Nakamichi Corporation Berhad (Company No. 301384-H) (Incorporated in Malaysia) Condensed Unaudited Consolidated Income Statements For the year ended 31 December 2008

	2008 Current Qtr Ended 31 Dec RM'000	2007 Comparative Qtr Ended 31 Dec RM'000	2008 12 months Cumulative to date RM'000	2007 12 months Cumulative to date RM'000
Revenue	961	1,304	4,604	8,284
Operating expenses	(1,142)	(7,058)	(7,029)	(31,817)
Other Income	3,749		3,749	
Profit/(Loss) from operations	3,568	(5,754)	1,324	(23,533)
Interest income	_	6	1	7
Profit/(Loss) before tax	3,568	(5,748)	1,325	(23,526)
Tax expense				(1)
Profit/(Loss) attributable to				
equity holders of the Company	3,568	(5,748)	1,325	(23,527)
Earning per share attributable to equity holders of the Company (Sen):				
Basic	6.44	(10.37)	2.39	(42.46)
Diluted	N/A	N/A	N/A	N/A

(The condensed unaudited consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial report)

Nakamichi Corporation Berhad (Company No. 301384-H) (Incorporated in Malaysia) Condensed Unaudited Consolidated Balance Sheet As at 31 December 2008

	Unaudited As at 31.12.2008 RM'000	Audited As at 31.12.2007 RM'000
ASSETS		
Non-current assets		
Property, plant & equipment	22,768	23,697
Prepaid lease payments	3,098	3,133
Investment	5,684	5,684
	31,550	32,514
Current assets		
Trade receivables	45	676
Other receivables	644	15,390
Cash and bank balances	14	354
	703	16,420
TOTAL ASSETS	32,253	48,934
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	55,410	55,410
Reserves	(24,256)	(25,545)
Total Equity	31,154	29,865
Current liabilities		
Other payables	1,099	19,069
Total liabilities	1,099	19,069
TOTAL EQUITY AND LIABILITIES	32,253	48,934
I OTAL EQUITI AND LIADILITIES	52,233	+0,934
Net assets per share attributable to equity holders of the		
Company (RM)	0.56	0.54

(The condensed unaudited consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial report)

Nakamichi Corporation Berhad (Company No. 301384-H) (Incorporated in Malaysia) Condensed Unaudited Consolidated Statements of Changes in Equity For the year ended 31 December 2008

	Share Capital RM'000	← Non-distri Share Premium RM'000	ibutable Foreign Currency Translation Reserves RM'000	Accumulated Losses RM'000	Total RM'000
			KW 000		
At 1 January 2008	55,410	38,452	49	(64,046)	29,865
Foreign currency translation	-	-	(36)	-	(36)
Profit for the year	-	-	-	1,325	1,325
At 31 December 2008	55,410	38,452	13	(62,721)	31,154
At 1 January 2007	55,410	38,452	51	(40,519)	53,394
Foreign currency translation	-	-	(2)	-	(2)
Loss for the year	-	-	-	(23,527)	(23,527)
At 31 December 2007	55,410	38,452	49	(64,046)	29,865

(The condensed unaudited consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial reports)

Nakamichi Corporation Berhad (Company No. 301384-H) (Incorporated in Malaysia) Condensed Unaudited Consolidated Cash Flow Statement For the year ended 31 December 2008

