

TAMCO CORPORATE HOLDINGS BERHAD

(Incorporated in Malaysia)

(Company No : 6614-W)

CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE FINANCIAL QUARTER ENDED 31 MAY 2008

THE FIGURES HAVE NOT BEEN AUDITED

	Individual Quarter		Cumulative 12 months ended	
	31.05.2008	31.05.2007 (As restated)	31.05.2008	31.05.2007 (As restated)
	RM'000	RM'000	RM'000	RM'000
Revenue	19,189	15,856	63,685	84,770
Cost of sales	(14,302)	(11,766)	(48,519)	(68,098)
Gross profit	4,887	4,090	15,166	16,672
Other income	3,622	16	4,250	497
Selling and distribution expenses	(1,834)	(2,724)	(7,646)	(9,248)
Administrative expenses	(1,466)	(1,338)	(4,580)	(6,033)
Other expenses	(12,898)	(730)	(15,925)	(2,096)
(Loss)/profit from operations	(7,689)	(686)	(8,735)	(208)
Finance costs	(403)	(252)	(823)	(960)
Loss after finance costs	(8,092)	(938)	(9,558)	(1,168)
Share of results of associates	(1,046)	(231)	(1,077)	(764)
Loss before taxation	(9,138)	(1,169)	(10,635)	(1,932)
Taxation	(334)	(18)	(924)	(623)
Loss for the period from continuing operations	(9,472)	(1,187)	(11,559)	(2,555)
Profit from discontinued operations (Note 12 of Part A)	122,752	7,502	146,047	19,055
Net profit for the period	113,280	6,315	134,488	16,500
Attributable to:				
Shareholders of the parent	113,280	6,510	134,613	16,821
Minority interest	-	(195)	(125)	(321)
	113,280	6,315	134,488	16,500
Earnings per share attributable to shareholders of the parent (sen):				
- basic, for continuing operations	(3.65)	(0.38)	(4.41)	(0.86)
- basic, for discontinued operations	47.31	2.89	56.28	7.34
- diluted, for continuing operations	N/A	N/A	N/A	N/A
- diluted, for discontinued operations	N/A	N/A	N/A	N/A

On 23 April 2008, the proposed disposals of Tamco Systems Technology (Shanghai) Co Ltd and the Switchgear Business, which comprises the switchgear operations of the Company prior to the completion of the Proposed Internal Reorganisation, Tamco Switchgear (Malaysia) Sdn Bhd, Tamco Switchgear Shanghai Co Ltd, Tamco Electrical Industries Australia Pty Ltd and PT Tamco Indonesia, have been completed. Consequently, the results of these companies have been presented separately on the consolidated income statement as discontinued operations. The corresponding comparatives for the previous reporting quarter have been restated to reflect the change.

The Condensed Consolidated Income Statements should be read in conjunction with the Company's Audited Financial Statements for the financial year ended 31 May 2007 and the accompanying notes to the Interim Financial Report.

TAMCO CORPORATE HOLDINGS BERHAD
(Incorporated in Malaysia)
(Company No : 6614-W)
CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 31 MAY 2008

