

DOMINANT ENTERPRISE BERHAD
(Company No.221206-D)

CONDENSED CONSOLIDATED INCOME STATEMENTS (UNAUDITED)
FOR THE FOURTH QUARTER ENDED 31 MARCH 2007

	<u>FYE2007</u>	<u>FYE2006</u>	<u>FYE2007</u>	<u>FYE2006</u>
	INDIVIDUAL QUARTER Current Quarter Ended 31.03.2007		CUMULATIVE QUARTER Current Year To Date Ended 31.03.2007	
	Preceding Year Corresponding Quarter Ended 31.03.2006		Preceding Year Corresponding Quarter Ended 31.03.2006	
	RM'000	RM'000	RM'000	RM'000
Revenue	<u>64,118</u>	<u>59,233</u>	<u>275,233</u>	<u>223,876</u>
Profit from Operations	4,451	2,091	20,320	10,369
Finance Costs	(514)	(414)	(2,479)	(1,524)
Investment Income	33	12	140	138
Profit Before Tax	<u>3,970</u>	<u>1,689</u>	<u>17,981</u>	<u>8,983</u>
Income Tax Expense	(1,436)	(745)	(4,319)	(2,267)
Profit After Tax	<u>2,534</u>	<u>944</u>	<u>13,662</u>	<u>6,716</u>
Attributable to :				
Equity holders of the parent	2,502	916	13,372	6,585
Minority Interest	<u>32</u>	<u>28</u>	<u>290</u>	<u>131</u>
	<u>2,534</u>	<u>944</u>	<u>13,662</u>	<u>6,716</u>
Earning Per Share				
- Basic (sen)	2.06	0.76	11.38	5.46
- Diluted (sen)	2.02	-	-	5.35

The Condensed Consolidated Income Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31st March 2006 and the accompanying explanatory notes to the interim financial reports.

DOMINANT ENTERPRISE BERHAD
(Company No.221206-D)
CONDENSED CONSOLIDATED BALANCE SHEET (UNAUDITED)
AS AT 31 MARCH 2007

	As At 31 March 2007 RM'000	As At 31 December 2006 RM'000
ASSETS		
<u>Non-Current Assets</u>		
Property, plant and equipment	40,645	40,772
Asset held for sale	130	-
Goodwill	837	837
	<u>41,612</u>	<u>41,609</u>
<u>Current Assets</u>		
Inventories	47,932	43,894
Trade receivables	53,888	50,836
Other receivables and prepaid expenses	1,788	1,701
Cash and bank balances	8,992	7,480
	<u>112,600</u>	<u>103,911</u>
TOTAL ASSETS	<u>154,212</u>	<u>145,520</u>
EQUITY AND LIABILITIES		
<u>Equity Attributable To Equitable Holders Of The Parent</u>		
Share capital	60,901	60,439
Share premium	195	195
Other reserves	4,167	4,306
Retained Earning	17,571	14,720
	<u>82,834</u>	<u>79,660</u>
Minority Interest	736	704
Total Equity	<u>83,570</u>	<u>80,364</u>
<u>Non-Current Liabilities</u>		
Hire purchase payables	110	139
Finance lease payable	100	111
Bank borrowings	2,320	2,350
Deferred tax liabilities	2,021	2,021
	<u>4,551</u>	<u>4,621</u>
<u>Current Liabilities</u>		
Trade payables	16,562	13,907
Other payables and accrued expenses	3,989	4,250
Hire purchase payables	174	187
Finance lease payable	32	32
Bank borrowings	43,375	40,392
Tax liabilities	1,959	1,767
	<u>66,091</u>	<u>60,535</u>
Total Liabilities	<u>70,642</u>	<u>65,156</u>
TOTAL EQUITY AND LIABILITIES	<u>154,212</u>	<u>145,520</u>
Net assets per share (RM)	0.6801	0.6590

The Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statements for the financial year ended 31st March 2006 and the accompanying explanatory notes to the interim financial reports.

