

COMPUGATES HOLDINGS BERHAD
(Company No. 669287 - H)
(Incorporated in Malaysia)
UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE QUARTER ENDED 30 SEPTEMBER 2008

The actual results of Compugates Holdings Berhad for the period ended 30 September 2008 are as follows:-

	NOTE	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
		CURRENT YEAR QUARTER ENDED	CORRESPONDING QUARTER ENDED	CURRENT YEAR TO DATE	CORRESPONDING PERIOD ENDED
		30 SEPTEMBER 2008	30 SEPTEMBER 2007	30 SEPTEMBER 2008	30 SEPTEMBER 2007
		RM'000 (Unaudited)	RM'000 (Unaudited)	RM'000 (Unaudited)	RM'000 (Unaudited)
REVENUE		183,438	126,943	499,095	449,639
COST OF SALES		(180,710)	(125,290)	(492,469)	(442,337)
GROSS PROFIT		2,728	1,653	6,626	7,302
OTHER INCOME		2,194	2,307	6,890	6,770
SALES AND MARKETING EXPENSES		(719)	(436)	(2,812)	(1,012)
ADMINISTRATIVE EXPENSES		(3,460)	(3,061)	(9,685)	(8,679)
OTHER EXPENSES		(172)	(200)	(508)	(559)
FINANCE COSTS		(2)	(3)	(18)	(8)
PROFIT BEFORE TAXATION		569	260	493	3,814
INCOME TAX EXPENSE	20	(630)	(495)	(1,482)	(1,490)
(LOSS) / PROFIT AFTER TAXATION		(61)	(235)	(989)	2,324
ATTRIBUTABLE TO:					
Equity holders of the parent		(140)	18	(1,182)	1,941
Minority interests		79	(253)	193	383
(LOSS) / PROFIT AFTER TAXATION		(61)	(235)	(989)	2,324
(LOSS) / EARNINGS PER SHARE (SEN)					
Basic on ordinary shares of:	28				
- RM0.10 each		(0.01)	#	(0.06)	0.09

- Amount less than 0.01 sen

The unaudited Condensed Consolidated Income Statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements.

COMPUGATES HOLDINGS BERHAD
(Company No. 669287 - H)
(Incorporated in Malaysia)
UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS
AS AT 30 SEPTEMBER 2008

	<u>Note</u>	AS AT END OF CURRENT YEAR QUARTER ENDED 30 SEPT 2008 RM'000 (Unaudited)	AS AT PRECEDING FINANCIAL YEAR ENDED 31 DEC 2007 RM'000 (Audited)
ASSETS			
NON-CURRENT ASSETS			
Property and equipment		9,230	9,382
Goodwill on consolidation		115,684	115,684
		<u>124,914</u>	<u>125,066</u>
CURRENT ASSETS			
Inventories		23,758	16,056
Receivables		70,545	71,969
Tax refundable		973	3,611
Cash and cash equivalents		24,193	22,504
		<u>119,469</u>	<u>114,140</u>
TOTAL ASSETS		<u>244,383</u>	<u>239,206</u>
EQUITY AND LIABILITIES			
EQUITY			
Share capital		213,429	213,429
Exchange fluctuation reserve		192	(765)
Accumulated losses		(14,439)	(13,257)
		<u>199,182</u>	<u>199,407</u>
Minority interests		10,853	10,595
TOTAL EQUITY		<u>210,035</u>	<u>210,002</u>
NON-CURRENT AND DEFERRED LIABILITIES			
Long term borrowing	24	137	157
Deferred taxation		420	420
		<u>557</u>	<u>577</u>
CURRENT LIABILITIES			
Payables		30,920	28,007
Short-term borrowing	24	2,005	78
Provision for taxation		866	542
		<u>33,791</u>	<u>28,627</u>
TOTAL LIABILITIES		<u>34,348</u>	<u>29,204</u>
TOTAL EQUITY AND LIABILITIES		<u>244,383</u>	<u>239,206</u>
Net Assets per share (RM)			
On ordinary shares of:			
- RM0.10 each		0.09	0.09

The unaudited Condensed Consolidated Balance Sheets should be read in conjunction with the audited financial statements for the financial year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements.

