



APM AUTOMOTIVE HOLDINGS BERHAD

(Company No. 424838-D)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED INCOME STATEMENTS

	Current Quarter ended 30-Sep-08 RM'000	Corresponding Quarter ended 30-Sep-07 RM'000	Cumulative Year To Date 30-Sep-08 RM'000	Corresponding Year To Date 30-Sep-07 RM'000
Revenue	249,702	226,775	720,199	604,775
Profit from Operations	22,103	20,015	62,604	48,932
Finance Costs	(132)	(205)	(372)	(615)
Interest Income	1,548	1,500	4,417	3,746
Profit before Tax	23,519	21,310	66,649	52,063
Taxation	(6,137)	(5,270)	(16,426)	(12,620)
Net Profit for the Period	17,382	16,040	50,223	39,443
Attributable to :				
Equity holders of the parent	16,065	14,296	46,115	35,604
Minority interest	1,317	1,744	4,108	3,839
	17,382	16,040	50,223	39,443
Depreciation	6,829	8,035	21,517	25,510
Earnings per share				
Basic (sen)	8.12	7.18	23.29	17.83
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 2007.

APM AUTOMOTIVE HOLDINGS BERHAD

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

CONDENSED CONSOLIDATED BALANCE SHEETS

	As at 30-Sep-08 <u>RM'000</u>	As at 31-Dec-07 <u>RM'000</u>
ASSETS		
Non-current assets		
Property, plant & equipment	172,472	160,153
Prepaid lease payments	35,568	35,962
Investment property	1,309	1,340
Development expenditure	659	180
Deferred tax asset	7,742	9,336
	<u>217,750</u>	<u>206,971</u>
Current assets		
Inventories	188,700	153,627
Trade and other receivables	218,938	230,186
Cash and bank balances	206,971	177,405
	<u>614,609</u>	<u>561,218</u>
TOTAL ASSETS	<u>832,359</u>	<u>768,189</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	201,600	201,600
Reserves	396,727	371,162
Treasury shares	(8,433)	(7,149)
	<u>589,894</u>	<u>565,613</u>
Minority interest	13,150	11,497
Total equity	<u>603,044</u>	<u>577,110</u>
Non-current liabilities		
Long-term borrowings	1,284	2,717
Deferred tax liability	3,363	3,952
Others	12,446	11,696
	<u>17,093</u>	<u>18,365</u>
Current liabilities		
Trade and other payables	193,177	159,975
Short term borrowings	12,238	7,490
Taxation	6,807	5,249
	<u>212,222</u>	<u>172,714</u>
Total liabilities	<u>229,315</u>	<u>191,079</u>
TOTAL EQUITY AND LIABILITIES	<u>832,359</u>	<u>768,189</u>
Net asset per share attributable to ordinary equity holders of the parent (RM)	3.02	2.87

Except for above, the Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2007.

APM AUTOMOTIVE HOLDINGS BERHAD

(Company No. 424838-D)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

	Current	Corresponding
	Year to Date	Year To Date
	30-Sep-08	30-Sep-07
	<u>RM'000</u>	<u>RM'000</u>
Cash generated from operations	77,600	84,744
Net cash flow used in investing activities	(29,297)	(17,120)
Net cash flow used in financing activities	(24,546)	(31,002)
Net increase in cash and cash equivalents	<u>23,757</u>	<u>36,622</u>
Exchange differences	1,201	1,028
Cash and cash equivalents at beginning of year	<u>172,056</u>	<u>140,484</u>
Cash and cash equivalents at end of period	<u><u>197,014</u></u>	<u><u>178,134</u></u>
Cash and cash equivalents comprise :-		
Cash and bank balances	206,971	185,054
Bills/Bank overdrafts	(9,957)	(6,920)
	<u><u>197,014</u></u>	<u><u>178,134</u></u>

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2007.

