

Interim Report for the
Fourth Quarter Ended
31 March 2008

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**ATIS CORPORATION BERHAD (446118 -T)
INTERIM REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2008**

The figures have not been audited

CONDENSED CONSOLIDATED INCOME STATEMENTS

	Note	Individual Quarter		Cumulative Quarter	
		Current Year Quarter 31/03/2008 RM'000	Preceding Year Corresponding Quarter 31/03/2007 RM'000	Current Year To-date 31/03/2008 RM'000	Preceding Year Corresponding Year 31/03/2007 RM'000
Revenue		138,195	118,667	529,213	454,243
Operating Expenses		(125,775)	(108,963)	(488,042)	(419,190)
Other Operating Income		1,687	190	3,117	2,653
Profit from Operations		14,107	9,894	44,288	37,706
Share-based payments		(875)	-	(875)	-
Finance Costs		(1,750)	(1,063)	(7,092)	(5,368)
Share of profit / (loss) in associates		612	(345)	2,182	(1,985)
Profit Before Taxation		12,094	8,486	38,503	30,353
Taxation	17	(3,776)	(3,203)	(10,827)	(9,015)
Net profit for the financial period/year		<u>8,318</u>	<u>5,283</u>	<u>27,676</u>	<u>21,338</u>
Attributable to:					
Equity holders of the parent		7,962	5,298	27,159	20,888
Minority Shareholders' Interests		356	(15)	517	450
Net profit for the financial period/year		<u>8,318</u>	<u>5,283</u>	<u>27,676</u>	<u>21,338</u>
Earnings per share (sen) :-	25				
(a) Basic		<u>5.01</u>	<u>3.34</u>	<u>17.10</u>	<u>13.15</u>
(b) Fully diluted		<u>NA</u>	<u>NA</u>	<u>NA</u>	<u>NA</u>

The Condensed Consolidated Income Statements should be read in conjunction with the Audited Financial Statements for the Financial Year Ended 31 March 2007

ATIS CORPORATION BERHAD (446118 -T)
INTERIM REPORT FOR THE THIRD QUARTER ENDED 31 MARCH 2008

The figures have not been audited

CONDENSED CONSOLIDATED BALANCE SHEETS

	(Unaudited) As at end of current quarter 31/03/2008 RM'000	(Audited) As at preceding financial year end 31/03/2007 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	55,110	47,907
Prepaid lease payments	3,495	3,561
Investments properties	12,077	14,615
Investment in subsidiary	-	-
Investment in associates	9,599	6,786
Other investments	29	29
Goodwill	13,795	13,649
Intangible asset	473	-
Deferred tax assets	1,214	961
Current assets		
Other investments	-	5,629
Inventories	88,097	71,142
Trade receivables	182,777	176,563
Other receivables	19,243	19,072
Amount due from an associate	403	403
Tax recoverable	256	2,083
Assets classified as held for sale	2,144	2,379
Cash and cash equivalents	31,459	15,324
	324,379	292,595
TOTAL ASSETS	420,171	380,103
EQUITY AND LIABILITIES		
Share capital	79,397	79,397
Reserves	118,507	90,563
Equity attributable to equity holders of the parent	197,904	169,960
Minority shareholder's interest	3,711	2,625
Total equity	201,615	172,585
Non-current liabilities		
Loans and borrowings	13,390	6,400
Hire purchase liabilities	214	162
Deferred taxation liabilities	1,530	1,438
	15,134	8,000
Current liabilities		
Trade payables	51,977	56,695
Other payables	9,011	9,966
Loans and borrowings	136,134	130,268
Hire purchase liabilities	1,980	-
Provision for taxation	4,320	2,589
	203,422	199,518
	420,171	380,103
Net assets per share (RM)*	1.25	1.07

* Net assets per share attributable to shareholders of the Company : Equity attributable to equity holders of the parent/Number of issued and paid-up ordinary shares

The Condensed Consolidated Balance Sheets should be read in conjunction with the Audited Financial Statements for the Financial Year Ended 31 March 2007