Cash flows from operating activitiesProfit/(Loss) before taxation $1,325$ $(23,526)$ Adjustments for:20203Depreciation787883Interest income (1) (7) (Profit)/loss on disposal of property, plant and equipment (6) 293Waiver of amounts due to former related companies (net) $(3,743)$ -Provision for impairment loss in investment- $14,714$ Others (121) 105 Operating loss before changes in working capital $(1,759)$ $(7,538)$ Changes in working capital:Trade and other receivables $(1,377)$ $(6,755)$ Trade and other receivables $(1,377)$ $(6,755)$ (540) $(6,806)$ Taxation paid-(1) (1) (1) Net cash used in operating activities (540) $(6,807)$ Cash flows from investing activity 200 207 Net cash generated from investing activity 200 207 Net decrease in cash and cash equivalents (340) $(6,600)$ Effects on foreign exchange rate changes (581) (541) Cash and cash equivalents at end of period 354 $7,535$		<u>2008</u> RM'000	<u>2007</u> RM'000
Adjustments for:787883Depreciation787883Interest income(1)(7)(Profit)/loss on disposal of property, plant and equipment(6)293Waiver of amounts due to former related companies (net)(3,743)-Provision for impairment loss in investment-14,714Others(121)105Operating loss before changes in working capital(1,759)(7,538)Changes in working capital:1105Trade and other receivables(1,377)(6,755)Trade and other receivables(1,377)(6,6755)Trade and other payables2,5967,487Cash used in from operating activities(540)(6,806)Taxation paid-(1)Net cash used in operating activities(540)(6,607)Cash flows from investing activity200207Net decrease in cash and cash equivalents(340)(6,600)Effects on foreign exchange rate changes(340)(6,600)Effects on foreign exchange rate changes(581)(581)Cash and cash equivalents at beginning of period3547,535	Cash flows from operating activities		
Depreciation787883Interest income(1)(7)(Profit)/loss on disposal of property, plant and equipment(6)293Waiver of amounts due to former related companies (net)(3,743)-Provision for impairment loss in investment-14,714Others(121)105Operating loss before changes in working capital(1,759)(7,538)Changes in working capital: Trade and other receivables(1,377)(6,755)Trade and other payables2,5967,487Cash used in from operating activities(540)(6,806)Taxation paid-(1)Net cash used in operating activities(540)(6,807)Cash flows from investing activity200207Net cash generated from investing activity200207Net decrease in cash and cash equivalents(340)(6,600)Effects on foreign exchange rate changes(581)(581)Cash and cash equivalents at beginning of period3547,535	Profit/(Loss) before taxation	1,325	(23,526)
Interest income(1)(7)(Profit)/loss on disposal of property, plant and equipment(6)293Waiver of amounts due to former related companies (net)(3,743)-Provision for impairment loss in investment-14,714Others(121)105Operating loss before changes in working capital(1,759)(7,538)Changes in working capital: Trade and other receivables(1,377)(6,755)Trade and other payables2,5967,487Cash used in from operating activities(540)(6,806)Taxation paid-(1)Net cash used in operating activities(540)(6,807)Cash flows from investing activity199200Interest income received17Net cash generated from investing activity200207Net decrease in cash and cash equivalents(340)(6,600)Effects on foreign exchange rate changes(581)(581)Cash and cash equivalents at beginning of period3547,535	Adjustments for:		
(Profit)/loss on disposal of property, plant and equipment(6)293Waiver of amounts due to former related companies (net)(3,743)-Provision for impairment loss in investment-14,714Others(121)105Operating loss before changes in working capital(1,759)(7,538)Changes in working capital:(1,377)(6,755)Trade and other receivables(1,377)(6,755)Trade and other payables2,5967,487Cash used in from operating activities(540)(6,806)Taxation paid-(1)Net cash used in operating activities(540)(6,807)Cash flows from investing activity17Proceeds from disposal of property, plant and equipment199200Interest income received17Net cash generated from investing activity200207Net decrease in cash and cash equivalents(340)(6,600)Effects on foreign exchange rate changes(581)(581)Cash and cash equivalents at beginning of period3547,535	Depreciation	787	883
Waiver of amounts due to former related companies (net)(3,743)Provision for impairment loss in investment-14,714Others(121)105Operating loss before changes in working capital(1,759)(7,538)Changes in working capital: Trade and other receivables(1,377)(6,755)Trade and other receivables(1,377)(6,755)Trade and other payables2,5967,487Cash used in from operating activities(540)(6,806)Taxation paid-(1)Net cash used in operating activities(540)(6,807)Cash flows from investing activity199200Proceeds from disposal of property, plant and equipment Interest income received17Net cash generated from investing activity200207Net decrease in cash and cash equivalents Effects on foreign exchange rate changes (581)(340)(6,600)Effects on foreign exchange rate changes (581)(354)(581)	Interest income	(1)	(7)
Provision for impairment loss in investment-14,714Others(121)105Operating loss before changes in working capital(1,759)(7,538)Changes in working capital: Trade and other receivables(1,377)(6,755)Trade and other payables2,5967,487Cash used in from operating activities(540)(6,806)Taxation paid-(1)Net cash used in operating activities(540)(6,807)Cash flows from investing activity199200Proceeds from disposal of property, plant and equipment199200Interest income received17Net cash generated from investing activity200207Net decrease in cash and cash equivalents(340)(6,600)Effects on foreign exchange rate changes(581)(581)Cash and cash equivalents at beginning of period3547,535	(Profit)/loss on disposal of property, plant and equipment	(6)	293
