

MATRIX INTERNATIONAL BERHAD
(COMPANY NO: 3907-W)

UNAUDITED INTERIM FINANCIAL REPORT
FOR THE YEAR ENDED 30 APRIL 2007

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MATRIX INTERNATIONAL BERHAD
(COMPANY NO : 3907-W)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE YEAR ENDED 30 APRIL 2007
CONDENSED CONSOLIDATED BALANCE SHEET**

		Group	
	Note	As at 30/04/07	As at 30/04/06
		RM'000	(Audited) RM'000
NON-CURRENT ASSETS			
Property, plant and equipment		214,942	238,464
Investment properties		1,305,915	1,304,962
Jointly controlled entity		6,581	5,438
Investments	B7	32,336	13,178
Goodwill on consolidation		176,770	219,124
Other intangible asset		5,630	5,880
		1,742,174	1,787,046
CURRENT ASSETS			
Inventories		196,230	284,176
Receivables		19,352	23,232
Deposits with licensed banks		37,468	38,141
Cash and bank balances		2,783	9,382
		255,833	354,931
TOTAL ASSETS		1,998,007	2,141,977
EQUITY			
Share capital		905,050	905,050
Share premium		312,621	312,621
Accumulated loss		(63,271)	(23,475)
Equity attributable to equity holders of the parent		1,154,400	1,194,196
Minority interest		442	1,274
Total equity		1,154,842	1,195,470
NON-CURRENT LIABILITIES			
Long term bank borrowings		532,289	590,015
Other long term liabilities		89,738	89,817
Deferred tax liabilities		9,784	17,630
		631,811	697,462
CURRENT LIABILITIES			
Payables		157,219	175,071
Short term borrowings		52,851	72,550
Provision for taxation		1,284	1,424
		211,354	249,045
TOTAL EQUITY AND LIABILITIES		1,998,007	2,141,977
<i>Net assets per share attributable to ordinary equity holders of the parent (sen)</i>			
		128	132

The annexed notes form an integral part of this interim financial report.

MATRIX INTERNATIONAL BERHAD
(COMPANY NO : 3907-W)

UNAUDITED INTERIM FINANCIAL REPORT
FOR THE YEAR ENDED 30 APRIL 2007
CONDENSED CONSOLIDATED INCOME STATEMENT

	Note	3 MONTHS ENDED		12 MONTHS ENDED	
		30/04/07	30/04/06	30/04/07	30/04/06
		RM'000	RM'000	RM'000	RM'000
<u>Continuing Operations</u>					
Revenue		160,441	78,525	387,845	352,555
Operating expenses, net		(132,282)	(69,647)	(336,101)	(300,972)
Profit from operations		28,159	8,878	51,744	51,583
Results arising from investing activities		(40,067)	(1,091)	(29,296)	2,444
Share of results from jointly controlled entity		338	182	1,143	627
Finance costs		(12,865)	(13,724)	(56,160)	(56,309)
Loss before taxation		(24,435)	(5,755)	(32,569)	(1,655)
Taxation	B5	(16,472)	(4,140)	(20,692)	(8,071)
Loss for the quarter/year from continuing operations		(40,907)	(9,895)	(53,261)	(9,726)
<u>Discontinued Operations</u>					
Loss for the quarter/year from discontinued operations		(22)	(3,230)	(3,877)	(2,345)
Loss for the quarter/year		(40,929)	(13,125)	(57,138)	(12,071)
Attributable to:					
- Equity holders of the Parent		(42,355)	(14,214)	(61,847)	(16,491)
- Minority interest		1,426	1,089	4,709	4,420
		(40,929)	(13,125)	(57,138)	(12,071)
Loss per share (sen):					
Basic, for the quarter/year from continuing operations	B13	(4.677)	(1.214)	(6.405)	(1.563)
Basic, for the quarter/year discontinued operations	B13	(0.002)	(0.357)	(0.428)	(0.259)
Basic, for the quarter/year	B13	(4.679)	(1.571)	(6.833)	(1.822)

Note: Certain comparative figures have been reclassified to conform to current financial period's presentation.

The annexed notes form an integral part of this interim financial report.