ATIS CORPORATION BERHAD (446118 -T)
 INTERIM REPORT FOR THE THIRD QUARTER ENDED 31 DECEMBER 2007

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Non-Distributable					Distributable			Total RM'000
	Share Capital RM'000	Share Premium RM'000	Reserve on Consolidation RM'000	Share Option Reserve RM'000	Exchange Fluctuation Reserve RM'000	Retained Profits RM'000	Shareholders Fund RM'000	Minority Interest RM'000	
12 months ended 31 March 2007									
Balance at 1 April 2006	79,397	8,579	3,346	-	(27)	63,329	154,624	824	155,448
Reclassification of reserve on consolidation FRS3 Balance at 1 April 2006 (Restated)	-	-	(3,346)	-	-	3,346	-	-	-
	79,397	8,579	-	-	(27)	66,675	154,624	824	155,448
Acquisition of new subsidiary	-	-	-	-	-	252	252	1,427	1,679
Acquisition of minority interest	-	-	-	-	-	-	-	(12)	(12)
Currency translation differences	-	-	-	-	(87)	-	(87)	(64)	(151)
Net profit for the financial year	-	-	-	-	-	20,888	20,888	450	21,338
Dividends	-	-	-	-	-	(5,717)	(5,717)	-	(5,717)
Balance at 31 March 2007	79,397	8,579	-	-	(114)	82,098	169,960	2,625	172,585
12 months ended 31 March 2008									
Balance at 1 April 2007	79,397	8,579	-	-	(114)	82,098	169,960	2,625	172,585
Effect of adopting FRS 2 - Share-based payment	-	-	-	875	-	-	875	-	875
Currency translation differences	-	-	-	-	(90)	-	(90)	(101)	(191)
Acquisition of subsidiaries	-	-	-	-	-	-	-	670	670
Net profit for the financial year	-	-	-	-	-	27,159	27,159	517	27,676
Balance at 31 March 2008	79,397	8,579	-	875	(204)	109,257	197,904	3,711	201,615

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the Financial Year Ended 31 March 2007

ATIS CORPORATION BERHAD (446118 -T)
INTERIM REPORT FOR THE FOURTH QUARTER ENDED 31 MARCH 2008

The figures have not been audited

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

	(Unaudited) 12 months ended 31/03/2008 RM'000	(Audited) 12 months ended 31/03/2007 RM'000
Net Profit Before Tax	38,503	30,353
Adjustment for :-		
Depreciation and amortisation	5,111	4,578
Share-based payments	875	-
Other non-cash items	5,629	10,733
Non-operating items	4,057	6,806
Operating profit before changes in working capital	54,175	52,470
Changes in working capital		
Net change in current assets	(27,609)	(51,241)
Net change in current liabilities	(8,726)	4,484
Net cash used in operating activities	17,840	5,713
Income tax refunded	1,827	1,700
Income tax paid	(9,263)	(7,715)
	10,404	(302)
Investing Activities		
Net cashflow for acquisition in a subsidiary companies	(2,073)	(4,442)
Net proceeds form disposal of subsidiaries	236	-
Proceeds/(Acquisition) from quoted investment	5,979	(5,629)
Addition investment in an associate	(1,193)	(109)
Dividend received from an associate	482	-
Other Investments	(8,497)	(12,322)
Net cash used in investing activities	(5,066)	(22,502)
Financing Activities		
Net drawdown of bank borrowings	7,326	19,672
Net drawdown of commercial paper	-	10,000
Net drawdown/ (Repayment) of hire purchase liabilities	1,902	(114)
Net drawdown of term loans	6,990	6,400
Payment of dividend	-	(5,717)
Interest paid	(4,091)	(5,337)
Net cash generated from financing activities	12,127	24,904
Net Change in Cash and Cash Equivalents	17,465	2,100
Cash and Cash Equivalents at beginning of year	13,994	11,894
Cash and Cash Equivalents at end of year	31,459	13,994

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Audited Financial Statements for the Financial Year Ended 31 March 2007

**ATIS CORPORATION BERHAD (446118 -T)
INTERIM REPORT FOR THE FOURTH QUARTER ENDED 31 MARCH 2008**

The figures have not been audited

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS (CONTINUED)

Note 1 (a)

In August 2007, the Company acquired 500,000 ordinary shares of RM1 each in Pressto Asia Sdn Bhd ("Pressto") of RM500,000 and further subscribed an additional of 1,500,000 new ordinary shares of RM1,500,000, thereby resulting in Pressto becoming a 80% owned subsidiary company in ATIS.

