



MWE HOLDINGS BERHAD (5713-D)
and Group of Companies

CONDENSED CONSOLIDATED BALANCE SHEETS
AS AT 31 MARCH 2008
(Unaudited)

	AS AT <u>31.3.2008</u> RM'000	(AUDITED) AS AT <u>31.12.2007</u> RM'000
ASSETS		
<u>Non-Current Assets</u>		
Property, plant & equipment	73,059	73,894
Investment properties	58,600	58,600
Prepaid lease rentals	23,824	23,733
Land held for property development	28,202	28,090
Investment in associates	26,417	25,968
Other investments	25,015	24,965
Other non-current assets	16,763	17,072
	<u>251,880</u>	<u>252,322</u>
<u>Current Assets</u>		
Inventories	67,916	59,714
Property development costs	3,225	1,866
Trade and other receivables	145,848	124,743
Current tax assets	4,026	4,166
Cash & cash equivalents	40,905	51,650
	<u>261,920</u>	<u>242,139</u>
Total Assets	<u><u>513,800</u></u>	<u><u>494,461</u></u>



MWE HOLDINGS BERHAD (5713-D)
and Group of Companies

CONDENSED CONSOLIDATED BALANCE SHEETS
AS AT 31 MARCH 2008 (*Continuation*)
(*Unaudited*)

	AS AT <u>31.3.2008</u> RM'000	(AUDITED) AS AT <u>31.12.2007</u> RM'000
EQUITY AND LIABILITIES		
<u>Equity</u>		
Share capital	231,559	231,559
Reserves	80,984	83,644
Treasury shares	<u>(235)</u>	<u>(235)</u>
	312,308	314,968
Minority interests	30,141	30,087
Total equity	<u>342,449</u>	<u>345,055</u>
<u>Non-Current Liabilities</u>		
Long term borrowings	12,750	14,782
Deferred tax liabilities	5,970	6,003
Deferred income	<u>14,800</u>	<u>15,441</u>
	<u>33,520</u>	<u>36,226</u>
<u>Current Liabilities</u>		
Trade and other payables	81,897	78,079
Overdraft & short term borrowings	51,356	31,050
Current tax liabilities	<u>4,578</u>	<u>4,051</u>
	<u>137,831</u>	<u>113,180</u>
Total liabilities	171,351	149,406
Total equity and liabilities	<u>513,800</u>	<u>494,461</u>
Net assets per share (RM)	1.35	1.36

(The Condensed Consolidated Balance Sheets should be read in conjunction with
the Annual Audited Accounts for the year ended 31 December 2007)



MWE HOLDINGS BERHAD (5713-D)
and Group of Companies

CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE 3-MONTH PERIOD ENDED 31 MARCH 2008
(Unaudited)

	CURRENT QUARTER <u>ENDED 31.3.2008</u> RM'000	COMPARATIVE QUARTER <u>ENDED 31.3.2007</u> RM'000	CUMULATIVE 3 MONTHS <u>ENDED 31.3.2008</u> RM'000	COMPARATIVE 3 MONTHS <u>ENDED 31.3.2007</u> RM'000
Revenue	102,202	106,036	102,202	106,036
Operating expenses	(97,099)	(102,638)	(97,099)	(102,638)
Other operating income	<u>3,715</u>	<u>2,244</u>	<u>3,715</u>	<u>2,244</u>
Profit from operations	8,818	5,642	8,818	5,642
Finance costs	(699)	(1,072)	(699)	(1,072)
Net gain from investments	1,048	8,009	1,048	8,009
Share of results of associates	<u>134</u>	<u>(1,624)</u>	<u>134</u>	<u>(1,624)</u>
Profit before tax	9,301	10,955	9,301	10,955
Tax expense	<u>(1,952)</u>	<u>(543)</u>	<u>(1,952)</u>	<u>(543)</u>
Profit from continuing operations	7,349	10,412	7,349	10,412
Loss from discontinued operations	-	(184)	-	(184)
Net profit for the period	<u><u>7,349</u></u>	<u><u>10,228</u></u>	<u><u>7,349</u></u>	<u><u>10,228</u></u>
Attributable to:				
Equity holders of the Company	7,063	10,115	7,063	10,115
Minority interest	<u>286</u>	<u>113</u>	<u>286</u>	<u>113</u>
	<u><u>7,349</u></u>	<u><u>10,228</u></u>	<u><u>7,349</u></u>	<u><u>10,228</u></u>
Earnings per share				
Basic (sen)	3.05	4.37	3.05	4.37

