



BUY

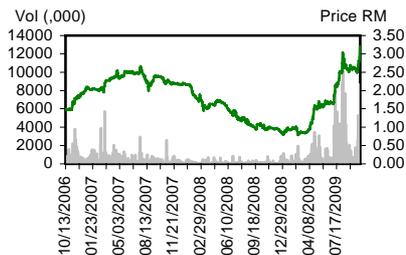
Company Update

Analyst

Malaysia Research Team
(603) 2141 1555

Price RM3.20
Target RM3.82
KLCI Index 1233

Historical Chart



Performance	1m	3m	6m
Absolute (%)	24.9	49.3	184.1
Relative (%)	21.1	29.9	118.3

Stock Information

Ticker code	SUPM.KL SUCB MK
Market cap (US\$m)	250.6
52-week high (RM)	3.20
52-week low (RM)	0.78
Shares issued (m)	265.3
6m avg d.vol (US\$m)	1.1
Free float (%)	40.0
Major shareholders (%)	
Thai Kim See / Tan Bee Geok	(50.4)
Employee Provident Fund	(7.1)

Key Indicators

ROE (%)	18.6
Net gearing (%)	49.6
NTA (RM)	1.72
Interest cover (x)	4.8

Supermax Corporation Berhad

Simply Super

H1N1 pandemic boosts demand for gloves

Demand for rubber gloves remains robust, with global consumption of 140b gloves expected to grow by 8-10% p.a. Supermax has seen significantly higher demand following the H1N1 pandemic as orders have risen by 30-35% YoY for May-Oct 2009. It expects overall sales to grow by more than 5% p.a. if the outbreak is prolonged into 2010 and has raised selling prices for December shipments.

Earnings to exceed forecasts by ~30%

Taking the cue from Top Glove's excellent 4Q09 results for the 3 months to Aug 2009, Supermax's earnings for 3QFY09 should be substantially higher than consensus forecasts, with 3Q EPS likely to grow by more than 100% YoY and 30% QoQ. EBIT margins have widened to more than 15% from about 9% in FY08 due to lower average latex price of ~RM4.50/kg (FY08: RM5.50/kg) and a stronger US\$. We are likely to raise our FY09-FY10 EPS forecasts by 30-35% post its 3QFY09 results to be announced on 15 Oct due to stronger-than-expected demand, resulting in better pricing and margins from its overseas distribution centres and OBM model. The addition of 12 new lines in 2010 will increase production capacity by 1.7b gloves to 16.2b pieces, boosting sales revenue by RM85-90m in FY10 and RM130-140m in FY11.

Higher dividends to follow?

Total borrowings fell from RM406m in Dec 2008 to RM294m in Jun 2009, translating to net gearing of 0.49x. It also improved its working capital and risk management – with 1H09 receivables cycle falling to 2.43 months (FY08: 3.46 months) and inventory turnover falling to 1.28 months (FY08: 2 months). Its long-term intention is to keep its net gearing at 0.5x-0.75x. There is no major capital expenditure in 2009. In 2010, it will spend RM32m on the installation of 12 lines with a combined capacity of 1.7b gloves. Given its improved profitability and cashflow, it is likely to announce a special dividend for FY09, possibly doubling FY08's dividend of 3.2 sen.

BUY – undemanding valuations

Current FY09 and FY10 PERs of 10x and 9.2x are undemanding compared to the sector average of 12.2x for CY09. We reiterate our BUY recommendation with a revised price target of RM3.82, based on 11x FY10 EPS of 34.7 sen.

Year End Dec 31	2007	2008	2009E	2010E	2011E
Sales (RM m)	574.3	811.8	818.0	900.0	961.0
Pre-tax (RM m)	58.6	52.0	103.5	111.5	117.5
Net profit (RM m)	56.0	47.0	84.9	92.0	96.9
EPS (sen)	24.1	17.7	32.0	34.7	36.5
EPS growth (%)	33.5	-26.6	80.7	8.4	5.4
PER (x)	13.3	18.1	10.0	9.2	8.8
EV/EBITDA (x)	14.5	16.2	10.3	9.3	8.6
Net Yield (%)	1.0	1.0	1.1	1.3	1.3

