

JAVA INCORPORATED BHD (2511-M)
CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE SECOND QUARTER ENDED 31 DECEMBER 2008

	2ND QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31-Dec-08 <u>RM '000</u>	Preceding Year Corresponding Quarter 31-Dec-07 <u>RM '000</u>	Current Year To Date 31-Dec-08 <u>RM '000</u>	Preceding Year Corresponding Period 31-Dec-07 <u>RM '000</u>
Revenue	<u>30,127</u>	<u>64,405</u>	<u>75,030</u>	<u>136,662</u>
Operating profit / (loss) before depreciation and other income	(437)	7,948	2,063	16,980
Depreciation and amortisation	(3,113)	(3,038)	(6,180)	(5,972)
Finance costs	(559)	(782)	(1,136)	(1,411)
Other income	1,330	760	3,170	1,496
Profit / (loss) before taxation	<u>(2,779)</u>	<u>4,888</u>	<u>(2,083)</u>	<u>11,093</u>
Taxation	(13)	(3)	(183)	(3)
Net profit / (loss) after taxation	<u>(2,792)</u>	<u>4,885</u>	<u>(2,266)</u>	<u>11,090</u>
Attributable to:-				
Equity holders of the parent	(2,793)	4,889	(2,267)	11,094
Minority interest	1	(4)	1	(4)
	<u>(2,792)</u>	<u>4,885</u>	<u>(2,266)</u>	<u>11,090</u>
Earnings Per Share (Sen)				
- Basic	(1.61)	3.02	(1.31)	7.07
- Diluted	(1.80)	2.74	(1.46)	6.39

The above statement should be read in conjunction with the Annual Financial Report for the year ended 30 June 2008.

JAVA INCORPORATED BHD (2511-M)
CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2008

	UNAUDITED	AUDITED
	As At End Of Current Quarter 31-Dec-08 <u>RM '000</u>	As At Preceding Financial Year End 30-Jun-08 <u>RM '000</u>
NON-CURRENT ASSETS		
PROPERTY, PLANT AND EQUIPMENT	71,849	73,809
PREPAID LEASE PAYMENT	25,331	25,534
PLANTATION DEVELOPMENT EXPENDITURE	10,864	9,305
TIMBER CONCESSION RIGHTS	34,069	34,956
CURRENT ASSETS		
Inventories	69,853	72,637
Trade and other receivables and advance payments	58,255	62,046
Deposits placed with licensed banks	19,195	20,934
Tax recoverable	181	419
Cash and bank balances	1,308	16,252
Total current assets	148,792	172,288
TOTAL ASSETS	290,905	315,892
EQUITY AND LIABILITIES		
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE PARENT		
Share capital	173,394	173,394
Share premium	1,571	1,571
Share options reserve	478	478
Revaluation reserve	59,934	59,934
Retained earnings	(4,339)	3,997
Shareholders' funds	231,038	239,374
Minority interests	2,500	2,499
Total equity	233,538	241,873
NON-CURRENT LIABILITIES		
Hire purchase creditors	1,337	1,698
Long term loans	15,989	17,392
Deferred taxation	361	361
Total non-current liabilities	17,687	19,451
CURRENT LIABILITIES		
Trade and other payables and advance payments	25,928	37,514
Hire purchase creditors	640	639
Short term borrowings	12,571	14,008
Tax payable	541	2,407
Total current liabilities	39,680	54,568
Total Liabilities	57,367	74,019
TOTAL EQUITY AND LIABILITIES	290,905	315,892
Net assets per ordinary share (RM)	1.33	1.38

The above statement should be read in conjunction with the Annual Financial Report for the year ended 30 June 2008.

