

SKB SHUTTERS CORPORATION BERHAD

(Company No. 430362 -U)

(Incorporated in Malaysia)

AND ITS SUBSIDIARIES

NOTES TO THE QUARTERLY REPORT

#REF!

15 Material changes in the Quarterly Results compared to the results of the Preceding Quarter

Generally, the performance of the Group in this reporting quarter has improved mainly contributed to sales of high margin products i.e special doors and shutters although revenue has dropped slightly as a result of festive holidays.

16 Review of the performance of the Company and its Principal Subsidiaries

The group recorded a profit before income tax of RM 1.431 million in this reporting quarter on the back of a revenue of RM7.207 million. Overall, the results of the operation in this quarter has deteriorated as compared to the corresponding quarter mainly due to the decrease in sales demand in view of the economy slowdown.

17 Material events subsequent to balance-sheet date

Not applicable.

18 Seasonal or Cyclical Factors

Generally, the business operations of the Group are not significantly affected by seasonality or cyclical factors.

19 Prospects for the next quarter of the financial year

With the growing uncertainty and prolonged slowdown in the global economy, the Group expects the coming year to be challenging. The Group is cautious in all its business approaches. The Group is taking steps to expand its product range, market share and customers base. Hence, the prospect of the Group is cautiously promising.

20 Variance of actual profit from forecast profit

Not applicable.

21 Dividend

No dividend was recommended by the directors in this quarter.

BY ORDER OF THE BOARD

Sin Kheng Lee

Executive Chairman and Group Managing Director

Dated : 28 February 2002