

EXTOL MSC BERHAD (643683-U)
(Incorporated in Malaysia)
QUARTERLY REPORT
FOR THE FIRST FINANCIAL QUARTER ENDED 31 MARCH 2007
(The figures have not been audited)

CONDENSED CONSOLIDATED BALANCE SHEETS

	AS AT END OF CURRENT FINANCIAL QUARTER 31/3/2007	AS AT PRECEDING FINANCIAL YEAR ENDED 31/12/2006
Notes	Unaudited RM'000	Audited RM'000
NON-CURRENT ASSETS		
Property, plant and equipment	5,448	5,355
Goodwill	2,026	2,026
Product development expenditure	4,500	4,324
	11,974	11,705
CURRENT ASSETS		
Inventories	64	65
Trade receivables	6,085	7,549
Other receivables	90	383
Tax recoverable	84	84
Short term investment	4,233	1,039
Fixed deposit with a licensed bank	-	2,527
Cash and bank balances	54	68
	10,610	11,715
TOTAL ASSETS	22,584	23,420
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share Capital	10,440	10,440
Share Premium	3,620	3,620
Retained Profit	4,736	4,329
	18,796	18,389
NON-CURRENT LIABILITIES		
Deferred Tax Liabilities	848	848
Hire purchase creditor	137	147
Term loans	524	541
	1,509	1,536
LESS: CURRENT LIABILITIES		
Trade payables	1,703	1,066
Bills payable	-	1,385
Other payables and accruals	431	326
Provision for taxation	15	15
Hire purchase creditor	45	49
Term loans	69	83
Bank overdraft	16	571
	2,279	3,495
Total Liabilities	3,788	5,031
TOTAL EQUITY AND LIABILITIES	22,584	23,420
Number of ordinary shares at RM0.10 par each ('000)	104,400	104,400
Net Asset per share (Sen)	18.00	17.61

NOTES:

1. The Unaudited Condensed Consolidated Balance Sheets should be read in conjunction with the audited financial statements for the financial year ended 31 December 2006 and the accompanying explanatory notes attached to this report.

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CONDENSED CONSOLIDATED INCOME STATEMENTS

	Notes	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		CURRENT FINANCIAL YEAR QUARTER	PRECEDING FINANCIAL YEAR CORRESPONDING QUARTER	CURRENT FINANCIAL YEAR TO DATE	PRECEDING FINANCIAL YEAR CORRESPONDING PERIOD
		31/3/2007	31/3/2006	31/3/2007	31/3/2006
		RM'000	RM'000	RM'000	RM'000
REVENUE	A9	3,357	3,009	3,357	3,009
COST OF SALES		(1,627)	(1,802)	(1,627)	(1,802)
GROSS PROFIT		1,730	1,207	1,730	1,207
OTHER INCOME		37	46	37	46
INTEREST INCOME		36	25	36	25
OPERATING EXPENSES		(1,382)	(761)	(1,382)	(761)
PROFIT FROM OPERATIONS		421	517	421	517
INTEREST EXPENSE		(14)	(56)	(14)	(56)
PROFIT BEFORE TAXATION		407	461	407	461
TAXATION	B5	-	(13)	-	(13)
PROFIT AFTER TAXATION		407	448	407	448
Less : MINORITY INTERESTS		-	-	-	-
NET PROFIT		407	448	407	448
Earnings Per Ordinary Share					
- Basic (sen)	B13a	0.39	0.55	0.39	0.55
- Diluted (sen)	B13b	N/A	N/A	N/A	N/A

NOTES:

1. The Unaudited Condensed Consolidated Income Statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2006 and the accompanying explanatory notes attached to this report.

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital	<i>Distributable</i> Share Premium	Retained Profits	Total
	RM'000	RM'000	RM'000	RM'000
3 months ended 31 March 2006				
As at 1st January 2006	7,830	-	3,707	11,537
Issuance of shares	2,610	5,220	-	7,830
Listing Expenses	-	(1,600)	-	(1,600)
Profit after taxation	-	-	448	448
As at 31st March 2006	<u>10,440</u>	<u>3,620</u>	<u>4,155</u>	<u>18,215</u>
3 months ended 31 March 2007				
As at 1st January 2007	10,440	3,620	4,329	18,389
Profit after taxation	-	-	407	407
As at 31st March 2007	<u>10,440</u>	<u>3,620</u>	<u>4,736</u>	<u>18,796</u>

NOTES:

1. The Unaudited Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2006 and the accompanying explanatory notes attached to this report.

EXTOL MSC BERHAD (643683-U)**(Incorporated in Malaysia)****QUARTERLY REPORT**

FOR THE FIRST FINANCIAL QUARTER ENDED 31 MARCH 2007

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CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

	01/01/2007 to 31/3/2007	Corresponding period 01/01/2006 to 31/3/2006
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	407	461
Adjustments for:		
Amortisation of product development cost	128	95
Depreciation of property, plant equipment	201	117
Interest income	(36)	(26)
Interest expenses	14	56
Operating profit before working capital changes	714	703
Increase/(Decrease) in working capital		
Inventories	1	(9)
Trade receivables	1,464	(358)
Other receivables	292	459
Trade payables	637	(180)
Bills payable	(1,385)	1,005
Other payables	105	217
	1,114	1,134
Cash used in operations	1,828	1,837
Bank overdraft interest paid	(1)	(12)
Bill payable interest paid	-	(31)
Net cash used in operating activities	1,827	1,794
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(294)	(354)
Research and development expenditure	(304)	(243)
Interest income	36	26
Net cash used in investing activities	(562)	(571)
CASH FLOWS FROM FINANCING ACTIVITIES		
Draw down of term loan	-	71
Proceeds from issuance of shares	-	7,830
Listing Expenses	-	(1,600)
Repayment of term loans	(31)	(37)
Term loan interest paid	(10)	(12)
Hire Purchase interest paid	(2)	-
Repayment to Hire Purchase creditor	(14)	(4)
Net cash generated from financing activities	(57)	6,248
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	1,208	7,471
OPENING BALANCE OF CASH AND CASH EQUIVALENTS	3,063	119
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS	4,271	7,590
Cash and cash equivalents comprise :		
Short term investment	4,233	-
Cash and bank balances	54	7,590
Overdraft	(16)	-
	4,271	7,590

NOTES:

1. The Unaudited Condensed Consolidated Cashflow Statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2006 and the accompanying explanatory notes attached to this report.