	31.05.2008 RM'000 (Unaudited)	31.05.2007 RM'000 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	3,151	46,505
Prepaid lease payments	13,230	14,501
Investment in associates	8,744	9,987
Intangible assets	417	8,591
Goodwill on consolidation	-	17,016
Deferred tax assets	-	322
	<u>25,542</u>	<u>96,922</u>
Current assets		
Inventories	11,582	104,371
Trade receivables	21,121	198,363
Other receivables	9,689	8,270
Tax recoverable		1,653
Amount due from associates	394	400
Short term deposits with licensed banks	148,048	4,607
Cash and bank balances	16,895	11,983
	<u>207,729</u>	<u>329,647</u>
TOTAL ASSETS	<u>233,271</u>	<u>426,569</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	129,744	129,744
Translation reserve	(2,514)	(3,504)
Retained profits	3,908	28,387
	<u>131,138</u>	<u>154,627</u>
Minority Interest	125	-
Total equity	<u>131,263</u>	<u>154,627</u>
Non-current liabilities		
Deferred tax liabilities	20	484
Retirement benefit obligations	78	1,579
Borrowings	640	61,313
	<u>738</u>	<u>63,376</u>
Current liabilities		
Trade payables	14,655	100,720
Other payables	10,343	33,284
Amount due to associates	774	774
Amount due to related companies	41	44
Borrowings	74,402	73,176
Provision for taxation	1,055	568
	<u>101,270</u>	<u>208,566</u>
Total liabilities	<u>102,008</u>	<u>271,942</u>
TOTAL EQUITY AND LIABILITIES	<u>233,271</u>	<u>426,569</u>
Net assets per share (RM)	0.51	0.60

The Condensed Consolidated Balance Sheet should be read in conjunction with the Company's Audited Financial Statements for the financial year ended 31 May 2007 and the accompanying notes to the Interim Financial Report.

TAMCO CORPORATE HOLDINGS BERHAD

(Incorporated in Malaysia)

(Company No : 6614-W)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL QUARTER ENDED 31 MAY 2008

THE FIGURES HAVE NOT BEEN AUDITED

	Attributable to Equity Holders of the Parent					Total Equity RM'000
	Share capital RM'000	Non- distributable Translation reserve RM'000	Distributable Retained profits RM'000	Total RM'000	Minority Interest RM'000	
Financial quarter ended 31 May 2008						
Balance as at 1 June 2007	129,744	(3,504)	28,387	154,627	-	154,627
Currency translation differences, representing net income recognised directly in equity	-	990	-	990		990
Net profit for the financial year	-	-	134,613	134,613	125	134,738
Total recognised income and expenses for the financial period	-	990	134,613	135,603	125	135,728
Interim dividend paid	-	-	(159,092)	(159,092)	-	(159,092)
Balance as at 31 May 2008	129,744	(2,514)	3,908	131,138	125	131,263

Financial quarter ended 31 May 2007

Balance as at 1 June 2006	129,744	(3,127)	11,566	138,183	49	138,232
Currency translation differences, representing net income recognised directly in equity	-	(377)	-	(377)	272	(105)
Net profit for the financial year	-	-	16,821	16,821	(321)	16,500
Total recognised income and expenses for the financial period	-	(377)	16,821	16,444	(49)	16,395
Balance as at 31 May 2007	129,744	(3,504)	28,387	154,627	-	154,627

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Company's Audited Financial Statements for the financial year ended 31 May 2007 and the accompanying notes to the Interim Financial Report.

TAMCO CORPORATE HOLDINGS BERHAD

(Incorporated in Malaysia)

(Company No : 6614-W)

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE FINANCIAL QUARTER ENDED 31 MAY 2008***THE FIGURES HAVE NOT BEEN AUDITED*

	Cumulative	
	12 months ended	
	31.05.2008	31.05.2007
	RM'000	RM'000
Cash flow from operating activities		
Profit before taxation:		
Continuing operations	(10,635)	(1,932)
Discontinued operations	147,083	21,709
	<u>136,448</u>	<u>19,777</u>
Adjustments for:		
Depreciation of property, plant and equipment	4,794	6,707
Provision for retirement benefits	(381)	350
Amortisation of development expenditure	7,039	4,278
Impairment of goodwill	7,653	-
Allowance for doubtful debts	5,723	5,036
Bad debts written off	-	424
Inventories written off	-	767
Interest expense	7,973	7,810
Interest income	(671)	(465)
(Gain)/loss on disposal of property, plant and equipment	(86)	240
Loss on foreign exchange	-	2,729
Foreign exchange difference / translation adjustment	-	1,165
Share in results of associates	1,077	764
Operating profit before working capital changes	<u>169,569</u>	<u>49,582</u>
Inventories	(17)	(14,434)
Receivables	(13,753)	(44,215)
Payables	9,564	23,987
Associates	5	(53)
Holding, subsidiaries and related companies	(4)	(164)
Cash generated from/(used in) operations	<u>165,364</u>	<u>14,703</u>
Income taxes paid	360	(7,338)
Retirement benefits paid	-	(626)
Development expenditure	(624)	(4,367)
Net cash generated from/(used in) operating activities	<u>165,100</u>	<u>2,372</u>

