NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

1. Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with Malaysian Accounting Standard Board's, Financial Reporting Standards (FRS) 134 – Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (Bursa Malaysia). The interim financial report should be read in conjunction with the Group's annual audited financial statements for the year ended 31 March 2007.

2. Changes in Significant Accounting Policies

The accounting policies and method of computation adopted by the Group in this interim financial report are consistent with those adopted in the annual audited financial statements for the year ended 31 March 2007 except for the adoption of FRS 117 "Leases" and FRS 124 "Related Party Disclosures" effective for the financial period beginning 1 April 2007 and FRS 119 "Employee Benefits" effective immediately and the adoption of holding company's accounting policy in respect of property development cost of $FRS201_{2004}$ "Property Development Activities".

FRS 117 : Leases

FRS 117 requires payments for leasehold land to be reclassified as prepaid lease payments and are amortised on a straight-line basis over the lease term. Previously, leasehold land was classified as property, plant and equipment and was stated at cost less accumulated depreciation and impairment losses. The adoption of this FRS has no financial impact to the Group, except for restatement of the following figures:-

	As previously reported RM'000	Reclassification/ Adjustment RM'000	As Restated RM'000
Balance Sheet as at 31.3.2007			
Property, plant and equipment	102,156	(5,428)	96,728
Prepaid lease payments	-	5,428	5,428

FRS 124 : Related Party Disclosures

This FRS affects the identification of related parties and the disclosure of related party transactions and outstanding balances with other entities in the group. Intra-group related party transactions and outstanding balances are eliminated in the preparation of consolidated financial statements of the Group.

The adoption of this FRS has no financial impact on the Group's consolidated financial statements. The disclosure requirements under FRS 124 will be presented in the annual financial statements for the financial year ending 31 March 2008.

FRS 119 : Employee Benefits

This FRS supersedes $FRS119_{2004}$ Employee Benefits and Amendment to FRS 119_{2004} Employee Benefits – Actuarial Gains and Losses, Group Plans and Disclosures. This FRS which has the same effective date as the original standard has no financial impact on the Group's consolidated financial statements.

FRS 201_{2004} : Property Development Activities

Property development costs comprise cost of land and related acquisition costs and all costs that are directly attributable to development activities or that can be allocated on a reasonable basis to such activities. Previously, interest incurred on borrowings used to finance the purchase or construction of specific project is included in property development cost and is recognised in the income statement. With effect from the current financial year such interest costs are recognised in the income statement directly as finance cost as and when incurred to conform with the accounting policy of the holding company. This change in accounting policy is applied retrospectively and the effects to the financial statement are as disclosed below.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

2. Changes in Significant Accounting Policies (Cont'd)

Property Development Cost (Cont'd)

	Increase/(Decrease) 2008 RM'000	2007 RM'000
Balance Sheet		
Property development costs – Carrying amount	(1,155)	(2,636)
Income Statement		
Finance costs	(1,155)	(2,636)

As at the date of this report, the Group has not early adopted the following eight new/revised Standards which have been issued by the Malaysian Accounting Standard Board, but are not yet effective:

FRS 107: Cash Flow Statements
FRS 111: Construction Contracts
FRS 112: Income Taxes
FRS 118: Revenue
FRS 120: Accounting for Government Grants and Disclosure of Government Assistance
FRS 126: Accounting and Reporting by Retirement Benefit Plans
FRS 134: Interim Financial Reporting
FRS 137: Provisions, Contingent Liabilities and Contingent Assets
Amendment to FRS 121: The Effects of Changes in Foreign Exchange Rates - Net Investment in a Foreign Operation

The Group will apply the above accounting standards in the annual period commencing 1 April 2008, when they become effective. It is expected that there will be no material impact on the financial statements when the Group applies these new/revised standards.

3. Auditors' Report on Preceding Annual Audited Financial Statements

The auditors' report on the preceding annual audited financial statements was not subject to any qualification.

4. Seasonal or Cyclical Factors

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

5. Unusual Items

There were no unusual items in the current quarter and financial period to date.