The fair value of the net assets acquired and cash flow arising from the acquisition is as follows:-

	RM'000
Property, plant and equipment	3,601
Intangible assets -franchise fee	534
Cash and cash equivalent	534
Other assets	725
Other liabilities	<u>(3,978)</u>
	1,416
Minority interests	<u>(283)</u>
Net asset	1,133
Goodwill	<u>867</u>
Purchase consideration, satisfied by cash	2,000
Cash and cash equivalent of a subsidiary	<u>534</u>
Net cash outflow for acquisition in a subsidiary company (1a)	<u><u>1,466</u></u>

Note 1 (b)

In March 2008, KVC Industrial Supplies Sdn Bhd("KVC"), a wholly-owned subsidiary of ATIS acquired 100,000 ordinary shares at RM1 each in Li-Tech Switchgear (M) Sdn Bhd (formerly known as LT Switchgear (M) Sdn Bhd) ("Li-Tech") for a cash consideration of RM120,000 and further subscribed an additional of 320,000 new ordinary shares of RM384,000, thereby resulting in Li-Tech becoming a 51.22% owned subsidiary in ATIS

The fair value of the net assets acquired and cash flow arising from the acquisition is as follows:-

	RM'000
Property, plant and equipment	296
Cash and cash equivalent	(103)
Other assets	2,576
Other liabilities	<u>(1,978)</u>
	791
Minority interests	<u>(386)</u>
Net asset	405
Goodwill	<u>99</u>
Purchase consideration, satisfied by cash	504
Cash and cash equivalent of a subsidiary	<u>(103)</u>
Net cash outflow for acquisition in a subsidiary company (1b)	<u><u>607</u></u>
	<u><u>2,073</u></u>
(1a) + (1b)	<u><u>2,073</u></u>

**ATIS CORPORATION BERHAD (446118 -T)
INTERIM REPORT FOR THE FOURTH QUARTER ENDED 31 MARCH 2008**

The figures have not been audited

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS (CONTINUED)

Note 2 (a)

In March 2008, the Company's wholly-owned subsidiary, KVC has completed the disposal of KVC's entire shareholding in 8TV8.TV Limited ("8TV8") comprising of 501 ordinary shares of HKD1.00 each to Tri-Hero (Holdings) Limited, an existing shareholder of 8TV8 for a cash consideration of HKD200,000 (approximately RM82,000). As a result, 8TV8 ceased to be a subsidiary of KVC.

The disposal of subsidiaries had the following effect on the Group's net assets as at the date of deconsolidation:-

	RM'000
Property, plant and equipment	(812)
Other assets	(1,050)
Cash and cash equivalent	(117)
Other liabilities	2,440
Net liabilities disposed	<u>461</u>
Goodwill on consolidation	<u>(820)</u>
	(359)
Proceeds for disposal of a subsidiary	<u>82</u>
(Loss) on disposal of a subsidiary	<u>(277)</u>
	82
Proceeds for disposal of a subsidiary	82
Cash and cash equivalent of a subsidiary deconsolidated	<u>(117)</u>
	<u>(35)</u>
	(2a)

Note 2 (b)

In August 2007, the Company's wholly-owned subsidiary, KVC has disposed of KVC's entire shareholdings in Sysnet Controls Sdn Bhd ("Sysnet") comprising of 300,000 ordinary shares of RM1.00 each for a cash consideration of RM600,000.00. As a result, Sysnet ceased to be a subsidiary of KVC.

The disposal of subsidiaries had the following effect on the Group's net assets as at the date of deconsolidation:-

	RM'000
Property, plant and equipment	(213)
Other assets	(1,019)
Cash and cash equivalent	(329)
Other liabilities	566
Net assets disposed	<u>(995)</u>
Goodwill on consolidation	<u>-</u>
	(995)
Proceeds for disposal of a subsidiary	<u>600</u>
(Loss) on disposal of a subsidiary	<u>(395)</u>
	600
Proceeds for disposal of a subsidiary	600
Cash and cash equivalent of a subsidiary deconsolidated	<u>(329)</u>
	<u>271</u>
	(2b)
Net proceeds form disposal of subsidiaries	(2a) + (2b)
	<u>236</u>

INTERIM REPORT FOR THE FOURTH QUARTER ENDED 31 MARCH 2008

The figures have not been audited.

