

DISCCOMP BERHAD

(Company No.55420-P)

(Incorporated in Malaysia)

**Condensed Consolidated Income Statements****For the Fourth Quarter Ended 31 Dec 2007**

(The figures below are unaudited)

	Individual quarter		Cumulative quarter	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
	RM'000	RM'000	RM'000	RM'000
Revenue	7,432	8,363	32,942	32,884
Operating expenses	(7,345)	(9,031)	(31,738)	(33,861)
Depreciation and amortisation	(194)	(247)	(806)	(1,019)
Other income	<u>74</u>	<u>20</u>	<u>191</u>	<u>131</u>
Operating profit/(loss)	(33)	(895)	589	(1,865)
Interest expenses	(8)	(8)	(33)	(32)
Interest income	<u>4</u>	<u>8</u>	<u>12</u>	<u>60</u>
Profit/(Loss) before taxation	(37)	(895)	568	(1,837)
Taxation	(4)	(44)	(134)	(209)
Profit/(Loss) after taxation	<u>(41)</u>	<u>(939)</u>	<u>434</u>	<u>(2,046)</u>
Attributable to:				
Equity holders of the parent	(49)	(939)	332	(2,109)
Minority Interest	<u>8</u>	<u>-</u>	<u>102</u>	<u>63</u>
	<u>(41)</u>	<u>(939)</u>	<u>434</u>	<u>(2,046)</u>
Profit/(Loss) per share				
From continuing operations:				
Basic (sen)	(0.10)	(1.94)	0.68	(4.35)
Diluted (sen)	-	-	-	-

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2006 and accompanying explanatory notes attached to the interim financial statements.

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**Condensed Consolidated Balance Sheet
As at 31 December 2007**

	Unaudited As at 31.12.07 RM'000	Audited As at 31.12.06 RM'000
ASSETS		
Non-Current assets		
Property, plant and equipment	2,469	2,875
Other investments	219	290
	<u>2,688</u>	<u>3,165</u>
Current assets		
Inventories	6,773	7,337
Trade and others receivables	7,178	9,707
Fixed deposits with licensed banks	4,210	110
Cash and bank balances	3,550	4,607
	<u>21,711</u>	<u>21,761</u>
TOTAL ASSETS	<u>24,399</u>	<u>24,926</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share Capital	24,250	24,250
Reserves	30	30
Accumulated losses	(2,978)	(3,309)
	<u>21,302</u>	<u>20,971</u>
Minority shareholders' interests	1,068	991
Total equity	<u>22,370</u>	<u>21,962</u>
Non-current liabilities		
Deferred liabilities	139	103
Deferred tax liabilities	142	131
	<u>281</u>	<u>234</u>
Current liabilities		
Trade and other payables	1,747	2,729
Taxation	1	1
	<u>1,748</u>	<u>2,730</u>
Total liabilities	<u>2,029</u>	<u>2,964</u>
TOTAL EQUITY AND LIABILITIES	<u>24,399</u>	<u>24,926</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.44	0.43

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 December 2006 and accompanying explanatory notes attached to the interim financial statements.

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**Condensed Consolidated Statement of Changes in Equity****For the Fourth Quarter Ended 31 December 2007**

(The figures below are unaudited)

	← Attributable to Equity Holders of the Parent →				Total RM'000	Minority Interest RM'000	Total Equity RM'000
	Share Capital RM'000	Reserve on Consolidation RM'000	Capital Reserves RM'000	Distributable Accumulated Losses RM'000			
At 1 January 2007	24,250	-	30	(3,310)	20,970	991	21,961
Profit for the financial year	-	-	-	332	332	102	434
Purchase of shares from minority shareholder	-	-	-	-	-	(25)	(25)
At 31 Dec 2007	24,250	-	30	(2,978)	21,302	1,068	22,370
At 1 January 2006	24,250	62	30	(1,262)	23,080	657	23,737
Effect of change in accounting policy -derecognition of negative goodwill		(62)		62	-	-	-
	24,250	-	30	(1,200)	23,080	657	23,737
Loss for the financial year	-	-	-	(2,109)	(2,109)	63	(2,046)
Issues of shares in subsidiary companies to minority interest	-	-	-	-	-	221	221
Acquisition of a subsidiary company	-	-	-	-	-	50	50
At 31 Dec 2006	24,250	-	30	(3,309)	20,971	991	21,962

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2006 and accompanying explanatory notes attached to the interim financial statements.

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Condensed Consolidated Cash Flow Statements
For the Fourth Quarter Ended 31 December 2007
 (The figures below are unaudited)

	12 months ended	12 months ended
	31.12.07	31.12.06
	RM'000	RM'000
Cash flows from operating activities		
Net profit/(loss) before tax	568	(1,837)
<u>Adjustment for non-cash items :-</u>		
Depreciation and amortisation	806	1,019
Interest expenses	33	32
Interest income	(12)	(60)
Non-cash items	<u>30</u>	<u>968</u>
Operating profit before changes in working capital	1,425	122
Changes in working capital:		
Net change in current assets	3,119	840
Net change in current liabilities	<u>(893)</u>	<u>190</u>
Net cash generated by operations	3,651	1,152
Interest paid	(33)	(32)
Tax paid	<u>(148)</u>	<u>(224)</u>
Net cash generated by operating activities	<u>3,470</u>	<u>896</u>
Cash flows from investing activities		
Proceeds from disposal of property, plant and equipment	72	-
Purchase of property, plant and equipment	(283)	(304)
Purchase of shares from minority shareholder	(25)	-
Net proceeds from issue of shares to minority shareholders	-	221
Repayments from related companies	-	1
Net cash inflow from acquisition of a subsidiary company	-	21
Interest received	<u>12</u>	<u>60</u>
Net cash used in investing activities	<u>(224)</u>	<u>(1)</u>
Cash flows from financing activities		
Repayment of hire purchase liabilities	(203)	(193)
Proceeds from issuance of shares to minority interest	-	-
Net cash used in financing activities	<u>(203)</u>	<u>(193)</u>
Net increase in cash and cash equivalents	3,043	702
Cash and cash equivalents at beginning of the year	<u>4,687</u>	<u>3,985</u>
Cash and cash equivalents at end of the year	<u>7,730</u>	<u>4,687</u>
Cash and cash equivalents comprise:		
Fixed deposits with licensed banks	4,210	110
Cash and bank balances	3,550	4,607
Bank overdraft	<u>-</u>	<u>-</u>
	7,760	4,717
Less : Fixed deposit pledged	<u>(30)</u>	<u>(30)</u>
	<u>7,730</u>	<u>4,687</u>

The condensed consolidated cashflow statements should be read in conjunction with the audited financial statements for the year ended 31 December 2006 and accompanying explanatory notes attached to the interim financial statements.