

**OPCOM HOLDINGS BERHAD**

(Company No: 322661-W)

QUARTERLY REPORT

On consolidated results for the fourth quarter ended 31 March 2007

The Directors are pleased to announce the following:

Unaudited Condensed Consolidated Income Statement for the fourth quarter ended 31 March 2007

	Note	Individual Quarter		Cumulative Quarter	
		Current Year Quarter 31/3/2007 RM'000	Preceding Year Corresponding Quarter 31/3/2006 RM'000	Current Year To Date 31/3/2007 RM'000	Preceding Year Corresponding Period 31/3/2006 RM'000
Revenue	A8	33,053	6,763	66,509	67,795
Cost of sales		<u>(28,698)</u>	<u>(4,710)</u>	<u>(53,171)</u>	<u>(40,190)</u>
Gross profit		4,355	2,053	13,338	27,605
Other income		124	193	877	849
Administrative expenses		(2,116)	(532)	(7,032)	(7,042)
Distribution costs		(639)	(258)	(1,820)	(1,384)
Other expenses		(173)	(182)	(698)	(1,493)
Finance costs		<u>34</u>	<u>(76)</u>	<u>(133)</u>	<u>(313)</u>
Profit/(loss) before tax		1,585	1,198	4,532	18,222
Income tax expense	B5	<u>(78)</u>	<u>(519)</u>	<u>(1,147)</u>	<u>(5,457)</u>
Profit/(loss) for the period		<u>1,507</u>	<u>679</u>	<u>3,385</u>	<u>12,765</u>
Attributable to:					
Equity holders of the parent		1,179	283	2,143	10,866
Minority interest		<u>328</u>	<u>396</u>	<u>1,242</u>	<u>1,899</u>
		<u>1,507</u>	<u>679</u>	<u>3,385</u>	<u>12,765</u>
Earnings/(loss) per share attributable to equity holders of the parent:					
Basic, for profit/(loss) for the period (sen)	B13	<u>0.91</u>	<u>0.22</u>	<u>1.66</u>	<u>8.42</u>

Note :

The unaudited Condensed Consolidated Income Statement should be read in conjunction with the audited financial statements for the financial year ended 31 March 2006.

**OPCOM HOLDINGS BERHAD**

(Company No: 322661-W)

Unaudited Condensed Consolidated Balance Sheet as at 31 March 2007

	Note	As At End Of Current Quarter 31/3/2007 RM'000	As At Preceding Financial Year End 31/03/2006 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment	A9	35,500	36,349
Current assets			
Inventories		7,209	3,620
Trade and other receivables		20,092	7,997
Amount due from affiliated company		10,973	5,967
Amount due from corporate shareholder		262	13
Cash and cash equivalents		15,959	45,044
Tax recoverable		511	143
		<u>55,006</u>	<u>62,784</u>
TOTAL ASSETS		<u>90,506</u>	<u>99,133</u>
EQUITY AND LIABILITIES			
Share capital		25,800	25,800
Share premium		5,812	5,812
Capital reserve		3	3
Retained earnings		32,469	31,294
		<u>64,084</u>	<u>62,909</u>
Minority interest		<u>13,538</u>	<u>12,596</u>
Total equity		<u>77,622</u>	<u>75,505</u>
Non-current liabilities			
Long term borrowings		-	3,471
Deferred tax liabilities		2,522	1,968
		<u>2,522</u>	<u>5,439</u>
Current liabilities			
Trade and other payables		9,394	10,414
Amount due to directors		-	3,473
Taxation		-	109
Dividend payable		968	4,193
		<u>10,362</u>	<u>18,189</u>
Total liabilities		12,884	23,628
TOTAL EQUITY AND LIABILITIES		<u>90,506</u>	<u>99,133</u>

The unaudited Condensed Consolidated Balance Sheet should be read in conjunction with the audited financial statements for the financial year ended 31 March 2006.

**OPCOM HOLDINGS BERHAD**

(Company No: 322661-W)

Unaudited Condensed Consolidated Statement of Changes in Equity for the fourth quarter ended 31 March 2007

Group	Share capital RM'000	Non Distributable Share premium RM'000	Capital reserve RM'000	Distributable Retained profits RM'000	Minority interest RM'000	Total RM'000
At 1 April 2006	25,800	5,812	3	31,294	12,596	75,505
Net profit for the period	-	-	-	2,143	1,242	3,385
Dividend	-	-	-	(968)	(300)	(1,268)
At 31 March 2007	<u>25,800</u>	<u>5,812</u>	<u>3</u>	<u>32,469</u>	<u>13,538</u>	<u>77,622</u>
At 1 April 2005	17,200	14,412	3	24,620	12,497	68,732
Bonus issue	8,600	(8,600)	-	-	-	-
Net profit for the period	-	-	-	10,866	1,899	12,765
Dividend	-	-	-	(4,192)	(1,800)	(5,992)
At 31 March 2006	<u>25,800</u>	<u>5,812</u>	<u>3</u>	<u>31,294</u>	<u>12,596</u>	<u>75,505</u>

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 March 2006.