TAMCO CORPORATE HOLDINGS BERHAD

(Incorporated in Malaysia)

(Company No : 6614-W)

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE FINANCIAL QUARTER ENDED 31 MAY 2008****(continued)**

THE FIGURES HAVE NOT BEEN AUDITED

	Cumulative 12 months ended	
	31.05.2008	31.05.2007
	RM'000	RM'000
Cash flow from investing activities		
Interest received	671	465
Disposals/(acquisition) of subsidiaries, net of cash received	222,102	(195)
Proceeds from disposal of property, plant and equipment	248	1,208
Purchase of property, plant and equipment	(14,225)	(19,049)
Net cash used in investing activities	208,796	(17,571)
Cash flow from financing activities		
Interest paid	(7,973)	(7,810)
Repayment of Bai' Bithaman Ajil Serial Bonds	-	(20,000)
(Repayment)/drawdown of hire purchase and finance lease	(937)	(956)
Drawdown of bank borrowings	(48,131)	20,898
Interim dividend paid	(159,092)	(14,969)
Net cash used in financing activities	(216,133)	(22,837)
Net change in cash and cash equivalents	157,763	(38,036)
Cash and cash equivalents at beginning of financial year	4,479	42,922
Effects of exchange rate changes	660	(407)
Cash and cash equivalents at end of financial year	162,902	4,479
The cash and cash equivalents comprise:		
Cash and bank balances	16,895	11,983
Short term deposits with licensed banks	148,048	4,607
Bank overdrafts	(2,041)	(12,111)
	162,902	4,479

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Company's Audited Financial Statements for the financial year ended 31 May 2007 and the accompanying notes to the Interim Financial Report.

TAMCO CORPORATE HOLDINGS BERHAD

(Incorporated in Malaysia)

(Company No : 6614-W)

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FINANCIAL QUARTER ENDED 31 MAY 2008

A. EXPLANATORY NOTES TO THE INTERIM FINANCIAL REPORT PURSUANT TO FINANCIAL REPORTING STANDARD ("FRS") 134

1 Basis of preparation

The Interim Financial Report of Tamco Corporate Holdings Berhad ("Tamco") and its subsidiaries ("Group") is unaudited and has been prepared in accordance with the Financial Reporting Standards ("FRS") 134: Interim Financial Reporting and Rule 9.22(b) of the Listing Requirements of Bursa Malaysia Securities Berhad for the MESDAQ Market ("MESDAQ Listing Requirements").

The Interim Financial Report of the Group should be read in conjunction with the Group's Audited Financial Statements for the financial year ended 31 May 2007. These explanatory notes attached to the Interim Financial Report provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 May 2007.

2 Changes in accounting policies

The significant accounting policies adopted by the Group in this Interim Financial Report are consistent with those adopted in the Group's most recent Audited Financial Statements for the financial year ended 31 May 2007 except for the adoption of the following applicable new/revised FRS:

FRSs and Amendments to FRSs	Effective for financial periods beginning on or after
FRS 117: Leases	1 October 2006
FRS 124: Related Party Disclosures	1 October 2006

The adoption of the revised FRS 117 has resulted in a retrospective change in the accounting policy relating to the classification of leasehold land. The up front payments made for the leasehold land represents prepaid lease payments and are amortised on a straight line basis over the lease term. Prior to 1 July 2007, leasehold land of RM14,501,000 was classified as property, plant and equipment and was stated at cost less accumulated depreciation and impairment losses.

