EXPLANATORY NOTES AND ADDITIONAL INFORMATION

1. Basis of preparation

This interim financial report is unaudited and has been prepared in compliance with the Main Market Listing Requirements of Bursa Malaysia Securities Berhad and Financial Reporting Standard (FRS) 134, *Interim Financial Reporting*.

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Company and its subsidiaries ("the Group") subsequent to 31 December 2010.

The significant accounting policies and methods of computation applied in the unaudited condensed interim financial statements are consistent with those adopted in the most recent audited annual financial statements for the financial year ended 31 December 2010 except for the mandatory adoption of the following new and revised Financial Reporting ("FRS") and Issues Committee Interpretations ("IC Int.") effective on 1 January 2011:-

FRS 1, *First-time Adoption of Financial Reporting Standards (revised)*

FRS 3, *Business Combinations (revised)*

FRS 127, *Consolidated and Separate Financial Statements (revised)*

Amendments to FRS 1, *First-time Adoption of Financial Reporting Standards*

Amendments to FRS 2, *Group Cash-settled Share Based Payment Transactions*

Amendments to FRS 2, *Share-based Payment*

Amendments to FRS 5, *Non-current Assets Held for Sale and Discontinued Operations*

Amendments to FRS 7, *Financial Instruments: Disclosures – Improving Disclosures about Financial Instruments*

Amendments to FRS 132, *Financial Instruments: Presentation – Classification of Rights Issue*

Amendments to FRS 138, *Intangible Assets*

Improvements to FRSs (2010)

IC Interpretation 4, *Determining whether an Arrangement contains a Lease*

IC Interpretation 16, *Hedges of a Net Investment in a Foreign Operation*

Amendments to IC Interpretation 9, *Reassessment of Embedded Derivatives*

The adoption of the above did not have any significant effects on the interim financial report upon their initial application.

2. Seasonality or cyclicality 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.

3. Unusual items

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

4. 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.

5. 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 except for the following:-

Employee Share Option Scheme ("ESOS")

Movements in the number of share options outstanding during the quarter under review are as follows:-

Number of options over ordinary shares of RM0.20 each ('000)

Grant No.	Date of Offer	Option Price	Balance at 1.1.2011	Granted	Exercised	Lapsed/ Forfeited	Balance at 31.3.2011
I	29.11.2004	RM0.36	4,409	-	(600)	-	3,809
II	23.02.2006	RM0.90	280	-	(25)	-	255
III	28.03.2007	RM1.08	337	-	(58)	-	279
IV	20.05.2008	RM1.53	373	-	(65)	-	308
V	11.01.2010	RM1.31	12,421	-	(510)	-	11,911
			17,820	-	(1,258)	-	16,562

6. Dividends paid

The Company had on 24 February 2011 declared a fourth interim single tier dividend of 1.5 sen per ordinary share for the financial year ended 31 December 2010 amounting to RM4.762 million. The dividend was paid on 31 March 2011.

7. Operating segments

In presenting information on the basis of geographical segments, segment revenue is based on geographical location of customers. For each of the geographical segment, the Group's Chief Executive Officer reviews internal management reports on at least a quarterly basis. Segment assets are based on the geographical location of the assets. The amounts of non-current assets do not include financial instruments (including investments in associates) and deferred tax assets.

The Group comprises the following main geographical segments:

Malaysia
Singapore
Philippines

Other non-reportable segments comprise the location of customers of the following countries: Hong Kong, Indonesia, Japan, British Virgin Islands and India ("Others")

Segment assets

The total of segment asset is measured based on all assets (including goodwill) of a segment, as included in the internal management reports that are reviewed by the Group's Chief Executive Officer.

Segment total asset is used to measure the return of assets of each segment.

Segment liabilities

Segment liabilities information is neither included in the internal management reports nor provided regularly to the Chief Executive Officer. Hence no disclosure is made on segment liability.

Segment capital expenditure

Segment capital expenditure is the total cost incurred during the financial year to acquire property and equipment, and intangible assets other than goodwill.

Cumulative Quarter Ended 31/3/2011
(The figures have not been audited)

Geographical segments	**Malaysia RM'000**	**Singapore RM'000**	**Philippines RM'000**	**Others RM'000**	**Elimination RM'000**	**Group RM'000**
Revenue from external customers	20,383	6,119	5,230	1,892	-	33,624
Investment distribution income	2	-	-	-	-	2
Inter-segment revenue	1,503	-	-	-	(1,503)	-
Total revenue	21,888	6,119	5,230	1,892	(1,503)	33,626
Segment result						
Results from operating activities	9,382	2,655	2,463	341	-	14,841
Finance income	82	4	129	16	-	231
Finance costs	-	-	-	(3)	-	(3)
Gain on financial assets classified as fair value through profit or loss	21	-	-	-	-	21
Share of profit after tax and minority interest of associates and jointly-controlled entities	1,047	-	-	-	-	1,047
Profit before taxation	10,532	2,659	2,592	354	-	16,137
Tax expense	(2,895)	(343)	(742)	(1)	-	(3,981)
Profit for the period	7,637	2,316	1,850	353	-	12,156
Segment assets	170,361	24,861	22,795	6,703	-	224,720
Included in the measure of segment assets are:						
Investments in associates and a jointly-controlled entity	79,533	-	-	-	-	79,533
Additions to non-current assets other than financial instruments and deferred tax assets	242	35	18	33	-	328
Depreciation	307	25	65	36	-	433