MATRIX INTERNATIONAL BERHAD
(COMPANY NO : 3907-W)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE YEAR ENDED 30 APRIL 2007
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	----- Attributable to the equity holders of the Parent -----					
	Share capital RM '000	Share premium RM '000	Accumulated loss RM'000	Total RM'000	Minority interest RM'000	Total Equity RM'000
At 1 May 2005	905,050	312,621	(6,984)	1,210,687	1,654	1,212,341
Net loss for the year	-	-	(16,491)	(16,491)	4,420	(12,071)
Dividend paid to minority interest of a subsidiary	-	-	-	-	(4,800)	(4,800)
At 30 April 2006	905,050	312,621	(23,475)	1,194,196	1,274	1,195,470
At 1 May 2006	905,050	312,621	(23,475)	1,194,196	1,274	1,195,470
Reversal of deferred tax liability #	-	-	22,051	22,051	-	22,051
Net loss for the year	-	-	(61,847)	(61,847)	4,709	(57,138)
Dividend paid to minority interest of a subsidiary	-	-	-	-	(5,541)	(5,541)
At 30 April 2007	905,050	312,621	(63,271)	1,154,400	442	1,154,842

This represents the reversal of deferred tax liability by a subsidiary company on its revaluation surplus upon the abolishment of real property gains tax.

The annexed notes form an integral part of this interim financial report.

MATRIX INTERNATIONAL BERHAD
(COMPANY NO : 3907-W)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE YEAR ENDED 30 APRIL 2007
CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

	12 MONTHS ENDED	
	30/04/07	30/04/06
	RM'000	RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Receipts from operations	366,572	399,355
Payments for operating expenses (including taxes)	(236,461)	(287,911)
Other payments	(155)	(110)
	<hr/>	<hr/>
Net cash generated from operating activities	129,956	111,334
CASH FLOW FROM INVESTING ACTIVITIES		
Sales of plant and machinery	5,857	8
Acquisition of plant and machinery	(1,132)	(2,043)
Sales of other investments	25	188
Acquisition of other investment	(5,638)	(185)
Interest received	1,580	1,076
Dividend received	413	413
	<hr/>	<hr/>
Net cash generated from/(used in) investing activities	1,105	(543)
CASH FLOW FROM FINANCING ACTIVITIES		
Dividend paid to minority shareholders	(7,690)	(4,102)
Bank borrowings and loan finance	15,123	18,877
Repayment of borrowings and loan	(92,548)	(50,000)
Repayment of other borrowings	(9,444)	-
Interest paid	(43,663)	(52,547)
Advances from a director of subsidiary company	-	9,551
Repayment of advances from a director	-	(17,887)
Other payments	(111)	(42)
	<hr/>	<hr/>
Net cash used in financing activities	(138,333)	(96,150)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(7,272)	14,641
OPENING CASH AND CASH EQUIVALENTS	47,523	32,882
CLOSING CASH AND CASH EQUIVALENTS	40,251	47,523
	<hr/> <hr/>	<hr/> <hr/>
The closing cash and cash equivalents comprise the following:		
Deposits with licensed banks	37,468	38,141
Cash and bank balances	2,783	9,382
	<hr/>	<hr/>
	40,251	47,523
	<hr/> <hr/>	<hr/> <hr/>

The annexed notes form an integral part of this interim financial report.

NOTES:

- A1 The interim financial report is not audited and has been prepared in compliance with Financial Reporting Standards (FRS) 134 - Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements of the Company for the year ended 30 April 2006.

The same accounting policies and methods of computation used in the preparation of the financial statements for the year ended 30 April 2006 have been applied in the preparation of the interim financial report under review except for the changes arising from the adoption of the new/revised FRSs issued by MASB that are effective for financial year beginning on or after 1 January 2006.

The principal effect of the changes in accounting policies resulting from the adoption of the new/revised FRSs are summarised as follows:

- (a) FRS 5: Non-current Assets Held for Sale and Discontinued Operations

The adoption of FRS 5 has no financial impact on the Group's income statement but requires the presentation of post-tax results of discontinued operations arising from cessation of business by BTS Department Store Sdn Bhd and Shasta Supermarket Sdn Bhd, two wholly owned subsidiaries of Berjaya Times Square Sdn Bhd to be shown as a separate component in the income statement. This is in accordance with the additional disclosures required by FRS 5.