SEE APPENDIX I FOR IMPORTANT DISCLOSURES AND ANALYST CERTIFICATIONS

Table 1: Quarterly Results

(RMm)	Q208	Q308	Q408	Q109	Q209	% chg Q/Q	% chg Y/Y
Revenue	193.3	244.3	204.4	192.4	188.5	-2.0	-2.5
Operating profit	15.1	19.1	21.4	20.4	26.8	31.8	77.8
Interest expense	-5.7	-5.6	-5.1	-5.0	-4.5	-10.7	-21.3
Associates	4.9	2.4	6.2	8.1	9.0	10.7	85.3
Impairment of Inv in Associate (APLI)	0.0	0.0	-16.7	0.0	0.0		
Pretax Profit	14.2	15.9	5.9	23.5	31.3	33.6	120.2
Taxation	-0.7	-0.4	-4.4	-3.8	-5.6	48.1	681.7
Net Profit	13.5	15.5	1.5	19.7	25.8	30.8	90.6
EPS (sen)	5.1	5.8	0.6	7.4	9.7	30.8	90.6
Output (m pieces)	2445	2785	2915	2920	3015	0.7	23.3
EBIT margins (%)	7.8	7.8	10.5	10.6	14.2		
Tax Rate (%)	5.0	2.6	73.9	16.0	17.8		

Sources: Company data, KE estimates

Table 2: FY08 Sales by Products (%)

Powdered gloves	Latex examination	38
	Nitrile synthetic	1
	Sterile surgical	3
Powder-free gloves	Latex examination	36
	Nitrile synthetic	22
Total		100

Source: Company data

Table 3: Sales by geographical regions (%)

	FY06	FY07	FY08	1H09
Americas	65.0	64.0	60.5	61.0
Europe	23.5	23.0	26.5	26.5
Asia / Australasia	5.5	6.0	6.5	7.0
Africa & /Middle East	6.0	7.0	6.5	5.5

Source: Company data

Table 4: Working Capital Management

	FY06	FY07	FY08	2Q09
Receivables cycle (mths)	4.47	4.35	3.46	2.43
Inventory Turnover cycle (mths)	1.26	2.22	2.00	1.28
Gearing ratio (net)	0.78	0.88	0.90	0.49

Source: Company data

Table 5: Key Assumptions

	2007	2008	2009	2010	2011
Installed capacity (m pieces)	13,516	14,476	14,476	15,634	16,204
Prod'n output (m pieces) *	11,736	10,800	12,500	13,600	14,200
Utilisation rate (%)	87%	75%	86%	87%	88%
Forex rate US\$/RM	3.40	3.50	3.55	3.40	3.30
Avg latex price/kg wet (RM)	5.20	5.50	4.50	5.00	5.00

* Supermax and Seal Polymer

Table 6: Relative valuations

Company FYE	Top Glove Aug-10	Kossan Dec-09	Supermax Dec-09	Hartalega* Mar-10
Share price (RM)	8.16	4.78	3.20	5.56
Share capital (m shrs)	304.5	159.9	265.3	242.3
Market cap (RMm)	2484.5	764.2	849.0	1347.3
Installed Capacity (m pieces/annum)	31500	11100	14476	6200
Net Profit	186.0	63.8	84.9	101.4
EPS (sen)	61.1	39.9	32.0	41.8
PER (x)	13.4	12.0	10.0	13.3
NTA/share (RM)	2.78	2.04	1.72	2.05
Price/book (x)	2.9	2.3	1.9	2.7
Net debt (RMm)	-176.6	139.5	227.0	49.0
Net gearing (%)	-21.4	43.0	49.6	23.3
Revenue – gloves (RMm)	1700.0	870.0	818.0	545.3
Market cap/revenue (x)	1.46	0.88	1.04	2.47
Sales/share (RM)	5.58	5.44	3.08	2.25

