset commences when expenditure for the asset is being incurred, borrowing costs are being incurred and activities that are necessary to prepare the asset for its intended use or sale are in progress. Capitalisation of borrowing costs is suspended or ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are interrupted or completed.

(u) Tax expense

Tax expense comprises current and deferred tax. Tax expense is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill, the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit (tax loss). Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the balance sheet date.

2. Significant accounting policies (continued)

(u) Tax expense (continued)

Deferred tax liability is recognised for all taxable temporary differences.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

In the previous year, unutilised reinvestment allowance or investment tax allowance was recognised as a reduction of tax expense as and when it was utilised. Following the adoption of the revised FRS 112, a tax incentive that is not a tax base of an asset is recognised as a reduction of tax expense in the income statement as and when it is granted and claimed. Any unutilised portion of the tax incentive is recognised as a deferred tax asset to the extent that it is probable that future taxable profits will be available against which the unutilised tax incentive can be utilised. This change in accounting policy is applied retrospectively and the effects are set out in Note 28.

(v) Earnings per share

The Group presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

(w) Segment reporting

A segment is a distinguishable component of the Group that is engaged either in providing products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

Company No. 390116-T

3. Property, plant and equipment

Group	Freehold land RM'000	Buildings and renovation RM'000	Equipment, furniture and fittings RM'000	Plant and machineries RM'000	Motor vehicles RM'000	Capital work-in -progress RM'000	Total RM'000
Cost							
At 1 January 2007	22,471	75,914	14,072	155,441	2,848	133,165	403,911
Acquisition through business combination	-	448	350	1,258	85	-	2,141
Additions	995	560	610	10,198	470	25,215	38,048
Disposals	-	(48)	(107)	(3,381)	(187)	-	(3,723)
Exchange differences	-	-	1	11	-	-	12
Transfer	-	28,355	-	87,935	-	(116,290)	-
At 31 December 2007/1 January 2008	23,466	105,229	14,926	251,462	3,216	42,090	440,389
Additions	-	496	591	21,926	55	20,996	44,064
Disposals	-	(64)	(187)	(548)	(255)	-	(1,054)
Write off	-	(53)	(163)	(1,995)	(17)	-	(2,228)
Transfer	-	7,793	218	15,102	8	(23,121)	-
At 31 December 2008	23,466	113,401	15,385	285,947	3,007	39,965	481,171

3. Property, plant and equipment (continued)

Group	Freehold land RM'000	Buildings and renovation RM'000	Equipment, furniture and fittings RM'000	Plant and machineries RM'000	Motor vehicles RM'000	Capital work-in -progress RM'000	Total RM'000
Accumulated depreciation							
At 1 January 2007	-	8,932	11,656	77,018	1,951	-	99,557
Depreciation for the year	-	1,789	740	16,732	290	-	19,551
Disposals	-	(16)	(99)	(2,341)	(100)	-	(2,556)
Exchange differences	-	-	2	4	1	-	7
At 31 December 2007/1 January 2008	-	10,705	12,299	91,413	2,142	-	116,559
Depreciation for the year	-	2,447	732	29,529	306	-	33,014
Disposals	-	(16)	(102)	(493)	(255)	-	(866)
Write off	-	(25)	(119)	(1,294)	(7)	-	(1,445)
At 31 December 2008	-	13,111	12,810	119,155	2,186	-	147,262
Carrying amounts							
At 1 January 2007	22,471	66,982	2,416	78,423	897	133,165	304,354
At 31 December 2007/1 January 2008	23,466	94,524	2,627	160,049	1,074	42,090	323,830
At 31 December 2008	23,466	100,290	2,575	166,792	821	39,965	333,909

3. Property, plant and equipment (continued)

Company	Freehold land RM'000	Buildings RM'000	Office equipment RM'000	Total RM'000
Cost				
At 1 January 2007	15,299	26,292	-	41,591
Additions	336	-	8	344
At 31 December 2007/ 1 January 2008	15,635	26,292	8	41,935
Additions	-	-	-	-
At 31 December 2008	15,635	26,292	8	41,935
Accumulated depreciation				
At 1 January 2007	-	5,205	-	5,205
Depreciation for the year	-	525	1	526
At 31 December 2007/ 1 January 2008	-	5,730	1	5,731
Depreciation for the year	-	527	3	530
At 31 December 2008	-	6,257	4	6,261
Carrying amounts				
At 1 January 2007	15,299	21,087	-	36,386
At 31 December 2007/ 1 January 2008	15,635	20,562	7	36,204
At 31 December 2008	15,635	20,035	4	35,674

Included in the Group's property, plant and equipment are certain assets acquired under hire purchase with net carrying amount of RM36,949,000 (2007 - RM40,230,000).

The Group's and Company's freehold land, buildings, plant and machinery with net carrying amount of RM105,562,000 (2007 - RM85,423,000) and RM35,670,000 (2007 - RM36,197,000) respectively, have been pledged for banking facilities granted to the Group (see Note 14).

Included in property, plant and equipment under capital work-in-progress of the Group in prior year was interest capitalised at a rate of 4.9% per annum amounting to RM2,492,843.

Company No. 390116-T

4. Investments in subsidiaries

	Company 2008 RM'000	Company 2007 RM'000
Unquoted shares, at cost		
- In Malaysia	224,779	224,663
- Outside Malaysia	2	2
	224,781	224,665

The subsidiary companies are:

Name of subsidiary	Country of incorporation	Effective equity interest 2008	Effective equity interest 2007	Principal activities
PEPS - JV (M) Sdn Bhd	Malaysia	95.8%	89.5%	Manufacture and sales of automotive modular components
EP Polymers (M) Sdn Bhd	Malaysia	100%	100%	Manufacture, fabrication, production, and sales of engineering plastic components and Integrated Air Fuel Module automotive engines
Fundwin Sdn Bhd	Malaysia	100%	100%	Manufacture, assemble and sales of automotive parts
Circle Ring Network Sdn Bhd	Malaysia	100%	100%	Manufacture, assembly and distribution of water meters
EP Metering Services Sdn Bhd	Malaysia	100%	100%	Manufacture of water meter products, components, parts and allied products
Advance Product Systems Sdn Bhd	Malaysia	100%	100%	Manufacture, assemble and sales of automotive parts
EP Moulds & Dies (M) Sdn Bhd	Malaysia	100%	100%	Manufacture, production and sales of moulds and dies
EPMB (Australia) Pte Ltd (1)	Australia	100%	100%	Dormant

(1) Subsidiary company not audited by KPMG Malaysia

4. Investments in subsidiaries (continued)

On 18 May 2008, the entire 30,000,000 Redeemable Convertible Secured Preference Shares in Peps-JV (M) Sdn Bhd ("PEPS RCSPS") held by the Company have been automatically converted to ordinary shares. The Company's interest in Peps-JV (M) Sdn Bhd has increased from 89.5% to 95.8% and the minority interest has reduced correspondingly.