- (b) FRS 101: Presentation of Financial Statements

The adoption of FRS 101 has no financial impact on the Group but affected the presentation of minority interest and certain disclosures. Minority interest is now presented within total equity in the Consolidated Balance Sheet and as an allocation from net profit for the period in the Consolidated Income Statement. The movement of minority interest is now presented in the Consolidated Statement of Changes in Equity. The share of jointly controlled entity's results is now presented net of tax in the Consolidated Income Statement.

- A2 The audit report of the Company's most recent annual audited financial statements does not contain any qualification.
- A3 Our principal business operations are not significantly affected by any seasonal or cyclical factors except for the gaming and recreation businesses that may be favourably impacted by the festive seasons.

NOTES (CONTINUED)

- A4 a) There were no other unusual items as a result of their nature, size or incidence that had affected the financial statements for the financial year ended 30 April 2007 except for the following:

	Current Quarter RM'000	Financial Year ended 30/4/2007 RM'000
Impairment in value of goodwill in certain subsidiaries	(41,716)	(42,354)
Impairment in value of quoted investment	(73)	(73)
Write back of impairment in value of quoted investments	1,418	11,245
	<u>(40,371)</u>	<u>(31,182)</u>

- b) There were no material changes in estimates during the financial year ended 30 April 2007.
- A5 There were no issuance and repayment of debts and equity securities, share buy-back, share cancellation, shares held as treasury shares and resale of treasury shares for the financial year ended 30 April 2007.
- A6 The Company did not pay any dividend in the current year ended 30 April 2007.
- A7 Segmental information for the financial year ended 30 April 2007:

<u>REVENUE</u>	External RM '000	Inter - segment RM '000	Total RM '000
<u>Revenue from continuing operations:</u>			
Property development and investment	178,129	-	178,129
Gaming	196,801	3,742	200,543
Recreation	12,915	-	12,915
Elimination : Intersegment revenue	-	(3,742)	(3,742)
Total revenue from continuing operations	<u>387,845</u>	<u>-</u>	<u>387,845</u>
<u>Revenue from discontinued operations:</u>			
Retail and trading	11,142	-	11,142
Total revenue	<u>398,987</u>	<u>-</u>	<u>398,987</u>

NOTES (CONTINUED)

Segmental information (cont'd)	Results from continuing operations RM '000	Results from discontinued operations RM '000	Total RM '000
<u>RESULTS</u>			
Property development and investment	36,178	-	36,178
Gaming	22,872	-	22,872
Retail and trading	(702)	(3,908)	(4,610)
Recreation	(5,467)	-	(5,467)
Unallocated corporate expenses	(1,137)	-	(1,137)
Operating profit/(loss)	<u>51,744</u>	<u>(3,908)</u>	<u>47,836</u>
Results from investing activities			
- Interest income	<u>1,346</u>	<u>45</u>	<u>1,391</u>
- Others	<u>(30,642)</u>	<u>-</u>	<u>(30,642)</u>
	<u>(29,296)</u>	<u>45</u>	<u>(29,251)</u>
	22,448	(3,863)	18,585
Finance costs	(56,160)	(14)	(56,174)
Share of results after tax from jointly controlled entity	<u>1,143</u>	<u>-</u>	<u>1,143</u>
Loss before taxation	<u>(32,569)</u>	<u>(3,877)</u>	<u>(36,446)</u>
Income taxes	<u>(20,692)</u>	<u>-</u>	<u>(20,692)</u>
Net loss after taxation	<u><u>(53,261)</u></u>	<u><u>(3,877)</u></u>	<u><u>(57,138)</u></u>

- A8 The valuation of land and building have been brought forward without amendment from the previous annual report and no revaluation has been carried out since 30 April 2006.
- A9 There were no material events subsequent to the end of this current quarter that have not been reflected in the financial statements for this interim period.
- A10 There were no material changes in the composition of the Group up to the date of this announcement including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operations except for the cessation of business by two wholly owned subsidiaries, BTS Department Store Sdn Bhd and Shasta Supermarket Sdn Bhd in August 2006.
- A11 There were no material changes in contingent liabilities or contingent assets since the last annual balance sheet date.