APM AUTOMOTIVE HOLDINGS BERHAD

(Company No. 424838-D)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	<----- Non-Distributable ----->			Distributable			Total equity <u>RM'000</u>
	Share capital <u>RM'000</u>	Treasury shares <u>RM'000</u>	Reserves	Retained profits <u>RM'000</u>	Sub-total <u>RM'000</u>	Minority interest <u>RM'000</u>	
			attributable to capital <u>RM'000</u>				
As at 1 Jan 2007	201,600	(3,044)	(24,845)	362,833	536,544	11,976	548,520
Purchase of treasury shares		(3,550)			(3,550)	-	(3,550)
MI for newly formed subsidiary					-	-	-
Exchange adjustment on translation			678		678	-	678
Net profit for the period				35,604	35,604	3,839	39,443
Dividend paid				(18,937)	(18,937)	(4,097)	(23,034)
As at 30 Sept 2007	<u>201,600</u>	<u>(6,594)</u>	<u>(24,167)</u>	<u>379,500</u>	<u>550,339</u>	<u>11,718</u>	<u>562,057</u>
As at 1 Jan 2008	201,600	(7,149)	(26,472)	397,634	565,613	11,497	577,110
Purchase of treasury shares		(1,284)			(1,284)		(1,284)
Capital Contribution from MI						2,429	2,429
Disposal of subsidiary						(4,884)	(4,884)
Exchange adjustment on translation			1,422		1,422		1,422
Net profit for the period				46,115	46,115	4,108	50,223
Dividend paid				(21,972)	(21,972)		(21,972)
As at 30 Sept 2008	<u>201,600</u>	<u>(8,433)</u>	<u>(25,050)</u>	<u>421,777</u>	<u>589,894</u>	<u>13,150</u>	<u>603,044</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 2007

APM AUTOMOTIVE HOLDINGS BERHAD (424838-D)
EXPLANATORY NOTES – 30 September 2008

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 2007.

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 2007, except for the adoption of new/revised Financial Reporting Standards FRS 112, Income Tax, FRS 118, Revenue, FRS 120, Accounting for Government Grant and Disclosure of Government Assistance, FRS 121, The Effects of Changes of Foreign Exchange Rate – Net Investment in a Foreign Operation, FRS 134, Interim Financial Reporting, FRS 137 Provision, Contingent Liabilities and Contingent Assets.

The adoption of new and revised standards has not result in a material impact on the disclosure in this Interim Report.

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-08	113,900	RM268,003
Feb-08	50,000	RM105,429
Mar-08	207,200	RM437,147
May-08	83,000	RM181,490
Jun-08	112,700	RM241,661
Jul-08	15,100	RM30,421
Aug-08	9,700	RM19,357
	<u>591,600</u>	<u>RM1,283,508</u>

8. Dividends Paid

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

	Current quarter RM'000	Year to date RM'000
Final dividend 2007		13,189
Interim dividend 2008	8,783	8,783
	<u>8,783</u>	<u>21,972</u>

9. Segment Information

Segment information on business segments is not presented in respect of the Group's business because the Group's activities are predominantly in the manufacturing and trading of automotive parts in Malaysia and outside Malaysia.

Geographical segments

Segment information is presented in respect of geographical segment as the activities of the Group are principally within Malaysia and Outside Malaysia.

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

By Geographical segments

30-Sept-2008 (RM'000)	3rd Quarter		Cumulative Year to Date	
	Revenue	Profit before tax	Segment Revenue	Profit before tax
Operations in Malaysia	206,003	25,950	616,500	67,887
Outside Malaysia	46,818	(2,431)	112,756	(1,238)
	<u>252,821</u>	<u>23,519</u>	<u>729,256</u>	<u>66,649</u>
Inter-segment elimination	(3,119)		(9,057)	
	<u>249,702</u>	<u>23,519</u>	<u>720,199</u>	<u>66,649</u>

30- Sept-2007 (RM '000)	3rd Quarter		Cumulative Year to Date	
	Revenue	Profit before tax	Segment Revenue	Profit before tax
Operations in Malaysia	199,036	19,498	538,917	47,980
Outside Malaysia	29,153	1,812	70,935	4,083
	<u>228,189</u>	<u>21,310</u>	<u>609,852</u>	<u>52,063</u>
Inter-segment elimination	(1,414)		(5,077)	-
	<u>226,775</u>	<u>21,310</u>	<u>604,775</u>	<u>52,063</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

On 15 August 2008 it was announced that APM Automotive International Ltd , a 100% owned subsidiary of the Group, formed a new company named APM Auto Components (Vietnam) Co Ltd in the Socialist Republic of Vietnam with an investment certificate for the manufacture of automotive seats and components, shock absorbers, radiators and air-conditioners parts. The investment certificate was dated 8 August 2008.

The new company will have a registered investment capital of USD1,100,000 and charter capital of USD330,000.

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 Compared with 3rd Quarter 2007

For the third quarter of 2008, the Group recorded a revenue of RM 249.7 million and a pretax profit of RM 23.5 million, an increase of 10.1% and 10.4% respectively compared to the same quarter last year.

