

**PROGRESSIVE IMPACT CORPORATION BERHAD**  
(Company No. 203352-V)

**CONDENSED CONSOLIDATED INCOME STATEMENTS**  
**FOR THE FORTH QUARTER ENDED 31 DECEMBER 2007**  
(The figures have not been audited)

	Individual Quarter Preceding Year		Cumulative Quarter Preceding Year	
	Current Year Quarter 31.12.2007	Corresponding Quarter 31.12.2006	Current Year To Date 31.12.2007	Corresponding Period 31.12.2006
	RM'000	RM'000	RM'000	RM'000
Revenue	15,308	14,884	59,958	55,255
Cost of sales	(1,463)	(2,863)	(5,747)	(6,016)
Gross profit	<u>13,845</u>	<u>12,021</u>	<u>54,211</u>	<u>49,239</u>
Other income	331	806	1,191	1,146
Staff Costs	(3,324)	(4,072)	(14,120)	(12,880)
Depreciation	(1,029)	(1,062)	(4,115)	(4,463)
Operating expenses	(3,778)	(1,845)	(13,465)	(10,705)
Profit from operations	<u>6,045</u>	<u>5,848</u>	<u>23,702</u>	<u>22,337</u>
Financing Cost	-	(267)	-	(291)
Profit before tax	<u>6,045</u>	<u>5,581</u>	<u>23,702</u>	<u>22,046</u>
Taxation	(2,791)	(2,004)	(7,383)	(6,662)
Profit for the period	<u><u>3,254</u></u>	<u><u>3,577</u></u>	<u><u>16,319</u></u>	<u><u>15,384</u></u>
<b>Attributable to :</b>				
Equity holders of the parents	2,984	2,731	12,744	12,152
Minority interest	270	846	3,575	3,232
Profit for the period	<u><u>3,254</u></u>	<u><u>3,577</u></u>	<u><u>16,319</u></u>	<u><u>15,384</u></u>
<b>Earnings per share attributable to equity holders of the parent</b>				
Basic earnings per share (sen)	<u><u>3.17</u></u>	<u><u>2.91</u></u>	<u><u>13.56</u></u>	<u><u>12.93</u></u>

The Condensed Consolidated Income Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2006 and the accompanying explanatory notes attached to the financial statements.

**PROGRESSIVE IMPACT CORPORATION BERHAD**  
(Company No. 203352-V)

**CONDENSED CONSOLIDATED BALANCE SHEET**  
**AS AT 31 DECEMBER 2007**  
(The figures have not been audited)

	As At End Of Current Quarter 31.12.2007 RM'000	(Audited) As At Preceding Financial Year End 31.12.06 RM'000
<b>ASSETS</b>		
<b>Non - Current assets</b>		
Property, plant and equipment	22,320	25,114
Investment property	3,843	3,843
Goodwill on consolidation	13,700	13,700
	39,863	42,657
<b>Current assets</b>		
Inventories	906	805
Trade receivables	12,586	15,315
Other receivables	6,502	2,765
Tax recoverable	2,001	529
Available for sale financial assets	20	20
Cash and cash equivalents	38,032	25,829
	60,047	45,263
<b>TOTAL ASSETS</b>	99,910	87,920
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to the equity holders of the parent</b>		
Share capital	47,000	47,000
Share Premium	170	304
Other reserves	1,500	1,500
Retained profit	27,356	22,365
	76,026	71,169
Minority interest	9,294	5,678
<b>Total equity</b>	85,320	76,847
<b>Non Current Liabilities</b>		
Long term borrowings	-	21
Deferred taxation	3,472	2,783
	3,472	2,804
<b>Current liabilities</b>		
Trade payables	2,230	1,349
Other payables	7,140	5,490
Short term borrowings	-	240
Taxation	1,748	1,190
	11,118	8,269
<b>Total Liabilities</b>	14,590	11,073
<b>TOTAL EQUITY AND LIABILITIES</b>	99,910	87,920
<b>Net assets per share attributable to equity holders of the parent (RM)</b>	0.81	0.76

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The Condensed Consolidated Balance Sheets should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2006 and the accompanying explanatory notes attached to the financial statements.