The adoption of 124 does not have significant financial impact on the Group except for additional disclosure requirements.

3 Auditors' report on preceding annual financial statements

The auditors did not qualify the Group's Audited Financial Statements for the financial year ended 31 May 2007.

4 Seasonality or cyclicity of interim operations

During the financial quarter ended 31 May 2008, the operations of the Group were not significantly affected by any seasonal and cyclical factors.

5 Items of unusual nature and amount

During the financial quarter ended 31 May 2008, there were no items affecting the assets, liabilities, equity, net income or cash flows of the Group that are unusual by reason of their nature, size or incidence except for the changes in the composition of the Group as disclosed in Note 12 of Part A.

6 Changes in estimates

There were no changes in estimates that have a material effect on the results for the financial quarter ended 31 May 2008.

7 Debt and equity securities

There were no issuances, cancellations, repurchases and resale of debt securities and equity securities during the financial quarter ended 31 May 2008.

8 Dividends paid

The amount of dividend paid by the Company since 31 May 2007 was as follow:

	RM
Interim dividend of 1.5% less 26% tax declared on 7 December 2007 and paid on 8 January 2008	2,880,313
Special dividend comprising of 30 sen per share less 26% tax and tax-exempt dividend of 38 sen per share declared on 28 April 2008 and paid on 22 May 2008	156,211,607
Total	159,091,920

Tamco Corporate Holdings Berhad (6614-W)

Notes to the Interim Financial Report for the financial quarter ended 31 May 2008

9 Segmental information

The consolidated revenue and results of the Group for the financial period ended 31 May 2008, analysed by business segments, are as follows:

	Continuing operations			Discontinued operations		
	Switchgear RM'000	Integration & Trading RM'000	Total RM'000	Switchgear RM'000	Integration & Trading RM'000	Total RM'000
Financial period ended 31 May 2008						
External sales	3,814	59,870	63,684	346,441	811	347,252
Inter-segment sales	-	145	145	22,184	66	22,250
Total revenue	3,814	60,015	63,829	368,625	877	369,502
Segment results	(538)	(1,296)	(1,834)	152,207	2,100	154,307
Impairment of goodwill			(7,653)			(7,653)
Finance costs			(823)			(7,973)
Interest income			-			678
Share of results of associates			(325)			(1,077)
Profit before taxation			(10,635)			136,573
Taxation			(924)			(1,960)
Profit after taxation before minority interest			(11,559)			134,613
Financial period ended 31 May 2007						
(As restated)						
External sales	3,313	80,251	83,564	341,627	3,474	345,101
Inter-segment sales	1,203	5,735	6,938	26,920	155	27,075
Total revenue	4,516	85,986	90,502	368,547	3,629	372,176
Segment results	(1,804)	1,262	(542)	28,671	(241)	28,430
Amortisation of goodwill			-			-
Finance costs			(855)			(7,810)
Interest income			-			465
Share of results of associates			(533)			(764)
Profit before taxation			(1,930)			19,777
Taxation			(623)			(3,277)
Profit after taxation before minority interest			(2,553)			16,500

The corresponding comparatives for the previous reporting quarter have been restated to reflect the effects of discontinued operations.

10 Carrying amount of revalued assets

The valuations of property, plant and equipment have been brought forward, without amendments, from the Group's Audited Financial Statements for the financial year ended 31 May 2007.

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

11 Subsequent events

There were no material events subsequent to the end of the financial quarter ended 31 May 2008 up to the date of the Interim Financial Report.

12 Changes in composition of the Group

On 27 February 2008, the Tamco PTX Technology (Singapore) Pte Ltd, a 70% subsidiary of the Company, has entered into a conditional share sale and purchase agreement with Shanghai ShenAo Electronic Technology Co Ltd to dispose its entire interest in Tamco Systems Technology (Shanghai) Co Ltd for a total cash consideration of Renminbi 150,000 (approximately RM67,245 at the exchange rate of Renminbi 1.00 : RM0.4483 as at 29 February 2008). The disposal is pending completion of condition precedent.

