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 Malaysian Financial Reporting Standards ("MFRS") 134, *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board ("MASB").

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 2012.

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 2012 except for the mandatory adoption of the following new and revised Malaysian Financial Reporting Standards ("MFRS") and Issues Committee Interpretations ("IC Int.") effective on 1 January 2013:-

Amendments to MFRS 101, *Presentation on Financial Statements – Presentation of Items of Other Comprehensive Income*

MFRS 10, *Consolidated Financial Statements*

MFRS 11, *Joint Arrangements*

MFRS 12, *Disclosure of Interests in Other Entities*

MFRS 13, *Fair Value Measurement*

MFRS 119, *Employee Benefits (2011)*

MFRS 127, *Separate Financial Statements (2011)*

MFRS 128, *Investments in Associates and Joint Ventures (2011)*

Amendments to MFRS 1, *First-time Adoption of Financial Reporting Standards (Annual Improvements 2009-2011 Cycle)*

Amendments to MFRS 7, *Financial Instruments: Disclosures – Offsetting Financial Assets and Financial Liabilities*

Amendments to MFRS 101, *Presentation of Financial Statements (Annual Improvements to 2009-2011 Cycle)*

Amendments to MFRS 116, *Property, Plant and Equipment (Annual Improvements to 2009-2011 Cycle)*

Amendments to MFRS 132, *Financial Instruments: Presentation (Annual Improvements 2009-2011 Cycle)*

Amendments to MFRS 134, *Interim Financial Reporting (Annual Improvements 2009-2011 Cycle)*

Amendments to MFRS 10, *Consolidated Financial Statements: Transition Guidance*

Amendments to MFRS 11, *Joint Arrangements: Transition Guidance*

Amendments to MFRS 12, *Disclosure of Interest in Other Entities: Transition Guidance*

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

During the current financial year, the Company repurchased its own shares on the Bursa Malaysia Securities Berhad as follows:-

Month	Number of shares repurchased	Highest price paid per share RM	Lowest price paid per share RM	Aggregate cost paid RM
February 2013	179,000	2.45	2.40	433,214
April 2013	129,800	3.18	2.99	396,775
May 2013	98,000	3.20	3.20	314,835
Total	406,800			1,144,824

The shares bought back were initially held as treasury shares. None of the treasury shares held were resold or cancelled during the current financial year.

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 1.4.2013	Granted	Exercised	Lapsed	Balance at 30.6.2013
I	29.11.2004	RM0.36	958	-	(958)	-	-
II	23.02.2006	RM0.90	226	-	(2)	-	224
III	28.03.2007	RM1.08	195	-	-	-	195
IV	20.05.2008	RM1.53	286	-	-	-	286
V	11.01.2010	RM1.31	9,133	-	(410)	-	8,723
VI	09.01.2013	RM2.10	1,050	-	-	-	1,050
			11,848	-	(1,370)	-	10,478

6. Dividends Paid

The shareholders of the Company had on 23 May 2013 approved the payment of a final single tier dividend of 2.75 sen per ordinary share of RM0.20 each in respect of the financial year ended 31 December 2012 amounting to RM8.704 million. The dividend was subsequently paid on 28 June 2013.

The Company had on 23 May 2013 declared a first interim single tier dividend of 3.50 sen per ordinary share for the financial year ending 31 December 2013 amounting to RM11.077 million. The dividend was paid on 28 June 2013.

7. Operating Segments

In presenting information on the basis of operating 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 a jointly-controlled entity) 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")

There have been no changes in the basis of segmentation or in the basis of measurement of segment profit or loss from the last annual financial statements.

Cumulative Quarter Ended 30/6/2013
(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	45,953	16,519	18,901	5,287	-	86,660
Dividends	3,038	-	-	-	-	3,038
Investment distribution income	15	-	-	-	-	15
Inter-segment revenue	14,758	6,033	-	-	(20,791)	-
Total revenue	63,764	22,552	18,901	5,287	(20,791)	89,713
Segment results						
Results from operating activities	26,487	6,770	7,855	859	-	41,971
Interest income	130	2	398	65	-	595
Finance costs	-	-	-	(2)	-	(2)
Loss on financial assets classified as fair value through profit or loss	(314)	(57)	-	-	-	(371)
Dividend income	-	2,616	-	-	(2,616)	-
Share of profit of equity accounted associates and a jointly-controlled entity	2,068	-	-	-	-	2,068
Profit before tax	28,371	9,331	8,253	922	(2,616)	44,261
Income tax expense	(5,530)	(1,471)	(2,351)	(234)	-	(9,586)
Profit for the period	22,841	7,860	5,902	688	(2,616)	34,675
Segment assets	209,075	26,661	44,034	7,524	-	287,294
Included in the measure of segment assets are:						
Investments in associates	86,249	-	-	-	-	86,249
Non-current assets other than financial instruments and deferred tax assets	18,463	246	1,268	464	-	20,441
Additions to non-current assets other than financial instruments and deferred tax assets	1,476	62	29	43	-	1,610
Depreciation of property and equipment	919	64	222	147	-	1,352