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD**

B1 The Group registered a revenue of RM160.4 million and pre-tax loss of RM24.45 million (comprised of pre-tax loss of RM24.43 million from continuing operations and pre-tax loss of RM0.02 million from discontinued operations) in the current quarter ended 30 April 2007 as compared to a revenue of RM85.06 million (comprised of RM78.6 million from continuing operations and RM6.46 million from discontinued operations) and pre-tax loss of RM8.9 million (comprised of pre-tax loss of RM5.7 million from continuing operations and pre-tax loss of RM3.2 million from discontinued operations) reported in the previous year corresponding quarter. The increase in revenue was mainly due to the completion of the sale of 175 units of fully furnished service suite and 6 units of penthouse service suite by Berjaya Times Square Sdn Bhd ("BTSSB"). The gaming business operated by Natural Avenue Sdn Bhd ("NASB") reported a marginally lower revenue mainly due to having two draws less as compared to the previous year corresponding quarter.

The higher Group pre-tax loss registered in the current quarter under review was mainly due to the impairment of goodwill on consolidation of certain subsidiaries as disclosed in Note A4 which is in accordance to FRS 136: Impairment of Assets. This impairment was partly mitigated by the gain realised on sale of the service suites as mentioned above coupled with the writeback of impairment in value of certain quoted investments in the current quarter. On the gaming business, NASB reported an increase of 33% in its pre-tax profit as a result of lower prize payout in the current quarter as compared to the previous year corresponding quarter.

For the financial year ended 30 April 2007, the Group registered a revenue of RM398.9 million (comprised of RM387.8 million from continuing operations and RM11.1 million from discontinued operations) and a pre-tax loss of RM36.4 million (comprised of pre-tax loss of RM32.5 million from continuing operations and pre-tax loss of RM3.9 million from discontinued operations) as compared to a revenue of RM390.1 million (comprised of RM352.6 million from continuing operations and RM37.5 million from discontinued operations) and a pre-tax loss of RM4 million (comprised of pre-tax loss of RM1.7 million for continuing operations and pre-tax loss of RM2.3 million for discontinued operations) reported in the previous year. The increase in revenue was mainly due to higher recorded property sales arising from the aforesaid sale of service suites in spite of the cessation of business by two wholly owned subsidiaries of BTSSB, namely BTS Department Store Sdn Bhd ("BTS Department") and Shasta Supermarket Sdn Bhd ("Shasta Supermarket") in August 2006 (The vacated space by BTS Department and Shasta Supermarket has now been tenanted to the major local retailers, namely Metrojaya and Cold Storage respectively). In addition, the gaming business operated through NASB achieved higher revenue as well as pre-tax profit in spite of having three draws less in this financial year under review. The Group's higher pre-tax loss for this current financial year was mainly attributed to the impairment of goodwill in certain subsidiaries as explained earlier, which was partly mitigated by the gain realised from sale of the aforementioned service suites coupled with the writeback of impairment in value of certain quoted investments arising from improved stock market conditions in the current financial year.

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)**

B2 As compared to the preceding quarter ended 31 January 2007, the Group registered an increase in the revenue from RM90 million to RM160.4 million and reported a pre-tax loss of RM24.45 million (comprised of pre-tax loss of RM24.43 million from continuing operations and pre-tax loss of RM0.02 million from discontinued operations) from a pre-tax profit of RM0.9 million (comprised of pre-tax profit of RM1.13 million from continuing operations and pre-tax loss of RM0.23 million from discontinued operations) in the current quarter under review. The improvement in revenue was mainly due to improved properties sales recorded by BTSSB Group (mainly from the sale of service suites) in spite of a 4% drop in revenue of NASB which had three draws less in the quarter under review when compared to the preceding quarter whilst the Group incurred pre-tax loss mainly attributed to the impairment of goodwill on consolidation of certain subsidiaries as mentioned earlier in Note B1 above.