5. Investment in an associate

	Group	
	2008	**2007**
	RM'000	**RM'000**
Unquoted shares, at cost	*	*
	=====	=====

* Denotes RM1.00.

On 9 May 2007, EP Polymers (M) Sdn. Bhd., a wholly owned subsidiary of the Company entered into a shareholders agreement with Teck See Plastic Sdn. Bhd. to form a joint venture company ("JV Co"). The JV Co has been incorporated under the name of EPTS Manufacturing Sdn. Bhd. ("EPTS") and EP Polymers (M) Sdn. Bhd. has equity interest of 50% in EPTS. As at 31 December 2008, EPTS has not commenced operation.

6. Other investments

	Group	
	2008	**2007**
	RM'000	**RM'000**
Shares quoted in Malaysia, at cost	38	38
	=====	=====
Market value of quoted shares in Malaysia	47	90
	=====	=====

The quoted shares have been charged to secure banking facilities granted to a subsidiary (see Note 14).

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7. Intangible assets

Group	Goodwill on consolidation RM'000	Development costs RM'000	Manufacturing and distribution rights RM'000	Total RM'000
Cost				
At 1 January 2007	91,160	12,262	-	103,422
Additions	-	293	-	293
Acquisition through business combination	-	608	53,147	53,755
At 31 December 2007/ 1 January 2008	91,160	13,163	53,147	157,470
Additions	-	20,891	-	20,891
Dilution of goodwill due to conversion of PEPS RCSPS (Note 4)	(6,627)	-	-	(6,627)
At 31 December 2008	84,533	34,054	53,147	171,734
Amortisation				
At 1 January 2007	-	12,145	-	12,145
Amortisation charge for the year	-	304	2,214	2,518
At 31 December 2007/ 1 January 2008	-	12,449	2,214	14,663
Amortisation charge for the year	-	4,175	6,121	10,296
At 31 December 2008	-	16,624	8,335	24,959
Carrying amounts				
At 1 January 2007	91,160	117	-	91,277
At 31 December 2007/ 1 January 2008	91,160	714	50,933	142,807
At 31 December 2008	84,533	17,430	44,812	146,775

Manufacturing and distribution rights of the Group are principally arising from recognition of an identifiable asset from the acquisition of Circle Ring Network Sdn Bhd ("Circle Ring") and are amortised over a period of extended 9 years (2007 : 6 years) which is based on the revised manufacturing and distribution agreement dated May 2008 in Circle Ring.

The development costs of the Group are amortised over a period of 3 - 5 years.

7. Intangible assets (continued)

Impairment testing for cash-generating units containing goodwill

For the purposes of impairment testing, goodwill is allocated to the Group's operating divisions which represent the lowest level within the Group at which the goodwill is monitored for internal management purposes.

The aggregate carrying amounts of goodwill are allocated as follows:

	Group	
	2008	**2007**
	RM'000	**RM'000**
Manufacture, assembly and sale of automotive parts	84,533	91,160
	=====	=====

Manufacture, assembly and sale of automotive parts

The recoverable amount of automotive unit has been determined based on business plan projections endorsed by the Board of Directors which includes new models replacements as well as project collaboration with third parties. Such business projections is based on award of contracts to manufacture several components for the new automotive models as well as letter of intent to develop and to supply certain modules to help increase the performance of the present range of Campro engines.

The recoverable amount of the investment in the subsidiary is based on its value in use. Value in use was determined by discounting the future cash flows generated from the continuing use of the unit and was based on the following key assumptions:

- Cash flows were projected based on actual operating results and business plan.
- Revenue for 2009 was projected at about RM321 million in the first year of the business plan which is at approximately 11.0% growth rate as compared to 2008. The anticipated annual growth rate was 11% and 18% for 2010 and 2011 respectively based on current and new automotive models to be released. Subsequently, the Directors do not project any growth in the following years up to 2033.
- Raw material and consumables were projected at about RM228 million for 2009 which is at approximately 15.0% growth rate as compared to 2008. The anticipated annual growth rate was 20% for the years 2010 and 2011. Subsequently, the Directors do not project any growth in the following years.
- A pre-tax discount rate of 11.0% has been used. The Directors consider this to be a prudent estimate of the cost of capital of the Group, taking into account the current macro-economic situation.
- The size of operation will remain with at least or not lower than the current results.

The recoverable amount of the unit exceeds its carrying value and the carrying value of the goodwill is therefore not impaired.

8. Deferred tax assets and liabilities

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
Group	**2008 RM'000**	**2007 RM'000 restated**	**2008 RM'000**	**2007 RM'000 restated**	**2008 RM'000**	**2007 RM'000 restated**
Property, plant and equipment	(29)	(281)	(21,570)	(13,380)	(21,599)	(13,661)
Unutilised reinvestment allowances	649	-	4,725	4,725	5,374	4,725
Unutilised investment tax allowances	-	-	5,253	-	5,253	-
Unabsorbed capital allowances	-	-	10,416	-	10,416	-
Unutilised tax losses	1,658	1,468	1,267	9,203	2,925	10,671
Intangible assets (Fair value adjustment)	-	-	(11,175)	(13,242)	(11,175)	(13,242)
Others	765	-	-	-	765	-
Net tax assets/ (liabilities)	3,043	1,187	(11,084)	(12,694)	(8,041)	(11,507)
Company						
Property, plant and equipment	-	-	(1,332)	(1,332)	(1,332)	(1,332)

In recognising the deferred tax assets attributable to unutilised tax loss carry-forwards, unutilised reinvestment allowances, unutilised investment tax allowances and unutilised capital allowance carry-forwards, the Directors made an assumption that there will not be any substantial change (more than 50%) in the shareholders before these assets are utilised. If there is substantial change in the shareholders, unutilised tax loss carry-forwards, unutilised reinvestment allowances, unutilised investment tax allowances and unutilised capital allowances carry-forward amounting to approximately RM2,925,000, RM5,374,000, RM5,253,000 and RM10,416,000 respectively will not be available to the Group, resulting in an increase in net deferred tax liabilities of RM23,968,000.