(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Audited Accounts for the year ended 31 December 2007)



MWE HOLDINGS BERHAD (5713-D)
and Group of Companies

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2008
(Unaudited)

	< ----- Attributable to equity holders of the Company ----- >								
	Share Capital <u>RM'000</u>	Share Premium <u>RM'000</u>	Exchange Translation Reserve <u>RM'000</u>	Capital Reserve <u>RM'000</u>	Unappropriated profit/(Accu- mulated loss) <u>RM'000</u>	Treasury Shares <u>RM'000</u>	Total <u>RM'000</u>	Minority interest <u>RM'000</u>	Total equity <u>RM'000</u>
Balance as at 1 January 2007	231,559	23,586	5,796	754	31,543	(235)	293,003	31,072	324,075
Exchange translation differences			(1,529)				(1,529)		(1,529)
Changes of equity interest in subsidiaries							-	(259)	(259)
Net profit for the period					10,115		10,115	113	10,228
Dividend paid					(10,936)		(10,936)	(75)	(11,011)
Balance as at 31 March 2007	<u>231,559</u>	<u>23,586</u>	<u>4,267</u>	<u>754</u>	<u>30,722</u>	<u>(235)</u>	<u>290,653</u>	<u>30,851</u>	<u>321,504</u>
Balance as at 1 January 2008	231,559	23,586	5,353	754	53,951	(235)	314,968	30,087	345,055
Exchange translation differences			(2,278)				(2,278)	89	(2,189)
Transfer to capital reserve				400	(400)		-		-
Changes of equity interest in subsidiaries							-	(278)	(278)
Net profit for the period					7,063		7,063	286	7,349
Dividend paid					(7,445)		(7,445)	(43)	(7,488)
Balance as at 31 March 2008	<u>231,559</u>	<u>23,586</u>	<u>3,075</u>	<u>1,154</u>	<u>53,169</u>	<u>(235)</u>	<u>312,308</u>	<u>30,141</u>	<u>342,449</u>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Audited Accounts for the year ended 31 December 2007)



MWE HOLDINGS BERHAD (5713-D)
and Group of Companies

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE 3-MONTH PERIOD ENDED 31 MARCH 2008
(Unaudited)

	CUMULATIVE 3 MONTHS <u>31.3.2008</u> RM'000	CUMULATIVE 3 MONTHS <u>31.3.2007</u> RM'000
Profit before tax	9,301	10,955
Adjustments for :		
Non-cash items	<u>(1,798)</u>	<u>(5,640)</u>
Operating profit before changes in working capital	7,503	5,315
Changes in current assets	(30,761)	13,999
Changes in current liabilities	(833)	(10,485)
Income tax paid, net of refund	<u>(1,325)</u>	<u>(1,263)</u>
Net cash (used in)/from operating activities		
- Continuing operations	(25,416)	7,566
- Discontinued operations	<u>638</u>	<u>(407)</u>
	<u>(24,778)</u>	<u>7,159</u>
Investing Activities		
Equity investments	(277)	(1,000)
Other investments	(244)	(3,967)
Withdrawal of pledged fixed deposits	<u>(51)</u>	<u>(1,255)</u>
Net cash used in investing activities		
- Continuing operations	(572)	(6,222)
- Discontinued operations	<u>-</u>	<u>(161)</u>
	<u>(572)</u>	<u>(6,383)</u>
Financing Activities		
Capital injection by minority shareholders	-	392
Dividend paid to shareholders	(7,445)	(10,936)
Dividend paid to minority interests	(43)	(75)
Net drawdown of borrowings	<u>22,785</u>	<u>7,136</u>
Net cash from/(used in) financing activities	<u>15,297</u>	<u>(3,483)</u>



MWE HOLDINGS BERHAD (5713-D)
and Group of Companies

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE 3-MONTH PERIOD ENDED 31 MARCH 2008 (Continuation)
(Unaudited)

	CUMULATIVE 3 MONTHS <u>31.3.2008</u> RM'000	CUMULATIVE 3 MONTHS <u>31.3.2007</u> RM'000
Net Changes in Cash & Cash Equivalents	(10,053)	(2,707)
Effects of changes in exchange rates	(125)	11
	<u>(10,178)</u>	<u>(2,696)</u>
Cash & Cash Equivalents at beginning of period	48,674	33,510
Effects of changes in exchange rates	(15)	(158)
	48,659	33,352
	<u>38,481</u>	<u>30,656</u>
Cash & Cash Equivalents at end of period		
Represented by:		
Cash & cash equivalents	40,905	36,060
Bank overdrafts	(1,768)	(3,814)
	<u>39,137</u>	<u>32,246</u>
Less: Fixed deposits (pledged)	(656)	(1,590)
	<u>38,481</u>	<u>30,656</u>

