

**MATRIX INTERNATIONAL BERHAD**  
**(COMPANY NO: 3907-W)**

**UNAUDITED INTERIM FINANCIAL REPORT**  
**FOR THE PERIOD ENDED 31 JANUARY 2008**

<u>Table of Contents</u>	Page
Condensed Consolidated Balance Sheet	1
Condensed Consolidated Income Statement	2
Condensed Consolidated Statement of Changes in Equity	3
Condensed Consolidated Cash Flow Statement	4
Notes to the Unaudited Interim Financial Report	5 - 6
Additional Information Required by the Listing Requirements of Bursa Malaysia Securities Berhad	7 - 10

**MATRIX INTERNATIONAL BERHAD**  
(COMPANY NO : 3907-W)

**UNAUDITED INTERIM FINANCIAL REPORT  
FOR THE PERIOD ENDED 31 JANUARY 2008  
CONDENSED CONSOLIDATED BALANCE SHEET**

		<b>Group</b>	
	<b>Note</b>	<b>As at 31/01/08</b>	<b>As at 30/04/07</b>
		<b>RM'000</b>	<b>(Audited) RM'000</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		207,257	214,942
Investment properties		1,305,621	1,305,915
Jointly controlled entity		6,842	6,581
Investments	B7	47,577	32,337
Intangible assets		164,141	164,966
		1,731,438	1,724,741
<b>CURRENT ASSETS</b>			
Inventories		183,971	196,230
Receivables		23,627	20,834
Deposits with licensed banks		31,260	37,468
Cash and bank balances		1,891	4,543
		240,749	259,075
<b>TOTAL ASSETS</b>		1,972,187	1,983,816
<b>EQUITY</b>			
Share capital		905,050	905,050
Share premium		312,621	312,621
Accumulated losses		(138,728)	(136,290)
Equity attributable to equity holders of the parent		1,078,943	1,081,381
Minority interests		1,692	440
Total equity		1,080,635	1,081,821
<b>NON-CURRENT LIABILITIES</b>			
Long term bank borrowings		460,089	533,139
Other long term liabilities		89,863	89,738
Deferred tax liabilities		66,392	66,527
		616,344	689,404
<b>CURRENT LIABILITIES</b>			
Payables		151,994	158,868
Short term borrowings		121,517	52,502
Tax payable		1,697	1,221
		275,208	212,591
Total liabilities		891,552	901,995
<b>TOTAL EQUITY AND LIABILITIES</b>		1,972,187	1,983,816
<i>Net assets per share attributable to ordinary equity holders of the parent (sen)</i>			
		119	119

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 PERIOD ENDED 31 JANUARY 2008  
CONDENSED CONSOLIDATED INCOME STATEMENT**

	Note	3 MONTHS ENDED		9 MONTHS ENDED	
		31/01/08	31/01/07	31/01/08	31/01/07
		RM'000	RM'000	RM'000	RM'000
<b><u>Continuing Operations</u></b>					
Revenue		82,328	90,043	237,231	227,404
Operating expenses, net		(70,981)	(82,244)	(202,006)	(203,632)
Profit from operations		11,347	7,799	35,225	23,772
Other income		2,655	7,591	9,064	11,409
Other expenses		(166)	(274)	(992)	(825)
Share of results from jointly controlled entity		348	334	991	805
Finance costs		(12,462)	(14,312)	(37,314)	(43,295)
Profit/(loss) before tax		1,722	1,138	6,974	(8,134)
Income tax expense	B5	(1,360)	(1,220)	(4,902)	(4,220)
Profit/(loss) for the quarter/period from continuing operations		362	(82)	2,072	(12,354)
<b><u>Discontinued Operation</u></b>					
Loss for the quarter/period from discontinued operation		-	(234)	-	(3,855)
Profit/(loss) for the quarter/period		362	(316)	2,072	(16,209)
Attributable to:					
- Equity holders of the Parent		(903)	(1,260)	(2,438)	(19,492)
- Minority interests		1,265	944	4,510	3,283
		362	(316)	2,072	(16,209)
Loss per share (sen):					
Basic, for the quarter/period from continuing operations	B13	(0.10)	(0.11)	(0.27)	(1.73)
Basic, for the quarter/period from discontinued operation	B13	-	(0.03)	-	(0.43)
Basic, for the quarter/period	B13	(0.10)	(0.14)	(0.27)	(2.15)