8. Deferred tax assets and liabilities (continued)

Movement in temporary differences during the year

Group	At 1.1.2007 RM'000	Recognised in income statement RM'000	At 31.12.2007 RM'000	Recognised in income statement RM'000	At 31.12.2008 RM'000
Plant and equipment	(4,176)	(9,485)	(13,661)	(7,938)	(21,599)
Unutilised reinvestment allowances	4,725	-	4,725	649	5,374
Unutilised investment tax allowances	-	-	-	5,253	5,253
Unabsorbed capital allowances	-	-	-	10,416	10,416
Unutilised tax losses	-	10,671	10,671	(7,746)	2,925
Intangible assets	-	(13,242)	(13,242)	2,067	(11,175)
Others	-	-	-	765	765
	549	(12,056)	(11,507)	3,466	(8,041)
Company					
Property, plant and equipment	(1,332)	-	(1,332)	-	(1,332)

Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items:

	Group 2008 RM'000	Group 2007 RM'000
Property, plant and equipment	(912)	(216)
Unutilised reinvestment allowances	1,858	1,858
Deductible temporary differences	54	767
Unabsorbed capital allowances	4,323	10,149
Unutilised tax losses	13,737	12,221
Others	(385)	(611)
	18,675	24,168

Deferred tax assets have not been recognised in respect of the above items because it is not probable that future taxable profits will be available against which certain companies in the Group can utilise the benefits.

9. Receivables, deposits and prepayments

		Group		Company	
		2008	2007	2008	2007
		RM'000	RM'000	RM'000	RM'000
Non-current:					
Non trade					
Loans to subsidiaries	a	-	-	72,865	91,825
		=====	=====	=====	=====
Current:					
Trade					
Trade receivables		52,327	60,520	-	-
Less: Allowance for doubtful debts		(1,383)	(1,317)	-	-
		50,944	59,203	-	-
Affiliated companies	b	2,975	8,159	-	-
Less: Allowance for doubtful debts		(1,766)	(25)	-	-
		52,153	67,337	-	-
Non-trade					
Subsidiaries	b	-	-	22,843	46,523
Affiliated companies	b	3,106	3,070	818	675
Less: Allowance for doubtful debts		(370)	-	-	-
Other receivables, deposits and prepayments	c	34,877	40,934	710	359
		37,613	44,004	24,371	47,557
		89,766	111,341	24,371	47,557
		======	=====	=====	=====

Note a

The non-current portion of the loans to subsidiaries are unsecured, not repayable within the next twelve (12) months and bears interest between 5.5% to 7.9% (2007 - 6.3% to 6.9%). Loans to subsidiaries are principally arising from the allocation of proceeds from the drawdown of Murabahah Underwritten Notes Issuance Facility (see Note 14).

Note b

The current portion of the amount due from subsidiaries and affiliated companies are unsecured, interest free and repayable on demand.

Note c

Included in other receivables, deposits and prepayments of the Group are prepayment for certain capital and development expenditure of approximately RM19,182,000 (2007 - RM28,338,000).

9. Receivables, deposits and prepayments (continued)

Analysis of foreign currency exposure for significant receivables

Significant receivables outstanding at year end that are not in the functional currency of the Group entities are as follows:

Functional currency	Foreign currency	Group 2008 RM'000	Group 2007 RM'000
RM	AUD	-	4,244
RM	BAHT	-	12
RM	GBP	-	3
RM	USD	1,399	3,453
RM	EURO	2,849	-
AUD	AUD	-	11
		=====	=====

10. Inventories

	Group 2008 RM'000	Group 2007 RM'000
Raw materials	35,098	23,063
Work-in-progress	3,818	4,439
Manufactured inventories	6,692	5,160
	45,608	32,662
	=====	=====

The inventories written off during the year amounted to RM3,399,000 (2007 - RM2,337,000) and are included in raw materials and consumable used.

11. Cash and cash equivalents

	Group 2008 RM'000	Group 2007 RM'000	Company 2008 RM'000	Company 2007 RM'000
Deposits with licensed banks	5,460	3,258	1,237	1,201
Cash and bank balances	8,071	10,125	393	64
	13,531	13,383	1,630	1,265
	=====	=====	=====	=====

Included in the Group's and Company's deposits placed with licensed banks are RM4,559,000 (2007 - RM3,041,000) and RM1,237,000 (2007 - RM1,201,000) respectively, pledged for certain banking facilities granted to the Group (see Note 14).

12. Capital and reserves

	Group and Company 2008 RM'000	Group and Company 2007 RM'000
Share capital		
Authorised		
Ordinary shares of RM1.00 each		
At 1 January / 31 December	470,000	470,000
EPMB ICUPS of RM0.10 each	20,000	20,000
EPMB RCSPS of RM0.10 each	10,000	10,000
	500,000	500,000
Issued and fully paid:		
Ordinary shares of RM1.00 each		
At 1 January	124,422	124,337
Conversion of EPMB ICUPS to new ordinary shares of RM1.00 each during the year	40,393	63
Conversion of EPMB RCSPS to new ordinary shares of RM1.00 each during the year	1,145	22
At 31 December	165,960	124,422
EPMB ICUPS of RM0.10 each		
At 1 January	6,979	6,990
Conversion of EPMB ICUPS to new ordinary shares of RM1.00 each during the year	(6,979)	(11)
At 31 December	-	6,979
EPMB RCSPS of RM0.10 each		
At 1 January	197	201
Conversion of EPMB RCSPS to new ordinary shares of RM1.00 each during the year	(197)	(4)
At 31 December	-	197
	165,960	131,598