COMPUGATES HOLDINGS BERHAD
(Company No. 669287 - H)
(Incorporated in Malaysia)
UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 30 SEPTEMBER 2008

	← Attributable to Equity Holders of the Parent →					
	Share Capital RM'000	Exchange Fluctuation Reserve RM'000	(Accumulated Losses)/ Retained Profits RM'000	Total RM'000	Minority Interests RM'000	Total Equity RM'000
Balance as at 1 January 2007	213,429	6	229	213,664	77	213,741
Foreign currency translation, representing net expense recognised directly in equity	-	(12)	-	(12)	-	(12)
Profit after taxation for the financial period	-	-	1,941	1,941	383	2,324
Total recognised income and expense for the financial period	-	(12)	1,941	1,929	383	2,312
Subscription of shares in subsidiaries	-	-	-	-	2	2
Balance as at 30 September 2007	<u>213,429</u>	<u>(6)</u>	<u>2,170</u>	<u>215,593</u>	<u>462</u>	<u>216,055</u>
Balance as at 1 January 2008	213,429	(765)	(13,257)	199,407	10,595	210,002
Foreign currency translation, representing net expense recognised directly in equity	-	957	-	957	-	957
Loss after taxation for the financial period	-	-	(1,182)	(1,182)	193	(989)
Total recognised income and expense for the financial period	-	957	(1,182)	(225)	193	(32)
Subscription of shares in a subsidiary	-	-	-	-	65	65
Balance as at 30 September 2008	<u>213,429</u>	<u>192</u>	<u>(14,439)</u>	<u>199,182</u>	<u>10,853</u>	<u>210,035</u>

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements.

COMPUGATES HOLDINGS BERHAD
(Company No. 669287 - H)
(Incorporated in Malaysia)
UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE QUARTER ENDED 30 SEPTEMBER 2008

	CURRENT YEAR TO DATE 30 SEPTEMBER 2008	CORRESPONDING PERIOD ENDED 30 SEPTEMBER 2007
	RM'000 (Unaudited)	RM'000 (Unaudited)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	493	3,814
Adjustments for:-		
Non-cash items	505	555
Interest expense	18	8
Interest income	(306)	(297)
Operating profit before working capital changes	710	4,080
Increase in inventories	(7,702)	(801)
Decrease / (increase) in receivables	1,381	(7,124)
Increase in payables	2,913	2,274
Cash for operations	(2,698)	(1,571)
Interest paid	(18)	(8)
Income tax paid	1,480	(1,781)
NET CASH FOR OPERATING ACTIVITIES	(1,236)	(3,360)
CASH FLOWS FOR INVESTING ACTIVITIES		
Interest received	306	297
Purchase of property and equipment	(312)	(408)
Sales proceed from disposal of property and equipment	2	-
NET CASH FOR INVESTING ACTIVITIES	(4)	(111)
CASH FLOWS FROM / (FOR) FINANCING ACTIVITIES		
Proceeds from issuance of shares to minority interests	65	2
Increase in bankers' acceptances	1,955	-
Repayment of hire purchase obligations	(48)	(63)
NET CASH FROM / (FOR) FINANCING ACTIVITIES	1,972	(61)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	732	(3,532)
EFFECTS OF FOREIGN EXCHANGE RATE CHANGES ON CASH AND CASH EQUIVALENTS		
	957	(12)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	22,504	25,972
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	24,193	22,428
NOTES TO CASH FLOW STATEMENTS		
Cash and cash equivalents comprise:		
Fixed deposits with licensed bank	17,638	18,339
Short term deposits with a licensed bank	440	650
Cash and bank balances	6,115	3,439
	24,193	22,428

The unaudited Condensed Consolidated Cash Flow Statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements.