

DOMINANT ENTERPRISE BERHAD
(Company No.221206-D)

CONDENSED CONSOLIDATED INCOME STATEMENTS (UNAUDITED)
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2009

	<u>FYE2010</u>	<u>FYE2009</u>	<u>FYE2010</u>	<u>FYE2009</u>
	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Quarter Ended 30.09.2009	Preceding Year Corresponding Quarter Ended 30.09.2008	Current Year To Date Ended 30.09.2009	Preceding Year Corresponding Quarter Ended 30.09.2008
	RM'000	RM'000	RM'000	RM'000
Revenue	74,658	87,065	151,190	180,815
Profit from Operations	4,854	5,072	10,730	11,197
Finance Costs	(292)	(816)	(798)	(1,619)
Investment Income	55	66	85	123
Profit Before Tax	4,617	4,322	10,017	9,701
Income Tax Expense	(1,304)	(998)	(2,512)	(2,166)
Profit After Tax	3,313	3,324	7,505	7,535
Attributable to :				
Equity holders of the parent	3,222	3,279	7,337	7,412
Minority Interest	91	45	168	123
	3,313	3,324	7,505	7,535
Earning Per Share				
- Basic (sen)	2.59	2.64	5.92	5.98
- Diluted (sen)	-	-	-	5.94

The Condensed Consolidated Income Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31st March 2009 and the accompanying explanatory notes to the interim financial reports.

DOMINANT ENTERPRISE BERHAD
(Company No.221206-D)
CONDENSED CONSOLIDATED BALANCE SHEET (UNAUDITED)
AS AT 30 SEPTEMBER 2009

	As At 30 Sept 2009 RM'000	As At 30 June 2009 RM'000
ASSETS		
<u>Non-Current Assets</u>		
Property, plant and equipment	46,852	46,526
Prepaid land lease payments	6,190	6,115
Goodwill	837	837
	53,879	53,478
<u>Current Assets</u>		
Inventories	55,237	49,017
Trade receivables	61,843	66,132
Other receivables and prepaid expenses	1,211	1,271
Cash and bank balances	14,438	11,103
	132,729	127,523
TOTAL ASSETS	186,608	181,001
EQUITY AND LIABILITIES		
<u>Equity Attributable To Equitable Holders Of The Parent</u>		
Issued capital	62,002	62,002
Treasury shares	(914)	(914)
Share premium	195	195
Other reserves	7,524	7,275
Retained Earning	40,578	40,113
	109,385	108,671
Minority Interest	1,329	1,238
Total Equity	110,714	109,909
<u>Non-Current Liabilities</u>		
Hire purchase payables	240	111
Finance lease payable	21	29
Bank borrowings	4,901	4,820
Deferred tax liabilities	2,195	2,195
	7,357	7,155
<u>Current Liabilities</u>		
Trade payables	19,102	17,701
Other payables and accrued expenses	4,473	4,274
Hire purchase payables	206	105
Finance lease payable	33	33
Bank borrowings	41,983	39,849
Tax liabilities	2,740	1,975
	68,537	63,937
Total Liabilities	75,894	71,092
TOTAL EQUITY AND LIABILITIES	186,608	181,001
Net assets per share (RM)	0.8821	0.8764

The Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statements for the financial year ended 31st March 2009 and the accompanying explanatory notes to the interim financial reports.

DOMINANT ENTERPRISE BERHAD**(Company No.221206-D)****CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)**

	Issued Capital	Treasury Shares	Share Premium	Other Reserves	Retained Earning	Total	Minority Interest	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 April 2008	62,002	(914)	195	5,517	26,198	92,998	1,021	94,019
Net profit for the period	-	-	-	-	7,412	7,412	123	7,535
Dividend	-	-	-	-	(1,839)	(1,839)	-	(1,839)
Translation Surplus	-	-	-	639	-	639	-	639
Balance as at 30 Sept 2008	<u>62,002</u>	<u>(914)</u>	<u>195</u>	<u>6,156</u>	<u>31,771</u>	<u>99,210</u>	<u>1,144</u>	<u>100,354</u>
Balance as at 1 April 2009	62,002	(914)	195	6,562	35,998	103,843	1,161	105,004
Net profit for the period	-	-	-	-	7,337	7,337	168	7,505
Dividend	-	-	-	-	(2,757)	(2,757)	-	(2,757)
Translation surplus	-	-	-	962	-	962	-	962
Balance as at 30 Sept 2009	<u>62,002</u>	<u>(914)</u>	<u>195</u>	<u>7,524</u>	<u>40,578</u>	<u>109,385</u>	<u>1,329</u>	<u>110,714</u>