For operations in Malaysia, OE sales grew 5.8% in tandem with the higher vehicle production in the country while Export sales grew 7.9%. RE sales, however, declined 8.2% as dealers had overstocked during our sales campaign period ended last quarter. Revenue from operations outside Malaysia surged 60.6% compared to the same quarter last year mainly contributed by the seat business in Indonesia.

Pretax profit for operations in Malaysia was RM 26.0 million compared with RM 19.5 million for the same period last year. Included in this profit was a one time payment of RM 4.2 million for the reimbursement of product development expenditure by a customer which was recognized as other income by the Group during the quarter. Operations outside Malaysia registered a pretax loss of RM 2.4 million despite the higher revenue. The decline in profit was mainly caused by the unfavorable currencies exchange rates which had materially affected the cost of imported materials by our plants in Indonesia. The on going price negotiations with our Indonesia customers are expected to bring in positive results and better margins in the next quarter.

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

Compared with the results of immediate preceding quarter, Group revenue increased by 4.4% from RM239.1 million to RM249.7 million whilst pretax profit increased by 6.3% from RM 22.1 million to RM 23.5 million. Higher vehicle production in Malaysia during the quarter resulted in higher OE sales which rose by 4.2% compared with the immediate preceding quarter. RE and Export sales however, declined 8.2% and 16.1% respectively.

For operations outside Malaysia, sales in Indonesia increased by 44.4% whereas sales in Vietnam and Australia declined by 7.2% and 4.9% respectively.

Overall for the 9 months to date, Group revenue was RM 720.2 million compared with RM604.8 million last year, representing a growth of 19.1%. Profit before tax was RM 66.6 million compared with RM52.0 million, an increase of 28.1%.

3. Prospects

New car sales in the country is expected to soften in the coming months although sales for the whole year is likely to exceed MAA's forecast of 510,000 units. As such, OE sales is expected to perform better than last year. Operations outside Malaysia have been adversely affected by the unfavorable currencies exchange rates and the performance of this segment for the next quarter would depend very much on the outcome of the price negotiations. With volatility in the currencies exchange rates and uncertainties on the global economy, the operating environment is expected to be more challenging. The Group will remain focused and continue to closely monitor overall business conditions and exercise prudent risk management. The Directors expect the performance for the remaining quarter to be satisfactory with the overall performance for the whole year to be better than the previous year.

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

Not applicable.

APM AUTOMOTIVE HOLDINGS BERHAD (424838-D)

5. Income tax

The Group's effective tax rate is lower than the statutory tax rate due mainly to the availability of tax incentives and the impact of change in the statutory rate on deferred tax.

	Current Quarter RM'000	Cumulative Current year RM'000
<u>Current tax</u>		
- Current year	(5,782)	(16,850)
- Prior year	(351)	832
<u>Deferred tax</u>		
- Current year	-	1,000
- Prior year	(4)	(1,408)
	<u>(6,137)</u>	<u>(16,426)</u>

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

	30-Sep-08 RM'000
Unsecured	
- Bills payable	66
- Overdraft	9,891
- Foreign currency trade loan	354
- Term loan	3,211
	<u>13,522</u>
Amount due within the next 12 months	12,238
Amount due after the next 12 months	1,284
	<u>13,522</u>
Denominated in Ringgit Malaysia	11,549
Denominated in United States Dollars	1,973
	<u>13,522</u>

APM AUTOMOTIVE HOLDINGS BERHAD (424838-D)

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 10th November 2008

Currency	Notional amount in foreign currency ('000)	Equivalent amount in RM'000	Expiry dates
Purchase contracts :			
Japanese Yen	427,935	13,925	Nov'08-Apr'09
USD	3,741	12,820	Nov'08-May'09
THB	27,849	2,834	Nov'08-May09
Euro	311	1,477	Nov'08-May09
Sale contracts :			
US Dollars	2,831	9,473	Nov'08-Apr'09
Euro	1,327	6,700	Nov'08-Apr'09
Australian Dollars	879	2,677	Nov'08-Jan'09
Singapore Dollars	449	1,078	Nov'08-Apr'09
Japanese Yen	3,868	119	Jan'09

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.

12. Dividend

No dividend was declared for the current financial quarter.

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 197,817,244 and for the year to date is 198,014,213. The outstanding number of ordinary shares as at 30 September 2008 is 197,811,100 (31 December 2007 : 198,402,700 shares).

BY ORDER OF THE BOARD

CHAN YOKE LIN
LEE KWEE CHENG
Company Secretary

Kuala Lumpur
17 November 2008