12. Capital and reserves (continued)

The details of the EPMB ICUPS and EPMB RCSPS are as follows:

	---Equity component---			
	Share capital RM'000	Share premium RM'000	Liability component RM'000	Total RM'000
EPMB ICUPS				
At 1 January 2007	6,990	27,957	5,509	40,456
Conversion to ordinary shares	(11)	(43)	(9)	(63)
At 31 December 2007/1 January 2008	6,979	27,914	5,500	40,393
Conversion to ordinary shares	(6,979)	(27,914)	(5,500)	(40,393)
At 31 December 2008	-	-	-	-
EPMB RCSPS				
At 1 January 2007	201	807	159	1,167
Conversion to ordinary shares	(4)	(15)	(3)	(22)
At 31 December 2007/1 January 2008	197	792	156	1,145
Conversion to ordinary shares	(197)	(792)	(156)	(1,145)
At 31 December 2008	-	-	-	-
Total	-	-	-	-

On 22 June 2008, all remaining unconverted EPMB ICUPS and RCSPS have been converted into new ordinary shares in the Company by tendering Two (2) EPMB ICUPS/RCSPS for One (1) EPMB Share valued at RM1.00 and the ordinary shares resulting from such conversion rank pari passu in all respect with the existing ordinary shares of the Company.

Reserves

	Group		Company	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Share premium	14,069	42,775	14,069	42,775
Capital reserves	-	4,146	-	4,146
Exchange translation reserve	(32)	(1,474)	-	-
Treasury shares	(2,647)	(2,647)	(2,647)	(2,647)
Retained profits	37,198	26,260	2,954	59
	48,588	69,060	14,376	44,333

12. Capital and reserves (continued)

Share premium

	Group and Company 2008 RM'000	2007 RM'000
At 1 January	42,775	42,833
Conversion of EPMB ICUPS to ordinary shares	(27,914)	(43)
Conversion of EPMB RCSPS to ordinary shares	(792)	(15)
At 31 December	14,069	42,775

Capital reserve

In 2003, the Company issued 20,730,000 warrants to its shareholders. The warrants were exercisable into ordinary shares at any time during the five (5) year subscription period expiring on 3 September 2008 and the ordinary shares resulting from such conversion shall rank pari passu in all respect with the existing ordinary shares of the Company. These warrants have expired on 3 September 2008.

Capital reserve represents proceeds received from the rights issue of 20,730,000 new warrants in the Company at RM0.20 per warrant which was issued in 2003. The capital reserve has been reclassified to retained profits following the expiry of the warrants.

Translation reserve

The translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Treasury shares

The shareholders of the Company, by an ordinary resolution passed in an extraordinary general meeting held on 25 June 2008, approved the Company's plan to repurchase its own shares. The Directors of the Company are committed to enhancing the value of the Company to its shareholders and believe that the repurchase plan can be applied in the best interests of the Company and its shareholders.

During the financial year, the Company did not purchase any of its issued share capital from the open market.

At 31 December 2008, the Group held 4,300,900 (2007 - 4,300,900) of the Company's shares of RM1 each for a total consideration of RM2,646,868 (2007 - RM2,646,868).

12. Capital and reserves (continued)

Details of the shares buy back in the prior financial year were as follows:

	Average re-purchase price RM	Highest re-purchase RM	Lowest re-purchase RM	Number of treasury shares re-purchased	Total consideration RM'000
2007					
January	0.59	0.59	0.59	1,463,100	864
				=======	====

Section 108 tax credit

Subject to the agreement of the Inland Revenue Board, the Company has sufficient Section 108 tax credit and tax exempt income under the Income Tax Act, 1967 to frank the payment of dividends out of its entire retained profits as at 31 December 2008.

The Finance Act 2007 introduced a single tier company income tax system with effect from year of assessment 2008. As such, the Section 108 tax credit as at 31 December 2007 will be available to the Company until such time the credit is fully utilised or upon expiry of the six-year transitional period on 31 December 2013, whichever is earlier.

13. Minority shareholders' interests

This consists of the minority shareholders' proportion of share capital and reserves of subsidiary, net of their share of subsidiary's goodwill on consolidation and amortisation of goodwill charged to the minority shareholders.

14. Loans and borrowings

	Group 2008 RM'000	Group 2007 RM'000	Company 2008 RM'000	Company 2007 RM'000
Non-current:				
Hire purchase liabilities	16,438	23,961	-	-
MUNIF/IMTN - secured	103,000	137,000	103,000	137,000
Bai Bithaman Ajil facilities - secured	10,256	-	-	-
Term loan - secured	19,519	-	-	-
	149,213	160,961	103,000	137,000
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14. Loans and borrowings (continued)

	Group		Company	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Current:				
Hire purchase liabilities	7,562	8,191	-	-
Bankers' acceptances and trust receipts - secured	75,155	62,829	-	-
EPMB ICUPS - liability component (Note 12)	-	5,500	-	5,500
EPMB RCSPS - liability component (Note 12)	-	156	-	156
MUNIF/IMTN - secured	34,000	25,000	34,000	25,000
Term loan - secured	3,185	-	-	-
Bai Bithaman Ajil facilities - secured	2,478	-	-	-
	122,380	101,676	34,000	30,656
Total	271,593	262,637	137,000	167,656

Included in total Murabahah Underwritten Notes Issuance Facility / Islamic Medium Term Notes Facility ("MUNIF/IMTN") of the Company of RM137,000,000 is RM72,865,000 (see Note 9) which has been on loan to the subsidiaries.

In the current financial year, the Company made a repayment of RM25 million of the previously drawndown facility of RM102 million under the old RM150 million MUNIF/IMTN at discount with a profit rate ranging between 5.5% to 7.9% (2007 - 6.3% to 6.9%) per annum. The old RM150 million MUNIF/IMTN have a seven (7) years tenor from the date of first issue.

Security

Overdrafts, bankers' acceptances and MUNIF/IMTN of the Group are secured by way of:

a) fixed and floating charges over the Group's property, plant and equipment (see Note 3);
b) pledge of fixed deposits (see Note 11);
c) pledge of quoted shares (see Note 6);
d) jointly and severally guaranteed by certain Directors of the subsidiaries and holding company;
e) corporate guarantees issued by the Company;
f) an assignment of proceeds from Perusahaan Otomobil Nasional Berhad and Perodua Manufacturing Sdn. Bhd. into the Designated Accounts; and
g) a first rank charge over all Designated Accounts.