PROGRESSIVE IMPACT CORPORATION BERHAD  
(Company No. 203352-V)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FORTH QUARTER ENDED 31 DECEMBER 2007  
(The figures have not been audited)

	Share Capital	Non Distributable Share Premium	Other Reserves	Distributable Retained Profits	Total	Minority Interest	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM	RM
At 1 January 2007	47,000	304	1,500	22,365	71,168	5,678	76,846
Amount recognised directly in equity	-	(134)	-	-	(134)	42	(92)
Profit for the period	-	-	-	12,744	12,744	3,575	16,319
Total recognised income and expense for the period				12,744	12,744	3,575	16,319
Dividend				(7,753)	(7,753)		(7,753)
At 31 December 2007	47,000	170	1,500	27,356	76,025	9,295	85,320
At 1 January 2006	47,000	304	2,563	12,873	62,740	3,668	66,408
Effects of adopting:							
FRS 3				196	196		196
FRS 140			(1,097)	1,671	574		574
	47,000	304	1,466	14,740	63,510	3,668	67,178
Foreign exchange reserve: Group			33		33	8	41
Net income recognised directly in equity			33		33	8	41
Profit for the year				12,153	12,153	3,232	15,385
Total recognised income and expense for the year	-	-	33	12,153	12,186	3,240	15,426
Dividends				(4,528)	(4,528)	(1,230)	(5,758)
At 31 December 2006	47,000	304	1,499	22,365	71,168	5,678	76,846

The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2006.

**PROGRESSIVE IMPACT CORPORATION BERHAD**  
**(Company No. 203352-V)**

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE FORTH QUARTER ENDED 31 DECEMBER 2007**  
**(Unaudited)**

	Cumulative Current Year Quarter 31.12.2007 RM'000	Cumulative Preceding Year Period 31.12.2006 RM'000
<b>Net cash inflow from operating activities</b>	13,919	10,021
<b>Net cash outflow from investing activities</b>	(1,455)	(4,597)
<b>Net cash outflow from financing activities</b>	(261)	(6,740)
Net decrease in cash and cash equivalents	<u>12,203</u>	<u>(1,316)</u>
<b>Cash and cash equivalents at 1 January 2007/2006</b>	25,829	27,023
<b>Cash and cash equivalents 31 December 2007/2006</b>	<u><u>38,032</u></u>	<u><u>25,707</u></u>

Notes :

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statement for the year ended 31 December 2006 and the accompanying explanatory notes attached to the financial statements.

**PROGRESSIVE IMPACT CORPORATION BERHAD**  
(Company No. 203352-V)

**SELECTED EXPLANATORY NOTES**

**1. Accounting Policies and Methods Of Computation**

The interim financial statements are unaudited and have been prepared in accordance with FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2006. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2006.

**2. Changes in Accounting Policies**

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2006.

**3. Audit Report**

The auditors' report on the financial statements for the year ended 31 December 2006 was not qualified.

**4. Seasonality or Cyclicity**

The Group's performance is not affected by any seasonal or cyclical factors.

**5. Unusual Items due to their Nature, Size or Incidence**

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the financial period ended 31 December 2007.

**6. Changes in Estimates**

The adoption of FRS 140 has resulted in identification of properties that meets the definition of investment properties but were previously classified within property, plant and equipment. Prior to 1 January 2006, these investment properties were stated at valuation. Revaluations were carried out once every five years and any revaluation increases is taken to equity as a revaluation surplus. The investment properties were last revalued in 2004. Upon the adoption of FRS 140, investment properties are now stated at fair value and gains and losses arising from changes in fair values are recognised in profit or loss in the year in which they arise.

**7. Issuance, cancellations, repurchases, resale and repayments of debt and equity securities**

There was no issuance, cancellations, repurchases, resale and repayment of debt and equity securities in the current period to date under review.

**8. Dividends**

At the forthcoming Annual General Meeting, a final dividend in respect of the financial year ended 31 December 2007 of 0.72 sen per share less tax at 26% on 658,000,000 ordinary shares amounting to a dividend payable of RM 3,500,000 (0.53 sen net per ordinary shares) will be proposed for shareholders approval. The current quarter report do not reflect this proposed dividend. Such dividend, if approved by the shareholders, will be accounted for in equity as an appropriation of retained profits in the second quarter report of the financial year ended 31 December 2008.

