

**JAVA INCORPORATED BHD (2511-M)**  
**CONDENSED CONSOLIDATED INCOME STATEMENT**  
**FOR THE THIRD QUARTER ENDED 31 MARCH 2009**

|  | 3RD QUARTER  |   | CUMULATIVE QUARTER                                     |  |
|--|--|---|--|--|
|  | Current Year<br>Quarter<br>31-Mar-09<br><u>RM '000</u> | Preceding Year<br>Corresponding<br>Quarter<br>31-Mar-08<br><u>RM '000</u> | Current Year To<br>Date<br>31-Mar-09<br><u>RM '000</u> | Preceding Year<br>Corresponding<br>Period<br>31-Mar-08<br><u>RM '000</u> |
| Revenue  | <u>23,278</u>  | <u>60,121</u>   | <u>98,308</u>  | <u>196,783</u>   |
| Operating profit / (loss) before depreciation and other income | (2,995)  | 5,699   | (4,820)  | 22,679   |
| Depreciation and amortisation                                  | (1,157)  | (786)   | (3,449)  | (6,758)  |
| Finance costs  | (456)  | (768)   | (1,592)  | (2,179)  |
| Other income   | 449  | 304   | 3,619  | 1,800  |
| Profit / (loss) before taxation                                | <u>(4,159)</u>   | <u>4,449</u>  | <u>(6,242)</u>   | <u>15,542</u>  |
| Taxation   | -  | -   | (183)  | (3)  |
| Net profit / (loss) after taxation                             | <u>(4,159)</u>   | <u>4,449</u>  | <u>(6,425)</u>   | <u>15,539</u>  |
| Attributable to:-  |  |   |  |  |
| Equity holders of the parent                                   | (4,155)  | 4,449   | (6,422)  | 15,543   |
| Minority interest  | (4)  | -   | (3)  | (4)  |
|  | <u>(4,159)</u>   | <u>4,449</u>  | <u>(6,425)</u>   | <u>15,539</u>  |
| Earnings Per Share (Sen)                                       |  |   |  |  |
| - Basic  | (2.40)   | 2.66  | (3.70)   | 9.57   |
| - Diluted  | (2.71)   | 2.44  | (4.19)   | 8.76   |

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 MARCH 2009**

|  | <b>UNAUDITED</b>   | <b>AUDITED</b>   |
|--|--|--|
|  | <b>As At<br/>End Of<br/>Current<br/>Quarter<br/>31-Mar-09<br/><u>RM '000</u></b> | <b>As At<br/>Preceding<br/>Financial<br/>Year End<br/>30-Jun-08<br/><u>RM '000</u></b> |
| <b>NON-CURRENT ASSETS</b>                                      |  |  |
| <b>PROPERTY, PLANT AND EQUIPMENT</b>                           | <b>71,856</b>  | 73,809   |
| <b>PREPAID LEASE PAYMENT</b>                                   | <b>25,231</b>  | 25,534   |
| <b>PLANTATION DEVELOPMENT EXPENDITURE</b>                      | <b>12,250</b>  | 9,305  |
| <b>TIMBER CONCESSION RIGHTS</b>                                | <b>31,781</b>  | 34,956   |
| <b>CURRENT ASSETS</b>  |  |  |
| Inventories  | <b>74,109</b>  | 72,637   |
| Trade and other receivables and advance payments               | <b>49,833</b>  | 62,046   |
| Deposits placed with licensed banks                            | <b>21,319</b>  | 20,934   |
| Tax recoverable  | <b>461</b>   | 419  |
| Cash and bank balances   | <b>886</b>   | 16,252   |
| Total current assets   | <b>146,608</b>   | 172,288  |
| <b>TOTAL ASSETS</b>  | <b>287,726</b>   | 315,892  |
| <b>EQUITY AND LIABILITIES</b>                                  |  |  |
| <b>EQUITY ATTRIBUTABLE TO EQUITY HOLDERS<br/>OF THE PARENT</b> |  |  |
| Share capital  | <b>173,394</b>   | 173,394  |
| Share premium  | <b>1,571</b>   | 1,571  |
| Share options reserve  | <b>478</b>   | 478  |
| Revaluation reserve  | <b>59,934</b>  | 59,934   |
| Retained earnings  | <b>(8,494)</b>   | 3,997  |
| Shareholders' funds  | <b>226,883</b>   | 239,374  |
| Minority interests   | <b>2,496</b>   | 2,499  |
| Total equity   | <b>229,379</b>   | 241,873  |
| <b>NON-CURRENT LIABILITIES</b>                                 |  |  |
| Hire purchase creditors  | <b>1,453</b>   | 1,698  |
| Long term loans  | <b>14,588</b>  | 17,392   |
| Deferred taxation  | <b>361</b>   | 361  |
| Total non-current liabilities                                  | <b>16,402</b>  | 19,451   |
| <b>CURRENT LIABILITIES</b>                                     |  |  |
| Trade and other payables and advance payments                  | <b>26,269</b>  | 37,514   |
| Hire purchase creditors  | <b>732</b>   | 639  |
| Short term borrowings  | <b>14,829</b>  | 14,008   |
| Tax payable  | <b>115</b>   | 2,407  |
| Total current liabilities                                      | <b>41,945</b>  | 54,568   |
| Total Liabilities  | <b>58,347</b>  | 74,019   |
| <b>TOTAL EQUITY AND LIABILITIES</b>                            | <b>287,726</b>   | 315,892  |
| <b>Net assets per ordinary share (RM)</b>                      | <b>1.31</b>  | 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 THIRD QUARTER ENDED 31 MARCH 2009**