The Condensed Consolidated Statements of Changes In Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31st March 2009 and the accompanying explanatory notes to the interim financial reports.

DOMINANT ENTERPRISE BERHAD
(Company No.221206-D)

CONDENSED CONSOLIDATED CASH FLOW STATEMENT (UNAUDITED)

	Financial Period Ended 30.09.2009	Financial Period Ended 30.09.2008
	RM'000	RM'000
Profit for the period	7,505	7,535
Adjustments for : -		
Non-cash items	1,050	971
Non-operating items	3,237	3,904
<i>Operating profit before changes in working capital</i>	<u>11,792</u>	<u>12,410</u>
Changes in working capital		
Net change in current assets	(15,718)	(9,768)
Net change in current liabilities	8,807	(185)
<i>Cash generated from / (used in) operations</i>	<u>4,881</u>	<u>2,457</u>
Interest paid	(66)	(92)
Income tax paid	(1,479)	(1,895)
Net cash from / (used in) operating activities	<u>3,336</u>	<u>470</u>
Net cash from / (used in) investing activities	(2,960)	(2,420)
Net cash from / (used in) financing activities	<u>4,545</u>	<u>1,977</u>
Net Changes in Cash & Cash Equivalents	4,921	27
Adjustment for foreign exchange differentials	87	(233)
Cash & Cash Equivalents at beginning of period	6,893	7,895
Cash & Cash Equivalents at end of period	<u><u>11,901</u></u>	<u><u>7,689</u></u>

* Cash and cash equivalents at end of financial period comprise the following :

Cash and bank balances	14,438	10,421
Less: Bank overdrafts (included within short term borrowings in Note B8)	(2,537)	(2,732)
	<u><u>11,901</u></u>	<u><u>7,689</u></u>

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the financial year ended 31st March 2009 and the accompanying explanatory notes to the interim financial reports.

UNAUDITED QUARTERLY REPORT ON FINANCIAL RESULTS FOR THE PERIOD ENDED 30 SEPTEMBER 2009

Notes to the Interim Financial Report

A1. Accounting Policies

The interim financial reports are unaudited and have been prepared in accordance with FRS 134, Interim Financial Reporting and paragraph 9.22 of the Bursa Malaysia Securities Berhad Listing Requirements. The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 March 2009.

A2. Change in Accounting Policies

The significant accounting policies adopted are consistent with those in the audited financial statements for the financial year ended 31 March 2009.

A3. Audit Qualification on Annual Financial Statements

The audit report of the Group's annual Financial Statements for the financial year ended 31 March 2009 was not subject to any qualification.

A4. Seasonal or Cyclical Factors

The Group's business operations are not significantly affected by any seasonal or cyclical factors.

A5. Unusual Items

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

A6. Material Changes in Accounting Estimates

There were no changes in accounting estimates for financial period under review.

A7. Debts and Equity Securities

There were no issuances, cancellations, share buy-backs, resale of treasury shares and repayment of debt and equity security during the financial quarter ended 30 September 2009.

A8. Dividend Paid

(a) For financial year ended 31 March 2009

A first and final dividend of 1.5 sen per share, tax exempt, for the financial year ended 31 March 2009, amounting to RM 1,838,412 was paid by the company on 29 September 2009.

(b) For financial year ending 31 March 2010

A first interim dividend of 1 sen per share with 25% tax in respect of financial year ended 31 March 2010, total amounting to RM 919,206 was paid by the company on 29 September 2009.