1 Notes To The Condensed Financial Statements

The interim financial report has been prepared in accordance with the requirements of the Financial Reporting Standard (FRS) 134: Interim Financial Reporting (previously known as MASB 26) issued by Malaysian Accounting Standards Board ("MASB") and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial report should be read in conjunction with the audited financial statements of ATIS Corporation Berhad ("ATIS" or "the Company") for the year ended 31 March 2007. The accounting policies and methods of computation adopted by ATIS and its subsidiary companies ("ATIS Group" or "the Group") in this interim financial report are consistent with those adopted in the financial statements for the year ended 31 March 2007.

2 Qualification of audit report of the preceding annual financial statements

There were no qualifications of audit report of the preceding annual financial statements.

3 Seasonality or cyclicity of interim operations

The operations of the Group are not significantly affected by any seasonality or cyclically factors.

4 Nature and amount of items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence.

5 Changes in estimates of amounts reported in prior interim years of the current financial year-to-date or in prior financial year-to-date

There were no material changes in estimates in respect of amounts reported in prior interim years of the current financial year-to-date or prior financial year-to-date.

6 Issuances, cancellations, repurchases, resale and repayments of debt and equity securities

There were no issuance, cancellations, repurchases, resale and repayment of debt and equity securities for the current financial year-to-date except for the following:

Issuance of Commercial Papers

Face Value RM'000	Issued Date	Tenor (Days)	Net Proceeds RM'000
15,000	28 December 2007	182	14,678
10,000	18 April 2008	182	9,786
15,000	28 February 2008	365	14,280
20,000	28 March 2008	364	19,043
20,000	18 April 2008	364	19,043

7 Dividends paid

There were no dividend paid in the financial year under review.

8 Segmental reporting

Segmental information is not presented as the Group is primarily engaged in one business segment which is industrial supply.

9 Valuation of property, plant and equipment

There were no valuations of property, plant and equipment in the current financial year-to-date or in previous financial year.

10 Material events not reflected in the financial statements

The Board is not aware of any material events subsequent to the end of the financial year that have not been reflected in the financial statements for the year.

11 Changes in the composition of the Group

There were no material changes in the composition of the Group for the current quarter and financial year-to-date.

12 Changes in contingent liabilities or contingent assets

There were no material changes in contingent liabilities or contingent assets since the date of the last audited financial statements to 21 May 2008, being the date not earlier than 7 days from the date of issuance of this interim report.

13 Review of performance

For the current year to date, the Group achieved revenue of RM529.2 million. This represents an increase of RM75.0 million or 16.5% as compared to the preceding year corresponding year. The increase was mainly contributed by revenue generated from oversea subsidiaries and non-ferrous metal business. With revenue of RM529.2 million, the Group net profit after minority interest recorded at RM27.2 million against RM20.8 million in the preceding year.

14 Comparison with preceding quarter's results

For the current quarter, the Group's revenue increased by RM0.4 million or 0.29% to RM138.2 million as compared to RM137.8 million in the preceding quarter. Correspondingly, net profit after minority interest of the Group increased to RM8.0 million from RM7.3 million. The improvement during the current quarter was mainly due to the better performance from industrial and electrical business.

15 Prospects

Barring unforeseen circumstances, the Board anticipates the performance of the Group to remain satisfactory.

16 Profit forecast/profit guarantee

This note is not applicable.

17 Tax expense

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<u>Current Year</u>	<u>Preceding Year</u>	<u>Current Year</u>	<u>Preceding Year</u>
	<u>Quarter</u>	<u>Corresponding</u>	<u>To-date</u>	<u>Corresponding</u>
	<u>Quarter</u>	<u>Quarter</u>	<u>Year</u>	<u>Year</u>
	31/03/2008	31/03/2007	31/03/2008	31/03/2007
	RM'000	RM'000	RM'000	RM'000
In respect of current year:				
- income tax	3,916	3,265	11,256	9,722
- real property gain tax	(30)	-	9	-
- (Over)/under provision in prior years for income tax	70	(430)	(270)	(1,032)
- deferred tax	(201)	368	(246)	325
- associate company	21		78	-
	3,776	3,203	10,827	9,015

The effective tax rate for the current quarter is higher than statutory tax rate due to certain expenses which are not deductible for tax purposes and losses of certain subsidiary companies cannot be offset for tax purposes against profits of other subsidiary companies within the Group.