14. Loans and borrowings (continued)

Term loans and Bai Bithaman Ajil facilities of the Group are secured by way of:

a) corporate guarantee issued by the holding company for the repayment by the subsidiaries of the loan, interest thereon and all other sums payable;
b) first fixed charge over certain Group's machineries (see Note 3);
c) advances pledged by the holding company amounting to RM5,868,000; and
d) pledge of fixed deposit amounting to RM1,500,000.

Term and debt repayment schedule

Group **2008**	**Year of maturity**	**Carrying amount RM'000**	**Under 1 year RM'000**	**1 - 2 years RM'000**	**2 - 5 years RM'000**	**Over 5 years RM'000**
Bankers' acceptances and trust receipts	2009	75,155	75,155	-	-	-
Hire purchase liabilities	2012	24,000	7,562	6,305	10,133	-
Bai Bithaman Ajil facilities	2013	12,734	2,478	2,597	7,659	-
Term loan	2013	22,704	3,185	7,866	11,653	-
MUNIF/IMTN	2012	137,000	34,000	45,000	58,000	-
		271,593	122,380	61,768	87,445	-
2007						
Bankers' acceptances and trust receipts	2008	62,829	62,829	-	-	-
Hire purchase liabilities	2011	32,152	8,191	13,739	10,200	22
EPMB ICUPS	2008	5,500	5,500	-	-	-
EPMB RCSPS	2008	156	156	-	-	-
MUNIF/IMTN	2012	162,000	25,000	34,000	103,000	-
		262,637	101,676	47,739	113,200	22
Company **2008**						
MUNIF/IMTN	2012	137,000	34,000	45,000	58,000	-
2007						
EPMB ICUPS	2008	5,500	5,500	-	-	-
EPMB RCSPS	2008	156	156	-	-	-
MUNIF/IMTN	2012	162,000	25,000	34,000	103,000	-
		167,656	30,656	34,000	103,000	-

14. Loans and borrowings (continued)

Term and debt repayment schedule (continued)

Hire purchase liabilities

Hire purchase liabilities are payable as follows:

Group	Minimum lease payments 2008 RM'000	Interest 2008 RM'000	Principal 2008 RM'000	Minimum lease payments 2007 RM'000	Interest 2007 RM'000	Principal 2007 RM'000
Less than one year	8,852	(1,290)	7,562	10,040	(1,849)	8,191
Between one and five years	17,828	(1,390)	16,438	26,636	(2,675)	23,961
	26,680	(2,680)	24,000	36,676	(4,524)	32,152

15. Payables and accruals

	Group 2008 RM'000	Group 2007 RM'000	Company 2008 RM'000	Company 2007 RM'000
Trade				
Trade payables	72,720	76,725	-	-
Affiliated companies	8,268	6,324	-	-
	80,988	83,049	-	-
Non-trade				
Other payables	29,389	26,339	7,488	10,182
Accrued expenses	1,179	10,830	240	195
Affiliated companies	482	565	-	-
Subsidiaries	-	-	17,090	30,177
Amount owing to Director	16,963	16,339	16,290	15,580
	48,013	54,073	41,108	56,134
	129,001	137,122	41,108	56,134

The amounts due to subsidiaries, affiliated companies and Directors are unsecured, interest free and have no fixed terms of repayment.

15. Payables and accruals (continued)

Analysis of foreign currency exposure for significant payables

Significant payables that are not in the functional currency of the Group entities are as follows*:*

		Group	
Functional currency	**Foreign currency**	**2008 RM'000**	**2007 RM'000**
RM	AUD	-	7,569
RM	BAHT	1,845	2,043
RM	EURO	-	5,843
RM	GBP	51	4
RM	SGD	211	213
RM	USD	7,464	17,293
RM	YEN	-	17
AUD	AUD	-	84
		=====	=====

16. Provision for warranties

	Group	
	2008 RM'000	**2007 RM'000**
At 1 January	707	319
Additional provision during the year	3,154	1,496
Utilisation of provision during the year	(2,095)	(1,108)
At 31 December	1,766	707
	=====	=====

The Group gives warranties on certain automotive parts sold and undertakes to repair or replace items that fail to perform satisfactorily or meet the specification required. A provision for warranty is recognised for products under warranty at the balance sheet date based on past experience on the levels of repairs and returns. The Group expects to incur most of the liability over the next year.

17. Operating profit

	Group 2008 RM'000	Group 2007 RM'000	Company 2008 RM'000	Company 2007 RM'000
Operating profit is arrived at after charging:				
Allowance for doubtful debts	2,177	1,061	-	-
Amortisation of intangible assets	10,296	2,518	-	-
Auditors' remuneration				
Statutory audit				
- KPMG	278	278	55	65
- other auditors	9	9	-	-
Other services				
- KPMG	10	10	10	10
Bad debts written off	1,250	30	-	-
Depreciation	33,014	19,551	530	526
Inventories written off	3,399	2,337	-	-
Loss on foreign exchange				
- realised	1,415	382	-	-
- unrealised	383	126	-	-
Personnel expenses (including key management personnel)				
- Contribution to Employees Provident Fund	2,131	2,012	28	25
- Wages, salaries and others	27,063	22,503	417	408
Property, plant and equipment written off	783	-	-	-
Provision for warranties	3,154	1,496	-	-
Rental				
- premises	373	186	-	-
- machinery and equipment	266	472	-	-
- equipment and vehicles	246	-	-	-
Royalties	130	221	-	-
	=====	=====	=====	=====
and after crediting:				
Dividend income from subsidiaries	-	-	3,100	4,850
Dividend income - others	2	2	-	-
Gain on foreign exchange				
- realised	1,434	64	-	-
- unrealised	433	106	-	-
Gain on disposal of property, plant and equipment	179	9	-	-
Rental income	365	580	1,709	1,562
Reversal of allowance for diminution in value of investment	-	25	-	-
Negative goodwill on acquisition	-	4,143	-	-
	=====	=====	=====	=====

18. Key management personnel compensation

The key management personnel compensations are as follows:

	Group		Company	
	2008	**2007**	**2008**	**2007**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Directors				
Remuneration	856	799	-	-
Fees	182	150	155	150
EPF contribution	95	87	-	-
Benefit in kind	30	37	-	-
	1,163	1,073	155	150
Other key management personnel				
Wages, salaries and others	902	384	-	-
EPF contribution	146	50	-	-
	2,211	1,507	155	150

Other key management personnel comprises persons other than the Directors of Group entities, having authority and responsibility for planning, directing and controlling the activities of the entity either directly or indirectly.

