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## THB Industries secures profit despite slowdown

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THB Industries Bhd's precision tooling and mould as well as trading and ultra precision parts divisions managed to secure reasonable profits despite the slowdown in the electronics industry and stiff competition, says chairman Mokhzani Mahathir.

According to Mokhzani in the group's latest annual report, the precision tooling and mould division plans to expand its overseas market by setting up a medium sized operation abroad, particularly in the Philippines to strengthen the existing business and services to customers.

Meanwhile, to further strengthen its position in the central and southern regions of the country, the precision tooling and mould division plans to expand operations to capture market share and will be investing in more high-tech machinery to enhance customer confidence, Mokhzani says. "Although the economic slowdown has hit many manufacturers lately, the divisions predict that more business opportunities will open up the semiconductor industry both locally and overseas, as Malaysia is on the recovery track from the slowdown."

He says the precision components business has emerged as a second major contributor, in terms of turnover as well as profits to the group during the financial year under review.

"The division has seen an increase in turnover of 147 per cent and a 74 per cent rise in profit despite the recent economic downturn.

"To ensure smooth operations and healthy growth trend in the near future, the division will continue to upgrade its capabilities and capacity to capture more value added projects from local and overseas customers."

Meanwhile, the automation and metal works division was not spared in the contraction of demand in the industry. Despite a lower turnover, the division managed to generate reasonable profits in its metal fabrication operations.

On the industrial automation section, due to stiffer competition under scarce market conditions, this operation managed to stay afloat without causing profit erosion to the division, he says.

"With the economy back on track, the division, after a reassessment of its strengths and weaknesses embarked on cost-saving exercise, improving efficiency and business and market diversification".

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