

**Quarterly Report on the Consolidated Financial Results for the Fourth Quarter Ended 31 December 2008**

**Condensed Consolidated Income Statement**

(The figures have not been audited)

	INDIVIDUAL QUARTER ENDED			CUMULATIVE QUARTER ENDED		
	(Unaudited) 31.12.2008 RM'000	(Unaudited) 31.12.2007 RM'000	%	(Unaudited) 31.12.2008 RM'000	(Audited) 31.12.2007 RM'000	%
Revenue	2,165	4,099	(47)	11,485	11,883	(3)
Other operating income	150	65	131	377	290	30
Operating expenses	(1,696)	(2,147)	(21)	(6,417)	(6,181)	4
<b>Profit from operations</b>	<b>619</b>	<b>2,017</b>	<b>(69)</b>	<b>5,445</b>	<b>5,992</b>	<b>(9)</b>
Finance costs	-	-	-	-	-	-
<b>Profit before taxation</b>	<b>619</b>	<b>2,017</b>	<b>(69)</b>	<b>5,445</b>	<b>5,992</b>	<b>(9)</b>
Taxation	(56)	(108)	(48)	(234)	(146)	60
<b>Net profit for the period</b>	<b>563</b>	<b>1,909</b>	<b>(71)</b>	<b>5,211</b>	<b>5,846</b>	<b>(11)</b>
<b>Attributable to:</b>						
Equity holders of the parent	565	1,909	(71)	5,215	5,846	(11)
Minority interest	(2)	-	-	(4)	-	-
	<b>563</b>	<b>1,909</b>	<b>(71)</b>	<b>5,211</b>	<b>5,846</b>	<b>(11)</b>
<b>Earnings per share</b>						
(i) Basic (sen)	0.47	1.59	(70)	4.31	4.87	(11)
(ii) Diluted (sen)	0.47	1.51	(69)	4.26	4.62	(8)

*(The unaudited condensed consolidated income statement 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 this quarterly report.)*

**Quarterly Report on the Consolidated Financial Results for the Fourth Quarter Ended 31 December 2008**  
**Condensed Consolidated Balance Sheets**

	(Unaudited) As at 31.12.2008 RM'000	(Audited) As at 31.12.2007 RM'000
<b>Non-current assets</b>		
Property, plant and equipment	3,833	3,465
Prepaid lease payments	317	304
Development costs	4,443	3,791
Intangible assets	455	555
	<u>9,048</u>	<u>8,115</u>
<b>Current assets</b>		
Inventories	63	10
Trade receivables	3,790	2,574
Other receivables and prepaid expenses	556	590
Marketable securities	-	-
Deposits with financial institutions	9,697	8,228
Cash and cash equivalents	2,828	2,016
	<u>16,934</u>	<u>13,418</u>
<b>Current liabilities</b>		
Trade payables	231	-
Other payables and accrued expenses	2,571	658
Taxation	18	4
	<u>2,820</u>	<u>662</u>
<b>Net current assets</b>	<b>14,114</b>	<b>12,756</b>
	<u><b>23,162</b></u>	<u><b>20,871</b></u>
<b>Capital and reserves</b>		
Share capital	12,112	12,098
Reserves	10,980	8,773
Minority interest	70	-
<b>Shareholder's funds</b>	<u>23,162</u>	<u>20,871</u>
	<u><b>23,162</b></u>	<u><b>20,871</b></u>
<b>Net assets per share (attributable to ordinary equity shares of the parent) (RM)</b>	<b>0.19</b>	<b>0.17</b>

*(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 this quarterly report.)*

**Quarterly Report on the Consolidated Financial Results for the Fourth Quarter Ended 31 December 2008**  
**Condensed Consolidated Cash Flow Statements**

