



APM AUTOMOTIVE HOLDINGS BERHAD

(Company No. 424838-D)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED INCOME STATEMENTS

	Current Quarter ended 31-Dec-07 RM'000	Corresponding Quarter ended 31-Dec-06 RM'000	Cumulative Year To Date 31-Dec-07 RM'000	Corresponding Year To Date 31-Dec-06 RM'000
Revenue	234,468	210,607	839,243	899,817
Profit from Operations	25,099	17,075	74,031	77,907
Finance Costs	(294)	(348)	(909)	(1,277)
Interest Income	1,640	1,201	5,386	3,448
Profit before Tax	26,445	17,928	78,508	80,078
Taxation	(6,552)	(6,398)	(19,172)	(21,081)
Net Profit for the Period	19,893	11,530	59,336	58,997
Attributable to :				
Equity holders of the parent	18,134	10,305	53,738	55,513
Minority interest	1,759	1,225	5,598	3,484
	19,893	11,530	59,336	58,997
Depreciation	7,878	8,705	33,388	35,989
Earnings per share				
Basic (sen)	9.14	5.14	26.95	27.60
Diluted (sen)	N/A	N/A	N/A	N/A

The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2006.

APM AUTOMOTIVE HOLDINGS BERHAD

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(Incorporated in Malaysia)

CONDENSED CONSOLIDATED BALANCE SHEETS

	As at 31-Dec-07 <u>RM'000</u>	As at 31-Dec-06 <u>RM'000</u>
ASSETS		
Non-current assets		
Property, plant & equipment	160,153	171,275 *
Prepaid lease payments	35,962	39,829 *
Investment property	1,340	1,471
Development expenditure	180	211
Deferred tax asset	9,336	8,036
	206,971	220,822
Current assets		
Inventories	153,627	141,288
Trade and other receivables	230,186	208,280
Cash and bank balances	177,405	145,470
	561,218	495,038
TOTAL ASSETS	768,189	715,860
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	201,600	201,600
Reserves	371,162	337,988
Treasury shares	(7,149)	(3,044)
	565,613	536,544
Minority interest	11,497	11,976
Total equity	577,110	548,520
Non-current liabilities		
Long-term borrowings	2,717	4,759
Deferred tax liability	3,952	2,936
Others	11,696	12,436
	18,365	20,131
Current liabilities		
Trade and other payables	159,975	133,713
Short term borrowings	7,490	12,084
Taxation	5,249	1,412
Proposed dividend	-	-
	172,714	13,496
Total liabilities	191,079	167,340
TOTAL EQUITY AND LIABILITIES	768,189	715,860
Net asset per share attributable to ordinary equity holders of the parent (RM)	2.87	2.68

* With the adoption of FRS 117 - Leases, leasehold land is now classified as prepaid lease payments. Before the adoption of FRS 117, the Group treated leasehold land as property within its property, plant and equipment. The comparative figures as at 31 December 2006 are restated to reflect this change. Please refer to Explanatory Note 2 on Page 5 of this Interim Report

Except for above, the Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2006.

APM AUTOMOTIVE HOLDINGS BERHAD

(Company No. 424838-D)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

	Current	Corresponding
	Year to Date	Year To Date
	31-Dec-07	31-Dec-06
	<u>RM'000</u>	<u>RM'000</u>
Net cash flow from operating activities	86,890	115,901
Net cash flow used in investing activities	(14,581)	(44,211)
Net cash flow used in financing activities	(38,907)	(27,626)
Net change in cash and cash equivalents	<u>33,402</u>	<u>44,064</u>
Exchange differences	(1,831)	270
Cash and cash equivalents at beginning of year	<u>140,484</u>	<u>96,150</u>
Cash and cash equivalent at end of period	<u>172,055</u>	<u>140,484</u>

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2006.