6. Changes in Estimates

There were no significant changes in estimates that have a material effect in the current quarter and financial period to date.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

7. Debt and Equity Securities

Other than disclosed below, there were no issuance or repayment of debt and equity securities, share buy backs, share cancellations, share held as treasury shares or resale of treasury shares during the financial year to date ended 31 March 2008:

During the financial year ended 31 March 2008, RM75,910,000 Irredeemable Convertible Unsecured Loan Stocks (ICULS) were converted into 151,820,000 shares of RM0.50 each.

8. Dividend

No dividend has been recommended by the Directors or paid for the financial year ended 31 March 2008.

9. Segmental Information

Segmental revenue and results for the financial year ended 31 March 2008 were as follows:

	Property RM'000	Engineering & Infrastructure RM'000	Travel & Leisure RM'000	Others RM'000	Group RM'000
Segment revenue					
Continuing operations					
Revenue	239,954	122,950	85,059	31,423	479,386
Inter-segment revenue	(37,388)	(875)	-	(15,430)	(53,693)
	202,566	**122,075**	**85,059**	**15,993**	**425,693**
Discontinued operations	**52**	**-**	**8,887**	**-**	**8,939**
Segment Results	35,806	(32,099)	1,094	(9,680)	(4,879)
Interest income					1,379
Unallocated expenses					(58)
Operating loss					(3,558)
Finance costs					(15,997)
Share of results of associated companies					14,068
Loss before tax					**(5,487)**
Taxation					1,480
Loss for the period from continuing operations					**(4,007)**
Discontinued operations	(1,066)	-	(6,321)	(2,405)	**(9,792)**
Loss for the period					**(13,799)**

10. Material Events Subsequent to the Balance Sheet Date

Other than as disclosed in Note 19(b) & (c), there were no material events affecting the results of the Group which might have occurred between 31 March 2008 and the date of this report.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

11. Changes in the Composition of the Group

Other than disclosed below, there were no other changes in the composition of the Group during the financial year ended 31 March 2008:

a) On 26 March 2008, AMDB announced had entered into a Share Sale Agreement (SSA) to dispose its entire shareholdings in its wholly-owned subsidiary, IT Connect Sdn Bhd (ITC), for a cash consideration of RM35,000. ITC has a wholly-owned subsidiary, Taman Aman Sdn Bhd (collectively known as ITC group).

The ITC group was accordingly classified in the previous financial year as disposal group held for sale, with its results classified under discontinued operations.

The disposal was completed on the same date and ITC group ceased to be a subsidiary of AMDB. The disposal resulted gain on disposal of RM22,200.

b) On 31 March 2008, AMDB had entered into Sale and Purchase Agreements (SPA) to acquire the remaining ordinary shares in AMBC Controls Sdn Bhd (AMBCC) for cash consideration of RM2.00. AMBCC has a wholly-owned subsidiary, AMBC Electronics Sdn Bhd (collectively known as AMBCC group).

The acquisition was completed on the same date. The acquisition resulted AMBCC group became a wholly-owned subsidiary of AMDB.

12. Review of Performance

The Group registered revenue of RM181,756,000 and loss before tax of RM2,056,000 (excluding the result of discontinued operations) for the current quarter ended 31 March 2008. Group revenue was largely driven by the Property, Engineering & Infrastructure and Travel & Leisure Divisions. Group loss before tax for the quarter was mainly due to foreseeable loss and foreign exchange loss on certain projects of Engineering division offset against gain on disposal of a piece of land of RM11.4 million.

13. Variation of Results Against Preceding Quarter

The Group recorded a loss before tax of RM2,056,000 (excluding the result of discontinued operations) for the current quarter ended 31 March 2008 as compared to loss before tax of RM2,832,000 in the previous quarter. As explained in Note 12, the loss for current quarter was mainly due foreseeable loss and foreign exchange loss on certain projects of Engineering division and similar loss was incurred in the preceding quarter.

14. Current Year Prospects

The Group will continue to focus on its core property development activities and electrical engineering activities. The Group will pursue to secure new projects and businesses to strengthen its position in these sectors to improve its financial position.

Barring unforeseen circumstances, the Group expects to improve its performance for financial year ending 31 March 2009.