	<b>(Unaudited)</b> <b>12 Months</b> <b>Ended</b> <b>31.12.2008</b> <b>RM'000</b>	<b>(Audited)</b> <b>12 Months</b> <b>Ended</b> <b>31.12.2007</b> <b>RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	5,445	5,992
Adjustments for:		
Allowance for doubtful debts	141	233
Amortisation of development costs	996	750
Amortisation of intangible assets	101	101
Amortisation of prepaid lease payments	3	2
Depreciation of property, plant and equipment	539	518
Development costs written off	-	9
Share option expense	-	82
Gain on disposal of property, plant and equipment	-	(76)
Property, plant and equipment written off	17	-
Interest income	(312)	(211)
Operating profit before working capital changes	6,930	7,400
Changes in working capital:		
(Increase)/Decrease in inventories	(54)	310
Increase in trade receivables	(1,357)	(364)
Decrease/(Increase) in other receivables and prepaid expenses	35	(201)
Decrease in marketable securities	-	1,000
Increase in trade payables	231	-
Increase in other payables and accrued expenses	432	213
Cash generated from operations	6,217	8,358
Tax paid	(37)	(135)
Interest received	312	211
Development costs incurred	(1,648)	(1,453)
<b>Net cash from operating activities</b>	<b>4,844</b>	<b>6,981</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(833)	(2,085)
Additions in prepaid lease payments	(108)	(306)
Proceeds from disposal of property, plant and equipment	1	109
<b>Net cash used in investing activities</b>	<b>(940)</b>	<b>(2,282)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issuance of shares	33	232
Proceeds arising from the increase of shares of subsidiary company	80	-
Dividends paid	(1,816)	(800)
<b>Net cash used in financing activities</b>	<b>(1,703)</b>	<b>(568)</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>2,201</b>	<b>4,131</b>
<b>CASH AND CASH EQUIVALENTS BROUGHT FORWARD</b>	<b>10,324</b>	<b>6,113</b>
<b>CASH AND CASH EQUIVALENTS CARRIED FORWARD</b>	<b>12,525</b>	<b>10,244</b>
Cash and cash equivalents carried forward consist of:		
Deposits with financial institutions	9,697	8,228
Cash and bank balances	2,828	2,016
	<b>12,525</b>	<b>10,244</b>

*(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 this quarterly report.)*

力揚科技

Excel**FORCE**  
MSC Berhad

(Company No.: 570777-X)

(Incorporated in Malaysia under the Companies Act, 1965)

**Quarterly Report on the Consolidated Financial Results for the Fourth Quarter Ended 31 December 2008**

**Condensed Consolidated Statement of Changes in Equity**

(The figures have not been audited)

	Share Capital RM'000	Distributable Retained Profits RM'000	Non Distributable Share Premium RM'000	ESOS Reserve RM'000	Total Shareholders' Equity RM'000	Minority Interest RM'000	Total Equity RM'000
Balance as at 1 January 2007	8,000	1,807	4,904	-	14,711	-	14,711
Issuance of shares during the year:							
- Bonus issue	4,000	-	(4,000)	-	-	-	-
- ESOS	98	-	134	-	232	-	232
Net profit for the twelve (12) months ended 31 December 2007	-	5,846	-	-	5,846	-	5,846
Share options granted under ESOS	-	-	-	82	82	-	82
Balance as at 31 December 2007	<b>12,098</b>	<b>7,653</b>	<b>1,038</b>	<b>82</b>	<b>20,871</b>	<b>-</b>	<b>20,871</b>
Balance as at 1 January 2008	12,098	7,653	1,038	82	20,871	-	20,871
Issuance of share pursuant to ESOS	14	-	19	-	33	-	33
Transfer to/(from) reserve for ESOS lapsed	-	-	19	(19)	-	-	-
Arising from acquisition of shares in subsidiary company	-	-	-	-	-	74	74
Net profit for the twelve (12) months ended 31 December 2008	-	5,215	-	-	5,215	(4)	5,211
Dividend Paid	-	(1,816)	-	-	(1,816)	-	(1,816)
Dividend Payable	-	(1,211)	-	-	(1,211)	-	(1,211)
Balance as at 31 December 2008	<b>12,112</b>	<b>9,841</b>	<b>1,076</b>	<b>63</b>	<b>23,092</b>	<b>70</b>	<b>23,162</b>

*(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 this quarterly report.)*