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 PERIOD ENDED 31 JANUARY 2008  
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	----- Attributable to the equity holders of the Parent -----					
	Share capital RM '000	Share premium RM '000	Accumulated losses RM'000	Total RM'000	Minority interests RM'000	Total Equity RM'000
At 1 May 2006	905,050	312,621	(23,475)	1,194,196	1,274	1,195,470
Profit/(loss) for the period, representing total recognised income and expense for the period	-	-	(19,492)	(19,492)	3,283	(16,209)
At 31 January 2007	905,050	312,621	(42,967)	1,174,704	4,557	1,179,261
At 1 May 2007	905,050	312,621	(136,290)	1,081,381	440	1,081,821
Profit/(loss) for the period, representing total recognised income and expense for the period	-	-	(2,438)	(2,438)	4,510	2,072
Dividend paid to minority interest of a subsidiary	-	-	-	-	(3,258)	(3,258)
At 31 January 2008	905,050	312,621	(138,728)	1,078,943	1,692	1,080,635

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 PERIOD ENDED 31 JANUARY 2008  
CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

	<b>9 MONTHS ENDED</b>	
	<b>31/01/08</b>	<b>31/01/07</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Receipts from operations	245,938	223,863
Payments for operating expenses (including taxes)	(198,314)	(178,232)
Other receipts/(payments)	530	(56)
	<hr/>	<hr/>
Net cash generated from operating activities	48,154	45,575
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Sales of plant and machinery	163	5,847
Acquisition of plant and machinery	(1,705)	(1,056)
Sales of other investments	1,771	-
Acquisition of other investments	(15,381)	-
Interest received	699	1,228
Dividend received	2,678	413
	<hr/>	<hr/>
Net cash (used in)/generated from investing activities	(11,775)	6,432
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend paid to minority shareholders	(3,896)	(2,842)
Bank borrowings and loan finance	-	15,123
Repayment of borrowings and loan	(4,035)	(24,944)
Interest paid	(37,276)	(43,257)
Other payments	(32)	(41)
	<hr/>	<hr/>
Net cash used in financing activities	(45,239)	(55,961)
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>		
	(8,860)	(3,954)
<b>OPENING CASH AND CASH EQUIVALENTS</b>		
	42,011	47,523
<b>CLOSING CASH AND CASH EQUIVALENTS</b>		
	<hr/> <hr/>	<hr/> <hr/>
	33,151	43,569
The closing cash and cash equivalents comprise the following:		
Deposits with licensed banks	31,260	40,977
Cash and bank balances	1,891	2,592
	<hr/>	<hr/>
	33,151	43,569
	<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 2007.

The same accounting policies and methods of computation used in the preparation of the financial statements for the year ended 30 April 2007 have been applied in the preparation of the interim financial report under review except for the adoption of the new/revised Financial Reporting Standards ("FRS") 117: Leases and FRS 124: Related Party Disclosures which are effective for financial periods beginning on or after 1 October 2006. These FRSs have no significant impact on the financial statements of the Group upon their initial application.

- 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.
- 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 period ended 31 January 2008 except for the following:

	Current Quarter 31/01/2008 RM'000	Financial Period ended 31/01/2008 RM'000
Amortisation of intangible assets	(274)	(825)
(Impairment)/write back of impairment in value of quoted investments	(167)	3,987
Gain on disposal of investments	-	41
	<u>(441)</u>	<u>3,203</u>

- b) There were no material changes in estimates during the financial period ended 31 January 2008.
- 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 period ended 31 January 2008.
- A6 The Company did not pay any dividend in the current period ended 31 January 2008.

**NOTES (CONTINUED)**

A7 Segmental information for the financial period ended 31 January 2008:

<u>REVENUE</u>	External RM '000	Inter - segment RM '000	Total RM '000
<u>Revenue from continuing operations:</u>			
Property development and investment	69,833	-	69,833
Gaming and related activities	155,926	2,964	158,890
Recreation	11,472	-	11,472
Elimination : Intersegment revenue	-	(2,964)	(2,964)
Total revenue from continuing operations	<u>237,231</u>	<u>-</u>	<u>237,231</u>
			Total RM '000
<u>RESULTS</u>			
Property development and investment	18,949		
Gaming and related activities	20,313		
Recreation	(3,409)		
	<u>35,853</u>		
Unallocated corporate expenses	(628)		
Profit from operations	35,225		
Other income			
- property development and investment	7,564		
- gaming and related activities	1,399		
- others	101		
	9,064		
Other expenses	(992)		
Share of results after tax from jointly controlled entity	991		
Finance costs	(37,314)		
Profit before tax	6,974		
Income tax expense	(4,902)		
Profit for the period	<u>2,072</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 1 May 2007.

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.

A11 There were no material changes in contingent liabilities or contingent assets since the last annual balance sheet date.