APM AUTOMOTIVE HOLDINGS BERHAD

(Company No. 424838-D)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	<----- Non-Distributable ----->			Distributable		Minority interest	Total equity
	Share capital	Treasury shares	Reserves attributable to Capital	Retained profits	Sub-total		
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
As at 1 Jan 2006	201,600	(552)	(24,156)	326,075	502,967	8,492	511,459
							-
Shares repurchased		(2,492)			(2,492)	-	(2,492)
Exchange adjustment on translation			(610)		(610)	-	(610)
Net profit for the period				55,513	55,513	3,484	58,997
Dividend paid/payable				(18,834)	(18,834)	-	(18,834)
amortization of revalued assets			(79)	79		-	-
As at 31 Dec 2006	<u>201,600</u>	<u>(3,044)</u>	<u>(24,845)</u>	<u>362,833</u>	<u>536,544</u>	<u>11,976</u>	<u>548,520</u>
As at 1 Jan 2007	201,600	(3,044)	(24,845)	362,833	536,544	11,976	548,520
Purchase of treasury shares -		(4,105)			(4,105)		(4,105)
MI for newly formed subsidiary						2,637	2,637
Exchange adjustment on translation -			(1,475)		(1,475)		(1,475)
Net profit for the period				53,586	53,586	5,750	59,336
Dividend paid				(18,937)	(18,937)	(8,866)	(27,803)
As at 31 Dec 2007	<u>201,600</u>	<u>(7,149)</u>	<u>(26,320)</u>	<u>397,482</u>	<u>565,613</u>	<u>11,497</u>	<u>577,110</u>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2006

APM AUTOMOTIVE HOLDINGS BERHAD (424838-D)
EXPLANATORY NOTES – 31 December 2007

1. Accounting Policies

This interim financial report has been prepared in accordance with the requirements of FRS134 – Interim Financial Reporting, issued by the Malaysian Accounting Standards Board (MASB) and paragraph 9.22 of Bursa Malaysia Listing Requirements. This interim financial statement should be read in conjunction with the Group's Annual Audited Financial Statements for the year ended 31 December 2006.

2. Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2006, except for the adoption of new/revised Financial Reporting Standards FRS 117 Leases, FRS 124 Related Party Disclosures and amendment to FRS119₂₀₀₄ Employee Benefits, Actuarial Gains and Losses, Group Plans and Disclosures, effective for financial period beginning 1 January 2007.

The adoption of FRS 124 and amendments to FRS119₂₀₀₄ does not result in a material impact on the disclosure in this Interim Report. The impact of applying FRS 117 is explained below.

Prior to 1 January 2007, the Group classified leasehold land as property within its property, plant and equipment. On the adoption of FRS 117, the Group treats such leasehold land as an operating lease, with the unamortised carrying amounts classified as prepaid lease payments in accordance with the transitional provisions in FRS 117.67A. The comparative figures for the balance sheet in respect of 31 December 2006 is now restated as follows :

<u>RM'000</u>	<u>As restated</u>	<u>As previously stated</u>
Property, plant & equipment	171,275	211,104
Prepaid lease payments	39,829	-

3. Annual Audit Report

The audit report of the preceding annual financial statements was not qualified.

4. Seasonality or Cyclicity of Interim Operations

The operations of the Group were not affected by any seasonal or cyclical factors, other than the general economic environment in which we operate.

5. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow

NIL.

6. Changes in Estimates Reported in Prior Interim Periods of the Current Financial Year or Prior Financial Year Having a Material Effect in the Current Interim Period

NIL.

7. Debts and Equity Securities

There were no issuance, repurchases, resale or repayment of debts and equity securities in the current interim period and financial year to date, other than the following repurchase of shares by the Company :

<u>Month</u>	<u>No. of shares repurchased</u>	<u>Total consideration</u>
Jan-07	50,000	RM119,524
Feb-07	50,000	RM125,952
Mar-07	10,000	RM24,581
Apr-07	247,500	RM609,448
May-07	150,000	RM356,007
Jun-07	319,900	RM723,577
Jul-07	187,300	RM451,526
Aug-07	221,400	RM455,228
Sep-07	335,100	RM684,420
Oct-07	210,000	RM414,194
Nov-07	60,100	RM140,767
Dec-07	-	-
Jan-08	113,900	RM268,003
	<u>1,955,200</u>	<u>RM4,373,227</u>

APM AUTOMOTIVE HOLDINGS BERHAD (424838-D)**8. Dividends Paid**

The following dividend was paid to shareholders during the current quarter and year to date.