On 7 March 2008, the Company completed the Proposed Internal Reorganisation, which involved the transfer of switchgear business from the Company to its wholly-owned subsidiary, Tamco Switchgear (Malaysia) Sdn Bhd.

On 23 April 2008, the Company completed the disposals of the entire interest in Tamco Switchgear (Malaysia) Sdn Bhd, Tamco Shanghai Switchgear Co Ltd, Tamco Electrical Industries Australia Pty Ltd and PT Tamco Indonesia.

Consequently to the events above, the results of Tamco Systems Technology (Shanghai) Co Ltd and the Switchgear Business, which comprises the switchgear operations of the Company prior to the completion of the Proposed Internal Reorganisation, Tamco Switchgear (Malaysia) Sdn Bhd, Tamco Switchgear Shanghai Co Ltd, Tamco Electrical Industries Australia Pty Ltd and PT Tamco Indonesia, have been presented separately on the consolidated income statement as discontinued operations. The corresponding comparatives for the previous reporting quarter have been restated to reflect the change.

The analysis of the results of discontinued operations and the results recognised on the re-measurement of the assets of disposal group is as follows:

	Individual Quarter		Cummulative 12 months ended	
	31.05.2008	31.05.2007	31.05.2008	31.05.2007
	RM'000	RM'000	RM'000	RM'000
Revenue	64,946	95,886	347,252	345,101
Profit before taxation from discontinued operations	120,829	6,400	147,083	21,709
Taxation	1,923	1,102	(1,036)	(2,654)
Net profit from discontinued operations	122,752	7,502	146,047	19,055

There were no other material changes in the composition of the Group for the financial quarter ended 31 May 2008, including business combinations, acquisition or disposal of subsidiaries and long term investments, restructurings and discontinuing operations.

13 Contingent liabilities

	Company	
	31-05-2008	31-05-2007
	RM'000	RM'000
Unsecured:		
Potential performance-based consideration of acquisition	5,100	16,700
Guarantees given to financial institutions for facilities granted to subsidiaries:		
- Continuing operations	17,470	17,470

The potential performance-based consideration of RM5.1 million is dependent on achievement of minimum profit requirements by Decom Limited ("Decom") in accordance with the sale and purchase agreement entered into between the Company and the vendors of Decom as mentioned in Note 8 of Section B. The contingent liability is unlikely to be payable as the Directors are of the reasonable view that the stipulated profit requirements will not be met.

B. ADDITIONAL INFORMATION REQUIRED BY THE MESDAQ LISTING REQUIREMENTS

1 Performance review for the current financial quarter against previous financial year corresponding quarter

For the year ended 31 May 2008, revenue from the continuing operations decreased to RM63.7 million from RM84.8million due mainly to lower number of projects secured in the systems integration business. Revenue for the quarter increased by RM3.3million against previous financial year corresponding quarter due to increase in trading activities of the Group in the 4th quarter.

The loss before taxation for the current year increased from RM1.9million to RM10.6million. The increase is due mainly to the one off impairment of goodwill and writing off of other intangibles in the last quarter amounting to RM11.6million at Group level.

2 Material change in the profit after taxation for the current financial quarter as compared with immediate preceding financial quarter

Revenue from the continuing operations in the current quarter increased to RM19.2 million from RM12.3 million in the immediate preceding quarter ended 29 February 2008. This was mainly attributed to the beefing up of deliveries during the quarter.

3 Prospects for the next financial year

Barring unforeseen circumstances the Directors are of the opinion that the group's continuing operations will continue to operate in a satisfactory manner.

The Directors and management will continue to assess and evaluate new business opportunities for the Group to enhance the Group's financial performance in future.

