

**EXTOL MSC BERHAD (643683-U)****(Incorporated in Malaysia)****QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 DECEMBER 2011**

(The figures have not been audited)

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	AS AT 31 DEC 2011 (Unaudited) RM'000	AS AT 30 SEP 2011 (Audited) RM'000
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		2,936	3,106
Prepaid lease assets		73	142
Goodwill		3,541	3,541
Product development expenditure		4,210	4,299
		<u>10,760</u>	<u>11,088</u>
<b>CURRENT ASSETS</b>			
Inventories		450	503
Trade receivables		1,736	1,321
Other receivables		305	272
Fixed deposit with a licensed bank		836	830
Cash and bank balances		2,867	4,074
		<u>6,194</u>	<u>7,000</u>
<b>TOTAL ASSETS</b>		<u>16,954</u>	<u>18,088</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Capital and Reserves</b>			
Share capital		10,440	10,440
Share premium		3,620	3,620
Retained earnings		990	1,432
<b>Equity attributable to owners of the parent</b>		<u>15,050</u>	<u>15,492</u>
Non-controlling interests		-	-
<b>Total equity</b>		<u>15,050</u>	<u>15,492</u>
<b>NON-CURRENT LIABILITIES</b>			
Deferred tax liabilities		301	365
Hire purchase creditors	B8	13	16
		<u>314</u>	<u>381</u>
<b>CURRENT LIABILITIES</b>			
Trade payables		870	1,273
Bills payable	B8	321	459
Other payables and accruals		246	232
Provision for taxation		14	14
Hire purchase creditors	B8	15	15
Term loans	B8	41	61
Lease creditor	B8	83	161
		<u>1,590</u>	<u>2,215</u>
<b>Total Liabilities</b>		<u>1,904</u>	<u>2,596</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>16,954</u>	<u>18,088</u>
Number of ordinary shares at RM0.10 par each ('000)		104,400	104,400
Net Asset per share (Sen)		14.42	14.84

**NOTES:**

*The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 30 September 2011 and the accompanying explanatory notes attached to this report.*

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**QUARTERLY REPORT FOR THE FIRST QUARTER ENDED 31 DECEMBER 2011**  
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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Notes	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		CURRENT YEAR	PRECEDING YEAR	CURRENT YEAR	PRECEDING YEAR
		QUARTER 31 DEC 2011	CORRESPONDING QUARTER 31 DEC 2010	TO DATE 31 DEC 2011	CORRESPONDING PERIOD 31 DEC 2010
		RM'000	RM'000	RM'000	RM'000
Revenue	A9	2,145	1,774	2,145	1,774
Cost of sales		(1,018)	(764)	(1,018)	(764)
Gross profit		1,127	1,010	1,127	1,010
Other income		29	234	29	234
Interest income		21	21	21	21
Depreciation and amortisation		(398)	(443)	(398)	(443)
Foreign exchange gain/(loss)		(19)	1	(19)	1
Other operating expenses		(1,255)	(1,217)	(1,255)	(1,217)
Loss from operations		(495)	(394)	(495)	(394)
Interest expenses		(10)	(26)	(10)	(26)
Loss before taxation		(505)	(420)	(505)	(420)
Taxation	B5	63	(35)	63	(35)
Loss after taxation		(442)	(455)	(442)	(455)
Other comprehensive income		-	-	-	-
Total comprehensive loss for the period		(442)	(455)	(442)	(455)
Profit attributable to:					
- Owners of the parent		(442)	(447)	(442)	(447)
- Non-controlling interest		0	(8)	0	(8)
		(442)	(455)	(442)	(455)
Total comprehensive income attributable to:					
- Owners of the parent		(442)	(447)	(442)	(447)
- Non-controlling interest		0	(8)	0	(8)
		(442)	(455)	(442)	(455)
Earnings Per Ordinary Share					
- Basic (sen)	B10a	(0.42)	(0.43)	(0.42)	(0.43)
- Diluted (sen)	B10b	N/A	N/A	N/A	N/A

**NOTES:**

1.) The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 30 September 2011 and the accompanying explanatory notes attached to this report.

2.) There is no income/expense in relation to other income including investment income, provision for and written-off of receivables, provision for and write off of inventories, gain or loss on disposal of quoted or unquoted investments or properties, impairment of assets, gain or loss on derivatives and exceptional items.

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	<----- Attributable to equity holder of the parent ----->					
	Distributable					
	Share Capital	Share Premium	Retained Earnings	Total	Non-controlling Interests	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>3 months ended 31 December 2011</b>						
As at 1 October 2011	10,440	3,620	1,432	15,492	-	15,492
Total comprehensive income/(loss) for the period	-	-	(442)	(442)	-	(442)
As at 31 December 2011	<u>10,440</u>	<u>3,620</u>	<u>990</u>	<u>15,050</u>	<u>-</u>	<u>15,050</u>
<b>3 months ended 31 December 2010</b>						
As at 1 October 2010	10,440	3,620	2,063	16,123	33	16,156
Total comprehensive income/(loss) for the period	-	-	(447)	(447)	(8)	(455)
As at 31 December 2010	<u>10,440</u>	<u>3,620</u>	<u>1,616</u>	<u>15,676</u>	<u>25</u>	<u>15,701</u>

**NOTES:**

1.) The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 30 September 2011 and the accompanying explanatory notes attached to this report.

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## CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

	<b>01/10/2011 to 31/12/2011</b>	<b>Corresponding period 01/10/2010 to 31/12/2010</b>
	RM'000	RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(505)	(420)
Adjustments for:		
Amortisation of prepaid lease assets	69	90
Amortisation of product development expenditure	154	154
Depreciation of property, plant and equipment	175	199
Interest income	(21)	(21)
Interest expenses	10	26
Operating (loss)/profit before working capital changes	(118)	28
Changes in working capital		
Decrease/(Increase) inventories	54	(121)
(Increase)/Decrease in trade receivables	(415)	566
Increase in other receivables	(33)	(1)
(Decrease)/Increase in trade payables	(403)	269
Decrease in bills payable	(138)	(653)
Increase/(Decrease) in other payables	14	(98)
	(921)	(38)
Cash used in operations	(1,039)	(10)
Bill payable interest paid	(5)	(5)
Net cash used in operating activities	(1,044)	(15)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(5)	(169)
Research and development expenditure	(66)	(9)
Interest income	21	21
Net cash used in investing activities	(50)	(157)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of term loans	(20)	(19)
Term loan interest paid	(1)	(2)
Repayment to hire purchase creditors	(4)	(14)
Hire purchase interest paid	(1)	(2)
Repayment to lease creditor	(78)	(89)
Leasing interest paid	(3)	(16)
Net cash used in financing activities	(107)	(142)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,201)	(314)
OPENING BALANCE OF CASH AND CASH EQUIVALENTS	4,904	4,131
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS	3,703	3,817
Cash and cash equivalents comprise :		
Fixed deposit with licensed bank	836	1,582
Cash and bank balances	2,867	2,235
	3,703	3,817

**NOTES:**

1.) *The Unaudited Condensed Consolidated Statement of Cash Flow should be read in conjunction with the audited financial statements for the financial year ended 30 September 2011 and the accompanying explanatory notes attached to this report.*