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with
the Annual Audited Accounts for the year ended 31 December 2007)



EXPLANATORY NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2008

1. ACCOUNTING POLICIES

The unaudited interim financial report has been prepared in accordance with Financial Reporting Standard 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. The significant accounting policies and methods of computation applied to the financial statements are consistent with those applied to the annual audited accounts for the year ended 31 December 2007 except for the adoption of the following new and revised Financial Reporting Standards (“FRS”) issued by the Malaysian Accounting Standards Board that are effective for the Group for the financial period beginning on or after 1 January 2008:

FRS 107	Cash Flow Statements
FRS 112	Income Taxes
FRS 118	Revenue
FRS 137	Provisions, Contingent Liabilities and Contingent Assets

The adoption of the above FRSs does not have significant financial impact on the Group.

2. AUDIT OPINION ON THE PRECEDING FINANCIAL STATEMENTS

The preceding annual audited financial statements were not qualified by the Auditors.

3. SEASONALITY OR CYCLICALITY OF INTERIM OPERATIONS

Textiles division traditionally experienced a lower demand in the first quarter whereas the Electronics divisions face a more volatile market that is subject to global demand.

4. UNUSUAL ITEMS

There were no unusual items which affect assets, liabilities, equity, income or cash flows during the reporting quarter.

5. MATERIAL CHANGES IN ESTIMATES OF AMOUNTS PREVIOUSLY REPORTED

There were no material changes in estimates of amounts previously reported.

6. DEBT AND EQUITY SECURITIES

There were no issuances, cancellations, repurchases, resale or repayments of debt and equity securities undertaken by the Company during the reporting quarter.

**7. DIVIDEND PAID/DECLARED**

On 18 March, 2008, the Company paid an interim dividends of 1% tax exempt and of 3% less 26% tax which amounted to RM7.44 million in respect of the financial year ended 31 December, 2007.

The Company proposed a final dividend of 5% less 26% tax for the financial year 2007. The dividend was approved by shareholders at the Annual General Meeting held on 29 May, 2008 and will be paid on 28 July 2008.

8. SEGMENT INFORMATION

	Textile & Garment	Lighting & Pagers	Properties	Trading & Others	Group total
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
REVENUE					
External sales	28,958	47,357	8,498	17,389	102,202
Inter-segment sales			95	803	898
Total revenue	<u>28,958</u>	<u>47,357</u>	<u>8,593</u>	<u>18,192</u>	<u>103,100</u>
RESULTS					
Segment operating profit	2,840	7,018	(3,875)	3,146	9,129
Unallocated corporate expenses					(311)
Profit from operations					8,818
Finance costs					(699)
Net gain from investments					1,048
Share of results of associates	18	-	(18)	134	134
Profit before tax					9,301
Tax expense					(1,952)
Net profit for the period					<u>7,349</u>

9. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

The values of property, plant and equipment of the Group have been brought forward without amendment from the previous annual audited accounts.

10. SUBSEQUENT EVENTS

There are no material subsequent events at the date of this report.

11. EFFECT OF CHANGES IN COMPOSITION OF GROUP

During the reporting quarter, the Company acquired 5,000,000 ordinary shares of RM1.00 each representing 100% shareholding interest in Fauzi-Lim Plantation Sdn Bhd for a cash consideration of RM34,250,000.

**12. CHANGES IN CONTINGENT LIABILITIES AND ASSETS**

There were no material changes in contingent liabilities and assets in the reporting quarter.

13. REVIEW OF PERFORMANCE OF CURRENT QUARTER

The Group registered RM102 million in turnover for current reporting quarter, reduced slightly by 4% as compared to RM106 million in the preceding year corresponding quarter. Both Textile and Electronics divisions reported higher revenue with total sales of RM29 million and RM57 million respectively while the Properties division reported a lower revenue of RM8.5 million for current reporting quarter. Pre-tax profit was reported lower at RM9.3 million, attributed to lower gains from investments for current reporting quarter.