* based on consensus estimates

Profit and Loss

YE Dec (RM m)	2007	2008	2009	2010	2011
Sales	574.3	811.8	818.0	900.0	961.0
Cost of goods sold	455.1	658.9	640.0	700.0	755.0
Gross Profit	119.2	152.9	178.0	200.0	206.0
Operating expenses	63.8	82.8	83.0	90.0	93.0
Operating Profit	55.4	70.2	95.0	110.0	113.0
Net interest	-15.3	-20.3	-20.0	-23.5	-22.0
Interest income	0.0	0.0	0.0	0.0	0.0
Interest expense	-15.3	-20.3	-20.0	-23.5	-22.0
Net investment income/(loss)	0.0	0.0	0.0	0.0	0.0
Net other non-op. JV+Assoc.	18.4	18.8	28.5	25.0	26.5
Net extraordinary	0.0	-16.7	0.0	0.0	0.0
Pretax income	58.6	52.0	103.5	111.5	117.5
Income taxes	-2.6	-5.0	-18.6	-19.5	-20.6
Minority Interest	0.0	0.0	0.0	0.0	0.0
Net profit	56.0	47.0	84.9	92.0	96.9
EBITDA	75.9	75.8	104.9	118.0	124.9
EPS (sen)	24.1	17.7	32.0	34.7	36.5

Sources: Company data, KE estimates

Cashflow

YE Dec (RM m)	2007	2008	2009	2010	2011
Operating cash flow	73.9	98.3	94.9	108.0	114.9
Net profit	56.0	47.0	84.9	92.0	96.9
Depreciation & amortisatn	19.9	28.8	20.0	26.0	28.0
Change in working capital	-1.9	2.7	-10.0	-10.0	-10.0
Others	-0.1	19.8	0.0	0.0	0.0
Investment cash flow	-45.2	-57.2	-15.0	-35.0	-35.0
Net capex	-33.9	-38.5	-15.0	-35.0	-35.0
Change in LT investment	-13.9	-18.6	0.0	0.0	0.0
Change in other assets	2.7	0.0	0.0	0.0	0.0
Cash flow after invt.	28.8	41.2	79.9	73.0	79.9
Financing cash flow	-30.0	-48.0	-38.1	-39.2	-39.1
Change in share capital	4.8	-5.9	1.2	1.4	1.5
Net change in debt	-26.2	-33.7	-30.0	-30.0	-30.0
Change in other LT liab.	-8.6	-8.5	-9.3	-10.6	-10.6
Net cash flow	-1.2	-6.8	41.8	33.8	40.8

Sources: Company data, KE estimates

Balance Sheet

YE Dec (RM m)	2007	2008	2009	2010	2011
Total assets	868.5	946.7	863.4	953.0	1010.0
Current assets	354.2	407.3	310.5	360.7	370.7
Cash & ST investment	29.2	31.0	66.6	55.9	60.0
Inventories	106.4	135.5	81.7	103.0	105.0
Accounts receivable	208.2	234.2	154.3	192.0	193.0
Others	10.5	6.6	7.9	9.8	12.7
Other assets	514.3	539.4	552.8	592.3	639.3
LT investments	95.7	116.0	134.1	134.1	134.1
Net fixed assets	378.5	388.2	383.5	423.0	470.0
Others	40.1	35.2	35.2	35.2	35.2
Total liabilities	484.7	530.3	406.1	422.2	399.5
Current liabilities	255.1	347.4	263.8	277.7	284.5
Accounts payable	97.9	109.1	73.7	96.1	102.0
ST borrowings	152.5	230.8	159.1	173.0	176.0
Others	4.8	7.5	31.0	8.6	6.5
Long-term liabilities	229.6	183.0	142.2	144.5	115.0
Long-term debts	216.8	174.9	134.5	134.5	106.8
Others	12.8	8.1	7.7	10.0	8.2
Shareholder's equity	383.8	416.4	457.3	530.8	610.5
Paid-in capital	132.6	132.6	132.6	132.6	132.6
Reserve	251.2	289.6	330.6	404.1	483.8
Others	0.0	-5.9	-5.9	-5.9	-5.9