|   | 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        |
| <b>Group</b>  |                 |                   |               |  |                     |                   |                |                    |                |
| <b>As at 1 July 2008</b>                            | <b>173,394</b>  | <b>-</b>          | <b>1,571</b>  | <b>478</b>                                   | <b>59,934</b>       | <b>3,997</b>      | <b>239,374</b> | <b>2,499</b>       | <b>241,873</b> |
| <b>Dividend paid</b>                                | <b>-</b>        | <b>-</b>          | <b>-</b>      | <b>-</b>                                     | <b>-</b>            | <b>(6,069)</b>    | <b>(6,069)</b> | <b>-</b>           | <b>(6,069)</b> |
| <b>Net Profit / (loss) for the financial period</b> | <b>-</b>        | <b>-</b>          | <b>-</b>      | <b>-</b>                                     | <b>-</b>            | <b>(6,422)</b>    | <b>(6,422)</b> | <b>(3)</b>         | <b>(6,425)</b> |
| <b>As at 31 March 2009</b>                          | <b>173,394</b>  | <b>-</b>          | <b>1,571</b>  | <b>478</b>                                   | <b>59,934</b>       | <b>(8,494)</b>    | <b>226,883</b> | <b>2,496</b>       | <b>229,379</b> |
| <b>As at 1 July 2007</b>                            | <b>152,310</b>  | <b>20,799</b>     | <b>1,476</b>  | <b>529</b>                                   | <b>59,934</b>       | <b>3,886</b>      | <b>238,934</b> | <b>2,503</b>       | <b>241,437</b> |
| Net Profit for the financial period                 | -               | -                 | -             | -  | -                   | 15,543            | 15,543         | (4)                | 15,539         |
| Issuance of shares:-<br>- conversion of ICCPS       | 20,799          | (20,799)          | -             | -  | -                   | -                 | -              | -                  | -              |
| Share options:-<br>- issuance of shares             | 223             | -                 | -             | -  | -                   | -                 | 223            | -                  | 223            |
| Issuance of shares:-<br>- exercise of warrants      | 57              | -                 | -             | -  | -                   | -                 | 57             | -                  | 57             |
| Dividend paid                                       | -               | -                 | -             | -  | -                   | (17,339)          | (17,339)       | -                  | (17,339)       |
| <b>As at 31 March 2008</b>                          | <b>173,389</b>  | <b>-</b>          | <b>1,476</b>  | <b>529</b>                                   | <b>59,934</b>       | <b>2,090</b>      | <b>237,418</b> | <b>2,499</b>       | <b>239,917</b> |