4 Forecast profit, profit guarantee and internal targets

The Group did not provide any profit forecast, profit guarantee and internal targets in any publicly available documents or announcements.

5 Taxation

	Individual Quarter		Cumulative 12 months ended	
	31.05.2008	31.05.2007	31.05.2008	31.05.2007
	RM'000	RM'000	RM'000	RM'000
Continuing operations				
Income tax:				
Malaysian	308	95	746	439
Foreign	44	(111)	171	(42)
Over/(under) provision in prior years				
Malaysian	-	-	-	185
Foreign	-	-	-	-
Deferred taxation:				
Relating to originating and reversal of temporary differences	(18)	64	7	65
Relating to reduction in foreign income tax rate	-	(5)	-	(5)
Under provision in prior years	-	(25)	-	(19)
	<u>334</u>	<u>18</u>	<u>924</u>	<u>623</u>
Discontinued operations				
Income tax:				
Malaysian	(199)	(545)	2,507	3,490
Foreign	(253)	372	-	372
Over/(under) provision in prior years				
Malaysian	(1,456)	-	(1,456)	294
Foreign	-	3	-	(340)
Deferred taxation:				
Relating to originating and reversal of temporary differences	-	(861)	-	(1,434)
Relating to reduction in foreign income tax rate	-	-	-	-
Under provision in prior years	(15)	(71)	(15)	272
	<u>(1,923)</u>	<u>(1,102)</u>	<u>1,036</u>	<u>2,654</u>
	<u>(1,589)</u>	<u>(1,084)</u>	<u>1,960</u>	<u>3,277</u>

The Group's effective tax rate for the year ended 31 May 2008 was lower than the statutory rate due to non taxable capital gain arising from the disposal of switchgear business.

6 Sale of unquoted investments and properties

There were no disposals of unquoted investments and properties for the current financial quarter ended 31 May 2008 and financial year to date.

7 Quoted securities

There were no purchases of quoted securities for the financial quarter ended 31 May 2008 and financial year to date. As at balance sheet date, the Group has no investment in quoted securities.

8 Utilisation of proceeds

On 29 June 2004, the Company had issued 35,000,000 new ordinary shares of RM0.50 each in the Company ("Tamco Shares") to certain Bumiputera investors approved by the Ministry of International Trade and Industry at an issue price of RM0.50 per Tamco Share ("Bumiputera Placement"). The Company has utilised/ plans to utilise the gross proceeds of RM17.5 million from its Bumiputera Placement in the following manner:

Purpose/ Explanation	Proposed Utilisation RM'000	Actual Utilisation RM'000	Intended Timeframe for Utilisation	Deviation RM'000	%
(i) Acquisition of additional businesses in switchgear and power technology to expand the range of product offerings of Tamco Group	5,600	(1)/(2) 5,600	N/A	-	-
(ii) Part finance of construction cost for new factory in Bukit Raja	10,400	10,400	31 December 2009	-	-
(iii) Estimated listing expenses	1,500	1,500		-	-
Total	17,500	17,500		-	-

Notes:

(1) On 6 September 2004, the Company had entered into a conditional sale and purchase agreement ("SPA") with Klaus Bodenstein, Heinz Dieter Max Franz Juette and Guenter Leonhardt to acquire 600,000 ordinary shares of HKD 1.00 each in Decom representing 60% equity interest of the issued and fully paid-up share capital of Decom for a total cash consideration of up to EUR4.6 million (approximately RM21.5 million based on the exchange rate of RM4.67:EUR1.00), subject to the terms and conditions of the SPA ("Decom Acquisition"). The first tranche of the transaction was completed on 18 November 2004.

On 18 November 2004, the Company paid a sum of EUR800,000 (RM4.052 million), being 80% of the initial purchase price of EUR1.0 million upon the conditional completion of Decom Acquisition to the vendors of Decom and on 2 February 2005, the Company paid the balance of EUR200,000 (RM1.0 million), being 20% of the initial purchase price of EUR1.0 million.