Cumulative Quarter Ended 31/3/2010

Geographical segments	Malaysia RM'000	Singapore RM'000	Philippines RM'000	Others RM'000	Elimination RM'000	Group RM'000
Revenue from external customers	16,986	5,069	4,374	1,076	-	27,505
Dividends	120	-	-	-	-	120
Investment distribution income	2	-	-	-	-	2
Inter-segment revenue	1,236	-	-	-	(1,236)	-
Total revenue	18,344	5,069	4,374	1,076	(1,236)	27,627
Segment result						
Results from operating activities	8,171	2,353	1,865	166	-	12,555
Finance income	96	1	105	3	-	205
Finance costs	-	-	-	(4)	-	(4)
Gain on financial assets classified as fair value through profit or loss	24	-	-	-	-	24
Dividend income	-	935	-	-	(935)	-
Share of loss after tax and minority interest of associates and a jointly-controlled entity	(65)	(59)	-	-	-	(124)
Profit before taxation	8,226	3,230	1,970	165	(935)	12,656
Tax expense	(2,320)	(450)	(563)	(2)	-	(3,335)
Profit for the period	5,906	2,780	1,407	163	(935)	9,321
Segment assets	175,797	11,662	18,677	5,365	-	211,501
Included in the measure of segment assets are:						
Investments in associates and jointly-controlled entity	4,904	-	-	-	-	4,904
Additions to non-current assets other than financial instruments and deferred tax assets	346	35	52	6		439
Depreciation	230	13	61	26	-	330

8. Subsequent events

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

9. Changes in the composition of the Group

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

10. Changes in contingent assets and contingent liabilities

In 2008, the Company had provided a corporate guarantee for SGD 5.5 million to a financial institution for a treasury/foreign exchange facility granted to the Company's wholly-owned subsidiary, JobStreet.com Pte. Ltd.

Other than the above, there were no other material contingent liabilities or contingent assets as at 11 May 2011 (being the latest practicable date not earlier than 7 days from the date of issue of this interim financial report).

11. Capital Commitments

	As at 31.3.2011 RM'000
Investment in a jointly-controlled entity	
Contracted but not provided for:	
Within one year	288
Property and equipment	
Contracted but not provided for:	
Within one year	92

12. Review of performance for the quarter

In the first quarter of 2011, consolidated revenue amounted to RM33.6 million, approximately RM6.0 million or 21.7% higher than the RM27.6 million recorded in the corresponding quarter of the preceding financial year. The increase was mainly due to higher sales reflecting higher recruitment activities. Revenue from job fairs in Indonesia and consulting services in Japan had also contributed to the increase in consolidated revenue.

Results from operating activities rose 18.2% in tandem with the higher revenues. Operating expenses increased by 23.1% mainly due to higher staff costs and marketing expenses. On a pre-tax basis, the Group's profit before taxation ("PBT") recorded growth of 27.5% to RM16.1 million compared with RM12.7 million reported in the corresponding quarter in the preceding financial year. During the current quarter, the Group's share of profit in associates and a jointly-controlled entity amounted to RM1.0 million which positively impacted profitability.

The Group's profit after taxation ("PAT") increased by 30.4% to RM12.2 million compared with the RM9.3 million reported in the corresponding quarter in 2010. Effective tax rate was lower compared to the corresponding quarter in 2010 due to the higher share of profit in associates and jointly-controlled entities, net of tax.

13. Comparison with previous quarter's results

	Q1 2011 Current Quarter RM'000	Q4 2010 Preceding Quarter RM'000
Revenue	33,626	29,355
Profit before taxation	16,137	11,949

For the current quarter under review, the Group recorded revenue of RM33.6 million representing a 14.5% increase compared with RM29.4 million recorded in the preceding quarter. This increase was mainly due to higher sales reflecting higher recruitment activities.

In terms of profitability, PBT in the current quarter rose by 35.0% mainly due to the impact of higher sales and receipt of grant income.

14. Prospects for the Year 2011

Entering into 2011, the job market in the region and the demand for recruitment advertising services remain solid. During 2010, our primary regional competitor was acquired by SEEK Asia, whose ultimate parent company owns 22.2% of JobStreet Corporation Berhad. This may lead to changes in the competitive environment going forward. The performance of the Group for the financial year ending 31 December 2011 is expected to be satisfactory, with the outcome dependent on sustained economic growth, the competitive environment, the ability of the Group to increase sales and the performance of its investments.