Cumulative Quarter Ended 30/6/2012

Geographical segments	**Malaysia RM'000**	**Singapore RM'000**	**Philippines RM'000**	**Others RM'000**	**Elimination RM'000**	**Group RM'000**
Revenue from external customers	44,869	13,839	14,431	5,672	-	78,811
Dividends	4,140	-	-	-	-	4,140
Investment distribution income	9	-	-	-	-	9
Inter-segment revenue	11,807	-	-	-	(11,807)	-
Total revenue	60,825	13,839	14,431	5,672	(11,807)	82,960
Segment result						
Results from operating activities	25,530	2,859	6,041	(368)	-	34,062
Interest income	290	2	456	39	-	787
Finance costs	-	-	-	(4)	-	(4)
Gain on financial assets classified as fair value through profit or loss	235	1,457	-	-	-	1,692
Dividend income	-	1,721	-	-	(1,721)	-
Share of profit of equity accounted associates and a jointly-controlled entity	1,161	-	-	-	-	1,161
Profit before tax	27,216	6,039	6,497	(333)	(1,721)	37,698
Income tax expense	(5,797)	(659)	(1,904)	60	-	(8,300)
Profit for the period	21,419	5,380	4,593	(273)	(1,721)	29,398
Segment assets	196,263	36,109	37,327	7,427	-	277,126
Included in the measure of segment assets are:						
Investments in associates	84,306	-	-	-	-	84,306
Investment in a jointly-controlled entity	811	-	-	-	-	811
Non-current assets other than financial instruments and deferred tax assets	17,987	290	1,352	732	-	20,361
Additions to non-current assets other than financial instruments and deferred tax assets	1,008	4	659	113	-	1,784
Depreciation of property and equipment	725	62	163	176	-	1,126

8. Subsequent Events

Other than the corporate proposals disclosed in Note 18, 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

On 16 April 2013, JobStreet.com Pte Ltd ("JSPL"), a wholly-owned subsidiary company of JobStreet Corporation Berhad ("JCB") had incorporated a wholly-owned subsidiary known as JS Recruitment Solutions Sdn Bhd ("JRS"). JRS has an authorised share capital of RM100,000 comprising 100,000 ordinary shares of RM1.00 each and an issued and paid-up share capital of RM2.00 comprising 2 ordinary shares of RM1.00 each. Its intended principal activities are to provide business process outsourcing, consultancy and staffing services.

Other than the above, 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 14 August 2013 (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 30.6.2013 RM'000
Property and equipment	
Contracted but not provided for:	
Within one year	1,126
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12. Review of Performance for the Quarter

For the quarter ended 30 June 2013, consolidated revenue amounted to RM46.5 million, which is approximately RM1.4 million or 3.2% higher than the RM45.1 million recorded in the corresponding quarter in the preceding financial year. The increase was mainly due to the strong sales of online job posting services which grew 16.9% year-on-year in Q2 especially in the Group's core markets of Malaysia, Singapore, Indonesia and the Philippines. Revenue from the offline recruitment services contracted 20.7% year-on-year during the quarter. The Group's revenue growth during the quarter was also negatively impacted by lower dividend income from the Group's quoted investments in Hong Kong. The growth in revenue contributed to an increase in operating profit margins to 47.5% compared with 45.1% in Q2 2012.

<u>Malaysia</u>
Revenue from external customers derived from the Group's operations in Malaysia remained flat compared with the corresponding quarter in the preceding financial year. Although revenue from online recruitment advertising services grew 7.4% year-on-year in Q2, this was offset by a contraction in the offline businesses by 21.9%. Dividends from the Group's quoted investments in Hong Kong had also decreased by 26.6%. Overall, results from operating

activities in Malaysia decreased by 9.0% year-on-year mainly due to the lower dividends from quoted investments and higher staff costs.

Singapore
Revenue from external customers derived from the Group's operations in Singapore increased by 19.2% compared with the corresponding quarter in the preceding financial year. The increase was mainly attributed to higher revenue from online recruitment advertising services. Results from operating activities from the Singapore market increased by more than 100% compared with Q2 2012 due to the growth in revenue and technical fees.

