

JOBSTREET CORPORATION BERHAD
(Company No: 641378-W)
Notes on the quarterly report – 31 March 2005

A. EXPLANATORY NOTES AS PER MASB 26

A1. Basis of preparation

The interim unaudited financial statements have been prepared in compliance with the Malaysian Accounting Standards Board (“MASB”) Standard No. 26 “Interim Financial Reporting” and Appendix 7A of the Listing Requirements of Bursa Malaysia Securities Berhad for the MESDAQ Market. As the Company was incorporated as a public limited company on 6 February 2004 and listed on 29 November 2004, no comparative figures are presented.

The accounting policies and methods of computation adopted by the Group in this quarterly report are consistent with those adopted in the audited financial statements for the period ended 31 December 2004.

A2. Auditors’ report

There were no audit qualifications on the annual financial statements of the Company and its subsidiaries for the financial period/year ended 31 December 2004.

A3. Seasonality or cyclicity of interim operations

In general, recruitment activities tend to slow down towards year-end and during major holidays. Typically, this results in sequentially lower results in the last quarter of the year.

A4. Unusual items

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

A5. Changes in estimates

There were no changes in the nature and amount of estimates 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 in the Company during the quarter under review.

On 29 November 2004, the Company offered 14,890,000 ESOS options at an exercise price of RM0.54 per share to the directors and eligible employees of the Group, of which all the directors and eligible employees accepted the offer. As at 31 March 2005, all the ESOS options remained unexercised.

A7. Dividends paid

On 25 April 2005, the Company declared a tax exempt interim dividend of 1.5 sen per ordinary share for the financial year ending 31 December 2005 amounting to RM3.015 million. The dividend will be paid on 6 June 2005.

A8. Segmental reporting

Segment information is presented in respect of the Group's geographical segments. The primary format, geographical segments, is based on the Group's management and internal reporting structure. Inter-segment pricing is determined based on negotiated terms.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise interest-earning assets and revenue, interest-bearing loans, borrowings and expenses, and corporate assets and expenses.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets that are expected to be used for more than one period.

Geographical segments

The Group comprises the following main geographical segments:

Malaysia
Singapore
Others

Geographical segments	Malaysia RM'000	Singapore RM'000	Others RM'000	Eliminations RM'000	Group RM'000
Revenue from external customers	8,317	1,714	1,790	-	11,821
Inter-segment revenue	88	-	-	(88)	-
Total revenue	8,405	1,714	1,790	(88)	11,821
Segment result					
Operating profit	2,747	369	623	16	3,755
Interest income	122	2	41	-	165
Dividend income	3,476	3,501	-	(6,977)	-
Profit before taxation	6,345	3,872	664	(6,961)	3,920
Tax expense	(25)	-	(189)	-	(214)
Minority interests	-	-	(173)	-	(173)
Net profit for the period	6,320	3,872	302	(6,961)	3,533
Segment assets	28,803	4,295	5,109	-	38,207
Unallocated assets				-	3,587
Total assets				-	41,794
Segment liabilities	4,253	1,986	1,808	-	8,047
Unallocated liabilities				-	191
Total liabilities				-	8,238
Capital expenditure	252	14	145	-	411
Depreciation	100	15	28	-	143

A9. Valuation of Property, Plant and Equipment

The Group did not revalue any of its property, plant and equipment.

A10. Subsequent events

As disclosed in the notes to the audited financial statements of the Company for the year ended 31 December 2004, a subsidiary company had on 7 March 2005, submitted a tender for the proposed acquisition of an eight (8) storey freehold office building at a purchase price of RM10,000,000. Subsequent to the end of the current quarter, the subsidiary company had on 12 May 2005, received a letter dated 10 May 2005 from the vendor's solicitor indicating that the tender has been accepted by the vendor's tender committee. The acceptance is subject to the execution of a conditional Sale and Purchase Agreement. An announcement detailing the transaction will be made upon signing of the conditional Sale and Purchase Agreement.

The proposed acquisition is subject to shareholders' approval which will be sought at a general meeting to be convened.

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

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 assets and contingent liabilities

There were no contingent assets or contingent liabilities as at 24 May 2005 (the latest practicable date not earlier than 7 days from date of issue of this financial results).