15. Profit Forecast

There were no profit forecast or profit guarantee issued during the financial year-to-date.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

16. Taxation

The breakdown of tax charge for the quarter and financial year-to-date are as follows:-

	3 months Ended 31.3.2008 RM'000	**Year ended 31.3.2008 RM'000**
Current taxation	(1,431)	(2,756)
Real property gains tax	-	1,018
(Over)/Under provision in prior year	(600)	61
Deferred tax expense resulting from reversal of temporary differences	172	197
	(1,859)	(1,480)

Based on the loss before taxation and share of results of associated companies which is shown net of tax, the Group is in a tax loss position. However, there is tax chargeable for the quarter and period to-date as certain subsidiaries are profitable while group relief is not able to fully offset this. Tax credit above is arising due to tax credit from dividend is higher than tax chargeable.

17. Unquoted Investments and Properties

The Group had during the quarter completed the disposal of a piece of land for RM130 million. For the year ended 31 March 2008, the Group has disposed of 2 pieces of land for total consideration of RM155.5 million. There was no other sale of unquoted investments and/or properties for the financial year-to-date.

18. Quoted Securities

a) Particulars of purchase or disposal of quoted securities for the current quarter and financial year-to-date ended 31 March 2008.

	3 months ended 31.3.2008 RM'000	**Year ended 31.3.2008 RM'000**
Total purchases of quoted investment	-	177
Total sale proceeds from quoted investment	-	5,798
Total profit on disposal of quoted securities	-	3,389

b) Investments in quoted shares as at 31 March 2008 were as follows:-

	As at 31.3.2008 RM'000
Total investment at cost	6,356
Total investment at carrying value/book value (after provision for diminution in value)	3,836
Total investment at market value	3,877

19. Status of Corporate Proposals Announced

Other than those matters disclosed below, there were no other corporate proposals announced but not completed:

a) On 1 March 2005, Pulau Indah Marina Resort Sdn Bhd (PIMR), a 60% subsidiary of AMDB entered into a Conditional Sale and Purchase Agreement (CSPA) with Great Profile Sdn Bhd (GPSB) (now known as Wijaya Baru Development Sdn Bhd) to dispose a piece of land held by PIMR for a total cash consideration of RM130,000,000.

On 19 May 2005, GPSB obtained approval from the FIC subject to certain conditions to be fulfilled. On 21 July 2005, PIMR obtained the state consent for the sale and transfer of the land.

The CSPA become unconditional with the approval of the shareholders of GPSB's holding company obtained at an extraordinary general meeting held on 7 June 2007. Balance purchase price has been fully received and Memorandum of Transfer from PIMR to the purchaser was presented at Shah Alam land office on 5 March 2008 to complete the disposal.

b) On 6 December 2006, Sejati Pelita Sdn Bhd (SPSB) a wholly owned subsidiary of AMDB had entered into a Conditional Sale and Purchase Agreement (CSPA) with Kumpulan Tanjung Balai Sdn Bhd (Purchaser) to dispose a piece of land for a total cash consideration of RM21,363,840.

Subsequently, on 30 October 2007, SPSB and the Purchaser had entered into a Supplemental Agreement to vary the purchase price from RM21,363,840 to RM14,836,000 in view of unforeseen transportation and royalty expenses to be incurred by the Purchaser for intended use of the land to extract clay and produce bricks on site.

The CSPA became unconditional with the letter from Foreign Investment Committee dated 31 December 2007 acknowledging the transactions, and was completed on 22 April 2008, upon receipt of balance purchase price and presentation of Memorandum of Transfer by the Purchaser at the Land Office.

c) On 14 March 2008, Netcoin Sdn Bhd (Netcoin), a 97% owned subsidiary of AMDB, had entered into a Conditional Sale and Purchase Agreement (CSPA) with Bilang Sentosa Sdn Bhd (BSSB) to dispose of Netcoin's entire equity interest in Sebana Holdings Sdn Bhd (Sebana), comprising 13,442,217 ordinary shares of RM1.00 each in Sebana, for a cash consideration of RM2.

In conjunction with the CSPA, AMDB had on even date entered into a Conditional Transfer of Debt Agreement (CTDA) with Cypress Potential Sdn Bhd (Cypress) and Sebana, whereby AMDB shall sell, transfer and assign all its rights, title, benefit and interest in respect of the shareholder's advances which AMDB has procured and made available to Sebana and/or its subsidiaries (Sebana Group) for a cash consideration of RM87.00 million.