	Current quarter	Year to date
	<u>RM'000</u>	<u>RM'000</u>
Final dividend – 2006	-	11,673
Interim dividend – 2007	<u>-</u>	<u>7,264</u>
	<u>-</u>	<u>18,937</u>

9. Segment Information

Revenue and results by business segments were not provided in the previous quarters as per FRS 114 Segment Reporting because the Group's activities are predominantly in the manufacturing and trading of automotive parts in Malaysia. However with the increased contributions from the overseas operations, segment information (for operations in Malaysia and outside Malaysia) is now set out below :

By Geographical locations

	Current Quarter		Cumulative Year to Date	
	Segment Revenue	Profit before tax	Segment Revenue	Profit before tax
<u>31-Dec-07</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Operations in Malaysia	198,966	23,527	739,433	72,256
Outside Malaysia	38,763	2,947	109,697	6,281
	<u>237,729</u>	<u>26,474</u>	<u>849,130</u>	<u>78,537</u>
Inter-segment elimination	<u>(3,261)</u>	<u>(29)</u>	<u>(9,887)</u>	<u>(29)</u>
	<u>234,468</u>	<u>26,445</u>	<u>839,243</u>	<u>78,508</u>
 <u>31-Dec-06</u>	 <u>RM'000</u>	 <u>RM'000</u>	 <u>RM'000</u>	 <u>RM'000</u>
Operations in Malaysia	196,611	17,340	845,592	77,651
Outside Malaysia	17,277	588	65,013	2,427
	<u>213,888</u>	<u>17,928</u>	<u>910,605</u>	<u>80,078</u>
Inter-segment elimination	<u>(3,281)</u>	<u></u>	<u>(10,788)</u>	<u></u>
	<u>210,607</u>	<u>17,928</u>	<u>899,817</u>	<u>80,078</u>

10. Valuations of Property, Plant and Equipment

The valuations of property, plant and equipment have been brought forward without amendment from the previous annual financial statements.

11. Material Events Subsequent to the End of the Interim Period

There were no material events subsequent to the end of the interim period that have not been reflected in the financial statement for the interim period.

12. Changes in the Composition of the Enterprise during the Interim Period

P.T. APM Armada Suspension, a subsidiary in which the Group holds 80% equity interest, was granted legal entity status by the Ministry of Law and Human Rights of the Republic of Indonesia pursuant to the Ministry's letter dated 22 October 2007.

13. Changes in Contingent Liabilities and Contingent Assets

There were no changes in contingent liabilities and contingent assets since the last annual balance sheet date.

APM AUTOMOTIVE HOLDINGS BERHAD (424838-D)

Additional Information Required By Bursa Malaysia Listing Requirements

1. Review of Performance of the Company and its Principal Subsidiaries

For the fourth quarter of 2007, the Group recorded a revenue of RM 234.5 million and pre-tax profit of RM 26.4 million, the best performing quarter of the year. This was an increase of 11.3 % in revenue and an increase of 47.5 % in pre-tax profit compared with a revenue of RM210.6 million and pre-tax profit of RM17.9 million in the same quarter in 2006. The double digit growth in revenue was due to the contributions from overseas operations, in particular, the jointly controlled entity in Indonesia which secured new OE business.

For the full year of 2007, Group revenue dropped 6.7% from RM899.8 million to RM 839.2 million as a result of lower OE sales. However revenue from our overseas operations in Indonesia, Australia and Vietnam had increased.

In spite the lower sales, higher materials and fuel prices, the Group through its effective re-structuring and cost improvement efforts managed to achieve a pre-tax profit of RM 78.5 million in 2007 compared with RM 80.0 million in 2006, a marginal drop of 2.0%.

2. Comments on any Material Changes in the Current Quarter Profit before Tax Compared with the Immediate Preceding Quarter

Compared with the results of the third quarter of 2007, Group revenue increased 3.4% from RM 226.8 million to RM 234.5 million due to the higher revenue contribution from overseas operations. Pre-tax profit improved by 23.9% to RM26.4 million from RM 21.3 million contributed mainly by the better operating margin of the Malaysia operations. Pre-tax profit from the overseas operations had also increased in tandem with higher sales.

3. Prospects

Vehicle sales in the domestic market which had picked up in the second half 2007 will remain positive in 2008. The launching of additional new models, particularly in the lower engine capacity range is expected to sustain the current buying interest. The Malaysia Automotive Association has forecasted vehicle sales in 2008 to grow by 4.7% to reach 510,000 units from 487,176 units in 2007. In view of the favorable market conditions, the Group expects a better performance of its Malaysian operations in 2008.