Sources: Company data, KE estimates

Key ratios

YE Dec	2007	2008	2009	2010	2011
Growth (% YoY)					
Sales	47.6	41.4	0.8	10.0	6.8
OP	28.7	26.6	35.4	15.8	2.7
EBITDA	41.1	-0.2	38.4	12.5	5.9
NP	37.1	-16.1	80.7	8.4	5.4
EPS	33.5	-26.6	80.7	8.4	5.4
Profitability (%)					
Gross margin	20.8	18.8	21.8	22.2	21.4
Operating margin	9.7	8.6	11.6	12.2	11.8
EBITDA margin	13.2	9.3	12.8	13.1	13.0
Net Profit margin	4.2	2.2	3.9	3.9	3.8
ROE	14.6	11.3	18.6	17.3	15.9
ROA	6.4	5.0	9.8	9.7	9.6
Stability					
Gross debt/equity (%)	96.2	97.4	64.2	57.9	46.3
Net debt/equity (%)	88.6	90.0	49.6	47.4	36.5
Int. coverage (X)	3.6	3.4	4.8	4.7	5.1
Int. & ST debt coverage (X)	0.5	0.5	0.5	0.5	0.5
Cash flow int. coverage (X)	4.8	4.8	4.7	4.6	5.2
Cash flow int. & ST debt (X)	0.6	0.6	0.6	0.6	0.6
Current ratio (X)	1.6	1.6	1.6	1.6	1.6
Quick ratio (X)	0.7	0.7	0.7	0.7	0.7
Net debt (RMm)	340.1	374.7	227.0	251.6	222.8
Per share data					
EPS (sen)	24.1	17.7	32.0	34.7	36.5
CFPS (sen)	31.9	37.1	35.7	40.6	43.2
BVPS (RM)	1.66	1.57	1.72	2.00	2.30
SPS (RM)	2.48	3.06	3.08	3.38	3.61
EBITDA/share (RM)	32.7	28.6	39.4	44.4	47.0
DPS (sen)	3.3	3.3	3.5	4.0	4.0

Sources: Company data, KE estimates

SINGAPORE

Stephanie WONG *Head of Research*
Regional Head of Institutional Research
 +65 6432 1451 swong@kimeng.com

- Strategy
- Small & Mid Caps

Gregory YAP

- +65 6432 1450 gyap@kimeng.com
- Conglomerates
- Technology & Manufacturing
- Transport & Telcos

Rohan SUPPIAH

- +65 6432 1455 rohan@kimeng.com
- Airlines
- Marine & Offshore

Pauline LEE

- +65 6432 1453 paulinelee@kimeng.com
- Bank & Finance
- Consumer
- Retail

Wilson LIEW

- +65 6432 1454 wilsonliw@kimeng.com
- Hotel & Resort
- Property & Construction

Anni KUM

- +65 6432 1470 annikum@kimeng.com
- Industrials
- REITs

James KOH

- +65 6432 1431 jameskoh@kimeng.com
- Infrastructure
- Resources

David LOOMIS

- +65 6432 1417 dloomis@kimeng.com
- Special Situations

HONG KONG / CHINA

Edward FUNG *Head of Research*

- +852 2268 0632 edwardfung@kimeng.com.hk
- Power
- Construction

Ivan CHEUNG

- +852 2268 0634 ivancheung@kimeng.com.hk
- Property

Ivan LI

- +852 2268 0641 ivanli@kimeng.com.hk
- Bank & Finance

TAM Tsz Wang

- +852 2268 0636 tamtszwang@kimeng.com.hk
- Small Caps

Emily LEE

- +852 2268 0631 emilylee@kimeng.com.hk
- Small Caps

Jacqueline KO

- +852 2268 0633 jacquelineko@kimeng.com.hk
- Food & Beverage

GUICE Fei Ling

- +852 2268 0635 feiling@kimeng.com.hk
- Ports & Shipping

INDIA

Jigar SHAH *Head of Research*

- +91 22 6623 2601 jshah@kimeng.com
- Oil & Gas
- Transportation

Anubhav GUPTA

- +91 22 6623 2605 agupta@kimeng.com
- Property
- Capital goods

Urmil SHAH

- +91 22 6623 2606 urmil@kimeng.co.in
- Software
- Telecom

R. SRINIVASAN

- +912266232625 rsrinivasan@kimeng.co.in
- Banking and Financial services

Nikhil Agarwal

- +912266232611 nikhil@kimeng.co.in
- Cement
- Metals

MALAYSIA

YEW Chee Yoon *Head of Research*

- +603 2141 1555 cheeyoon@kimengkl.com
- Strategy
- Banks
- Telcos
- Property
- Conglomerates & others

LIEW Mee Kien

- +603 2141 1555 meekien@kimengkl.com
- Gaming
- Media
- Power
- Construction

Research Team

- +603 2141 1555
- Oil & Gas
- Food & Beverage
- Manufacturing
- Plantations
- Tobacco
- Technology