19. Finance costs

	Group		Company	
	2008	**2007**	**2008**	**2007**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Bank overdrafts	10	10	-	-
Bankers' acceptance and trust receipts	545	635	-	-
Hire purchase	2,372	1,038	-	-
Term loans	5,112	2,725	-	-
MUNIF Notes	5,404	10,292	4,110	2,871
Preference dividends for ICUPS and RCSPS – liability component	63	152	63	152
Bai Bithaman Ajil facilities	179	-	-	-
Others	494	34	-	-
	14,179	14,886	4,173	3,023

20. Tax expense

	Group		Company	
	2008	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
Current tax expense:				
Malaysian - current	-	126	-	749
- (over)/underprovision in prior year	(603)	(395)	(625)	38
	(603)	(269)	(625)	787
Deferred tax expense:				
Origination and reversal of temporary differences	(3,820)	577	-	-
Over/(under) provision in prior years	354	(2,341)	-	-
Total tax expense	(4,069)	(2,033)	(625)	787
	=====	=====	=====	=====
Reconciliation of effective tax expense				
Profit/(Loss) before taxation	4,256	(1,271)	(1,109)	1,520
	=====	=====	=====	=====
Income tax using Malaysian tax rate 26% (2007 - 27%)	1,107	(343)	(288)	410
Non-deductible expenses	2,942	2,702	342	1,030
Tax incentives	-	(12)	-	-
Tax exempt income	-	-	-	(567)
Effect of changes in tax rates*	350	246	(54)	(94)
Tax incentives utilised during pioneer period**	(6,667)	(3,051)	-	-
Effect of unrecognised deferred tax assets	(1,552)	2,364	-	(30)
Recognition of previously unrecognised deferred tax asset	-	(1,203)	-	-
	(3,820)	703	-	749
(Over)/Under provision of current tax in prior year	(603)	(395)	(625)	38
Over/(Under) provision of deferred tax asset in prior year	354	(2,341)	-	-
Tax expense	(4,069)	(2,033)	(625)	787
	=====	=====	=====	=====

* The corporate tax rates are 26% for year of assessment 2008 and 25% for the subsequent years of assessment. Consequently deferred tax assets and liabilities are measured using these tax rates.

** One of the subsidiaries enjoys pioneer status which exempts its business profit from income tax for a period of 5 years up to 28 February 2009.

21. Earnings per ordinary share - Group

Basic earnings per ordinary share

The calculation of basic earnings per ordinary share is based on the net profit for the year after equity component preference shares dividend of RM6,792,000 (2007 - Net loss of RM1,255,000) and the weighted average number of ordinary shares outstanding during the year of 165,960,000 (2007 - 163,345,000).

Weighted average number of ordinary shares

	2008 ('000)	**2007 ('000)**
Issued ordinary shares at beginning of the year	124,422	124,338
Effect of shares buy back	-	(1,431)
Effect of shares issued during the year	-	43
Effect of EPMB ICUPS	41,538	40,395
Weighted average number of ordinary shares	165,960	163,345

22. Dividends

Preference dividends (both liability and equity component) recognised in the current year by the Company are:

	Total amount single tier/net of tax RM'000
2008	
2008 preference	830
2007	
2007 preference	1,069

23. Segmental information

Segment information is presented in respect of the Group's business and geographical segments. The primary format, business segments, is based on the Group's management and internal reporting structure.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise mainly interest-earning assets and revenue, interest-bearing loans, borrowings and related expenses, corporate assets and expenses and tax assets and liabilities.

23. Segmental information (continued)

Segment capital expenditure is the total cost incurred during the year to acquire property, plant and equipment, and intangible assets other than goodwill.

Inter-segment pricing is determined based on an arm's length basis.

Business segments

The Group comprises the following main business segments:

Automotive	The manufacture, assembly and sale of automotive parts
Composite	The manufacture, assembly and sale of "EP-X" carbon composite bicycles and bicycles components
Water meters	The manufacture, assembly and sale of water meters

Geographical segments

The automotive and composite segments operate in Malaysia. Research and development activities for the automotive segment are currently located in Australia. In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers. Segment assets are based on the geographical location of assets.

23. Segmental information (continued)

	Automotive		Composite		Water meters		Consolidated	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Business segments								
Revenue from external customers	471,224	290,814	1	3,472	12,508	8,748	483,733	303,034
Segment result	33,493	15,320	(1,373)	(1,641)	(12,084)	1,225	20,036	14,904
Unallocated expenses							(1,601)	(1,289)
Results from operating activities							18,435	13,615
Finance costs							(14,179)	(14,886)
Tax expense							4,069	2,033
Profit for the year							8,325	762

23. Segmental information (continued)

Business segments (continued)	Automotive		Composite		Water meters		Consolidated	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Segment assets	564,921	552,142	316	1,936	65,471	70,439	630,708	624,517
Unallocated assets							3,043	1,187
Total assets							633,751	625,704
Segment liabilities	391,709	390,700	1,226	1,225	9,754	9,139	402,689	401,064
Unallocated liabilities							11,087	12,694
Total liabilities							413,776	413,758
Capital expenditure	42,340	37,386	-	-	1,724	662	44,064	38,048
Depreciation and amortisation	36,145	19,279	71	71	7,094	2,719	43,310	22,069
Non-cash expenses other than depreciation and amortisation	6,618	1,578	726	1,061	36	(3,368)	7,380	(729)

23. Segmental information (continued)

	Malaysia		Australia		Consolidated	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Geographical segments						
Revenue from external customers	483,470	302,526	263	508	483,733	303,034
Segment assets	630,636	624,084	72	433	630,708	624,517
Unallocated assets					3,043	1,187
					633,751	625,704
Capital expenditure	44,064	37,954	-	94	44,064	38,048

24. Financial instruments

Financial risk management objectives and policies

Exposure to credit, interest rate, foreign currency and liquidity risk arises in the normal course of the Group's business. Derivative financial instruments are not used to hedge exposure to fluctuations in foreign exchange rates and interest rates. The Board of Directors consider and evaluate risk management periodically.