Philippines
With the momentum of the strong Philippine economy continuing into 2013, the Group was able to grow its online recruitment advertising business and record revenue growth of 21.3% year-on-year in Q2. Results from operating activities increased by 19.5% as a result of the growth in revenue offset by higher inter-company charges and higher marketing expenses.

Others
The Others segment is driven mainly by the Group's operations in Indonesia and Japan. Leveraging on the strong economic growth, investment in headcount and expansion into key cities in 2012, the Group's operations in Indonesia recorded strong revenue growth in Q2. The profitability of the Group's subsidiary in Indonesia continued to grow during the quarter although its contribution to the Group's overall bottom line remained insignificant. In Japan, the Group continued to maintain a small presence in the market focusing on providing niche staff contracting and consulting services. During the current quarter, the Group's subsidiary in Japan recorded a decrease in revenue.

On a pre-tax basis, the Group's profit before tax ("PBT") for the quarter remained flat compared with the corresponding quarter in the preceding financial year. The increases in results from operating activities by 8.7% and share of profit from associates by 31.7% were offset by a decrease in the fair value of the Group's short term investments as financial markets react to the expectation of a tapering of the quantitative easing measures in the US. The Group's profit after tax ("PAT") decreased by 1.0% year-on-year to RM17.8 million due to a slightly higher effective tax rate.

13. Comparison with previous quarter's results

	Q2 2013 Current Quarter RM'000	Q1 2013 Preceding Quarter RM'000
Revenue	46,537	43,176
Profit before tax	22,597	21,664

For the current quarter under review, the Group recorded revenue of RM46.5 million representing an increase of 7.8% compared with RM43.2 million recorded in the preceding quarter. The increase was mainly due to higher revenue from online recruitment advertising services and dividends received from the Group's quoted investments in Hong Kong.

In terms of profitability, PBT in the current quarter rose by 4.3% mainly due to the aforementioned factor and increase in the share of profits from associates, offset by the decrease in the fair value of the Group's short term investments.

14. Prospects for the Year 2013

As the second quarter of 2013 concluded, global economic growth remains weak resulting in subdued recruitment activity in export-driven markets including Malaysia and Singapore. However, overall the emerging economies in South East Asia are still relatively strong given good growth in domestic consumption and continuing investment. Indonesia and Philippines in particular continue to be quite buoyant.

The performance of the Group for the financial year ending 31 December 2013 is expected to be satisfactory, with the outcome dependent on sustained economic growth, the competitive environment, stable political climate, 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 Quarter Ended		**Cumulative Quarter Ended**	
	30.6.2013 RM'000	**30.6.2012 RM'000**	**30.6.2013 RM'000**	**30.6.2012 RM'000**
Estimated current tax payable	4,850	4,692	9,784	8,754
Deferred taxation	(169)	(227)	(198)	(454)
	4,681	4,465	9,586	8,300

17. Quoted Investments

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

	Individual Quarter Ended 30.6.2013 RM'000	**Cumulative Quarter Ended 30.6.2013 RM'000**
Quoted securities of associate companies		
Share of results and changes in equity in associates, dividend received from associates and exchange differences	579	184
Long term:		
Purchase consideration	5,709	5,709
Changes in fair value	(2,517)	1,693
Short term:		
Purchase consideration	12,100	12,229
Sale proceeds	(4,789)	(4,789)
Changes in fair value	(1,147)	(371)

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 30 June 2013 are summarized below:

	RM'000
At cost	156,126
At carrying value/book value	171,732
At market value	162,734

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

18. Status of Corporate Proposals

(a) 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").

(b) Shareholders' Agreement entered into between Nguyen Hoang Bao ("HN") and JobStreet.com Pte Ltd ("JSPL")

On 1 October 2012, the Company announced that JSPL, a wholly-owned subsidiary of the Company had entered into a Shareholders' Agreement ("Agreement") with HN to incorporate and operate a joint venture company in Singapore in the name of JS Vietnam Holdings Pte Ltd ("JSVNH") with its primary objects of acquiring and holding 100% of the ordinary shares of JobStreet Company Limited ("JobStreet Vietnam"). JSPL had on 2 October 2012 acquired 2 ordinary shares of USD1.00 each representing 100% of the total issued and paid-up share capital of JSVH. The acquisition of JobStreet Vietnam by JSVH is expected to be completed by 30 September 2013.