**OPCOM HOLDINGS BERHAD**

(Company No: 322661-W)

Unaudited Condensed Consolidated Cash Flow Statement for the fourth quarter ended 31 March 2007

	31/3/2007 RM'000	31/3/2006 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) before taxation	4,532	18,222
Adjustments for:		
Non-cash items	2,880	4,417
Non-operating items	(667)	(719)
Operating profit before working capital changes	6,745	21,920
Changes in working capital:		
Inventories	(3,589)	10,702
Trade and other receivables	(17,357)	(8,944)
Trade and other payables	(1,320)	(20,372)
Cash generated from/(used in) operations	(15,521)	3,306
Tax paid	(1,070)	(5,495)
Net cash generated from/(used in) operating activities	(16,591)	(2,189)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(2,030)	(1,883)
Proceeds from disposal of property, plant & equipment	-	28
Interest received	840	723
Net cash generated from/(used in) investing activities	(1,190)	(1,132)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment to Directors	(6,942)	-
Interest paid	(169)	-
Dividend paid	(4,193)	-
Net cash used in financing activities	(11,304)	-
Net decrease in cash and cash equivalents	(29,085)	(3,321)
Cash and cash equivalents at beginning of period	45,044	48,365
Cash and cash equivalents at end of period	15,959	45,044

The unaudited Condensed Consolidation Cash Flow Statement should be read in conjunction with the audited financial statements for the financial year ended 31 March 2006.



OPCOM HOLDINGS BERHAD

(Company No : 322661-W)

Notes on the quarterly report - 31 March 2007

A. EXPLANATORY NOTES AS PER FINANCIAL REPORTING STANDARD ("FRS") 134, INTERIM FINANCIAL REPORTING

A1. Basis of preparation

The interim unaudited financial statements for the quarter under review have been prepared in compliance with the Financial Reporting Standards FRS 134, Interim Financial Reporting and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The accounting policies and methods of computation adopted by the Group in this interim financial statements are consistent with those adopted in the financial statements for the year ended 31 March 2006 except for the adoption of the following new and revised Financial Reporting Standards ("FRS") effective for the financial year beginning on or after 1 January 2006.

FRS 101	Presentation of Financial Statements
FRS 102	Inventories
FRS 108	Accounting Policies, Changes in Estimates and Errors
FRS 110	Events After Balance Sheet Date
FRS 116	Property, Plant and Equipment
FRS 127	Consolidated Financial Statements and Investment in Subsidiaries
FRS 132	Financial Statements: Disclosure and Presentation
FRS 133	Earnings per share
FRS 136	Impairment of Assets

The adoption of the above FRSs does not have significant financial impact on the Group except for the following:-

(a) FRS 101: Presentation of Financial Statements

The adoption of the revised FRS 101 has effected the presentation of the condensed income statements, balance sheets and statements of changes in equity with additional disclosure on the amount attributable to equity holders of the parent company.

(b) FRS 116: Property, Plant & Equipment

In accordance with FRS 116, the Group has reviewed the estimated useful life of plant and machineries. The adoption of FRS 116 has resulted in a lower depreciation charge of approximately RM0.7million in current financial year. The revision was accounted for as a prospective change in accounting estimates and the comparatives of the previous financial year ended 31 March 2006 were not restated.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 March 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 year ended 31 March 2006.

A2. Audit Report

There were no audit qualifications on the annual financial statements for the financial year ended 31 March 2006.

A3. Seasonality of interim operations

The fiber optic cables market is observed to be seasonal in nature and dependent on the general economic and business environment. However, given the Group's long experience in fiber optic cables market, the Group is well positioned to ameliorate any potential adverse impact arising from seasonal fluctuation of demand for its products.

A4. Unusual items

During the quarter under review, there were no items or events that have arisen, which affected assets, liabilities, equity, net income or cash flows, that were unusual by reason of their nature, size or incidence.

A5. Changes in estimates

There were no changes in the estimates of amounts reported that have a material effect in the quarter under review.

A6. Issuances, cancellations, repurchases, resale and repayments of debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the quarter under review.

A7. Dividends paid

No dividends were paid during the quarter under review.

A8. Segmental reporting

The Group operates wholly in Malaysia.

The segment revenue and segment results for business segments for the current financial year are as follows:-

Year ended 31.03.07	Manufacturing	Trading & Engineering Services	Others	Consolidated
	RM'000	RM'000	RM'000	RM'000
Revenue				
External sales	45,314	20,998	197	66,509
Inter-segment sales	-	-	-	-
Total Revenue	<u>45,314</u>	<u>20,998</u>	<u>197</u>	<u>66,509</u>
Results				
Segment result	4,822	(994)	173	4,001
Unallocated corporate expenses				(130)
Operating Profit				<u>3,871</u>
Interest Expense				(133)
Interest Income				<u>794</u>
Profit Before Taxation				<u>4,532</u>
Taxation				<u>(1,147)</u>
Profit After Taxation				<u><u>3,385</u></u>

The financial information by segment is not presented for previous financial year as the Group's activities was principally in the manufacturing and supplying of fiber optic cables and related accessories.