A9. Segmental Reporting

	Revenue	Profit before	Assets
	RM'000	Taxation	Employed
		RM'000	RM'000
Manufacturing Division	32,465	5,064	47,498
Distributing Division	118,725	4,796	119,631
	<u>151,190</u>	<u>9,860</u>	<u>167,129</u>
Unallocated corporate profit / assets		157	18,642
		<u>10,017</u>	<u>185,771</u>

A10. 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.

A11. Subsequent Material Events

There are no subsequent material events that are required to be reflected in the current quarter.

A12. Changes in the Composition of the Group

There were no changes in Composition of the Group for current quarter under review.

A13. Contingent Liabilities

As of 30 September 2009, the Group has credit facilities from licensed banks, financial institutions and suppliers totalling RM 186.80 million (RM 170.49 million in June 2009) which are guaranteed by the Company. Accordingly, the Company is contingently liable to the extent of credit facilities utilised by its subsidiary companies as of period-end amounting to about RM 50.05 million (RM 48.30 million in June 2009).

A14. Capital Commitments

As of 30 September 2009, the Group has the following capital commitments:

	RM'000
Contracted but not provided for :	
Construction of factory buildings	<u>792</u>

Additional Information Required by the Bursa Malaysia Listing Requirements

B1. Review of the Performance

For the second quarter ended 30 September 2009, the Group recorded a revenue of RM 151.19 million. This represented a reduction of 16.39% as compared to RM 180.82 million in the preceding year corresponding quarter ended 30 September 2008. However, the profit before tax (“PBT”) had increase by 3.30% to RM 10.02 million due to better costs management.

B2. Variation of Results Against Preceding Quarter

For current quarter under review, the Group’s revenue has declined by 2.44% from RM 76.53 million in the preceding quarter ended 30 June 2009. The PBT has also decrease by 14.44% from RM 5.40 million to RM 4.62 million.

B3. Prospects

The board anticipates prospects for current financial year would be more challenging as the effects of global economic downturn is likely to continue in year 2010. The board will remain focus on its current business and will continuously take necessary steps to maintain the profitability of the group.

B4. Taxation

The taxation is calculated based on the profit for the financial period ended 30 September 2009 comprises the following:

	<u>Current Quarter</u> RM’000	<u>Current Year To Date</u> RM’000
<u>Income tax Expenses :</u>		
Current Quarter/Year	1,162	2,512
Under-provision in Prior Quarter/Year	142	-
	<u>1,304</u>	<u>2,512</u>

The effective tax rate is higher than the statutory tax rate due to certain tax disallowed expenses incurred and the operating loss incurred by one of the overseas subsidiary company which cannot be offset against taxable profit in Malaysia.

B5. Unquoted Investments and/or Properties

There were no disposals of unquoted investment and/or properties for the quarter under review.

B6. Quoted Securities

There were no purchases or disposals of quoted securities for the quarter under review.

B7. Status of Corporate Proposals

There was no corporate proposal for the quarter under review.

B8. Borrowings

The Group's borrowings as at the end of the reporting period are 100% unsecured :-

	As At 30 Sept 2009 RM'000	As At 30 June 2009 RM'000
Short Term Borrowing	41,983	39,849
Long Term Borrowing	4,901	4,820
	<hr/>	<hr/>
	46,884	44,669
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B9. Off Balance Sheet Financial Instruments

There was no financial instrument with off balance sheet risk as at the date of this report.

B10. Material Litigation

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

B11. Proposed Dividend

The Board proposed a second interim dividend of 1 sen per share, less 25% tax, for the financial year ending 31 March 2010 to be paid on 22 December 2009 to shareholders whose names appear in the Record of Depositors at the close of business on 14 December 2009.

B12. Earnings Per Share ("EPS")

The EPS is derived as follow :-

	Current Quarter	Current Year To Date
Net profit for the period/year (RM'000)	3,222	7,337
Weighted average number of ordinary shares ('000)	124,003	124,003
Adjusted weighted average number of ordinary shares for calculating diluted EPS ('000)	N/A	N/A
EPS (sen)	2.59	5.92
Diluted EPS (sen)	Anti- dilution	Anti- dilution