# PJ DEVELOPMENT HOLDINGS BERHAD (COMPANY NO. 5938-A) QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 31 MARCH 2009

### NOTES TO THE INTERIM FINANCIAL REPORT

# A1 Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with Financial Reporting Standard ('FRS') 134 'Interim Financial Reporting' issued by the Malaysian Accounting Standards Board and paragraph 9.22 of the Bursa Malaysia Securities Berhad Listing Requirements.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2008.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements of the Group for the financial year ended 30 June 2008.

# A2 Audit Qualification

The audit report of the Group's preceding annual financial statements was not qualified.

### A3 Seasonal or Cyclical Factors

The businesses of the Group were not materially affected by any significant seasonal or cyclical factors during the financial period under review.

# A4 Unusual Items

There were no items affecting assets, liabilities, equity, net income and cash flows of the Group that are unusual due to their nature, size or incidence for the current quarter and financial period-to date.

### A5 Material Changes in Estimates of Amounts Reported

There were no material changes in estimates of amounts reported in prior interim periods of the current financial quarter or in prior financial years that have a material effect in the current financial period.

# A6 Debt and Equity Securities

There were no significant changes in the debt and equity securities other than as disclosed below:-

On 23 November 2005, the shareholders of the Company have approved the authority to the Company to repurchase up to 10% of its own shares. The authority granted by the shareholders was subsequently renewed during each subsequent annual general meeting and the latest renewal was on 27 November 2008.

During the financial period under review, the Company repurchased 275,000 of its issued share capital from the open market, details of which are as follows:

		Pur				
Date of Purchase	Number of Shares Purchased	Highest	Highest Lowest		Total Consideration* (RM)	
02.07.2008	100,000	0.6050	0.6100	0.6075	61,244.04	
04.07.2008	45,000	0.5800	0.5800	0.5800	26,291.43	
18.07.2008	50,000	0.5700	0.5600	0.5650	28,577.61	
21.07.2008	80,000	0.5700	0.5600	0.5650	45,715.92	
Total:	275,000				161,829.00	

<sup>\*</sup> Total consideration is inclusive of brokerage, clearing fee and stamp duty.

As at 31 March 2009, the Company repurchased a total of 475,000 of its issued capital from the open market, the shares repurchased are being held as treasury shares in accordance with Section 67A of the Companies Act, 1965. The Company may distribute the treasury shares as dividend to the shareholders or re-sell the treasury shares in the market in accordance with the Rules of Bursa Malaysia Securities Berhad or cancel the shares in accordance with Section 67A of the Companies Act, 1965.

The Company has neither made any resale nor any cancellation of its treasury shares.

# A7 Dividend paid

The first and final dividend of 5% per ordinary share less tax totaling RM17,087,150.67 in respect of the financial year ended 30 June 2008 had been paid by the Company on 18 February 2009.

### A8 Segmental Reporting

Segment information for the year to date:

	Properties RM'000	Construction RM'000	Manufacturing & Trading RM'000	Hotels & Leisure RM'000	Investment Holding and Trading RM'000	Others RM'000	Eliminations RM'000	Consolidated RM'000
Revenue from external customers	150,256	119,532	120,047	69,083	1,501	104	-	460,523
Inter-segment revenue	65	141,559	17,934	-	2,475	841	(162,874)	<u> </u>
Total revenue	150,321	261,091	137,981	69,083	3,976	945	(162,874)	460,523
Segment result	8,371	(6,837)	15,742	8,776	(2,710)	80	(1,597)	21,825
Financing costs Interest income Share of profit of equity a Profit before taxation Tax expense Net profit for the period	accounted associa	tes					-	(7,544) 2,951 1,954 19,186 (7,652) 11,534

#### A9 Material Events Subsequent to the Balance Sheet Date

There was no material event subsequent to the end of the financial period under review.

# A10 Changes in the Composition of the Group

There were no major changes in the composition of the Group for the financial period under review including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operations.

## A11 Changes in Contingent Liabilities or Contingent Assets

There were no major changes in the contingent liabilities or contingent assets of the Group since the previous annual financial statements.

## A12 Valuation of Property, Plant and Equipment

The Group did not perform any valuation on property, plant and equipment since the previous annual financial statements.

