



**Report for the
Fourth Quarter Ended
30th June 2009**

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JAVA INCORPORATED BHD (2511-M)
CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE FOURTH QUARTER ENDED 30 JUNE 2009

| | 4TH QUARTER | | CUMULATIVE QUARTER | |
|--|--|---|--|--|
| | Current Year Quarter 30-Jun-09 <u>RM '000</u> | Preceding Year Corresponding Quarter 30-Jun-08 <u>RM '000</u> | Current Year To Date 30-Jun-09 <u>RM '000</u> | Preceding Year Corresponding Period 30-Jun-08 <u>RM '000</u> |
| Revenue | <u>42,278</u> | <u>62,414</u> | <u>140,586</u> | <u>259,197</u> |
| Operating profit / (loss) before depreciation and other income | 165 | 1,709 | 1,522 | 24,388 |
| Depreciation and amortisation | (5,631) | (3,702) | (15,255) | (10,460) |
| Finance costs | (466) | (600) | (2,059) | (2,779) |
| Other income | 466 | 4,210 | 4,084 | 6,010 |
| Profit / (loss) before taxation | <u>(5,466)</u> | <u>1,617</u> | <u>(11,708)</u> | <u>17,159</u> |
| Taxation | 650 | 289 | 467 | 286 |
| Net profit / (loss) after taxation | <u>(4,816)</u> | <u>1,906</u> | <u>(11,241)</u> | <u>17,445</u> |
| Attributable to:- | | | | |
| Equity holders of the parent | (4,769) | 1,906 | (11,191) | 17,449 |
| Minority interest | (47) | - | (50) | (4) |
| | <u>(4,816)</u> | <u>1,906</u> | <u>(11,241)</u> | <u>17,445</u> |
| Earnings Per Share (Sen) | | | | |
| - Basic | (2.75) | 1.10 | (6.45) | 10.57 |
| - Diluted | (3.00) | 1.02 | (7.04) | 9.75 |

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 30 JUNE 2009

| | UNAUDITED | AUDITED |
|--|---|---|
| | As At End Of Current Quarter 30-Jun-09 RM '000 | As At Preceding Financial Year End 30-Jun-08 RM '000 |
| NON-CURRENT ASSETS | | |
| PROPERTY, PLANT AND EQUIPMENT | 81,086 | 73,809 |
| PREPAID LEASE PAYMENT | 25,130 | 25,534 |
| PLANTATION DEVELOPMENT EXPENDITURE | 13,149 | 9,305 |
| TIMBER CONCESSION RIGHTS | 27,534 | 34,956 |
| CURRENT ASSETS | | |
| Inventories | 87,722 | 72,637 |
| Trade and other receivables and advance payments | 30,419 | 62,046 |
| Deposits placed with licensed banks | 25,141 | 20,934 |
| Tax recoverable | 410 | 419 |
| Cash and bank balances | 140 | 16,252 |
| Total current assets | 143,832 | 172,288 |
| TOTAL ASSETS | 290,731 | 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 | 474 | 478 |
| Revaluation reserve | 59,934 | 59,934 |
| Retained earnings | (13,263) | 3,997 |
| Shareholders' funds | 222,110 | 239,374 |
| Minority interests | 2,449 | 2,499 |
| Total equity | 224,559 | 241,873 |
| NON-CURRENT LIABILITIES | | |
| Hire purchase creditors | 1,349 | 1,698 |
| Long term loans | 11,503 | 17,392 |
| Deferred taxation | 44 | 361 |
| Total non-current liabilities | 12,896 | 19,451 |
| CURRENT LIABILITIES | | |
| Trade and other payables and advance payments | 27,417 | 37,514 |
| Hire purchase creditors | 661 | 639 |
| Short term borrowings | 25,198 | 14,008 |
| Tax payable | - | 2,407 |
| Total current liabilities | 53,276 | 54,568 |
| Total Liabilities | 66,172 | 74,019 |
| TOTAL EQUITY AND LIABILITIES | 290,731 | 315,892 |
| Net assets per ordinary share (RM) | 1.28 | 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 FOURTH QUARTER ENDED 30 JUNE 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 |
| Group | | | | | | | | | |
| As at 1 July 2008 | 173,394 | - | 1,571 | 478 | 59,934 | 3,997 | 239,374 | 2,499 | 241,873 |
| Share options:- | | | | | | | | | |
| -fair value of share option under ESOS | | | | (4) | | | (4) | | (4) |
| Dividend paid | - | - | - | - | - | (6,069) | (6,069) | - | (6,069) |
| Net Profit / (loss) for the financial period | - | - | - | - | - | (11,191) | (11,191) | (50) | (11,241) |
| As at 30 June 2009 | <u>173,394</u> | <u>-</u> | <u>1,571</u> | <u>474</u> | <u>59,934</u> | <u>(13,263)</u> | <u>222,110</u> | <u>2,449</u> | <u>224,559</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 | - | - | - | - | - | 17,450 | 17,450 | (4) | 17,446 |
| Issuance of shares:- | | | | | | | | | |
| - conversion of ICCPS | 20,799 | (20,799) | - | - | - | - | - | - | - |
| Share options:- | | | | | | | | | |
| -fair value of share option under ESOS | | | | 44 | | | 44 | | 44 |
| - issuance of shares | 223 | - | - | - | - | - | 223 | - | 223 |
| -reserve realised upon exercise of ESOS | | | 95 | (95) | | | - | | - |
| Issuance of shares:- | | | | | | | | | |
| - exercise of warrants | 62 | - | - | - | - | - | 62 | - | 62 |
| Dividend paid | | | | | | (17,339) | (17,339) | - | (17,339) |
| As at 30 June 2008 | <u>173,394</u> | <u>-</u> | <u>1,571</u> | <u>478</u> | <u>59,934</u> | <u>3,997</u> | <u>239,374</u> | <u>2,499</u> | <u>241,873</u> |

