

SUPERCOMAL TECHNOLOGIES BERHAD

(Company No. : 197527-H)

(Incorporated in Malaysia)

QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED 30th SEPTEMBER,2007

NOTES TO THE INTERIM FINANCIAL REPORT

1. Basis Of Preparation

The interim financial report is unaudited and has been prepared in compliance with FRS 134, "Interim Financial Reporting" and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad for the MESDAQ market.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2006.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the financial statements for the year ended 31 December 2006 except for the adoption of the following new/revised Financial Reporting Standards ("FRS") effective for financial period beginning 1 January 2007:

FRS 6	Exploration for and Evaluation of Mineral Resources
FRS 117	Leases
Amendments to FRS 119	Employees Benefits- Actuarial Gains and Losses, Group Plans and Disclosures
FRS 124	Related Party Disclosures

FRS 6 and amendments to FRS 119 are not relevant to the Group's operations and the adoption of FRS 124 does not have significant financial impact on the Group. The principal effects of the changes in accounting policies resulting from the adoption of FRS 117 are discussed below:

a) FRS 117 :

Prior to 1 January 2007, leasehold land held for own use was classified as property, plant and equipment and was stated at cost less accumulated depreciation and impairment loss. The adoption of the revised FRS 117 in 2007 has resulted in a change in the accounting policy relating to the classification of leasehold land. Under FRS 117, leases of land and buildings are hence classified as operating or finance lease in the same way as leases of other assets.

The Group has applied the change in accounting policy in respect of leasehold land in accordance with the transitional provisions of FRS 117. At 1 January 2007, the unamortised carrying amount of leasehold land is classified as prepaid lease payments. The reclassification of leasehold land as prepaid lease payments has been accounted for retrospectively and certain comparatives as at 31 December 2006 has been restated as follows:

	Previously stated RM'000 31.12.06	Changes in accounting policy RM'000	Restated RM'000 31.12.06
Non- current assets			
Property, plant & equipment	17,326	(2,615)	14,711
Prepaid lease payments	-	2,615	2,615

2. Audit Report of Preceding Annual Financial Statements

The auditors' report on the preceding annual financial statements was not subject to any qualification.

3. Seasonal or Cyclical Factors

The business operations of the Group were not materially affected by any seasonal or cyclical factors.

4. Unusual Material Event

There was no unusual material event during the quarter.

5. Material Change In Estimates

There were no changes in estimates which materially affect the current interim period.

6. Changes in Debt and Equity Securities

There were no issuance, cancellations, repurchases, resale and repayments of debt and equity securities during the current financial period.

7. Dividends Paid

There was no dividend paid during the quarter.

8. Segmental Reporting

No segmental analysis is prepared as the Group is primarily operating in the manufacture of wires and cables for harnessing and electronic devices.

9. Valuations of Property, Plant and Equipment

Not applicable as the Group did not revalue its property, plant and equipment during the current financial period.

10. Material Subsequent Events

There were no material subsequent events.

11. Changes in the Composition of The Group

There was no change in the composition of the Group during the financial period under review.

12. Contingent Liabilities and Contingent Assets

The Group had no contingent liabilities and contingent assets as at 30th September 2007

13. Capital Commitments

There was no commitment for purchases of property, plant and equipment as at 30th September 2007

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ADDITIONAL INFORMATION REQUIRED BY BM LISTING REQUIREMENTS

14. Review of Performance

For the quarter under review, the group posted a profit after tax of RM 523,000 as compared to a loss of RM 882,000 for the same quarter of the preceding year. Although revenue decreases by 6.4% from RM 11.35 million to RM 10.63 million, the improvement in gross profit margin and lower doubtful debt provision have contributed towards the net profit.

15. Comparison with Preceding Quarter's Result

On a quarter to quarter basis, the Group posted a profit after tax of RM 523,000 as compared to a profit after tax of RM277,000 for the preceding quarter. The profit improvement was due to overall saving of costs.

16. Prospects For The Financial Year

The slow down in the market demand for automovitve vehicles does affect the revenue of our subsidiary company which in turn affect the group performance. Barring any unforeseen circumstances, the management is positive that the group performance for this year will be better as compared to previous year.

17. Profit Forecast or Guarantee

There was no profit forecast or guarantee made public during the financial period under review.

18. Taxation

Taxation comprises the following :-

	Individual Quarter 30.09.07 RM ' 000	Individual Quarter 30.09.06 RM ' 000	Cumulative Quarter	
			30.09.07 RM ' 000	30.09.06 RM ' 000
Estimate tax expenses				
Taxation payable for current quarter	-	-	-	(861)
	-	-	-	(861)

There is no tax provision for the current quarter.

19. Profits/ (Losses) on Sale of Unquoted Investments and / (or) Properties

There were no sales of unquoted investments or properties during the financial period under review.

20. Quoted Securities and Investments

There were no purchases or disposals of quoted securities during the financial period under review and there were no investments in quoted shares as at the end of the reporting period.

21. Corporate Proposals

There were no corporate proposals announced but not completed at the date of this report.