INDONESIA

Katarina SETIAWAN *Head of Research*

- +6221 2557 1125 ksetiawan@kimeng.co.id
- Consumer
- Infra
- Shipping
- Strategy
- Telcos
- Others

Ricardo SILAEN

- +6221 2557 1126 rsilaen@kimeng.co.id
- Auto
- Energy
- Heavy Equipment
- Property
- Resources

Teguh SUNYOTO

- +6221 2557 1127 tsunyoto@kimeng.co.id
- Cement
- Construction
- Pharmaceutical
- Retail

Rahmi Marina

- +6221 2557 1128 rmarina@kimeng.co.id
- Banking

Adi N. WICAKSONO

- +6221 2557 1130 anwicaksono@kimeng.co.id
- Generalist

Arwani PRANADJAYA

- +6221 2557 1129 apranadjaya@kimeng.co.id
- Technical analyst

VIETNAM

King Yoong CHEAH *Head of Research*

- +84 838 38 66 36 x 161 cheah.yoong@kimeng.com.vn
- Strategy

Nguyen Thi Ngan Tuyen

- +84 838 38 66 36 x 163 tuyen.nguyen@kimeng.com.vn
- Pharmaceutical
- Confectionary and Beverage
- Oil and Gas

Ngo Bich Van

- +84 838 38 66 36 x 164 van.ngo@kimeng.com.vn
- Bank
- Insurance

Nguyen Quang Duy

- +84 838 38 66 36 x 162 duy.nguyenquang@kimeng.com.vn
- Shipping
- Seafood
- Rubber

Trinh Thi Ngoc Diep

- +84 838 38 66 36 x 166 diep.trinh@kimeng.com.vn
- Property
- Construction

TAIWAN

Gary Chia

- Co-Head of Greater China*
- +886 2 3518 7900 gary.chia@yuanta.com

Ti-Sheng Young, Ph.D., CFA

- Co-Head of Greater China*
- +86 21 5239 5793 ti-sheng.young@yuanta.com

John Brebeck, CFA

- Head of Taiwan Strategy*
- Head of Research, Taiwan*
- +886 2 3518 7906 john.brebeck@yuanta.com

George Chang, CFA

- Head of Upstream Tech*
- +886 2 3518 7907 george.chang@yuanta.com

Jack Chang

- Head of Taiwan Non-Tech & Cyclical*
- +886 2 3518 7905 jack.chang@yuanta.com

Vincent Chen

- Head of Downstream Tech*
- +886 2 3518 7903 vincent.chen@yuanta.com

Dennis Chan – NB Supply Chain

- +886 2 3518 7913 dennis.chan@yuanta.com

Andrew C Chen – IC Backend

- +886 2 3518 7940 andrew.chen@yuanta.com

Danny Ho – Taiwan Petrochemical

- +886 2 3518 7923 danny.ho@yuanta.com

Teyi Kung, Ph.D. – Taiwan Healthcare

- +886 2 3518 7921 teyi.kung@yuanta.com

Min Li – Solar

- +852 3969 9521 min.li@yuanta.com

May Lin – Taiwan Telecom

- +886 2 3518 7942 may.lin@yuanta.com

THAILAND

David BELLER

- +662 658 6300 x 4740 david.b@kimeng.co.th
- Banks
- Shipping

Naphat CHANTARASEREKUL

- +662 658 6300 x 4770 naphat.c@kimeng.co.th
- Energy

Piya ORANRIKSUPHAK

- +662 658 6300 x 4710 piya.o@kimeng.co.th
- Property

Supattra KHONGRUNGPHAKORN

- +662 6586300 ext 4800 supattra.k@kimeng.co.th
- Media & Publishing
- Retail

Kanchan KHANJOU

- + 662 658 6300 x 4750 kanchan@kimeng.co.th
- Contractors, Construction Materials
- Information & Communication Technology

KELIVE Thailand (for retail clients)

George HUEBSCH *Head of Research*

- +662 658 6300 ext 1400 george.h@kimeng.co.th

PHILIPPINES

Ricardo PUIG *Head of Research*

- +63 2 849 8846 ricardo_puig@atr.com.ph
- Strategy
- Property
- Telcos

Laura DY-LIACCO

- +63 2 849 8843 laura_dyliacco@atr.com.ph
- Utilities
- Conglomerates

Robin SARMIENTO

- +63 2 849 8831 robin_sarmiento@atr.com.ph
- Banking
- Ports
- Mining

Lovell SARREAL

- +63 2 849 8871 lovell_sarreal@atr.com.ph
- Consumer
- Cement
- Media

REGIONAL

Luz LORENZO *Economist*

- +63 2 849 8836 luz_lorenzo@atr.com.ph
- Economics

Recommendation definitions
Our recommendation is based on the following expected price performance within 12 months:

