

**FOCUS DYNAMICS TECHNOLOGIES BERHAD (Company No: 582924-P)**  
CONDENSED CONSOLIDATED INCOME STATEMENTS  
AND QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 APRIL 2008  
THE FIGURES HAVE NOT BEEN AUDITED

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
		CURRENT YEAR QUARTER 30/04/2008 RM	PRECEDING YEAR CORRESPONDING QUARTER 30/04/2007 RM	CURRENT YEAR TO DATE 30/04/2008 RM	PRECEDING YEAR CORRESPONDING PERIOD 30/04/2007 RM
<b>REVENUE</b>	A9	5,795,089	2,022,310	16,475,336	8,603,923
COST OF SALES		(4,631,441)	(1,486,634)	(12,846,613)	(6,263,015)
GROSS PROFIT		1,163,648	535,676	3,628,723	2,340,908
OTHER INCOME		112,780	40,398	279,151	143,578
OPERATING EXPENSES		(1,035,023)	(628,746)	(2,970,079)	(2,067,079)
PROFIT/(LOSS) FROM OPERATIONS		241,405	(52,672)	937,795	417,407
INTEREST INCOME		11,997	19,988	36,601	47,040
INTEREST EXPENSES		(54,733)	(44,099)	(163,211)	(144,858)
SHARE OF RESULTS OF ASSOCIATED COMPANY		22,761	913	61,409	913
<b>PROFIT/(LOSS) BEFORE TAXATION</b>		221,430	(75,870)	872,594	320,502
TAXATION	B5	(119,519)	(61,700)	(320,519)	(208,386)
<b>PROFIT/(LOSS) FOR THE PERIOD</b>		101,911	(137,570)	552,075	112,116
MINORITY INTEREST		1,904	-	1,904	-
<b>PROFIT/(LOSS) ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF PARENT</b>		<u>103,815</u>	<u>(137,570)</u>	<u>553,979</u>	<u>112,116</u>
Earnings/(Loss) Per Ordinary Share					
- Basic (sen)	B13	0.10	(0.15)	0.53	0.12
- Diluted (sen)		0.10	N/A	0.53	N/A
Proposed/declared dividend per share (sen)		-	-	-	-

**NOTE:**

*The Unaudited Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Statements for the year ended 31 July 2007 and the accompanying explanatory notes to this Interim Financial Statements.*

**FOCUS DYNAMICS TECHNOLOGIES BERHAD (Company No: 582924-P)**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
**AND QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 APRIL 2008**  
**THE FIGURES HAVE NOT BEEN AUDITED**

	AS AT END OF CURRENT QUARTER <b>30/04/2008</b> Unaudited <u>RM</u>	AS AT PRECEDING FINANCIAL YEAR ENDED <b>31/07/2007</b> Audited <u>RM</u>
<b>NON CURRENT ASSETS</b>		
Plant and equipment	3,033,609	550,446
Products development expenditure	2,090,757	2,267,687
Investment in associated companies	87,444	73,756
Investment in unquoted shares	11,761	-
Goodwill on consolidation	2,234,743	2,209,793
Deferred tax assets	4,087	4,087
	<u>7,462,401</u>	<u>5,105,769</u>
<b>CURRENT ASSETS</b>		
Inventories	5,875,324	6,432,215
Trade receivables	9,674,063	7,377,715
Other receivables, deposits and prepayments	493,647	616,473
Amount due from associated companies	219,633	267,609
Tax recoverable	68,602	20,000
Deposits with licensed banks	2,405,991	2,060,502
Short-term deposit	28,603	28,603
Cash in hand and at banks	756,502	1,207,340
	<u>19,522,365</u>	<u>18,010,457</u>
<b>CURRENT LIABILITIES</b>		
Trade payables	2,304,242	2,653,942
Other payables and accruals	2,500,366	1,913,471
Amount due to associated companies	59,278	134,278
Amount due to directors	57,005	2,082,285
Borrowings	3,738,686	3,521,705
Tax payable	313,746	323,289
	<u>8,973,323</u>	<u>10,628,970</u>
<b>NET CURRENT ASSETS</b>	10,549,042	7,381,487
	<u>18,011,443</u>	<u>12,487,256</u>
<b>FINANCED BY:</b>		
SHARE CAPITAL	10,394,693	9,449,723
SHARE PREMIUM	1,769,372	123,093
WARRANT RESERVE	574,972	-
RETAINED PROFITS	3,155,932	2,601,953
SHAREHOLDERS' EQUITY	<u>15,894,969</u>	<u>12,174,769</u>
MINORITY INTEREST	38,096	-
<b>NON CURRENT LIABILITIES</b>		
Borrowings	2,026,899	261,008
Deferred tax liabilities	51,479	51,479
	<u>18,011,443</u>	<u>12,487,256</u>
Number of ordinary shares at RM0.10 sen par each	103,946,925	94,497,225
<b>Net assets per share attributable to ordinary equity holders of the parent (sen)</b>	15.29	12.88

**NOTES:**

1. The Unaudited Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Statements for the year ended 31 July 2007 and the accompanying explanatory notes to this Interim Financial Statements.