18 Sale of unquoted investments and/or properties

There were no sale of unquoted investments and/or properties for the current quarter and financial year-to-date.

19 Purchase /Disposal of quoted securities

(a) The Group's purchase/disposal of quoted securities for the current quarter are as follows:

	<u>Current</u>	<u>Cumulative</u>
	<u>Quarter</u>	<u>Quarter</u>
	<u>RM'000</u>	<u>RM'000</u>
Sales proceeds	-	5,979
Cost	-	5,629
Profit	-	350

(b) The Group's investment in quoted securities as at the end of the reporting year are as follows:

	RM'000
At Cost	29
At Net Book Value	29
At Market Value	24

20 Status of corporate proposals

Date of Announcement	Subject	Status
25 March 2008	<p>Disposal of KVC Industrial Supplies Sdn Bhd ("KVC")'s entire shareholding in 8TV8.TV Limited ("8TV8") comprising of 501 ordinary shares of HKD1.00 each to Tri-Hero (Holdings) Limited (THHL), an existing shareholder of 8TV8 for a cash consideration of HKD200,000 (approximately RM82,000).</p> <p>As a result of the Disposal, 8TV8 ceased to be a subsidiary of KVC.</p>	Completed on 18 March 2008
26 April 2008	<p>Proposed joint venture between ATIS and Otra Development B.V, a subsidiary of Sonepar SA and proposed disposal by ATIS of 100,000 ordinary shares of RM1.00 each, representing 20% equity interest in KVC, a wholly-owned subsidiary of ATIS, for an initial cash consideration of approximately RM27.05 million.</p>	On-going
06 May 2008	<p>Internal reorganisation of two subsidiary companies of KVC; namely R&R Industrial Products (N.S.) Sdn Bhd ("R&R NS") and R&R Industrial Products (Kuantan) Sdn Bhd ("R&R Kuantan") which resulted in TSA Industries Sdn Bhd ("TSA") replacing KVC as the holding company of R&R NS and R&R Kuantan.</p> <p>KVC and TSA are all wholly-owned subsidiaries of the Company.</p> <p>Currently, R&R NS has changed it name to TSA Pipes Manufacturing Sdn Bhd; whilst R&R Kuantan has changed it name to TSA Servicing Centre Sdn Bhd.</p>	Completed on 06 May 2008
16 May 2008	<p>Disposal of entire investment of 100,000 ordinary shares of RM1.00 each in R&R Industrial Products (Malacca) Sdn Bhd for a cash consideration of RM89,279 to Messrs Harold Fernandez A/L Sebastian Wifred Fernandez and Chen Kee Min.</p>	Completed on 15 May 2008

21 Group's borrowings and debt securities

Particulars of the Group's loans and borrowings as at 31 March 008 are as follows:-

	RM'000
<u>Current portion</u>	
Bank borrowings	55,734
Commercial paper	80,000
Term loan	400
	<u>136,134</u>
 <u>Non-current portion</u>	
Term loan	13,390
	<u><u>149,524</u></u>

The above Group's borrowings are denominated in the following currencies :

	Foreign Currency '000	RM'000
Malaysian Ringgit		144,038
Singapore Dollars		5,486
		<u>149,524</u>

22 Off balance sheet risk financial instruments

There were no financial instruments with off balance sheet risk as at 20.05.2008 (being the latest practicable date which is not earlier than 7 days from the date of issuance of this interim report).

23 Changes in material litigations

There were no impending material litigations as at 20.05.2008 (being the latest practicable date which is not earlier than 7 days from the date of issuance of this interim report).

24 Dividend

No dividend has been recommended by the Board for the current quarter and financial year-to-date.

25 Earnings per share

(a) Basic earnings per share

The calculation of basic earnings per ordinary share is based on net profit attributable to ordinary shareholders for the financial year and weighted average number of ordinary shares outstanding during the financial year of 158.8 million (2007: 158.8 million) and 158.8 million (2007: 158.8 million) for the current year quarter and financial year-to-date respectively.

(b) Diluted earnings per share

It is not applicable to calculate the diluted earnings per share for the current quarter and financial year-to-date as any potential conversion of the Company's employee share options to ordinary shares would be antidilutive.

By Order of the Board
ATIS Corporation Berhad

Cheang Chee Leong
Chief Financial Officer

Selangor Darul Ehsan
27 May 2008