

MESB BERHAD (337554-D)

CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE PERIOD ENDED 31 MARCH 2007

	2007 CURRENT QUARTER ENDED 31/03/2007 RM'000	2006 COMPARATIVE QUARTER ENDED 31/03/2006 RM'000	2007 3 MONTHS CUMULATIVE TO 3/31/07 RM'000	2006 3 MONTHS CUMULATIVE TO 3/31/06 RM'000
Revenue	23,961	19,733	23,961	19,733
Operating Expenses	(23,072)	(19,310)	(23,072) **	(19,310)
Other Income	60	237	60	237
Profit/(loss) from Operations	949	660	949	660
Finance costs	(696)	(409)	(696)	(409)
Share of results of an associate	63	0	63	0
Profit/(loss) before tax	316	251	316	251
Taxation	(143)	(329)	(143)	(329)
Profit/(loss) for the period	<u>173</u>	<u>(78)</u>	<u>173</u>	<u>(78)</u>
Attributable to:				
Equity holders of the parent	69	(140)	69	(140)
Minority interests	104	62	104	62
	<u>173</u>	<u>(78)</u>	<u>173</u>	<u>(78)</u>
Earnings/(Loss) per share (sen)				
(a) Basic	0.2	-0.3	0.2	-0.3
(b) Diluted	-	-	-	-

Note ** - Operating Expenses for 3 months cumulative ending 31 March 2007 consists of the following :-

	RM'000
Cost of sale	15,216
Selling and distribution expenses	1,244
Operating overhead	6,612
	<u>23,072</u>

(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 31st December 2006)

MESB BERHAD (337554-D)

CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2007

	AS AT 3/31/07 RM'000	AS AT 31/12/2006 RM'000
ASSETS		
Non-current assets		
Property, plant & equipment	18,845	18,549
Prepaid land lease payments	2,322	2,605
Investment in associated company	723	660
Other investments	22	22
Intangible asset	47	48
Other assets	15,381	15,313
Goodwill on consolidation	24,661	24,661
Current Assets		
Amount owing by contract customers	6,023	4,388
Capital work in progress	0	76
Inventories	17,473	19,471
Debtors	32,195	33,876
Tax Recoverable	1,780	1,683
Cash and bank balances	8,916	8,731
	<u>66,387</u>	<u>68,225</u>
Total Assets	<u>128,387</u>	<u>130,083</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent :		
Share capital	42,000	42,000
Reserves	3,864	3,795
Capital and Reserves	45,864	45,795
Minority interests	2,893	2,543
Total equity	<u>48,757</u>	<u>48,338</u>
Non-current liabilities		
Hire purchase creditors	762	835
Term loans	4,068	4,552
Deferred taxation	225	256
	<u>5,055</u>	<u>5,643</u>
Current Liabilities		
Creditors	21,818	25,084
Amount owing to contract customers	8,779	9,787
Amount owing to director	7,546	8,091
Hire purchase creditors	431	414
Term loans	627	349
Bankers' acceptances, revolving credit and trust receipts	35,180	32,281
Taxation	194	96
	<u>74,575</u>	<u>76,102</u>
Total liabilities	<u>79,630</u>	<u>81,745</u>
Total equity and liabilities	<u>128,387</u>	<u>130,083</u>
Net Assets per share attributable to ordinary equity holders of the parent		
	<u>1.09</u>	<u>1.09</u>

(The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report for the year ended 31st December 2006)

MESB BERHAD (337554-D)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2007**

	<--- Attributable to equity holders of the parent --->					Minority Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Retained Earnings RM'000	Capital Reserve RM'000	Total RM'000		
	At 1 January 2007: -	42,000	5	3,753	37		
Subscription of shares in subsidiary	-	-	-	-	-	245	245
Profit after taxation for the financial year	-	-	69	-	69	104	173
At 31 March 2007	42,000	5	3,822	37	45,864	2,893	48,757
At 1 January 2006: -	42,000	5	3,543	-	45,548	1,700	47,248
Subscription of shares in subsidiaries	-	-	-	-	-	225	225
Profit after taxation for the financial year	-	-	(140)	-	(140)	62	(78)
At 31 March 2006	42,000	5	3,403	-	45,408	1,987	47,395

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31st December 2006)

MESB BERHAD (337554-D)

CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31 MARCH 2007

	3 MONTHS ENDED 3/31/07 RM'000	3 MONTHS ENDED 3/31/06 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit/(loss) before taxation	316	251
Adjustments for:		
Amortisation of intangible asset	2	2
Share of results of an associate	(63)	-
Depreciation of property, plant and equipment	539	359
Equipment written off	-	19
Interest income	(4)	-
Interest expense	689	343
Fixed assets written off	31	0
Provision/(write back) for foreseeable loss	(886)	(920)
Gain on disposal of property, plant and equipment	-	(151)
Operating profit before working capital changes	624	(97)
Changes in working capital:		
Net change in current assets	1,652	3,100
Net change in capital work-in-progress	84	526
Net change in current liabilities	(3,775)	(5,614)
Cash generated from operations	(1,415)	(2,085)
Income tax paid	(187)	(613)
Tax refunded	12	0
Interest paid	(689)	(343)
Net cash generated from /(used in) operating activities	(2,279)	(3,041)
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of intangible asset	-	(30)
Purchase of property, plant and equipment	(581)	(741)
Interest received	4	-
Proceeds from disposal of property, plant and equipment	-	151
Net cash used in investing activities	(577)	(620)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of shares to minority interests	245	125
Short borrowing	-	2,000
Bankers' acceptances, revolving credit and trust receipts	2,691	3,694
Net drawdown/(repayment) of hire purchase Creditors	(55)	232
Net cash used in financing activities	2,881	6,051
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	25	2,390
CASH AND CASH EQUIVALENTS AS AT 1 JANUARY 2007 / 2006	8,891	4,699
CASH AND CASH EQUIVALENTS AS AT 31 MARCH 2007/2006	8,916	7,089
Note :		
(1) Cash & Cash Equivalents for the period ended 31 March 2007 consists the following :-		
Cash & Cash Equivalents	11,376	8,126
Bank Overdraft	(2,460)	(1,037)
	8,916	7,089

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Report for the year ended 31st December 2006)