**PROGRESSIVE IMPACT CORPORATION BERHAD**  
(Company No. 203352-V)

**SELECTED EXPLANATORY NOTES**

**9. Segmental Information**

**(a) Business Segments**

Segmental information is presented in respect of the Group's business segments:-

	Environmental Consulting & Eng. Services	Laboratory Testing Services	Others*	Elimination	Cumulative Quarter ended 31.12.2007
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Segment Revenue</b>					
External revenue	36,499	23,394	23,756	(23,691)	59,958
Inter- segment revenue		3,994		(3,994)	-
Total revenue	<u>36,499</u>	<u>27,388</u>	<u>23,756</u>	<u>(27,685)</u>	<u>59,958</u>
<b>Segment Results</b>					
Segment results/ Profit from operations	12,428	12,148	20,896	(21,770)	23,702
(Financing cost)/ profit from deposits, net	-	-	-	-	-
Taxation					<u>(7,383)</u>
Profit After Taxation					<u>16,319</u>
Minority Interest					<u>(3,575)</u>
Net profit for the year					<u>12,744</u>

\* The segment denotes as "others" includes the results of Progressive Impact Corporation Berhad ("the Company") as an investment holding subsidiary.

**10. Valuation of Property, Plant and Equipment**

Freehold and leasehold land and building are stated at valuation. Revaluations were made based on a valuation by an independent valuer on an open market value basis.

**11. Subsequent Events**

There were no material events subsequent to the end of the reporting quarter except for the following:-

- (a) The proposals for Bonus Issue, share split, ammendments to memorandum and articles of association of PICORP and transfer of the Company's listing status to the main board of Bursa Malaysia have been completed on 3 January 2008.
- (b) The Company has acquired 50% of the issued and paid-up shares of Teknik Datasaab Sdn. Bhd. on 11 February 2008.
- (c) The Company has acquired 30.2% of the issued and paid-up shares of PJ Bumi Berhad on 22 February 2008.

**SELECTED EXPLANATORY NOTES**

**12. Change In The Composition of The Group**

There was no change in the composition of the Group for the current quarter since the last audited financial statements ended 31 December 2006 except that on 16 June 2007, a joint venture company between ASMA International Sdn. Bhd. ("AISB") (formerly known as ASMA Environmental Solution Sdn. Bhd. ("AES")) and Dr. Fadil Fouad Basyoni known as Saudi ASMA Environmental Solutions LLC ("SAES") has been established with the objective to provide environmental consultancy and monitoring services and other relevant environmental aspects of services in the Kingdom of Saudi Arabia. AISB has 49% equity holding and 70% profit/loss sharing in SAES respectively.

**13. Contingent Liabilities and Contingent Assets**

There were no material changes in contingent liabilities and contingent assets of a material nature since the last audited financial statements for the year ended 31 December 2006.

**14. Capital Commitments**

Total outstanding approved capital commitments not contracted for at the end of the current quarter is RM3.81 million.

**SELECTED EXPLANATORY NOTES**

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES**

**1. Performance Review**

For the fourth quarter ended 31 December 2007, the Group recorded a revenue of RM 15.3 million in which 4% lower as compared to the third quarter ended 30 September 2007 of RM15.93 million and approximately 3% higher as compared to the preceding year corresponding period ended 31 December 2006 of RM 14.89 million. The cumulative revenues for financial year ended 31 December 2007 is 8.5% higher as compared to the preceding year corresponding period ended 31 December 2006.

For the fourth quarter ended 31 December 2007, the Group's profit before tax was RM 6.04 million in which 3% lower as compared to the third quarter ended 30 September 2007 of RM6.22 million and 8.2% higher as compared to the preceding corresponding period ended 31 December 2006 of RM5.58 million. The cumulative profit before tax for financial year ended 31 December 2007 is 7.5% higher as compared to the preceding year corresponding period ended 31 December 2006.

The increase in revenue and profit before tax recorded for the period ended 31 December 2007 above is mainly contributed by the growth in revenue by the laboratory testing services segment.

**2. Comment on Material Change in Profit Before Taxation**

There is no material change in the profit before taxation for the quarter reported on as compared with the immediate preceding quarter.

**3. Commentary On Prospects**

- (a) With the continuing improvement in the world economic prospects, the performance outlook for year 2008 is envisaged to be favourable.

The Group expects to improve upon its results through increased efficiency in the Group's operation.