DOMINANT ENTERPRISE BERHAD
(Company No.221206-D)

CONDENSED CONSOLIDATED CASH FLOW STATEMENT (UNAUDITED)

	Financial Year Ended 31.03.2007	Financial Year Ended 31.03.2006
	RM'000	RM'000
Profit before taxation	17,981	8,983
Adjustments for : -		
Non-cash items	3,562	1,951
Non-operating items	2,438	1,437
<i>Operating profit before changes in working capital</i>	<u>23,981</u>	<u>12,371</u>
Changes in working capital		
Net change in current assets	(19,367)	(21,961)
Net change in current liabilities	2,232	5,705
<i>Cash generated from / (used in) operations</i>	<u>6,846</u>	<u>(3,885)</u>
Interest paid	(2,479)	(1,524)
Income tax paid	(2,700)	(1,976)
Net cash from / (used in) operating activities	<u>1,667</u>	<u>(7,385)</u>
Net cash (used in) investing activities	(6,943)	(4,653)
Net cash from financing activities	<u>4,942</u>	<u>13,974</u>
Net Changes in Cash & Cash Equivalents	(334)	1,936
Adjustment for foreign exchange differentials	185	(63)
Cash & Cash Equivalents at beginning of year	6,944	5,071
Cash & Cash Equivalents at end of year	<u><u>6,795</u></u>	<u><u>6,944</u></u>

* Cash and cash equivalents at end of financial year comprise the following :

Cash and bank balances	8,992	9,430
Less: Bank overdrafts		
(included within short term borrowings in Note B8)	(2,197)	(2,486)
	<u><u>6,795</u></u>	<u><u>6,944</u></u>

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the financial year ended 31st March 2006 and the accompanying explanatory notes to the interim financial reports.

DOMINANT ENTERPRISE BERHAD

(Company No.221206-D)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (UNAUDITED)

	<u>Share Capital</u> RM'000	<u>Premium</u> RM'000	<u>Other Reserves</u> RM'000	<u>Retained Earning</u> RM'000	<u>Total</u> RM'000	<u>Minority Interest</u> RM'000	<u>Total Equity</u> RM'000
Balance as at 1 April 2005	43,056	187	4,762	22,072	70,077	315	70,392
Issuance of shares							
- pursuant to ESOS	43	8	-	-	51	-	51
- pursuant to Bonus Issue	17,232	-	-	(17,232)	-	-	-
Net profit for the period	-	-	-	6,524	6,524	131	6,655
Dividend	-	-	-	(3,963)	(3,963)	-	(3,963)
Translation Deficit	-	-	(292)	-	(292)	-	(292)
Balance as at 31 March 2006	<u>60,331</u>	<u>195</u>	<u>4,470</u>	<u>7,401</u>	<u>72,397</u>	<u>446</u>	<u>72,843</u>
Balance as at 1 April 2006	60,331	195	4,470	7,401	72,397	446	72,843
Issuance of shares							
- pursuant to ESOS	570	-	-	-	570	-	570
Net profit for the period	-	-	-	13,372	13,372	290	13,662
Dividend	-	-	-	(3,551)	(3,551)	-	(3,551)
Disposal of property							
- pursuant to revaluation reserve	-	-	(349)	349	-	-	-
Translation Surplus	-	-	46	-	46	-	46
Balance as at 31 March 2007	<u>60,901</u>	<u>195</u>	<u>4,167</u>	<u>17,571</u>	<u>82,834</u>	<u>736</u>	<u>83,570</u>

The Condensed Consolidated Statements of Changes In Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31st March 2006 and the accompanying explanatory notes to the interim financial reports.

UNAUDITED QUARTERLY REPORT ON FINANCIAL RESULTS FOR THE YEAR ENDED 31 MARCH 2007

Notes to the Interim Financial Report

A1. Accounting Policies

The interim financial reports are unaudited and have been prepared in accordance with FRS 134, Interim Financial Reporting and paragraph 9.22 of the Bursa Malaysia Securities Berhad Listing Requirements. The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 March 2006.

A2. Change in Accounting Policies

The significant accounting policies adopted are consistent with those in the audited financial statements for the financial year ended 31 March 2006 except for the adoption of the following new/revised Financial Reporting Standard (“FRS”) mandatory for financial period beginning 1 January 2006.