15. Profit Forecast

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

16. Taxation

The taxation charge for the current quarter includes the following:

	Individual and Cumulative Quarter Ended	
	31.3.2011 RM'000	**31.3.2010 RM'000**
Estimated current tax payable	3,933	3,306
Deferred taxation	48	29
	3,981	3,335

The effective tax rate is lower than statutory tax rate of 25% mainly due to the effects of different tax rates in certain countries.

17. Unquoted Investments and/or Properties

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

18. Quoted Investments

The Group's dealings in quoted securities during the current quarter and financial year-to-date are as follows:-

	Individual and Cumulative Quarter Ended 31.3.2011 RM'000
Quoted securities of associate companies	
Share of results and changes in equity in associates; and exchange differences	(1,496)
Long term:	
Changes in fair value	7,067
Short term:	
Purchase consideration	77
Changes in fair value	21

Available-for-sale investments are measured at their fair values with the gain or loss recognised in other comprehensive income, except for impairment losses which are recognised in profit or loss. On derecognition, the cumulative gain or loss recognised in other comprehensive income is reclassified from equity into profit or loss.

The Group's available-for-sale investments in quoted securities, investments in the quoted securities of associate companies and other short term investments in quoted securities as at 31 March 2011 are summarized below:

	RM'000
At cost	110,986
At carrying value/book value	126,267
At market value	128,162

Other than the above, there was no purchase or disposal of quoted securities during the financial period under review.

19. Status of Corporate Proposals

(a) Proposed acquisition of additional ordinary shares in 104 Corporation (Taiwan)

At the Extraordinary General Meeting held on 6 January 2010, the Company's shareholders approved the following proposals:-

(i) Proposed acquisition of additional ordinary shares of TWD 10 each in 104 Corp from the open market of the Taiwan Stock Exchange ("Proposed Acquisition");

(ii) Proposed amendments to the existing Bye-Laws of the ESOS of the Company; and

(iii) Proposed allocation of ESOS options to directors

The Proposed Acquisition is expected to be completed by 31 December 2011.

(b) Proposed disposal of ordinary shares in JS E-Recruitment Ltd

The Company had on 24 June 2009 entered into a Share Sale Agreement (the "SSA") with Daffodil Computers Limited, a company incorporated in Bangladesh with its registered office at 64/3 Lake Circus, Kelabagan, Dhaka 1205, Bangladesh ("Daffodil") for the disposal of 60,000 ordinary shares of BDT 10 each in the share capital of JS E-Recruitment Ltd. ("JSE") to Daffodil, representing 60% equity interest in the issued and paid-up share capital of JSE for a total cash consideration of USD1.00 (equivalent to RM3.549 based on the exchange rate as at 23 June 2009 of USD1:RM3.549) ("Proposed Disposal").

20. Group Borrowings and Debt Securities

The Group's borrowings are unsecured, denominated in Japanese Yen and classified as follows:-

	As at 31.3.2011 RM'000
Current	152
Non-current	316
Total	468

21. 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.

22. 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.

23. Dividend

The Company had on 18 May 2011 declared the first interim single tier dividend of 1.5 sen per ordinary share of RM0.20 each for the financial year ending 31 December 2011 amounting to RM4.762 million computed based on the issued and paid-up share capital (excluding treasury shares) as at 11 May 2011. The dividend entitlement date and payment dates will be announced at a later date.

During the previous corresponding period, the Company declared a first tax exempt interim dividend of 1.25 sen per ordinary share for the financial year ended 31 December 2010 amounting to RM3.945 million. The interim single tier dividend of 1.5 sen per share for the current quarter is in line with the financial performance of the Group.

24. Earnings Per Share

(a) Basic earnings per share

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

	Individual and Cumulative Quarter Ended	
	31.3.2011	**31.3.2010**
Net profit attributable to owners of the Company (RM'000)	11,292	8,692
Weighted average number of shares in issue ('000)	316,349	313,349
Basic earnings per share (sen)	3.57	2.77

(b) Fully diluted earnings per share

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

	Individual and Cumulative Quarter Ended	
	31.3.2011	**31.3.2010**
Net profit attributable to owners of the Company (RM'000)	11,292	8,692
Weighted average number of shares in issue ('000)	316,349	313,349
Adjustments for share options ('000)	6,938	6,948
	323,287	320,297
Diluted earnings per share (sen)	3.49	2.71

25. Realised and unrealised profits/losses

	Group As at 31.3.2011	Group As at 31.12.2010
Total retained profits of the Company and its subsidiaries:		
- Realised	78,703,255	72,648,905
- Unrealised	3,141,306	3,354,456
Total share of retained profits from associated companies:		
- Realised	2,337,247	1,090,403
- Unrealised	-	38,000
Total share of accumulated losses from jointly controlled entities:		
- Realised	(1,153,758)	(992,511)
- Unrealised	-	-
	83,028,050	76,139,253
Add: Consolidation adjustments	9,121,231	9,493,918
Total group retained profits	92,149,281	85,633,171

26. Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors on 18 May 2011.