JAVA INCORPORATED BHD (2511-M)
CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE FOURTH QUARTER ENDED 30 JUNE 2009

| | 12 months ended | 12 months ended |
|---|----------------------------|----------------------|
| | 30-Jun-09 | 30-Jun-08 |
| | RM '000 | RM '000 |
| Cash Flow from operating activities | | |
| Profit / (Loss) before taxation | (11,708) | 17,159 |
| Adjustments for: | | |
| Amortisation of timber concession | 10,422 | 5,945 |
| Amortisation of prepaid lease payment | 157 | 431 |
| Amortisation of Plantation Development Expenditure | 37 | - |
| Depreciation of PPE | 4,639 | 4,084 |
| (Gain) / Loss on disposal of property, plant & equipment | (1,133) | (154) |
| ESOS related expenses | - | 44 |
| Interest income | (485) | (849) |
| Unrealised foreign exchange gain | - | (120) |
| Interest expenses | 2,059 | 2,779 |
| Operating Profit before working capital changes | <u>3,988</u> | <u>29,319</u> |
| Increase/Decrease in working capital | | |
| Inventories | (15,084) | 15,517 |
| Receivables | 31,493 | (12,581) |
| Payables | (9,842) | (2,743) |
| Cash (used in) / generated from operations | <u>10,555</u> | <u>29,512</u> |
| Interest received | 485 | 849 |
| Tax paid | (2,945) | (3,221) |
| Tax refund | 571 | - |
| Net cash (used in) / generated from operating activities | <u>8,666</u> | <u>27,140</u> |
| Cash flows from investing activities | | |
| Purchase of property, plant & equipment | (12,624) | (9,061) |
| Proceeds from disposal of property, plant & equipment | 2,109 | 565 |
| Acquisition in timber concession rights | (3,000) | (28,000) |
| Investment in plantation development expenditure | (3,528) | (2,792) |
| Net cash used in investing activities | <u>(17,043)</u> | <u>(39,288)</u> |
| Cash flow from financing activities | | |
| Fixed Deposit (held as)/released | (59) | (56) |
| Proceeds from issuance of shares | - | 285 |
| Payments of hire purchase creditors | (702) | (885) |
| Drawdown of term loan | - | 25,200 |
| Repayment of term loans | (6,079) | (2,350) |
| Interest paid | (2,059) | (2,779) |
| Net change in revolving credits | - | (6,000) |
| Dividend paid | (6,069) | (17,339) |
| Net cash generated from/(used in) financing activities | <u>(14,968)</u> | <u>(3,924)</u> |
| Net decrease in cash & cash equivalents | (23,345) | (16,072) |
| 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><u>3,006</u></u> | <u><u>26,351</u></u> |
| Cash & cash equivalents comprise: | | |
| Cash and bank balances | 140 | 16,252 |
| Deposits placed with licensed bank | 25,141 | 20,934 |
| Bankers' acceptances | (17,521) | (8,397) |
| Bank Overdraft | (2,257) | - |
| | <u>5,503</u> | <u>28,789</u> |
| Less: Deposits held as security value | (2,497) | (2,438) |
| | <u><u>3,006</u></u> | <u><u>26,351</u></u> |

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