- +15% and above: BUY
- 15% to +15%: HOLD
- 15% or worse: SELL

**APPENDIX I: TERMS FOR PROVISION OF REPORT, DISCLOSURES
AND
DISCLAIMERS**

This report, and any electronic access to it, is restricted to and intended only for clients of Kim Eng Research Sdn Bhd. ("KER") or a related entity to KER (as the case may be) who are institutional investors (for the purposes of both the Singapore Securities and Futures Act ("SFA") and the Singapore Financial Advisers Act ("FAA")) and who are allowed access thereto (each an "Authorised Person") and is subject to the terms and disclaimers below.

IF YOU ARE NOT AN AUTHORISED PERSON OR DO NOT AGREE TO BE BOUND BY THE TERMS AND DISCLAIMERS SET OUT BELOW, YOU SHOULD DISREGARD THIS REPORT IN ITS ENTIRETY AND LET KER OR ITS RELATED ENTITY (AS RELEVANT) KNOW THAT YOU NO LONGER WISH TO RECEIVE SUCH REPORTS.

This report provides information and opinions as reference resource only. This report is not intended to be and does not constitute financial advice, investment advice, trading advice or any other advice. It is not to be construed as a solicitation or an offer to buy or sell any securities or related financial products. The information and commentaries are also not meant to be endorsements or offerings of any securities, options, stocks or other investment vehicles.

The report has been prepared without regard to the individual financial circumstances, needs or objectives of persons who receive it. The securities discussed in this report may not be suitable for all investors. Readers should not rely on any of the information herein as authoritative or substitute for the exercise of their own skill and judgment in making any investment or other decision. Readers should independently evaluate particular investments and strategies, and are encouraged to seek the advice of a financial adviser before making any investment or entering into any transaction in relation to the securities mentioned in this report. The appropriateness of any particular investment or strategy whether opined on or referred to in this report or otherwise will depend on an investor's individual circumstances and objectives and should be confirmed by such investor with his advisers independently before adoption or implementation (either as is or varied). You agree that any and all use of this report which you make, is solely at your own risk and without any recourse whatsoever to KER, its related and affiliate companies and/or their employees. You understand that you are using this report AT YOUR OWN RISK.

This report is being disseminated to or allowed access by Authorised Persons in their respective jurisdictions by the Kim Eng affiliated entity/entities operating and carrying on business as a securities dealer or financial adviser in that jurisdiction (collectively or individually, as the context requires, "Kim Eng") **which has, vis-à-vis a relevant Authorised Person, approved of, and is solely responsible in that jurisdiction for, the contents of this publication in that jurisdiction.**

Kim Eng, its related and affiliate companies and/or their employees may have investments in securities or derivatives of securities of companies mentioned in this report, and may trade them in ways different from those discussed in this report. Derivatives may be issued by Kim Eng its related companies or associated/affiliated persons.

Kim Eng and its related and affiliated companies are involved in many businesses that may relate to companies mentioned in this report. These businesses include market making and specialised trading, risk arbitrage and other proprietary trading, fund management, investment services and corporate finance.

Except with respect the disclosures of interest made above, this report is based on public information. Kim Eng makes reasonable effort to use reliable, comprehensive information, but we make no representation that it is accurate or complete. The reader should also note that unless otherwise stated, none of Kim Eng or any third-party data providers make ANY warranties or representations of any kind relating to the accuracy, completeness, or timeliness of the data they provide and shall not have liability for any damages of any kind relating to such data.