As for operations outside Malaysia, the Group is seeing positive contribution from its existing plants which are already in operation. This, however, would be partially offset by the additional overheads of new plants/facilities to be built in Indonesia and Australia in 2008.

4. Revenue or Profit Estimate, Forecast, Projection or Internal Targets

Not applicable.

5. Income tax

	Current Quarter <u>RM'000</u>	Cumulative Current year <u>RM'000</u>
<u>Current tax</u>		
- Current year	7,456	20,218
- Prior year	(21)	(311)
<u>Deferred tax</u>		
- Current year	(810)	(662)
- Prior year	(73)	(73)
	<u>6,552</u>	<u>19,172</u>

The Group's effective tax rate is lower than the statutory tax rate due mainly to the availability of tax incentives.

APM AUTOMOTIVE HOLDINGS BERHAD (424838-D)**6. Profits/(losses) on Sale of Unquoted Investments and/or Properties**

There was no sale of unquoted investments and/or properties in the current interim period and financial year to date.

7. Purchase or Disposal of Quoted Securities

There were no purchases or disposals of quoted securities in the interim period and financial year to date.

8. Status of Corporate Proposals

Not applicable.

9. Group Borrowings and Debt Securities

	31.12.2007
	<u>RM'000</u>
Unsecured - Bills payable	3,812
- Overdraft	1,537
- Foreign currency trade loan	265
- Hire Purchase	3
- Term loan	4,590
	<u>10,207</u>
Amount due within the next 12 months	7,490
Amount due after the next 12 months	2,717
	<u>10,207</u>
Denominated in Ringgit Malaysia	7,460
Denominated in United States Dollars	2,747
	<u>10,207</u>

10. Financial Instruments with Off Balance Sheet Risk

The Group does not have any financial instruments with off balance sheet risk as at the date of this quarterly report, other than the following forward contracts on foreign currencies to hedge the Group's purchases and sales in foreign currencies.

The Group has the following outstanding fixed forward foreign currency contracts as at 19th February 2008

Currency	Notional amount in foreign currency ('000)	Equivalent amount in RM'000	Expiry dates
Purchase contracts :			
Japanese Yen	500,723	14,908	Feb-July'08
Euro	225	1,076	Feb-April'08
Sale contracts :			
US Dollars	2,402	7,959	Feb-Aug'08
Euro	967	4,684	Feb-May'08
Australian Dollars	597	1,780	Feb-May'08
Singapore Dollars	346	798	Feb-April'08

These forward contracts on foreign currencies are entered into with licensed banks to hedge the Group's purchases and sales from exchange rate movements. As the exchange rates are pre-determined under such contracts, the Group is not exposed to market risks. There are no cash requirements on these contracts. Gains or losses arising are not recognised in the income statement but will be realized through the eventual purchase or sales transactions.

11. Status of Material Litigation since the last Annual Balance Sheet Date

There was no material litigation since the last annual balance sheet date.

APM AUTOMOTIVE HOLDINGS BERHAD (424838-D)

12. Dividend

Subject to the approval of the shareholders at the forthcoming Annual General Meeting, the Directors recommend the payment of a final dividend of 9% less 26% tax for the year ended 31 December 2007 (2006 – 8% less 27% tax). The amount payable about RM13.21 million. The entitlement and payment dates will be announced at a later date.

An interim dividend of 5% less 27% tax (2006 – 5% less 28%) amounting to RM7.26 million (2006 – RM7.25 million) was paid on 20 September 2007. Together with the proposed final dividend, the total dividend payment for the year ended 31 December 2007 would be RM20.47 million (2006 –RM18.9 million)

13. Earnings per Share

The computation of earnings per share for the period is based on the net profit attributable to ordinary shareholders of the parent entity for the period and the weighted average number of ordinary shares. The weighted average number of ordinary shares during the quarter is 198,442,618 and for the year to date is 199,379,573. The outstanding number of ordinary shares outstanding as at 31 December 2007 is 198,402,700 (2006 –200,244,000 shares).

BY ORDER OF THE BOARD

CHAN YOKE LIN
LEE KWEE CHENG
Company Secretaries

Kuala Lumpur
26 February 2008