Credit risk

Management has a credit procedure in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. The Group does not require collateral in respect of these financial assets.

Credit risk of the Group refers principally to the risk that customers may default on their obligations to repay the amounts owing to the Group. At balance sheet date, approximately 40% (2007 - 53%) of the trade receivables of the Group are concentrated on two customers in the automotive industry. The maximum exposure to credit risk for the Group and for the Company are represented by the carrying amount of each financial asset.

Interest rate risk

The Group's investment in fixed-rate borrowings are exposed to a risk of change in their fair value due to changes in interest rates. The Group's investments in variable-rate borrowings are exposed to a risk of change in cash flows due to changes in interest rates.

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24. Financial instruments (continued)

Effective interest rates and repricing analysis

In respect of interest-earning financial assets and interest-bearing financial liabilities, the following table indicates their effective interest rates at the balance sheet date and the periods, in which they mature, or if earlier, reprice.

Group **2008**	**Average effective interest rate %**	**Total RM'000**	**Less than 1 year RM'000**	**1 - 2 years RM'000**	**2 - 3 years RM'000**	**3 -4 years RM'000**	**4 -5 years RM'000**	**More than 5 years RM'000**
Floating rate instrument								
Deposits with licensed banks	3.0	5,460	5,460	-	-	-	-	-
Secured bankers' acceptances	4.6	(75,155)	(75,155)	-	-	-	-	-
MUNIF/IMTN		(137,000)	(34,000)	(45,000)	(48,000)	(10,000)	-	-
Term loan		(22,704)	(3,185)	(7,866)	(8,793)	(2,550)	(310)	-
Bai Bithaman Ajil facilities		(12,734)	(2,478)	(2,597)	(7,659)	-	-	-
		(242,133)	(109,358)	(55,463)	(64,452)	(12,550)	(310)	-

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24. Financial instruments (continued)

Effective interest rates and repricing analysis (continued)

Group **2007**	**Average effective interest rate %**	**Total RM'000**	**Less than 1 year RM'000**	**1 - 2 years RM'000**	**2 - 3 years RM'000**	**3 -4 years RM'000**	**4 -5 years RM'000**	**More than 5 years RM'000**
Fixed rate instrument								
EPMB ICUPS	3.5	(5,500)	(5,500)	-	-	-	-	-
EPMB RCSPS	3.5	(156)	(156)	-	-	-	-	-
		(5,656)	(5,656)	-	-	-	-	-
Floating rate instrument								
Deposits with licensed banks	3.1	3,258	3,258	-	-	-	-	-
Secured bankers' acceptances	5.3	(62,829)	(62,829)	-	-	-	-	-
MUNIF/IMTN		(162,000)	(25,000)	(34,000)	(45,000)	(48,000)	(10,000)	-
		(221,571)	(84,571)	(34,000)	(45,000)	(48,000)	(10,000)	-

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24. Financial instruments (continued)

Effective interest rates and repricing analysis (continued)

Company 2008	Average effective interest rate %	Total RM'000	Less than 1 year RM'000	1 - 2 years RM'000	2 - 3 years RM'000	3 -4 years RM'000	4 -5 years RM'000	More than 5 years RM'000
Floating rate instrument								
Deposits with licensed banks	1.5	1,237	1,237	-	-	-	-	-
Loans to subsidiaries	6.7	72,865	-	26,327	38,045	8,493	-	-
MUNIF/IMTN		(137,000)	(34,000)	(45,000)	(48,000)	(10,000)	-	-
		(62,898)	(32,763)	(18,673)	(9,955)	(1,507)	-	-
2007								
Fixed rate instrument								
EPMB ICUPS	3.5	(5,500)	(5,500)	-	-	-	-	-
EPMB RCSPS	3.5	(156)	(156)	-	-	-	-	-
		(5,656)	(5,656)	-	-	-	-	-
Floating rate instrument								
Deposits with licensed banks	3.1	1,201	1,201	-	-	-	-	-
Loans to subsidiaries	6.6	91,825	-	18,047	27,071	38,215	8,492	-
MUNIF/IMTN		(162,000)	(25,000)	(34,000)	(45,000)	(48,000)	(10,000)	-
		(68,974)	(23,799)	(15,953)	(17,929)	(9,785)	(1,508)	-

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24. Financial instruments (continued)

Foreign currency risk

The Group is exposed to foreign currency risk on sales and purchases that are denominated in a currency other than the respective functional currencies of the group entities. The currencies giving rise to this risk are primarily Australian Dollars, U.S. Dollars, Pound Sterling, Japanese Yen, EURO and Thai Baht. The Group and the Company do not transact in any derivative instruments or hedge their currency exposure. However, the Board of Directors keeps this policy under review and ongoing monitoring.

Liquidity risk

The Group monitors and maintains a level of cash and cash equivalents and facilities deemed adequate by management to finance the Group's operation and to mitigate the effects of fluctuations in cash flows.

Fair values

Recognised financial instruments

The carrying amounts of cash and cash equivalents, trade and other receivables, trade and other payables and short term borrowings approximate fair value due to the relatively short term nature of these financial instruments.

The carrying amount of the term loans, Bai Bithaman Ajil facilities, MUNIF/IMTN and non-current loans to subsidiaries at balance sheet date approximate their fair value as these are variable rate financial instruments.

The fair values of other financial assets and liabilities, together with the carrying amounts shown in the balance sheets, are as follows:

Group	**2008 Carrying amount RM'000**	**2008 Fair value RM'000**	**2007 Carrying amount RM'000**	**2007 Fair value RM'000**
Financial assets				
Quoted shares – long term	38	47	38	90
	===	===	===	===
Group and Company				
Financial liabilities				
EPMB ICUPS				
- liability component	-	-	5,500	#
EPMB RCSPS				
- liability component	-	-	156	#
	-		5,656	
	====		====	

24. Financial instruments (continued)

The fair value of quoted shares is based on quoted market prices at the balance sheet date without any deduction for transactions costs.

