
**NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FIRST QUARTER ENDED 31 MARCH 2009**

A. Explanatory Notes Pursuant to Financial Reporting Standard (“FRS”) No.134**A1 Basis of Preparation**

The interim financial statements are unaudited and have been prepared in accordance with the applicable disclosure provisions of rule 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad for the MESDAQ Market and in compliance with the requirements of FRS 134, Interim Financial Reporting, issued by the Malaysian Accounting Standards Board.

These interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2008. It contains condensed consolidated financial statements and selected explanatory notes. These notes include explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2008. The condensed consolidated interim financial statements and notes thereon do not include all information required for the full set of financial statements prepared in accordance with FRSs.

The preparation of the interim financial report requires management to make judgments, estimates and assumptions that affect the applications of policies and reported amounts of assets and liabilities, income and expenses on a year to date basis. Actual results may differ from these estimates.

A2 Changes in Accounting Policies

This interim financial statement has been prepared in accordance with the same accounting policies adopted in audited financial statements for the financial year ended 31 December 2008.

The following FRS's and Issues Committee (“IC”) Interpretations were issued but not yet effective and have not been applied by the Group and the Company:-

		Effective from:-
i)	FRS 4 Insurance Contracts	01 Jan 2010
ii)	FRS 7 Finance Instruments: Disclosure	01 Jan 2010
iii)	FRS 8 Operating Segments	01 Jul 2009
iv)	FRS 139 Financial Instruments: Recognition and Measurement	01 Jan 2010
v)	IC Interpretation 9 Reassessment of Embedded Derivatives	01 Jan 2010
vi)	IC Interpretation 10 Interim Financial Reporting and Impairment	01 Jan 2010

FRS 4 is not relevant to the Group's operations.

The new FRSs and IC Interpretations above are expected to have no significant impact on the financial statements of the Group for the current quarter under review.

DISCCOMP BERHAD

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**A3 Auditors' Report on Preceding Annual Financial Statements**

The auditors' report on the financial statements for the financial year ended 31 December 2008 was not qualified.

A4 Segment Information

	3 months ended	
	31.03.09	31.03.08
<u>Segment Revenue</u>	RM'000	RM'000
Manufacturing	-	-
Trading	11,329	10,535
Total revenue including inter-segment sales	<u>11,329</u>	<u>10,535</u>
Elimination of inter-segment sales	(3,477)	(3,315)
Total revenue	<u>7,852</u>	<u>7,220</u>
	3 months ended	
	31.03.09	31.03.08
<u>Segment Results</u>	RM'000	RM'000
Profit/(loss) from operations:		
Manufacturing	(156)	(80)
Trading	<u>262</u>	<u>164</u>
	<u>106</u>	<u>84</u>
Profit/(loss) before taxation:		
Manufacturing	(156)	(80)
Trading	<u>304</u>	<u>181</u>
	<u>148</u>	<u>101</u>

A5 Unusual Items affecting Assets, Liabilities, Equity, Net Income or Cash Flows

During the quarter under review, there were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group.

A6 Changes in Estimates

There were no changes in estimates of amounts reported in prior financial years that have had a material effect in the current quarter under review.

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A7 Seasonal or Cyclical Factors

The Group's performance was not affected by any significant seasonal or cyclical factors in the current quarter under review.

A8 Dividends Paid

No dividend has been paid in the current quarter and the financial year-to-date.

A9 Carrying Amount of Property, Plant and Equipment

There were no revaluation of property, plant and equipment brought forward from the previous audited financial statements as the Group did not adopt a revaluation on its property, plant and equipment.

A10 Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayment of debt and equity securities for the current quarter under review.

A11 Changes in Composition of the Group

There were no changes in the composition of the Group during the current financial quarter and financial year to date.

A12 Capital Commitments

There were no capital commitments for the current financial year-to-date.

A13 Changes in Contingent Liabilities/Contingent Assets

There were no changes in contingent liabilities/contingent assets since the last annual balance sheet date as at 31 December 2008.

A14 Subsequent Events

There were no material events subsequent to the financial quarter ended 31 March 2009 up to the date of this report which is likely to substantially affect the results of the operations of the Group.

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A15 Related party transactions

The related parties of the Group and of the Company comprise the following:

Related companies being subsidiary companies of Disccomp Berhad ("Disccomp"):

- i) Pineapple Computer Systems Sdn Bhd ("PCS"), a 92.16%-owned subsidiary company;
- ii) Pineapple Computers & Accessories Sdn Bhd ("PCA"), a wholly-owned subsidiary company of PCS;
- iii) Pine System Technology Sdn Bhd ("PST"), a 51%-owned subsidiary company of PCS;
- iv) SC Multimedia (EM) Sdn Bhd ("SCEM"), a 51%-owned subsidiary company; and
- v) Pine Computer Sdn Bhd ("PC"), a 55%-owned subsidiary company of PST.