JAVA INCORPORATED BHD (2511-M)
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SECOND QUARTER ENDED 31 DECEMBER 2008

	Share Capital			Attributable to equity holders of the parent					
	Ordinary Shares	Preference Shares	Share Premium	Share Option Reserve	Revaluation Reserve	Retained Earnings	Total	Minority interests	Total Equity
	RM '000	RM '000	RM '000	RM'000	RM'000	RM '000	RM '000	RM '000	RM '000
Group									
As at 1 July 2008	173,394	-	1,571	478	59,934	3,997	239,374	2,499	241,873
Dividend paid	-	-	-	-	-	(6,069)	(6,069)	-	(6,069)
Net Profit / (loss) for the financial period	-	-	-	-	-	(2,267)	(2,267)	1	(2,266)
As at 31 December 2008	<u>173,394</u>	<u>-</u>	<u>1,571</u>	<u>478</u>	<u>59,934</u>	<u>(4,339)</u>	<u>231,038</u>	<u>2,500</u>	<u>233,538</u>
As at 1 July 2007	152,310	20,799	1,476	529	59,934	3,886	238,934	2,503	241,437
Net Profit for the financial period	-	-	-	-	-	11,094	11,094	(4)	11,090
Issuance of shares:- - conversion of ICCPS	20,799	(20,799)	-	-	-	-	-	-	-
Share options:- - issuance of shares	203	-	-	-	-	-	203	-	203
Issuance of shares:- - exercise of warrants	57	-	-	-	-	-	57	-	57
As at 31 December 2007	<u>173,369</u>	<u>-</u>	<u>1,476</u>	<u>529</u>	<u>59,934</u>	<u>14,980</u>	<u>250,288</u>	<u>2,499</u>	<u>252,787</u>

JAVA INCORPORATED BHD (2511-M)
CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE SECOND QUARTER ENDED 31 DECEMBER 2008

	6 months ended	6 months ended
	31-Dec-08	31-Dec-07
	RM '000	RM '000
Cash Flow from operating activities		
Profit / (Loss) before taxation	(2,083)	11,093
Adjustments for:		
Amortisation of timber concession	3,888	3,834
Amortisation of prepaid lease payment	78	79
Depreciation of PPE	2,214	2,059
Gain on disposal of property, plant & equipment	(1,132)	(37)
Interest income	(293)	(652)
Interest expenses	1,136	1,411
Operating Profit before working capital changes	<u>3,808</u>	<u>17,787</u>
Increase/Decrease in working capital		
Inventories	2,784	9,288
Receivables	3,793	(18,748)
Payables	(11,585)	(14,654)
Cash used in operations	<u>(1,200)</u>	<u>(6,327)</u>
Interest received	293	652
Tax paid	(1,811)	(1,498)
Net cash used in operating activities	<u>(2,718)</u>	<u>(7,173)</u>
Cash flows from investing activities		
Purchase of property, plant & equipment	(1,273)	(808)
Proceeds from disposal of property, plant & equipment	2,108	396
Acquisition in timber concession rights	(3,000)	(28,000)
Investment in plantation development expenditure	(1,394)	(1,177)
Net cash used in investing activities	<u>(3,559)</u>	<u>(29,589)</u>
Cash flow from financing activities		
Fixed Deposit (held as)/released	(18)	(35)
Proceeds from issuance of shares	-	260
Payments of hire purchase creditors	(360)	(474)
Drawdown of term loan	-	25,200
Repayment of term loans	(3,275)	(9)
Interest paid	(1,136)	(1,411)
Net change in revolving credits	-	(6,000)
Dividend paid	(6,069)	-
Net cash generated from/(used in) financing activities	<u>(10,858)</u>	<u>17,531</u>
Net decrease in cash & cash equivalents	<u>(17,135)</u>	<u>(19,231)</u>
Cash & cash equivalents at beginning of the year	<u>26,351</u>	<u>42,423</u>
Cash and cash equivalents at the end of the quarter	<u>9,216</u>	<u>23,192</u>
Cash & cash equivalents comprise:		
Cash and bank balances	1,308	15,635
Deposits placed with licensed bank	19,195	17,632
Bankers' acceptances	(8,831)	(7,658)
	<u>11,672</u>	<u>25,609</u>
Less: Deposits held as security value	(2,456)	(2,417)
	<u>9,216</u>	<u>23,192</u>

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