(2) Inclusive of the expenses incurred in the Decom Acquisition amounting to RM0.548 million.

9 Status of corporate proposals

On 28 April 2008, the Company announced that it is proposing to undertake a capital repayment involving a cash distribution of RM0.30 for every one (1) existing ordinary share in Tamco ("Tamco Share") held to entitled shareholders at a date to be determined later ("Proposed Capital Repayment") and thereafter by cancelling the par value of each Tamco Share by RM0.30 in accordance with Section 64 of the Companies Act, 1965.

The amount of cash to be distributed to entitled shareholders under the Proposed Capital Repayment is approximately RM77.846 million based on the number of issued and paid-up share capital of Tamco as at 24 April 2008 of 259,487,720 Tamco Shares.

Upon the completion of the Proposed Capital Repayment, the par value of the Tamco Shares will be reduced from RM0.50 to RM0.20 each and the share capital of Tamco will be reduced by approximately RM77.846 million.

The Proposed Capital Repayment will be funded entirely by the net proceeds received from the disposal of the Switchgear Business, which was completed on 23 April 2008.

The Proposed Capital Repayment has been approved by the Securities Commission and is now subject to the approvals of the shareholders of the Company and the High Court in Malaysia.

Other than the above, there are no other corporate proposals announced but not completed as at the date of this Interim Financial Report.

10 Group borrowings

Group borrowings denominated in their functional currencies are as follows:

	31.05.2008	31.05.2007
	RM'000	RM'000
Short term borrowings		
Secured:		
Ringgit Malaysia	60,309	572
Unsecured:		
Ringgit Malaysia	2,240	42,571
US Dollar	6,232	13,184
Hong Kong Dollar	5,545	12,301
Singapore Dollar	76	80
Chinese Renminbi	-	-
Australia Dollar	-	4,468
	<u>74,402</u>	<u>73,176</u>
Long term borrowings		
Secured:		
Ringgit Malaysia	240	60,000
Unsecured:		
Ringgit Malaysia	400	1,127
Singapore Dollar	-	186
	<u>640</u>	<u>61,313</u>
	<u>75,042</u>	<u>134,489</u>

Note: Foreign currencies denominated borrowings are stated at Ringgit Malaysia equivalent as at the reporting dates stated above.

11 Off balance sheet financial instruments

The Group does not have any off balance sheet financial instruments as at the date of this Interim Financial Report.

12 Material litigation

The Group does not have any material litigation as at the date of this Interim Financial Report.

13 Dividends payable

The Directors do not propose and pay any further dividend for the financial year ended 31 May 2008 other than those disclosed in note A8.

14 Earnings / (Loss) per share**(a) Basic earnings / (loss) per share**

The basic earnings / (loss) per share is calculated by dividing the net profit / (loss) attributable to the shareholders of the Company by the weighted average number of ordinary shares in issue during the financial period as follows:

	Individual Quarter		Cummulative 12 months ended	
	31.05.2008	31.05.2007	31.05.2008	31.05.2007
Number of ordinary shares ('000)	259,488	259,488	259,488	259,488
Net profit/(loss) attributable to shareholders of the parent (RM'000)				
- from continuing operations	(9,472)	(992)	(11,434)	(2,358)
- from discontinued operations	122,752	7,502	146,047	19,055
	<u>113,280</u>	<u>6,510</u>	<u>134,613</u>	<u>16,697</u>
Earnings per share attributable to shareholders of the parent (sen):				
- basic, for continuing operations	(3.65)	(0.38)	(4.41)	(0.91)
- basic, for discontinued operations	47.31	2.89	56.28	7.34

(b) Fully diluted earnings per share

The Company has no potential ordinary shares in issue as at balance sheet date and therefore, diluted earnings per share have not been presented.

BY ORDER OF THE BOARD

Choo Se Eng
Stephen Geh Sim Whye
Secretaries

31 July 2008
Petaling Jaya