Proprietary Rights to Content. The reader acknowledges and agrees that this report contains information, photographs, graphics, text, images, logos, icons, typefaces, and/or other material (collectively "Content") protected by copyrights, trademarks, or other proprietary rights, and that these rights are valid and protected in all forms, media, and technologies existing now or hereinafter developed. The Content is the property of Kim Eng or that of third party providers of content or licensors. The compilation (meaning the collection, arrangement, and assembly) of all content on this report is the exclusive property of Kim Eng and is protected by Singapore and international copyright laws. The reader may not copy, modify, remove, delete, augment, add to, publish, transmit, participate in the transfer, license or sale of, create derivative works from, or in any way exploit any of the Content, in whole or in part, except as specifically permitted herein. If no specific restrictions are stated, the reader may make one copy of select portions of the Content, provided that the copy is made only for personal, information, and non-commercial use and that the reader does not alter or modify the Content in any way, and maintain any notices contained in the Content, such as all copyright notices, trademark legends, or other proprietary rights notices. Except as provided in the preceding sentence or as permitted by the fair dealing privilege under copyright laws, the reader may not reproduce, or distribute in any way any Content without obtaining permission of the owner of the copyright, trademark or other proprietary right. Any authorised/permited distribution is restricted to such distribution not being in violation of the copyright of Kim Eng only and does not in any way represent an endorsement of the contents permitted or authorised to be distributed to third parties.

Additional information on mentioned securities is available on request.

Jurisdiction Specific Additional Disclaimers:

THIS RESEARCH REPORT IS STRICTLY CONFIDENTIAL TO THE RECIPIENT, MAY NOT BE DISTRIBUTED TO THE PRESS OR OTHER MEDIA, AND MAY NOT BE REPRODUCED IN ANY FORM AND MAY NOT BE TAKEN OR TRANSMITTED INTO THE REPUBLIC OF KOREA, OR PROVIDED OR TRANSMITTED TO ANY KOREAN PERSON. FAILURE TO COMPLY WITH THIS RESTRICTION MAY CONSTITUTE A VIOLATION OF SECURITIES LAWS IN THE REPUBLIC OF KOREA. BY ACCEPTING THIS REPORT, YOU AGREE TO BE BOUND BY THE FOREGOING LIMITATIONS.

THIS RESEARCH REPORT IS STRICTLY CONFIDENTIAL TO THE RECIPIENT, MAY NOT BE DISTRIBUTED TO THE PRESS OR OTHER MEDIA, AND MAY NOT BE REPRODUCED IN ANY FORM AND MAY NOT BE TAKEN OR TRANSMITTED INTO MALAYSIA OR PROVIDED OR TRANSMITTED TO ANY MALAYSIAN PERSON. FAILURE TO COMPLY WITH THIS RESTRICTION MAY CONSTITUTE A VIOLATION OF SECURITIES LAWS IN MALAYSIA. BY ACCEPTING THIS REPORT, YOU AGREE TO BE BOUND BY THE FOREGOING LIMITATIONS.

Without prejudice to the foregoing, the reader is to note that additional disclaimers, warnings or qualifications may apply if the reader is receiving or accessing this report in or from other than Singapore.

As of 14 October 2009, Kim Eng Research Sdn Bhd and the covering analyst do not have any interest in Supermax Corporation Berhad.

Analyst Certification:

The views expressed in this research report accurately reflect the analyst's personal views about any and all of the subject securities or issuers; and no part of the research analyst's compensation was, is, or will be, directly or indirectly, related to the specific recommendations or views expressed in the report.

© 2009 Kim Eng Research Sdn Bhd. All rights reserved. Except as specifically permitted, no part of this presentation may be reproduced or distributed in any manner without the prior written permission of Kim Eng Research Sdn Bhd. Kim Eng Research Sdn Bhd. accepts no liability whatsoever for the actions of third parties in this respect.

Singapore

Kim Eng Securities Pte Ltd
Kim Eng Research Pte Ltd
 9 Temasek Boulevard
 #39-00 Suntec Tower 2
 Singapore 038989

Tel: +65 6336 9090
 Fax: +65 6339 6003

LAU Wai Kwok (sales)
 lauwk@kimeng.com

Stephanie WONG (research)
 swong@kimeng.com

Hong Kong

Kim Eng Securities (HK) Ltd
 Level 30,
 Three Pacific Place,
 1 Queen's Road East,
 Hong Kong

Tel: +852 2268 0800
 Fax: +852 2877 0104

Ray LUK (sales)
 rluk@kimeng.com.hk

Edward FUNG (research)
 edwardfung@kimeng.com.hk

Philippines

ATR-Kim Eng Securities Inc.
 17/F, Tower One & Exchange
 Plaza
 Ayala Triangle, Ayala Avenue
 Makati City, Philippines 1200