2. Net assets per share is derived based on Focus Dynamics Technologies Berhad's consolidated net assets of RM15,894,969 (FYE 31/7/07- RM12,174,769) including products development expenditure over the issued number of ordinary shares of 103,946,925 (FYE 31/7/07 - 94,497,225) of RM0.10 each.

**FOCUS DYNAMICS TECHNOLOGIES BERHAD (Company No: 582924-P)**

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

AND QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 APRIL 2008

THE FIGURES HAVE NOT BEEN AUDITED

	Share Capital	-----Non-distributable----- Share Premium	Negative Goodwill	Warrant Reserve	Distributable Retained Profits	Total
	RM	RM	RM	RM	RM	RM
Balance at 1 August 2006	7,559,778	1,550,862	516,932	-	2,291,042	11,918,614
Prior year adjustment - effects of adopting FRS 3	-	-	(516,932)	-	516,932	-
Balance at 1 August 2006 (as restated)	7,559,778	1,550,862	-	-	2,807,974	11,918,614
Profit for the year	-	-	-	-	502,924	502,924
Bonus shares issue	1,889,945	(1,181,000)	-	-	(708,945)	-
Expenses incurred on bonus shares issue set-off to share premium account	-	(246,769)	-	-	-	(246,769)
Balance at 31 July 2007	<u>9,449,723</u>	<u>123,093</u>	<u>-</u>	<u>-</u>	<u>2,601,953</u>	<u>12,174,769</u>
Balance at 1 August 2007	9,449,723	123,093	-	-	2,601,953	12,174,769
Profit for the quarters	-	-	-	-	553,979	553,979
Issues of shares	944,970	1,511,952	-	-	-	2,456,922
Expenses incurred on issues of shares	-	(82,897)	-	-	-	(82,897)
Issue of warrants						
- renounceable rights issue	-	370,000	-	574,972	-	944,972
- warrants issue costs	-	(152,776)	-	-	-	(152,776)
Balance at 30 April 2008	<u>10,394,693</u>	<u>1,769,372</u>	<u>-</u>	<u>574,972</u>	<u>3,155,932</u>	<u>15,894,969</u>

**NOTE:**

The Unaudited Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 July 2007 and the accompanying explanatory notes to this Interim Financial Statements.

**FOCUS DYNAMICS TECHNOLOGIES BERHAD (Company No: 582924-P)**

## CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

AND QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 APRIL 2008

THE FIGURES HAVE NOT BEEN AUDITED

	CUMULATIVE QUARTERS	
	CURRENT YEAR TO DATE <b>30/04/2008</b> RM	PRECEDING YEAR CORRESPONDING PERIOD <b>30/04/2007</b> RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash receipts from customers	13,591,694	10,258,453
Cash payments to suppliers and employees	<u>(15,711,485)</u>	<u>(8,247,418)</u>
Cash (used in)/generated from operations	(2,119,791)	2,011,035
Interest received	36,600	47,040
Interest paid	(145,466)	(137,669)
Income taxes paid	(378,663)	(241,918)
Net cash (used in)/generated from operating activities	<u>(2,607,320)</u>	<u>1,678,488</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of plant and equipment	(2,527,877)	(47,185)
Purchase of investment in associated companies	(40)	(84,000)
Proceeds from disposal of investment in associated company	36,000	-
Acquisition of subsidiary, net of cash	15,041	(3,123,139)
Increase in placement of fixed deposits pledged	(70,488)	(53,230)
Proceeds from disposal of plant and equipment	6,000	1,200
Net cash used in investing activities	<u>(2,541,364)</u>	<u>(3,306,354)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Payment of warrants issue expenses	(152,777)	-
Payment of share issues expenses	(82,897)	-
Proceeds from bankers acceptance	484,000	1,126,000
Payment of hire purchase interest	(26,210)	(7,575)
Repayment of hire purchase liabilities	(69,400)	(45,073)
Repayments to bills payables	(362,498)	(474,816)
Repayments to term loan	(22,530)	-
Proceeds from term loan financing	1,802,415	-
Proceeds from issues of shares	2,456,922	-
Proceeds from the issue of warrants	944,972	-
Net cash generated from financing activities	<u>4,971,997</u>	<u>598,536</u>
Net decrease in cash and cash equivalent	(176,687)	(1,029,330)
Cash and cash equivalent at beginning of year	1,996,581	2,165,981
Cash and cash equivalent at end of year	<u>1,819,894</u>	<u>1,136,651</u>
Cash and cash equivalent comprise:		
Cash in hand and at banks	756,502	74,841
Short-term deposit	28,603	28,390
Fixed deposits with licensed banks (unpledged)	1,050,000	1,200,000
Bank overdraft	<u>(15,211)</u>	<u>(166,580)</u>
	<u>1,819,894</u>	<u>1,136,651</u>

**NOTE:**

*The Unaudited Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Statements for the year ended 31 July 2007 and the accompanying explanatory notes to this Interim Financial Statements.*