\# It was not practicable to estimate the fair value of these financial liabilities. These financial liabilities were carried at its original cost as stated above in the balance sheet.

25. Capital commitments

	Group	
	2008	**2007**
	RM'000	**RM'000**
Capital expenditure commitments		
Property, plant and equipment		
Contracted but not provided for and payable:		
Within one year	87	4,833
Approved but not provided for:		
Within one year	23,718	7,000
One year or later and no later than five years	-	30,000
	=====	=====

26. Contingencies

The Directors are of the opinion that provisions are not required in respect of these matters, as it is not probable that a future sacrifice of economic benefits will be required or the amount is not capable of reliable measurement.

	Company	
	2008	**2007**
Unsecured	**RM'000**	**RM'000**
Guarantees and contingencies relating to borrowings of subsidiaries	74,065	133,365
	======	======

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27. Related parties

Identity of related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Key management personnel are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group either directly or indirectly. The key management personnel includes all the Directors of the Group, and certain members of senior management of the Group. Key management personnel compensation are disclosed in Note 18 to the financial statements.

The Group has a related party relationship with its subsidiaries (see Note 4), affiliated companies, Directors and key management personnel. The significant related party transactions of the Group and the Company, other than key management personnel compensation, are as follows:

Group	**2008 Transactions amount for the year ended 31 December RM'000**	**2007 Transactions amount for the year ended 31 December RM'000**
Affiliated companies in which the controlling shareholder and directors have interest		
Purchases of automotive parts	(41,626)	(28,889)
Rental payable	(383)	(479)
Rental receivable	456	720
Sales of automotive parts and maintenance services	131	242
Affiliated companies in which a Director of a subsidiary has interest		
Purchases of automotive parts	(5,803)	(6,547)
	======	======
Company		
Subsidiaries		
Dividend income	3,100	4,850
Rental receivable	1,565	1,120
Affiliated companies		
Rental receivable	144	144
	======	======

The net balance outstanding arising from the above transactions have been disclosed in Note 9 and Note 15 to the financial statements.

28. Change in accounting policy

The accounting policies set out in Note 2 have been applied in preparing the financial statements for the year ended 31 December 2008.

The change in accounting policy arising from the adoption of the revised FRS 112 Income Taxes are summarised below:

In the previous year, unutilised reinvestment allowance or investment tax allowance was recognised as a reduction of tax expense in the income statement as and when it was utilised. Following the adoption of the revised FRS 112, a tax incentive that is not a tax base of an asset is recognised as a reduction of tax expense in the income statement as and when it is granted and claimed.

Any unutilised portion of the tax incentive is recognised as a deferred tax asset to the extent that it is probable that future taxable profits will be available against which the unutilised tax incentive can be utilised. This change in accounting policy is applied retrospectively and the effects are as follows:

	2007 **RM'000**
Balance sheet as at 31 December 2007	
Deferred tax liabilities, as previously stated	17,419
Over recognition of deferred tax liabilities	(1,060)
Reclassification from deferred tax assets	(3,665)
Deferred tax liabilities, as restated	12,694
Deferred tax assets, as previously stated	4,852
Reclassification to deferred tax liabilities	(3,665)
Deferred tax assets, as restated	1,187
Statement of changes in equity	
Retained profits as at 1 January 2007, as previously stated	26,628
Over recognition of deferred tax liabilities	1,060
Retained profits as at 1 January 2007, as restated	27,688

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29. Comparative figures

The following comparative figures have been restated as a result of changes in accounting policies as stated in Note 28:

	As restated RM'000	As previously reported RM'000
Balance sheet as at 31 December 2007		
Deferred tax assets	1,187	4,852
Deferred tax liabilities	(12,694)	(17,419)
Reserves	(69,060)	(68,000)
	=====	=====
Statement of changes in equity 31 December 2007		
Retained profits	(26,260)	(25,200)
	=====	=====

EP Manufacturing Bhd.
(Company No. 390116-T)
(Incorporated in Malaysia)
and its subsidiaries

Statement by Directors pursuant to Section 169(15) of the Companies Act, 1965

In the opinion of the Directors, the financial statements set out on pages 7 to 68 are drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2008 and of their financial performance and cash flows for the year then ended.

Signed in accordance with a resolution of the Directors:

…………………………………………………………
Hamidon bin Abdullah

…………………………………………………………
Hew Voon Foo

Kuala Lumpur,

Date: 24 April 2009

EP Manufacturing Bhd.
(Company No. 390116-T)
(Incorporated in Malaysia)
and its subsidiaries

Statutory declaration pursuant to Section 169(16) of the Companies Act, 1965

I, **Hamidon bin Abdullah**, the Director primarily responsible for the financial management of EP Manufacturing Bhd., do solemnly and sincerely declare that the accompanying financial statements set out on pages 7 to 68 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the above named in Kuala Lumpur on 24 April 2009.

………………………………..
Hamidon bin Abdullah

Before me:

Independent auditors' report to the members of EP Manufacturing Bhd.

(Company No. 390116-T)
(Incorporated in Malaysia)

Report on the Financial Statements

We have audited the financial statements of EP Manufacturing Bhd., which comprise the balance sheets as at 31 December 2008 of the Group and of the Company, and the income statements, statements of changes in equity and cash flow statements of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 7 to 68.

Directors' Responsibility for the Financial Statements

The Directors of the Company are responsible for the preparation and fair presentation of these financial statements in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Company No. 390116-T

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2008 and of their financial performance and cash flows for the year then ended.

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report the following:

a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.

b) We have considered the accounts and the auditors' reports of all the subsidiaries of which we have not acted as auditors, which are indicated in note 4 to the financial statements.

c) We are satisfied that the accounts of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.

d) The audit reports on the accounts of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

Other Matters

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

KPMG
Firm Number: AF 0758
Chartered Accountants

Mohamed Raslan Abdul Rahman
Approval Number: 1825/05/09(J/PH)
Chartered Accountant

Petaling Jaya, Selangor

Date: 24 April 2009