

COMPUGATES HOLDINGS BERHAD
(Company No. 669287-H)
(Incorporated in Malaysia)
UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE QUARTER ENDED 31 MARCH 2006

The actual results of Compugates Holdings Berhad for the period ended 31 March 2006 are as follows:-

	NOTE	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
		CURRENT YEAR QUARTER ENDED 31 MAR 2006 RM'000	CORRESPONDING QUARTER ENDED 31 MAR 2005 * RM'000	CURRENT YEAR TO DATE 31 MAR 2006 RM'000	CORRESPONDING PERIOD ENDED 31 MAR 2005 * RM'000
REVENUE		111,675	N/A	111,675	N/A
COST OF SALES		<u>(111,083)</u>	<u>N/A</u>	<u>(111,083)</u>	<u>N/A</u>
GROSS PROFIT		592	N/A	592	N/A
OTHER OPERATING INCOME		2,522	N/A	2,522	N/A
SALES AND MARKETING EXPENSES		(341)	N/A	(341)	N/A
ADMINISTRATIVE EXPENSES		(2,016)	N/A	(2,016)	N/A
OTHER OPERATING EXPENSES		(135)	N/A	(135)	N/A
FINANCE COSTS		(10)	N/A	(10)	N/A
PROFIT BEFORE TAXATION		<u>612</u>	<u>N/A</u>	<u>612</u>	<u>N/A</u>
TAXATION	22	(179)	N/A	(179)	N/A
PROFIT AFTER TAXATION		<u>433</u>	<u>N/A</u>	<u>433</u>	<u>N/A</u>
EARNINGS PER SHARE (SEN)					
- Basic	27	0.36	N/A	0.36	N/A
- Diluted	27	0.20	N/A	0.20	N/A

Notes:-

* Compugates Holdings Berhad was listed on the Main Board of Bursa Malaysia Securities Berhad on 30 December 2005 and as such no corresponding figures of year ended 31 March 2005 have been included.

The actual date of acquisition of CSB was 25 October 2005.

The unaudited Condensed Consolidated Income Statements should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

COMPUGATES HOLDINGS BERHAD
(Company No. 669287-H)
(Incorporated in Malaysia)
UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2006

	<u>Note</u>	AS AT END OF CURRENT YEAR QUARTER ENDED 31 MAR 2006 RM'000	AUDITED AS AT PRECEDING FINANCIAL PERIOD ENDED 31 DEC 2005 RM'000
PROPERTY AND EQUIPMENT		8,973	8,051
GOODWILL ON CONSOLIDATION		115,684	115,684
LISTING PREMIUM		26,429	26,429
		<u>151,086</u>	<u>150,164</u>
CURRENT ASSETS			
Inventories		8,200	5,087
Receivables		49,586	49,705
Tax refundable		1,463	-
Cash and cash equivalents		20,854	37,365
		<u>80,103</u>	<u>92,157</u>
CURRENT LIABILITIES			
Payables		15,994	15,553
Short-term borrowings	23	543	11,649
Provision for taxation		697	1,855
		<u>17,234</u>	<u>29,057</u>
NET CURRENT ASSETS		62,869	63,100
		<u>213,955</u>	<u>213,264</u>
Financed by:			
SHARE CAPITAL		120,429	120,429
SHARE PREMIUM		83,700	83,700
IRREDEEMABLE CONVERTIBLE PREFERENCE SHARES ("ICPS")		9,300	9,300
EXCHANGE FLUCTUATION RESERVE		5	3
ACCUMULATED LOSSES		(209)	(642)
SHAREHOLDERS' EQUITY		<u>213,225</u>	<u>212,790</u>
LONG TERM AND DEFERRED LIABILITIES			
Long term borrowings	23	294	38
Deferred taxation		436	436
		<u>213,955</u>	<u>213,264</u>
Net Assets per share (sen)		99.83	99.47

The unaudited Condensed Consolidated Balance Sheet should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

COMPUGATES HOLDINGS BERHAD**(Company No. 669287-H)****(Incorporated in Malaysia)****UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY****FOR THE QUARTER ENDED 31 MARCH 2006**

	Share Capital	ICPS	Share Premium	Exchange Fluctuation Reserve	Accumulated Losses	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 31 December 2005/1 January 2006	120,429	9,300	83,700	3	(642)	212,790
Profit after taxation	-	-	-	-	433	433
Exchange difference	-	-	-	2	-	2
Balance as at 31 March 2006	<u>120,429</u>	<u>9,300</u>	<u>83,700</u>	<u>5</u>	<u>(209)</u>	<u>213,225</u>

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

COMPUGATES HOLDINGS BERHAD
(Company No. 669287-H)
(Incorporated in Malaysia)
UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE QUARTER ENDED 31 MARCH 2006

	31 MARCH 2006
	RM'000
CASH FLOWS FOR OPERATING ACTIVITIES	
Profit before taxation	612
Adjustments for:-	
Non-cash items	134
Interest expense	6
Interest income	(58)
Operating profit before working capital changes	694
Increase in inventories	(3,113)
Increase in trade and other receivables	(714)
Increase in trade and other payables	787
Cash for operations	(2,346)
Interest paid	(6)
Income tax paid	(1,980)
NET CASH FOR OPERATING ACTIVITIES	(4,332)
CASH FLOWS FOR INVESTING ACTIVITIES	
Incorporation of a subsidiary	#
Interest received	58
Purchase of property and equipment	(691)
NET CASH FOR INVESTING ACTIVITIES	(633)
CASH FLOWS FOR FINANCING ACTIVITIES	
Decrease in bankers' acceptances	(11,173)
Repayment of hire purchase obligations	(27)
Repayment to a director	(346)
NET CASH FOR FINANCING ACTIVITIES	(11,546)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(16,511)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	37,365
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	20,854
NOTES TO CASH FLOW STATEMENT	
Cash and cash equivalents comprise of:	
Fixed deposits with licensed bank	7,442
Short term deposits with a licensed bank	7,450
Cash and bank balances	5,962
	20,854

Equivalent to RM2.

The unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.