B3 With the cessation of loss making business of BTS Department and Shasta Supermarket effected in this financial year ended 30 April 2007 as well as the impairment of goodwill in certain subsidiary company which is non-recurring, the Directors envisage that for the forthcoming financial year, the overall performance of the Group will show improvement as the Group continues its marketing efforts to improve the occupancy rate of Berjaya Times Square shopping mall and further divest its property stocks. The Directors also expect the gaming business in Sarawak operated by NASB to show favourable results in the forthcoming financial year in view of the continued growing economy in Sarawak.

B4 There is no profit forecast or profit guarantee for the financial year ended 30 April 2007.

B5 The taxation charges for the financial quarter and year ended 30 April 2007 are detailed as follows:

	Current Quarter 30/4/2007 RM'000	Financial Year ended 30/4/2007 RM'000
Malaysian taxation:		
Current quarter/year provision	2,124	6,481
(Over)/Under provision in prior years	(2)	6
Deferred	14,350	14,205
	<u>16,472</u>	<u>20,692</u>

The tax charge of the Group for the quarter and financial year ended 30 April 2007 relates to the chargeable income and the reversal of deferred tax assets of certain subsidiaries.

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)**

B6 For the financial year ended 30 April 2007, there are no gains on disposal of properties and unquoted investments except for the subsidiary company with principal activity of property development.

B7 (a) The acquisition of quoted securities during the current quarter and financial year ended 30 April 2007 were as follows:

	Current Quarter 30/4/2007 RM'000	Financial Year ended 30/4/2007 RM'000
Cost of purchase of quoted securities	<u>8,036</u>	<u>8,036</u>

(b) Investment in quoted securities as at 30 April 2007 are as follows:

	RM'000
Quoted investment in Malaysia at cost	<u>36,065</u>
Quoted investment in Malaysia at carrying value	<u>31,336</u>
Quoted investment in Malaysia at market value	<u>36,230</u>

(c) Investment in quoted Malaysian Government Securities as at 30 April 2007 are as follows:

	RM'000
Total quoted investment in Malaysia at cost	<u>1,000</u>
Total quoted investment in Malaysia at carrying value	<u>1,000</u>
Total quoted investment in Malaysia at market value	<u>1,107</u>

B8 The Group does not have any corporate proposals at the date of this announcement.

B9 There were no debt securities and the group borrowings as at 30 April 2007 are as follows:

	RM'000
Short term borrowings	52,851
Long term borrowings	<u>532,289</u>
Total borrowings	<u>585,140</u>

B10 There were no financial instruments with off balance sheet risk as at the date of this announcement.

**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF
BURSA MALAYSIA SECURITIES BERHAD (CONTINUED)**

B11 There was no pending material litigation since the last annual balance sheet date to the date of this announcement.

B12 The Board does not recommend any dividend in the current quarter (previous year corresponding quarter ended 30 April 2006 : Nil).

B13 The loss per share is calculated by dividing loss attributable to equity holders of the Parent by the number of ordinary shares in issue.

	3 Months Ended		Year Ended	
	30/04/07	30/04/06	30/04/07	30/04/06
	RM'000	RM'000	RM'000	RM'000
Loss for the quarter/year from continuing operations	(42,333)	(10,984)	(57,970)	(14,146)
Loss for the quarter/year from discontinued operations	<u>(22)</u>	<u>(3,230)</u>	<u>(3,877)</u>	<u>(2,345)</u>
Loss for the quarter/year	<u>(42,355)</u>	<u>(14,214)</u>	<u>(61,847)</u>	<u>(16,491)</u>
Weighted average number of ordinary shares ('000)	905,050	905,050	905,050	905,050
Basic loss per share (sen):				
Loss from continuing operations	(4.677)	(1.214)	(6.405)	(1.563)
Loss from discontinued operations	<u>(0.002)</u>	<u>(0.357)</u>	<u>(0.428)</u>	<u>(0.259)</u>
Loss per share for the quarter/year	<u>(4.679)</u>	<u>(1.571)</u>	<u>(6.833)</u>	<u>(1.822)</u>

No diluted loss per share is presented for the current quarter/year as there are no potential ordinary shares outstanding.

cc: Securities Commission