A13. Capital Commitments

	As at 31.03.2005 RM'000
Property, plant and equipment	
Authorised but not contracted for	10,000
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B. EXPLANATORY NOTES PURSUANT TO APPENDIX 7A OF THE LISTING REQUIREMENTS OF BURSA SECURITIES FOR THE MESDAQ MARKET

B1. Review of performance for the quarter

For the quarter ended 31 March 2005, the Group achieved an unaudited revenue of RM11.8 million and unaudited profit after taxation and minority interest of RM3.5 million. The strong performance during the quarter is a reflection of a general improvement in the regional economic conditions and an increased level of acceptance of the Group's products and services.

B2. Comparison with previous quarter's results

	Q1 2005 <u>Current Quarter</u> RM'000	Q4 2004 <u>Preceding Quarter</u> RM'000
Revenue	11,821	9,543
Profit before taxation	3,920	2,569

For the current quarter under review, the Group recorded revenue of RM11.8 million representing a 23.9% increase compared to RM9.5 million recorded in the preceding quarter. Due to the operating leverage arising from the high proportion of fixed costs, profit before taxation for the current quarter increased by a higher rate of 52.6% to RM3.9 million as compared to RM2.6 million for the preceding quarter.

B3. Current Year Prospects

Growth in the Group's existing regional operations is expected to contribute to the Group's profitability in the year 2005. The performance of the Group is anticipated to be satisfactory for the financial year ending 31 December 2005.

B4. Profit Forecast

No profit forecast was announced hence there was no comparison between actual results and forecast.

B5. Taxation

The taxation charge for the current quarter includes the following:

	Individual Quarter Ended 31.3.2005 RM'000	Cumulative Quarter Ended 31.3.2005 RM'000
Estimated current tax payable	217	217
Overprovision of taxation in prior year	-	-
Deferred taxation	(3)	(3)
	<u>214</u>	<u>214</u>

The effective tax rate is lower than statutory tax rate of 28% mainly due to the following:-

- (i) Tax exempt income of a subsidiary company which has been granted the Multimedia Super Corridor (“MSC”) status and pioneer status for a period of 5 years commencing from 28 May 1999. The MSC status along with the pioneer status has been renewed for another five years up to 27 May 2009;
- (ii) Utilisation of previously unrecognized tax losses; and
- (iii) The effects of different tax rates in certain countries.

B6. Sale of Investments and/or Properties

There was no disposal of investment or properties during the financial period under review.

B7. Purchase and Disposal of Quoted Securities

There was no purchase or disposal of quoted securities during the financial period under review.

B8. Status of Corporate Proposals

There were no corporate proposals announced but not completed as at the date of this announcement.

B9. Status of Utilisation of Listing Proceeds

The Company raised RM9.72 million during its Initial Public Offering exercise in November 2004 and the details of the utilization of proceeds up to 31 March 2005 are as follows:-

Description	Proposed Utilisation RM'000	Actual Utilisation RM'000	Balance RM'000
(i) Capital Expenditure	1,000	-	1,000
(ii) Working Capital	7,220	-	7,220*
(iii) Listing Expenses	1,500	1,768	(268)*
Total	9,720	1,768	7,952

* *The excess expense will be adjusted against working capital.*

B10. Group Borrowings and Debt Securities

There are no other borrowings or debts securities in the Group.

B11. Off Balance Sheet Financial Instruments

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

B12. Material Litigation

The Group is not engaged in any material litigation either as plaintiff or defendant and the directors do not have any knowledge of any proceedings pending or threatened against the Group as at the date of this report.

B13. Dividend

On 25 April 2005, the Company declared a tax exempt interim dividend of 1.5 sen per ordinary share for financial year ending 31 December 2005 amounting to RM3.015 million. The dividend will be paid on 6 June 2005.

B14. Earnings Per Share

(a) Basic earnings per share

The basic earnings per share is calculated by dividing the Group's net profit attributable to shareholders by the weighted average number of ordinary shares of RM0.10 each in issue during the period.

	3 months ended	
	31.03.2005	31.03.2004
Net profit attributable to shareholders (RM'000)	3,533	N/A
Weighted average number of shares in issue ('000)	201,000	N/A
Basic earnings per share (sen)	1.76	N/A

(b) Fully diluted earnings per share

The fully diluted earnings per share is calculated by dividing the net profit attributable to shareholders by the weighted average number of shares in issue adjusted for dilutive potential shares issueable in respect of share options pursuant to ESOS.

	3 months ended	
	31.03.2005	31.03.2004
Net profit attributable to shareholders (RM'000)	3,533	N/A
Weighted average number of shares in issue ('000)	201,000	N/A
Adjustments for share options ('000)	9,187	
	210,187	N/A
Diluted earnings per share (sen)	1.68	N/A