FRS 2	Share-based Payment
FRS 3	Business Combinations
FRS 5	Non-current Assets Held for Sale and Discontinued Operations
FRS 101	Presentation of Financial Statements
FRS 102	Inventories
FRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
FRS 110	Events after the Balance Sheet Date
FRS 116	Property, Plant and Equipment
FRS 121	The Effects of Changes in Foreign Exchange Rates
FRS 127	Consolidated and Separate Financial Statements
FRS 128	Investments in Associates
FRS 132	Financial Instruments: Disclosure and Presentation
FRS 133	Earning Per Share
FRS 136	Impairment of Assets
FRS 138	Intangible Assets
FRS 140	Investment Property

The adoption of FRS 2, 5,102, 108, 110, 116, 121, 128, 132, 133 and 140 does not have significant financial impact on the Group. The principal effects of the changes in accounting policies resulting from the adoption of the other new/revised FRSs are as follows:

**FRS 3: Business Combinations,
FRS 136: Impairment of Assets and
FRS 138: Intangible Assets**

The new FRS 3 has resulted in consequential amendments to two other accounting standards, FRS 136 and FRS 138.

The adoption of these new FRSs has resulted in the Group ceasing annual goodwill amortisation. Goodwill which was previously carried at cost less accumulated amortisation, is now tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired. Any impairment loss is recognised in income statement and subsequent reversal is not allowed. Prior to 31 March 2006, goodwill was amortised on a straight-line basis over its estimated useful life of 25 years.

The transitional provisions of FRS 3, however, have required the Group to eliminate at 31 March 2006 the carrying amount of the accumulated amortisation of RM222,750 against the cost of goodwill. The carrying amount of goodwill as at 31 March 2006 of RM836,556 ceased to be amortised. This has the effect of reducing the amortisation charges by RM10,593 in the current quarter.

FRS 101: Presentation of Financial Statements

FRS 127: Consolidated and Separate Financial Statements

The adoption of the revised FRS 101 has affected the presentation of minority interest.

In prior years, minority interests at the balance sheet date were presented in the consolidated balance sheet separately from liabilities and as deduction from net assets. Minority interest in the result of the Group for the year were also separately presented in the income statement as a deduction before arriving at the profit attributable to shareholders.

With effect from 1 April 2006, in order to comply with FRS 101 and FRS 127, minority interests at the balance sheet date are presented in the consolidated balance sheet within equity, separately from the equity attributable to the equity holders of the parent, and minority interests in the results of the Group for the period are presented on the face of the consolidated income statement as an allocation of the total profit or loss for the period between the minority interests and the equity holders of the parent. The presentation of minority interest in the consolidated balance sheet, income statement and statement of changes in equity for the comparative period has been restated accordingly.

A3. Audit Qualification on Annual Financial Statements

The audit report of the Group's annual Financial Statements for the financial year ended 31 March 2006 was not subject to any qualification.

A4. Seasonal or Cyclical Factors

The Group's business operations are not significantly affected by any seasonal or cyclical factors.

A5. Unusual Items

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

A6. Material Changes in Accounting Estimates

There were no changes in accounting estimates for financial period under review.

A7. Debts and Equity Securities

In the 4th quarter ended 31 Mar 2007, a total 923,400 new ordinary shares were issued and allotted pursuant to the exercise of the Employees Shares Option Scheme ("ESOS"), at an option price of RM 0.50.

There were no cancellations, share buy-backs, shares held as treasury shares, resale of treasury shares and repayment of debt and equity security during the financial period ended 31 Mar 2007.

A8. Dividend Paid

There were no dividend payments made in current quarter.

A9. Segmental Reporting

	Revenue RM'000	Profit before Taxation RM'000	Assets Employed RM'000
Manufacturing Division	59,508	5,409	42,937
Distributing Division	215,725	12,225	108,470
	<u>275,233</u>	<u>17,634</u>	<u>151,407</u>
Unallocated corporate profit / assets		347	1,968
		<u>17,981</u>	<u>153,375</u>

A10. Valuations of Property, Plant and Equipment

The valuations of property, plant and equipment have been brought forward without amendment from the previous annual financial statements.

A11. Subsequent Material Events

There are no subsequent material events that are required to be reflected in the current quarter.

A12. Changes in the Composition of the Group

There were no changes in Composition of the Group for current quarter under review.