Other related parties included:

- i) Chuan Huat Resources Berhad ("CHRB") group of companies ("CHRB Group");

The significant related party transactions are as follows:

	3 months ended 31.03.09 RM'000	3 months ended 31.03.08 RM'000
a) Sales of goods to		
i) <u>Subsidiaries</u>		
PCS	2009	1622
PCA	594	648
PST	594	488
SCEM	-	71
PC	-	55
b) Purchase of goods from		
i) <u>Subsidiaries</u>		
PCS	2	6
PCA	2	28
PST	13	41
c) Others		
i) <u>Related Parties</u>		
Rental of premises paid to CHRB Group	45	47
Rental of premises received from CHRB Group	6	6
ii) <u>Subsidiaries</u>		
Rental income received from subsidiary companies	8	15
Management fees received from subsidiary companies	15	29

CHRB holds 100% equity interest in Chuan Huat Hardware Holdings Sdn Bhd, which in turn holds 63.86% equity interest in Disccomp.

In the opinion of the Directors, the above related party transactions have been entered into in the normal course of business and have been established under terms that are no more favourable than those arranged with independent third parties.

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**A16 Cash and cash equivalents**

	3 months ended	
	31/03/09	31/03/08
	RM'000	RM'000
Fixed deposit with a licensed bank	9,030	5,380
Cash and bank balances	2,959	3,615
	<hr/>	<hr/>
	11,989	8,995
Less : Fixed Deposits pledged	(30)	(30)
	<hr/>	<hr/>
	11,959	8,965

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B. Explanatory Notes Pursuant to rule 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad for the MESDAQ Market**B1 Performance Review**

	3 months ended	
	31/03/09	31/03/08
	RM'000	RM'000
Revenue	7,852	7,220
Profit before taxation	148	101

The Group's revenue for the three (3) months financial period ended 31 March 2009 has increased by approximately 8.8% as compared to the corresponding financial period in the preceding financial year. The increase in revenue was mainly from retail outlets, Information Technology ("IT") fairs and road shows.

The Group recorded a profit before taxation of approximately RM148,000 for the three (3) months financial period ended 31 March 2009 as compared to the corresponding financial period in the preceding financial year of approximately RM101,000. This was mainly due to the higher turnover and improved profit margin.

B2 Comment on Material Change in Profit/(Loss) Before Taxation

	3 months ended	
	31/03/09	31/12/08
	RM'000	RM'000
Profit before taxation	148	175

During the financial quarter under review, the Group recorded a profit before taxation of approximately RM148,000 as compared to RM175,000 for the preceding quarter ended 31 December 2008. The reduction of profit is mainly due to decrease of turnover in the quarter under review.

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**B3 Commentary on Prospects**

As a result of the uncertainties in the global and domestic economy outlook, the domestic consumer demands is expected to remain weak and will thus become an increasing challenge to the Group. Measures taken by the Group to counter these adverse impact will be to focus on the growth of the house brands of "ESYINK" and "MORE" range of IT consumable products viz. compatible inks systems and coated papers and to organise more offers/promotions so as to promote these house brands.

The Group will remain vigilant by taking measures to ensure risk mitigation and prudent cash management while maintaining cost savings measures and to continue focusing on improving efficiencies and productivities so as to remain competitive in the industry.

B4 Profit Forecast and Profit Guarantee

Not applicable as the Group did not announce any profit forecast or profit guarantee.

B5 Income Tax Expenses

	3 months ended	
	31/03/09	31/03/08
	RM'000	RM'000
Malaysia income tax		
- current	118	27
- under/(over) provision in prior years	-	-
	<hr/>	<hr/>
	118	27
Deferred taxation	(2)	(48)
TOTAL	<hr/>	<hr/>
	116	(21)

The effective tax rate for the financial period ended 31 March 2009 and 31 March 2008 are not reflective of the statutory tax rate principally due to the losses of certain subsidiaries which cannot be set off against taxable profits made by other subsidiaries and certain expenses which are not deductible for tax purposes.

B6 Sale of Unquoted Investment and Properties

There were no sales of unquoted investments and properties during the quarter under review and financial year-to-date.

B7 Quoted Securities

- (a) There were no purchases or disposals of quoted securities during the quarter under review and financial year-to-date.
- (b) There were no investments in quoted securities as at 31 March 2009.

B8 Corporate Proposals

The Group does not have any corporate proposals announced but not completed as at 18 May 2009 (the latest practical date which is not earlier than 7 days from the date of this report).

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**B9 Borrowings and Debt Securities**

The Group does not have any borrowings or debt securities as at 31 March 2009.

B10 Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments as at the date of this report.

B11 Changes in Material Litigation

There was no material litigation involving the Group as at the date of this report.

B12 Dividend Payable

No dividend has been declared or recommended for payment for the quarter ended 31 March 2009.

B13 Profit/(Loss) Per Share**Basic**

The basic profit/(loss) per share is calculated by dividing profit/(loss) after taxation and minority interests by the total number of ordinary shares in issue for the respective periods as follows:

	3 months ended	
	31/03/09	31/03/08
Profit/(Loss) attributable to the equity holders of the parent (RM'000)	8	195
Total number of ordinary shares in issue ('000)	48,500	48,500
Basic profit/(loss) per share (sen)	0.02	0.40

There were no potential dilutive components in the shareholdings of Disccomp as at 31 March 2009 and 31 March 2008.

BY ORDER OF THE BOARD

A handwritten signature in black ink, appearing to read 'Lim Loong Heng', written over a white background.

DATO' LIM LOONG HENG
MANAGING DIRECTOR

Date: 27 May 2009