A9. Valuations of property, plant and equipment

The Group did not carry out any valuation on its property, plant and equipment.

A10. Material events subsequent to the end of the interim period

There were no material events subsequent to the end of the quarter under review that have not been reflected in the financial statements for the quarter under review.

A11. Changes in the composition of the Group

There were no changes in the composition of the Group during the quarter under review.

A12. Changes in contingent liabilities or contingent assets

There were no contingent liabilities or contingent assets as to the date of this report except the following:

	As at 31 Mar 2007 RM'000	As at 31 Mar 2006 RM'000
Performance and warranty bonds issued to customers	<u>1,397</u>	<u>974</u>



OPCOM HOLDINGS BERHAD

(Company No : 322661-W)

Notes on the quarterly report - 31 March 2007

B. ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS

B1. Review of Performance

For the quarter under review, the Group registered a higher revenue of RM33.0m as compared to revenue of RM6.8m in the preceding year's corresponding quarter due to higher cables sales and new contribution from methyl ester trading and engineering services. Correspondingly, the Group recorded a profit before tax of RM1.6m as opposed to RM1.2m in the preceding year's corresponding quarter. Profit margin was lower due to lower margin from the trading and engineering services.

B2. Variation of results against the immediate preceding quarter

During the quarter ended 31 March 2007, the Group's revenue was higher at RM33.0m as compared to the immediate preceding quarter of RM10.2m mainly due to new contribution from methyl ester trading and engineering services.

Accordingly, the Group registered a profit before tax of RM1.6m in the current quarter as compared to the profit before tax of RM1.2m in the immediate preceding quarter. Profit margin was lower due to lower margin from the trading and engineering services.

B3. Prospect

Barring any unforeseen circumstances, the Board is positive of the Group's performance for the next financial year despite the industry remains challenging and competitive.

B4. Profit forecast and profit guarantee

The Company has not issued any profit forecast and profit guarantee.

B5. Taxation

	Individual quarter ended		Cumulative period ended	
	31 March 2007	31 March 2006	31 March 2007	31 March 2006
	RM'000	RM'000	RM'000	RM'000
Current tax expense	26	(155)	1,142	4,658
Deferred taxation	<u>52</u>	<u>674</u>	<u>5</u>	<u>799</u>
	<u>78</u>	<u>519</u>	<u>1,147</u>	<u>5,457</u>

The Group's effective tax rate for the current quarter was lower than the statutory tax rate of 27% mainly due to the reversal of overprovision in deferred tax provided in the previous quarter. The Group's effective tax rate for the year was slightly lower than the statutory tax rate due to the availability of reinvestment allowance in one subsidiary.

B6. Profits/(Losses) on Sale of Unquoted Investments and/or Properties

There was no disposal of unquoted investments or properties during the quarter under review.

B7. Purchase and Disposal of Quoted Securities

There was no purchase or disposal of quoted securities during the current quarter under review.

B8. Status of corporate proposals as at 18 May 2007

(being a date not earlier than seven (7) days from the date of issue of the quarterly report)
There was no corporate proposal announced but not completed as at 18 May 2007.



OPCOM HOLDINGS BERHAD
(Company No : 322661-W)

B9. Group borrowings and Debt Securities

The Group has no borrowings and debt securities as at 31 March 2007.

B10. Off Balance Sheet Financial Instruments as at 18 May 2007

(being a date not earlier than seven (7) days from the date of issue of the quarterly report)

There were no off balance sheet financial instruments as at 18 May 2007, being the latest practicable date.

B11. Material litigation as at 18 May 2007

(being a date not earlier than seven (7) days from the date of issue of the quarterly report)

The Group has no outstanding material litigation as at 18 May 2007, being the latest practicable date.

B12. Dividends

During the quarter under review, the Company declared an interim tax exempt dividend of 0.75 sen per share (31 March 2006: 3.25 sen per share). The related announcement was made on 28 March 2007. The dividend payment was made on 8 May 2007.

The total net dividend per share declared to date, for the current financial year ended 31 March 2007 is 0.75 sen per share.

B13. Earnings per share

	Individual quarter ended		Cumulative quarter ended	
	31 March 2007	31 March 2006	31 March 2007	31 March 2006
Net profit/(loss) for the period (RM'000)	1,179	283	2,143	10,866
Total number of ordinary shares in issue ('000)	129,000	129,000	129,000	129,000
Basic earnings/(loss) per share (sen)	<u>0.91</u>	<u>0.22</u>	<u>1.66</u>	<u>8.42</u>
Fully diluted earnings per share	<u>Not applicable</u>	<u>Not applicable</u>	<u>Not applicable</u>	<u>Not applicable</u>