A13. Contingent Liabilities

As of 31 Mar 2007, the Group has credit facilities from licensed banks, financial institutions and suppliers totalling RM 155.46million (RM 114.70 million in Mar 2006) which are guaranteed by the Company. Accordingly, the Company is contingently liable to the extent of credit facilities utilised by its subsidiary companies as of year-end amounting to about RM 48.84 million (RM 39.10 million in Mar 2006).

A14. Capital Commitments

As of 31 March 2007, the Group has the following capital commitments:

	RM'000
Approved but not contracted for :	
Purchase of land	1,178
	=====

Additional Information Required by the Bursa Malaysia Listing Requirements

B1. Review of the Performance

For the financial year ended 31 March 2007, the Group recorded a revenue of RM 275.23 million and profit before tax (“PBT”) of RM 17.98 million. This represented a growth of 22.94% and 100.17% in revenue and PBT respectively as compare to the results in the preceding financial year ended 31 March 2006. The growth in the Group’s PBT is attributed mainly from the higher sales volume achieved, the substantial level of price increase in the wood panel industries and the contribution of the new subsidiaries, which results in a higher profit margin to the Group

In the 4th Quarter of current financial year, the Group’s revenue increase 8.25% from RM 59.23 million to RM 64.12 million in preceding corresponding quarter. The PBT also increase from RM 1.69 million to RM 3.97 million, representing a growth of 135.05%.

B2. Variation of Results Against Preceding Quarter

For current quarter under review, the Group’s revenue growth 2.73% as compare to RM 62.42 million in the preceding quarter ended 31 Dec 2006. However, the PBT has declined from RM 4.85 to RM 3.97 million due to the seasonally higher operating costs.

B3. Prospects

Coupled with competitive pricing policies, barring unforeseen circumstances, the directors are optimistic that the Group is expected to continuing achieve encouraging results for the next financial years. The Board will continuously take necessary steps to deliver satisfactory results for the coming periods.

B4. Taxation

The taxation is calculated based on the profit for the financial year ended 31 Mar 2007 comprises the following:

	<u>Current Quarter</u> RM’000	<u>Current Year To Date</u> RM’000
<u>Income tax Expenses :</u>		
Current Quarter/Year	1,343	4,099
Under-provision in Prior Quarter/Year	93	220
	<u>1,436</u>	<u>4,319</u>

The effective tax rate of the Group for financial year ended 31 March 2007 lower than the statutory tax rate and this is principally due to utilisation of tax allowances.

B5. Unquoted Investments and/or Properties

One of the property held by the Company’s wholly-owned subsidiary company namely, Bripanel Industries Sdn. Bhd. has been disposed for a total consideration of RM 1.05 million. Subsequent to the disposal, the amount in the revaluation reserve account relating to the said property has been transferred to retained earning account.

B6. Quoted Securities

There were no purchase or disposal of quoted securities for the quarter under review.

B7. Status of Corporate Proposals

There was no corporate proposal for current quarter under review.

B8. Borrowings

The Group's borrowings as at the end of the reporting period are 100% unsecured :-

	As At 31 March 2007 RM'000	As At 31 December 2006 RM'000
Short Term Borrowing	43,375	40,392
Long Term Borrowing	2,320	2,350
	<hr/>	<hr/>
	45,695	42,742
	<hr/> <hr/>	<hr/> <hr/>

B9. Off Balance Sheet Financial Instruments

There was no financial instrument with off balance sheet risk as at the date of this report.

B10. Material Litigation

There was no change in material litigation since the last audited annual balance sheet date.

B11. Proposed Dividend

Pending the declaration of dividends by subsidiary company RM 1,900,000, the directors proposed a final dividend of 3%, tax-exempt, in respect of the current financial year. This dividend is subject to approval by the shareholders at the forthcoming Annual General Meeting of the Company, and has not been included as a liability in the financial statements. The dates of entitlement and payment will be determined at a later stage.

B12. Earnings Per Share ("EPS")

The EPS is derived as follow :-

	Current Quarter	Current Year To Date
Net profit for the period (RM'000)	2,502	13,372
Weighted average number of ordinary shares ('000)	121,244	120,819
EPS (sen)	2.06	11.38
Diluted EPS (sen)	2.02	* ----

* The diluted EPS for current year to date is not presented as the effect from exercising of the share options under the ESOS would be anti-dilutive.