(c) Re-organisation of group structure

On 18 April 2013, the Company announced that JCB will re-organise its group structure by transferring its shareholdings in PT JobStreet Indonesia ("PTJS") and Agensi Pekerjaan JS Staffing Services Sdn Bhd ("APJSS") to JSPL, a wholly-owned subsidiary of the Company at their respective book values ("Re-organisation"). Upon completion of the Re-organisation, PTJS will be a 60% owned subsidiary of JSPL and APJSS will be a wholly-owned subsidiary of JSPL.

(d) Share split and amendment of Memorandum of Association

On 3 July 2013, the Board of Directors of the Company announced that JCB is proposing to implement the following:-

(i) Proposed share split involving the subdivision of every one (1) existing ordinary share of RM0.20 each in the Company into two (2) ordinary shares of RM0.10 each ("Proposed Share Split"); and

(ii) Proposed amendment to JCB's Memorandum of Association to facilitate the implementation of the Proposed Share Split.

The Proposed Share Split was approved by Bursa Malaysia Securities Berhad via its letter dated 22 July 2013. The proposals will be tabled for shareholders' approval at an Extraordinary General Meeting to be held on 21 August 2013. The proposals are expected to be completed by September 2013.

19. Group Borrowings and Debt Securities

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

	As at 30.6.2013 RM'000
Current	112

20. 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.

21. Dividend

The Company had on 21 August 2013 declared the second interim single tier dividend of 3.50 sen per ordinary share of RM0.20 each for the financial year ending 31 December 2013 amounting to RM11.085 million computed based on the issued and paid-up share capital (excluding treasury shares) as at 14 August 2013. In the event that the Proposed Share Split has been approved by shareholders on 21 August 2013, the second interim single tier dividend for the financial year ending 31 December 2013 will be correspondingly adjusted to 1.75 sen per ordinary share of RM0.10 each amounting to RM11.085 million in line with the increase in the number of shares in issue. The dividend entitlement date and payment dates will be announced at a later date.

During the previous corresponding period, the Company declared a second interim single tier dividend of 1.50 sen per ordinary share for the financial year ended 31 December 2012 amounting to RM4.816 million. The interim single tier of 3.50 sen per ordinary share of RM0.20 each for the current quarter is in line with the financial performance of the Group and the revised dividend policy of the Company.

22. 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 Quarter Ended		Cumulative Quarter Ended	
	30.6.2013	**30.6.2012**	**30.6.2013**	**30.6.2012**
Net profit attributable to owners of the Company (RM'000)	16,634	17,245	31,985	27,609
Weighted average number of shares in issue ('000)	315,678	320,600	315,387	320,402
Basic earnings per share (sen)	5.27	5.38	10.14	8.62

(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 Quarter Ended		Cumulative Quarter Ended	
	30.6.2013	**30.6.2012**	**30.6.2013**	**30.6.2012**
Net profit attributable to owners of the Company (RM'000)	16,634	17,245	31,985	27,609
Weighted average number of shares in issue ('000)	315,678	320,600	315,387	320,402
Adjustments for share options ('000)	6,269	5,338	5,652	5,171
	321,947	325,938	321,039	325,573
Diluted earnings per share (sen)	5.17	5.29	9.96	8.48

23. Realised and Unrealised Profits/losses

	Group As at 30.6.2013	Group As at 31.12.2012
Total retained profits of the Company and its subsidiaries:		
- Realised	119,091,453	113,593,641
- Unrealised	10,788,738	10,876,012
Total share of retained profits from associated companies:		
- Realised	1,998,132	1,880,378
- Unrealised	97,026	(21,429)
Total share of accumulated losses from jointly-controlled entities:		
- Realised	(3,155,674)	(3,085,498)
- Unrealised	-	-
	128,819,675	123,243,104
Add: Consolidation adjustments	10,923,916	11,716,182
Total retained profits	139,743,591	134,959,286

24. Profit for the Period

	Individual Quarter Ended		Cumulative Quarter Ended	
	30.6.2013 RM'000	30.6.2012 RM'000	30.6.2013 RM'000	30.6.2012 RM'000
Profit for the period is arrived at after (charging)/ crediting:-				
Depreciation	(703)	(574)	(1,352)	(1,126)
Foreign exchange gain/(loss)	223	(25)	340	(298)
Impairment loss on trade receivables	(103)	(48)	(137)	(29)
Bad debts written off	(7)	(22)	(7)	(135)

Save as disclosed above and in the Condensed Consolidated Income Statement, the other items as required under Appendix 9B, Part A(16) of the Main Market Listing Requirements are not applicable.

25. Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors on 21 August 2013.