### A13 Capital Commitments

Capital commitment not provided for in the financial statements as at 31 March 2009 is as follows:

	<u>RM'000</u>
Property, plant and equipment	
Contracted but not provided for in the financial statements	10,468
Land held for development	======
Contracted but not provided for in the financial statements	3,818
reconstruction of the second o	======

# ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS

# B1 Review of the Performance

For the third quarter ended 31 March 2009, the Group achieved a profit before tax and share of profit of associate companies of RM263,000 as compared to RM12.07 Million for the corresponding quarter in the previous financial year. The reduced profit was mainly due to losses incurred by the foreign subsidiary of the construction division owing to increased material costs. Other divisions also recorded lower profits compared to the corresponding quarter last year due to soft market conditions.

The current quarter's profit of RM263,000 was also lower as compared with the immediate preceding quarter's profit of RM9.87 Million.

# B2 Current Year Prospects

The Group expects the last quarter of 2009 to remain challenging. The Board is confident to remain profitable for financial year ending 30 June 2009.

### **B3** Profit Forecast

Not applicable as no profit forecast was published.

# B4 Tax Expense

Taxation comprises:

CURRENT QUARTER CUMU		CUMULATIV:	ULATIVE QUARTER		
ENDED	ENDED	ENDED	ENDED		
31/03/2009	31/03/2008		31/03/2008		
			RM '000		
ICIVI 000	KIVI UUU	KIVI 000	KW 000		
2,104	3,498	7,626	13,939		
13	Alternative Control of States		(90)		
-	248	-	565		
723		111			
(3)	(72)	(4)	(1)		
2,114	3,591	7,652	14,413		
	ENDED 31/03/2009 RM '000 2,104 13	ENDED ENDED 31/03/2009 31/03/2008 RM '000 RM '000  2,104 3,498 13 (83) - 248  (3) (72)	ENDED ENDED SI/03/2008 SI/03/2009 RM '000 RM '000 RM'000 RM'000  2,104 3,498 7,626 13 (83) 30 - 248 -  (3) (72) (4)		

The Group's effective tax rate for the period under review is higher than the statutory tax rate mainly due to certain expenses not allowed for tax deduction and there is no group relief on losses of a foreign subsidiary.

# **B5** Unquoted Investment and Properties

There were no sales of unquoted investments and properties during the financial period under review.

# **B6** Quoted Investments

There were no purchases and sales of quoted shares during the financial period under review other than the distribution-in-specie which was carried out by an investee company of the Group.

(a) Investment in quoted securities as at 31 March 2009:

	RM '000
At cost Allowance for diminution in value	62,325 (15,873)
	46,452
At market value	28,680

# **B7** Status of Corporate Proposals

No corporate proposals have been announced but not completed at the latest practical date.

### B8 Group Borrowings and Debt Securities

Total Group borrowings as at 31 March 2009 are as follows:

	Foreign Currency '000	RM Equivalent '000
Current		5.5,61
Secured		143,633
Unsecured		
- denominated in US Dollar (USD)	194	694
- denominated in Ringgit Malaysia (RM)		66,605
		210,932
Non-current		
Secured		144,117
Unsecured		
- denominated in US Dollar (USD)	711	2,545
		146,662
Total:		357,594

### B9 Off Balance Sheet Financial Instruments

As at 22 May 2009, the Group does not have any financial instruments with off balance sheet risk.

# B10 Changes in Material Litigation

Swiss-Garden International Vacation Club Berhad ("SGIVCB"), a wholly owned subsidiary of the Company has initiated a civil suit against Swiss Marketing Corporation Sdn. Bhd. ("the external agent").

The civil suit taken by SGIVCB against the external agent was in respect of the wrongful repudiation of the Marketing Agreement entered into by the parties on 2 July 2001, resulting in SGIVCB suffered a loss and damage inter-alia amounting to a total of RM5,280,334. In this civil suit, the external agent has filed a counter claim against SGIVCB.

The counter claim by the external agent against SGIVCB was dismissed with cost by the judge on 9 March 2007.

The Case Management in respect of the civil suit taken by SGIVCB against the external agent has been further postponed to 16 June 2009.

### B11 Dividend

No dividend is proposed for the financial period under review.

### **B12** Basic Earnings Per Share

The calculation of basic earnings per share is based on the net profit attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding during the period, after taking into consideration of treasury shares held by the Company.

The diluted earnings per share are not shown as the exercise price of the warrants was higher than the market price of the ordinary shares as at the balance sheet date.

# By Order of the Board

Leong Keng Yuen Wong Tiew Kim Secretaries