Others(121)105Operating loss before changes in working capital(1,759)(7,538)Changes in working capital: Trade and other receivables(1,377)(6,755)Trade and other payables2,5967,487Cash used in from operating activities(540)(6,806)Taxation paid-(1)Net cash used in operating activities(540)(6,807)Cash flows from investing activity(540)(6,807)Proceeds from disposal of property, plant and equipment199200Interest income received17Net cash generated from investing activity200207Net decrease in cash and cash equivalents(340)(6,600)Effects on foreign exchange rate changes(581)(581)Cash and cash equivalents at beginning of period3547,535	Waiver of amounts due to former related companies (net)	(3,743)	-
Operating loss before changes in working capital(1,759)(7,538)Changes in working capital: Trade and other receivables(1,377)(6,755)Trade and other payables2,5967,487Cash used in from operating activities(540)(6,806)Taxation paid-(1)Net cash used in operating activities(540)(6,807)Cash flows from investing activity(540)(6,807)Proceeds from disposal of property, plant and equipment199200Interest income received17Net cash generated from investing activity200207Net decrease in cash and cash equivalents(340)(6,600)Effects on foreign exchange rate changes(581)(581)Cash and cash equivalents at beginning of period3547,535	Provision for impairment loss in investment	-	14,714
Changes in working capital: Trade and other receivables(1,377)(6,755)Trade and other payables2,5967,487Cash used in from operating activities(540)(6,806)Taxation paid-(1)Net cash used in operating activities(540)(6,807)Cash flows from investing activity(540)(6,807)Proceeds from disposal of property, plant and equipment199200Interest income received17Net cash generated from investing activity200207Net decrease in cash and cash equivalents(340)(6,600)Effects on foreign exchange rate changes(581)(581)Cash and cash equivalents at beginning of period3547,535	Others	(121)	
Trade and other receivables(1,377)(6,755)Trade and other payables2,5967,487Cash used in from operating activities(540)(6,806)Taxation paid-(1)Net cash used in operating activities(540)(6,807)Cash flows from investing activity(540)(6,807)Proceeds from disposal of property, plant and equipment199200Interest income received17Net cash generated from investing activity200207Net decrease in cash and cash equivalents(340)(6,600)Effects on foreign exchange rate changes(581)(581)Cash and cash equivalents at beginning of period3547,535	Operating loss before changes in working capital	(1,759)	(7,538)
Trade and other payables2,5967,487Cash used in from operating activities(540)(6,806)Taxation paid-(1)Net cash used in operating activities(540)(6,807)Cash flows from investing activity(540)(6,807)Proceeds from disposal of property, plant and equipment199200Interest income received17Net cash generated from investing activity200207Net decrease in cash and cash equivalents(340)(6,600)Effects on foreign exchange rate changes(581)(581)Cash and cash equivalents at beginning of period3547,535			
Cash used in from operating activities(540)(6,806)Taxation paid-(1)Net cash used in operating activities(540)(6,807)Cash flows from investing activity(540)(6,807)Proceeds from disposal of property, plant and equipment199200Interest income received17Net cash generated from investing activity200207Net decrease in cash and cash equivalents(340)(6,600)Effects on foreign exchange rate changes(581)(581)Cash and cash equivalents at beginning of period3547,535	Trade and other receivables	(1,377)	(6,755)
Taxation paid-(1)Net cash used in operating activities(540)(6,807)Cash flows from investing activity(540)(6,807)Proceeds from disposal of property, plant and equipment199200Interest income received17Net cash generated from investing activity200207Net decrease in cash and cash equivalents(340)(6,600)Effects on foreign exchange rate changes(581)Cash and cash equivalents at beginning of period3547,535	Trade and other payables	2,596	7,487
Net cash used in operating activities(540)(6,807)Cash flows from investing activityProceeds from disposal of property, plant and equipment199200Interest income received17Net cash generated from investing activity200207Net decrease in cash and cash equivalents(340)(6,600)Effects on foreign exchange rate changes(581)Cash and cash equivalents at beginning of period3547,535	Cash used in from operating activities	(540)	(6,806)
Cash flows from investing activityProceeds from disposal of property, plant and equipment199200Interest income received17Net cash generated from investing activity200207Net decrease in cash and cash equivalents(340)(6,600)Effects on foreign exchange rate changes(581)Cash and cash equivalents at beginning of period3547,535	Taxation paid		(1)
Proceeds from disposal of property, plant and equipment199200Interest income received17Net cash generated from investing activity200207Net decrease in cash and cash equivalents(340)(6,600)Effects on foreign exchange rate changes(581)Cash and cash equivalents at beginning of period3547,535	Net cash used in operating activities	(540)	(6,807)
Interest income received17Net cash generated from investing activity200207Net decrease in cash and cash equivalents(340)(6,600)Effects on foreign exchange rate changes(581)Cash and cash equivalents at beginning of period3547,535	Cash flows from investing activity		
Net cash generated from investing activity200207Net decrease in cash and cash equivalents(340)(6,600)Effects on foreign exchange rate changes(581)Cash and cash equivalents at beginning of period3547,535	Proceeds from disposal of property, plant and equipment	199	200
Net decrease in cash and cash equivalents(340)(6,600)Effects on foreign exchange rate changes(581)Cash and cash equivalents at beginning of period3547,535	Interest income received	1	7
Effects on foreign exchange rate changes(581)Cash and cash equivalents at beginning of period3547,535	Net cash generated from investing activity	200	207
Cash and cash equivalents at beginning of period3547,535	Net decrease in cash and cash equivalents	(340)	(6,600)
	Effects on foreign exchange rate changes		(581)
Cash and cash equivalents at end of period14354	Cash and cash equivalents at beginning of period	354	7,535
	Cash and cash equivalents at end of period	14	354

(The condensed unaudited consolidated cash flow statements should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial report)