**JAVA INCORPORATED BHD (2511-M)**  
**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE THIRD QUARTER ENDED 31 MARCH 2009**

|   | <b>9 months ended</b>      | 9 months ended             |
|---|----------------------------|----------------------------|
|   | <b>31-Mar-09</b>           | 31-Mar-08                  |
|   | <b>RM '000</b>             | RM '000                    |
| <b>Cash Flow from operating activities</b>                      |                            |                            |
| Profit / (Loss) before taxation                                 | (6,242)                    | 15,542                     |
| Adjustments for:  |                            |                            |
| Amortisation of timber concession                               | 6,175                      | 3,426                      |
| Amortisation of prepaid lease payment                           | 117                        | 117                        |
| Amortisation of Plantation Development Expenditure              | 2                          | -                          |
| Depreciation of PPE   | 3,329                      | 3,215                      |
| (Gain) / Loss on disposal of property, plant & equipment        | (1,132)                    | 14                         |
| Interest income   | (420)                      | (760)                      |
| Interest expenses   | 1,592                      | 2,179                      |
| Operating Profit before working capital changes                 | <u>3,421</u>               | <u>23,733</u>              |
| Increase/Decrease in working capital                            |                            |                            |
| Inventories   | (1,471)                    | 8,386                      |
| Receivables   | 12,214                     | (15,943)                   |
| Payables  | (11,245)                   | (9,839)                    |
| Cash (used in) / generated from operations                      | <u>2,919</u>               | <u>6,337</u>               |
| Interest received   | 420                        | 760                        |
| Tax paid  | (2,517)                    | (2,207)                    |
| <b>Net cash (used in) / generated from operating activities</b> | <u><b>822</b></u>          | <u><b>4,890</b></u>        |
| <b>Cash flows from investing activities</b>                     |                            |                            |
| Purchase of property, plant & equipment                         | (2,050)                    | (8,592)                    |
| Proceeds from disposal of property, plant & equipment           | 2,108                      | 396                        |
| Acquisition in timber concession rights                         | (3,000)                    | (28,000)                   |
| Investment in plantation development expenditure                | (2,689)                    | (1,676)                    |
| <b>Net cash used in investing activities</b>                    | <u><b>(5,631)</b></u>      | <u><b>(37,872)</b></u>     |
| <b>Cash flow from financing activities</b>                      |                            |                            |
| Fixed Deposit (held as)/released                                | (33)                       | (35)                       |
| Proceeds from issuance of shares                                | -                          | 280                        |
| Payments of hire purchase creditors                             | (527)                      | (768)                      |
| Drawdown of term loan   | -                          | 25,200                     |
| Repayment of term loans   | (4,676)                    | (1,407)                    |
| Interest paid   | (1,592)                    | (2,179)                    |
| Net change in revolving credits                                 | -                          | (6,000)                    |
| Dividend paid   | (6,069)                    | (17,339)                   |
| <b>Net cash generated from/(used in) financing activities</b>   | <u><b>(12,897)</b></u>     | <u><b>(2,248)</b></u>      |
| <b>Net decrease in cash &amp; cash equivalents</b>              | <u><b>(17,706)</b></u>     | <u><b>(35,230)</b></u>     |
| <b>Cash &amp; cash equivalents at beginning of the year</b>     | <u><b>26,351</b></u>       | <u><b>42,423</b></u>       |
| <b>Cash and cash equivalents at the end of the quarter</b>      | <u><u><b>8,645</b></u></u> | <u><u><b>7,193</b></u></u> |
| <b>Cash &amp; cash equivalents comprise:</b>                    |                            |                            |
| Cash and bank balances  | 886                        | (91)                       |
| Deposits placed with licensed bank                              | 21,319                     | 14,364                     |
| Bankers' acceptances  | (7,156)                    | (4,663)                    |
| Bank Overdraft  | (3,933)                    | -                          |
|   | <u><b>11,116</b></u>       | <u><b>9,610</b></u>        |
| Less: Deposits held as security value                           | (2,471)                    | (2,417)                    |
|   | <u><u><b>8,645</b></u></u> | <u><u><b>7,193</b></u></u> |

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