Tel: +63 2 849 8888
 Fax: +63 2 848 5738

Lorenzo ROXAS (sales)
 lorenzo_roxas@atr.com.ph

Ricardo PUIG (research)
 ricardo_puig@atr.com.ph

South Asia Sales Trading

Connie TAN
 connie@kimeng.com
 Tel: +65 6333 5775
 US Toll Free: +1 866 406 7447

London

Kim Eng Securities (London) Ltd
 6/F, 20 St. Dunstan's Hill
 London EC3R 8HY, UK

Tel: +44 20 7621 9298
 Dealers' Tel: +44 20 7626 2828
 Fax: +44 20 7283 6674

Giles WALSH (sales)
 gwals@kimeng.co.uk

Geoff HO (sales)
 gho@kimeng.co.uk

James JOHNSTONE (sales)
 jjohnstone@kimeng.co.uk

Thailand

**Kim Eng Securities (Thailand)
 Public Company Limited**
 999/9 The Offices at Central World,
 20th - 21st Floor,
 Rama 1 Road, Pathumwan,
 Bangkok 10330, Thailand

Tel: +66 2 658 6817 (sales)
 Tel: +66 2 658 6801 (research)

Vikas KAWATRA (sales)
 vkawatra@kimeng.co.th

Naphat CHANTARASEREKUL (research)
 naphat.c@kimeng.co.th

Vietnam

**Kim Eng Vietnam Securities Joint
 Stock Company**
 1st Floor, 255 Tran Hung Dao St.
 District 1
 Ho Chi Minh City, Vietnam

Tel: +84 838 38 66 36
 Fax: +84 838 38 66 39

Mai Phan Lam Hoa (sales)
 Hoa.maiph@kimeng.com.vn

King Yoong CHEAH (research)
 cheah.yoong@kimeng.com.vn

North Asia Sales Trading

Eddie LAU
 eddielau@kimeng.com.hk
 Tel: +852 2268 0800
 US Toll Free: +1 866 598 2267

New York

Kim Eng Securities USA Inc
 406, East 50th Street
 New York, NY 10022, U.S.A.

Tel: +1 212 688 8886
 Fax: +1 212 688 3500

Jeffrey S. SEO
 jseo@kesusa.com

Lynda KOMMEL-BROWNE
 lkommel@kesusa.com

Michelle MALLETT
 mmallett@kesusa.com

Jeffry NIEDERMEYER
 jniedermeyer@kesusa.com

Benedict PEREZ
 bperez@kesusa.com

Indonesia

PT Kim Eng Securities
 Plaza Bapindo
 Citibank Tower 17th Floor
 Jl Jend. Sudirman Kav. 54-55
 Jakarta 12190, Indonesia

Tel: +62 21 2557 1188
 Fax: +62 21 2557 1189

Kurnia SALIM (sales)
 ksalm@kimeng.co.id

Katarina SETIAWAN (research)
 ksetiawan@kimeng.co.id

India

Kim Eng Securities India Pvt Ltd
 2nd Floor, The International,
 Plot No.16, Maharishi Karve Road,
 Churchgate Station,
 Mumbai City - 400 020, India

Tel: +91.22.6623.2600
 Fax: +91.22.6623.2604

Vikas KAWATRA (sales)
 vkawatra@kimeng.co.th

Jigar SHAH (research)
 jshah@kimeng.com

North America Sales Trading

Warren KIM
 wkim@kesusa.com
 Tel: +1 212 688 8886

Taiwan

**Yuanta Securities Investment
 Consulting Co.**
 10/F, No 225, Nanking East Rd
 Section 3
 Taipei 104, Taiwan

Tel: +886 2 8770-6078
 Fax: +886 2 2546-0376

Arthur LO (sales)
 arthur.lo@yuanta.com.tw

Gary CHIA (research)
 Gary.chia@yuanta.com.tw

Malaysia

Kim Eng Research Sdn Bhd
 16/F, Kompleks Antarabangsa
 Jalan Sultan Ismail
 50250 Kuala Lumpur, Malaysia

Tel: +603 2141 1555
 Fax: +603 2141 1045

YEW Chee Yoon (research)
 cheeyoon@kimengkl.com