Simultaneously with the signing of the CSPA and CTDA, AMDB, Netcoin, BSSB and Cypress had entered into a Master Agreement (MA) to regulate their respective rights and obligations pursuant to the CSPA and CDTA. The agreements became unconditional with the letter of non-objection from the FIC dated 8 May 2008 received on 14 May 2008. The disposal of Sebana Group is expected to be completed by the third quarter of year 2008.

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

20. Borrowing and Debt Securities

Group borrowings and debt securities as at 31 March 2008 were as follows:-

	Long Term Borrowings RM'000	Short Term Borrowings RM'000	Total RM'000
Secured	-	39,244	39,244
Unsecured	1,932	130,325	132,257
Total	1,932	169,569	171,501

21. Off Balance Sheet Financial Instruments

There were no material off balance sheet financial instruments as at the date of this report.

22. Capital Commitments

Other than disclosed below, there were no other material capital commitments that have not been provided for in this interim financial report:

Outstanding commitments in respect of capital expenditure not provided for in this interim financial report as at 31 March 2008 were as follows:

	Approved and contracted for RM'000	Approved but not contracted for RM'000
Construction of mini-hydro power plant	16,414	1,560

23. Changes in Contingent Liabilities and Contingent Assets

Other than disclosed below, there were no other changes in contingent liabilities or contingent assets since the last financial year ended 31 March 2007:

The total of letter of credit, other bank guarantees and performance bonds has increased from RM91,357,492 at 31 March 2007 to RM152,589,207 at 31 March 2008.

24. Material litigation

Other than disclosed below, there were no changes to pending material litigation since the date of the last annual balance sheet as at 31 March 2007:

NOTES TO THE UNAUDITED INTERIM FINANCIAL REPORT

24. Material litigation (Cont'd)

AMBC Transmission Sdn Bhd ("AMBCT"), a subsidiary of AMDB, was awarded a contract by Dubai Electricity and Water Authority ("DEWA") for the supply, installation, testing and commissioning of Industrial City-2, 132/11 kv Substation and Associated Works. AMBC appointed Group Six Construction Co LLC ("G6") to be its sub contractor for building civil works. G6 has appointed Transfield Power & Construction Co LLC ("Transfield") as its contractor to carry out the sub contract works and authorised AMBC to make all payments directly to Transfield. Subsequently G6 terminated Transfield as its sub contractor. Transfield alleges that AMBC had a contractual relationship with Transfield and influenced G6 to breach its contract with Transfield.

Transfield brought a legal action against AMBC in Dubai Civil Court on 22 November 2007 under suit no. "CASE 716/2007 Full Jurisdiction Commercial Session 22/11/2007" to claim for the amount of AED37,167,009.

Transfield's claim was dismissed by Dubai Civil Court on 8 December 2007. However Transfield has filed an appeal at a higher court and the date of the hearing has been fixed on 4 June 2008.

AMBC's solicitor is of the opinion that AMBC does not have a contractual relationship with Transfield and therefore AMBC stands a better than even chance to dismiss Transfield's claim of AED37,167,009.

25. Significant Related Party Transactions

There were no significant related party transactions transacted during the current quarter and preceding quarter.

26. Earnings Per Share

Basic
Basic earnings per share for the reporting quarter and financial year-to-date is calculated by dividing the net profit for the period by the weighted average number of ordinary shares in issued during the period.

	3 months ended 31.3.2008 RM'000	**Year ended 31.3.2008 RM'000**
Profit/(loss) for the period from continuing operations attributable to equity holders of the Parent	(189)	(284)
Profit/(loss) for the period from discontinued operations attributable to equity holders of the Parent	(2,260)	(9,792)
	(2,449)	(10,076)
Weighted average number of ordinary shares in issue		
Basic loss per share (sen)		
Profit/(loss) from continuing operations	(0.02)	(0.03)
Loss from discontinued operations	(0.23)	(1.08)
	(0.25)	(1.11)

Diluted earning per share
With full conversion of ICULS into ordinary shares as detailed in Note 7, there is currently no future dilutive effect to earnings per share.

BY ORDER OF THE BOARD
JOHNSON YAP CHOON SENG
Company Secretary
Date: 27 May 2008