**4. Current Status of the Joint Venture Company established in the Kingdom of Saudi Arabia**

SAES has pursued for several environmental monitoring projects in the Kingdom of Saudi Arabia by submitting a few proposals and participating in tenders with the Government Agencies and also private sectors.

SAES has received a Letter of Award for value approximately RM12,394,781 from Jeddah Municipality via Excellent Total Environmental Solutions & Services Est. ("ETESS"). ETESS is a company own 100% by Dr. Fadil Fouad Basyoni, the 51% equity shareholder of SAES. ETESS is subcontracting the whole contract amount to SAES.

The contract is for a period of 3 years commencing 27 November 2007.

SAES has started generating its first revenue during the quarter.



**PROGRESSIVE IMPACT CORPORATION BERHAD**  
(Company No. 203352-V)

**SELECTED EXPLANATORY NOTES**

**5. Taxation**

	12 months ended	
	31.12.2007	31.12.2006
	RM'000	RM'000
Taxation comprise the following :		
Current tax:		
- Malaysia Income Tax	6,796	5,936
- Foreign Tax	587	726
Tax expense	<u>7,383</u>	<u>6,662</u>

The effective tax rate for the quarter under review was 31% which is higher than the current statutory rate due to provision of deferred tax on certain capital expenditure.

**6. Sale of Unquoted Investments and/or Properties**

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

**7. Purchase or Disposal of Quoted Securities**

(a) There were no purchases or disposals of quoted securities for the current quarter under review.

(b) There were no investments in quoted securities as at the end of the reporting period.

**8. Corporate Proposals**

*Status of Corporate Proposal*

The Company has announced on 12 July 2007 of the following proposals:

- Proposed bonus issue of 37,600,000 new ordinary shares of RM0.50 each in PICORP ("**Bonus Shares**"), to be credited as fully paid-up on the basis of two (2) new Bonus Share for every five (5) existing ordinary shares of RM0.50 each in PICORP ("**PICORP Shares**") held on an entitlement date to be determined and announced later ("**Proposed Bonus Issue**");
- Proposed share split involving subdivision of every one (1) existing PICORP Share held after the Proposed Bonus Issue into five (5) new ordinary shares of RM0.10 each in PICORP ("**Subdivided PICORP Shares**") ("**Proposed Share Split**");
- Proposed transfer of the listing of and quotation for the entire enlarged issued and paid-up share capital of PICORP from the Second Board to the Main Board of Bursa Securities ("**Proposed Transfer**"); and
- Proposed amendments to the memorandum and articles of association ("**M & A**") of PICORP ("**Proposed Amendments to M & A**").

The above Proposals have been completed on 3 January 2008.

**PROGRESSIVE IMPACT CORPORATION BERHAD**  
(Company No. 203352-V)

**SELECTED EXPLANATORY NOTES**

**9. Borrowings**

Total Group borrowings as at 31 December 2007 were as follows :-

	As at 31.12.2007 RM'000	As at 31.12.06 RM'000
Short term borrowings		
- Secure	-	240
Long term borrowings		
- Secure	-	21
Total	<u>-</u>	<u>261</u>

**10. Off Balance Sheet Financial Instruments**

The Group does not have any financial instruments with off balance sheet risk as at the date of this report.

**11. Changes in Material Litigation**

There are no changes to any material litigation since the last audited financial statement for the year ended 31 December 2006.

**PROGRESSIVE IMPACT CORPORATION BERHAD**  
(Company No. 203352-V)

**SELECTED EXPLANATORY NOTES**

**12. Basis of calculation of earnings per share**

The basic earnings per share for the quarter and cumulative year to date are computed as follow:

	Individual Current Year Quarter 31.12.07	Cumulative Current Year To Date 31.12.06
Profit for the period (RM'000)	<u>2,984</u>	<u>12,744</u>
Number of ordinary shares of RM0.50 each in issue ('000)	<u>94,000</u>	<u>94,000</u>
Basic Earnings Per Share (sen)	<u>3.17</u>	<u>13.56</u>

There is no diluted earnings per share as there were no potential dilutive ordinary shares outstanding as at the end of the reporting period.

By order of the Board  
**PROGRESSIVE IMPACT CORPORATION BERHAD**  
Hajjah Zaidah Binti Haji Mohd Salleh  
Company Secretary ( MIA 3313)

Shah Alam  
25 February 2008