14. COMPARISON WITH IMMEDIATE PRECEDING QUARTER ON MATERIAL CHANGES IN PROFIT BEFORE TAX

For the quarter under review, the Group registered a higher operations profit of RM8.8 million as compared to RM7.5 million reported in preceding quarter mainly attributed to higher profit margins. However, share of profit in associates and gains from investments reduced from RM2.4 million to RM0.1 million and from RM2.2 million to RM1.0 million respectively. As a result, a lower pre-tax profit of RM9.3 million was reported for current quarter.

15. PROSPECTS FOR FINANCIAL YEAR 2008

The Board expects the performance of the Group for the remaining quarters to be satisfactory.

16. VARIANCE IN PROFIT FORECAST

There was no profit forecast issued for the financial year.

17. TAXATION

The tax expense consists of:

	First Quarter <u>RM '000</u>	Current Year-to-date <u>RM '000</u>
Current tax expense		
- current period	1,987	1,987
- overestimated in prior years	(1)	(1)
Deferred tax expense		
- current period	(30)	(30)
- overestimated in prior years	(4)	(4)
	<u>1,952</u>	<u>1,952</u>

**17. TAXATION (Cont'd)**

The numerical reconciliation between tax expense and the product of accounting profit multiplied by the applicable tax rate is as follows:

	First Quarter <u>RM '000</u>	Current Year-to-Date <u>RM '000</u>
Accounting profit (excluding share of results of associates)	<u>9,167</u>	<u>9,167</u>
Tax at the applicable tax rate of 26%	2,383	2,383
Tax effect of expenses not deductible in determining taxable profit	425	425
Deferred tax assets arising from unused tax losses and unabsorbed capital allowance	797	797
Tax effect of income not taxable in determining taxable profit	(1,023)	(1,023)
Tax effect on utilisation of deductible temporary differences not previously recognised	(288)	(288)
Tax effect of differences in tax rates	(337)	(337)
Tax overestimated in prior years	(5)	(5)
	<u>1,952</u>	<u>1,952</u>

18. PROFIT/LOSS ON SALE OF UNQUOTED INVESTMENTS AND PROPERTIES

Save for sales of properties in the ordinary course of business within the Group's Properties Division, there were no other profits or losses on sale of properties and unquoted investments during the reporting quarter.

19. PURCHASES AND DISPOSAL OF QUOTED SECURITIES

During the reporting quarter, the Group did not transact in any quoted securities. At 31 March 2008, quoted securities of the Group were as follows:

	RM'000
At cost	15,171
At carrying value	15,152
At market value	26,603



20. STATUS OF CORPORATE PROPOSALS

There were no corporate proposals announced or pending as at the date of making this report.

21. GROUP BORROWINGS

Particulars of Group borrowings at the end of the reporting quarter are as follows:

	RM'000
Short term – unsecured	15,857
Short term – secured	35,499
Long term – secured	12,750

Foreign borrowings as at 31 March 2008 included in the above are as follows:

Currency	Amount '000	RM '000
Australian Dollar	AUD 373	1,074
Singapore Dollar	SGD 124	283

The foreign borrowings were drawn by the foreign subsidiaries in their respective local currencies.

22. SUMMARY OF OFF-BALANCE SHEET FINANCIAL INSTRUMENTS

The Group has entered into foreign currency forward contracts to protect the Group against unfavourable exchange rate movements for transactions billed in foreign currencies. These forward contracts are not recognised in the financial statements at inception.

At 31 March 2008, the Group did not enter into any foreign currency forward contracts.

**23. COMPUTATION OF EARNINGS PER SHARE (“EPS”)**

Computation of the EPS is as follows:

	Current Quarter <u>31.3.2008</u> RM'000	Comparative Quarter <u>31.3.2007</u> RM'000	Cumulative 3 months <u>31.3.2008</u> RM'000	Comparative 3 months <u>31.3.2007</u> RM'000
Net profit/(loss) for the period from:				
- Continuing operations	7,063	10,299	7,063	10,299
- Discontinued operations	-	(184)	-	(184)
Net profit for the period	<u>7,063</u>	<u>10,115</u>	<u>7,063</u>	<u>10,115</u>
No. of ordinary shares after deducting treasury shares	<u>231,204</u>	<u>231,204</u>	<u>231,204</u>	<u>231,204</u>
Basic EPS from:				
- Continuing operations	3.05	4.45	3.05	4.45
- Discontinued operations	-	(0.08)	-	(0.08)
Total basic EPS attributable to equity holders of the company (sen)	<u>3.05</u>	<u>4.37</u>	<u>3.05</u>	<u>4.37</u>

By Order of the Board

LIM KONG YOW
Company Secretary
29 May 2008