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**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF  
BURSA MALAYSIA SECURITIES BERHAD****B1 For the Quarter**

The Group registered a revenue of RM82.3 million and pre-tax profit of RM1.72 million in the current quarter ended 31 January 2008 as compared to a revenue of RM90 million (comprised of RM90 million from continuing operations and RMNil from discontinued operation) and pre-tax profit of RM0.9 million (comprised of pre-tax profit of RM1.1 million from continuing operations and pre-tax loss of RM0.2 million from discontinued operation) reported in the previous year corresponding quarter. The decrease in revenue was mainly due to lower properties sales registered by Berjaya Times Square Sdn Bhd ("BTSSB") Group. In addition, the gaming business operated by Natural Avenue Sdn Bhd ("NASB") reported a marginally lower revenue mainly due to having three draws less as compared to the previous year corresponding quarter. The Group recorded a higher pre-tax profit in the current quarter under review mainly attributed to the higher profit contribution from the gaming business which registered an increase of 31% in its pre-tax profit as a result of lower prize payout as compared to the previous year corresponding quarter.

**For the Nine months period**

As for the cumulative nine months ended 31 January 2008, the Group registered a revenue of RM237.2 million and a pre-tax profit of RM7 million as compared to a revenue of RM238.5 million (comprised of RM227.4 million from continuing operations and RM11.1 million from discontinued operation) and a pre-tax loss of RM12 million (comprised of pre-tax loss of RM8.1 million from continuing operations and pre-tax loss of RM3.9 million from discontinued operation) reported in the previous year corresponding period. The marginal drop in revenue was mainly due to lower property sales, mitigated by the higher revenue achieved by NASB (registering 7% growth) in spite of having one draw less in this financial period under review. The turnaround in profitability for this current financial period was mainly attributed to higher pre-tax profit contribution from the gaming business (registering 33% growth) as well as the curtailment of loss in the BTSSB Group arising from the cessation of the loss making companies (ie. BTS Department Store Sdn Bhd and Shasta Supermarket Sdn Bhd) in the previous year corresponding period.

**B2 Third Quarter vs Second Quarter**

As compared to the preceding quarter ended 31 October 2007, the Group registered an increase in revenue from RM80 million to RM82.3 million and reported a marginally lower pre-tax profit of RM1.72 million from a pre-tax profit of RM1.77 million. The increase in revenue was mainly due to higher revenue registered by NASB (registering 3% growth) in this quarter under review. The marginally lower pre-tax profit recorded in the current quarter under review was mainly attributed to a relatively higher prize payout of the gaming business in the current quarter as compared to the previous year corresponding quarter.



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

B3 The Directors envisage that after taking into account the expected completion of the Rights Issue as detailed in Note B8 in March 2008 (which will increase the share capital base of the Company and thereafter further reduce the Group's borrowings), the overall financial position of the Group for the forthcoming quarter will show improvement whereas the operating results will be satisfactory. The Directors also expect the gaming business in Sarawak operated by NASB to register favourable results in the forthcoming financial quarter which have the benefit of sales from the Chinese Lunar New Year festive season in the month of February 2008.

B4 There is no profit forecast or profit guarantee for the financial period ended 31 January 2008.

B5 The income tax expense for the financial quarter and period ended 31 January 2008 are detailed as follows:

	Current Quarter 31/01/08 RM'000	Financial Period ended 31/01/08 RM'000
Malaysian taxation:		
Current quarter/period provision	1,412	5,446
Over provision in prior years	(7)	(409)
Deferred	<u>(45)</u>	<u>(135)</u>
	<u>1,360</u>	<u>4,902</u>

The disproportionate tax charge of the Group for the quarter and financial period ended 31 January 2008 was mainly due to the chargeable income of certain subsidiaries and non-availability of Group tax relief in respect of losses incurred by certain subsidiary companies.

B6 For the financial period ended 31 January 2008, 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 and disposal of quoted securities during the current quarter and financial period ended 31 January 2008 were as follows:

	Current Quarter 31/01/08 RM'000	Financial Period ended 31/01/08 RM'000
Cost of purchase of quoted securities	<u>4,569</u>	<u>12,983</u>
Proceeds of quoted securities disposed	<u>-</u>	<u>1,771</u>
Gain on disposal of quoted securities	<u>-</u>	<u>41</u>

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

B7 (b) Investment in quoted securities as at 31 January 2008 are as follows:

	RM'000
Quoted investment in Malaysia at cost	47,318
Quoted investment in Malaysia at carrying value	<u>46,577</u>
Quoted investment in Malaysia at market value	<u>171,402</u>

(c) Investment in quoted Malaysian Government Securities as at 31 January 2008 are as follows:

	RM'000
Total quoted investment in Malaysia at cost	1,000
Total quoted investment in Malaysia at carrying value	<u>1,000</u>
Total quoted investment in Malaysia at market value	<u>1,087</u>

B8 On 12 September 2007, the Company announced to undertake a renounceable two-call rights issue of up to 226,262,597 new ordinary shares of RM1.00 each together with up to 452,525,194 free detachable warrants, at an issue price of RM1.00 per Rights Share, on the basis of one Rights Share together with two free Warrants for every four existing ordinary shares of RM1.00 each held ("Rights Issue").

The Controller of Foreign Exchange of Malaysia i.e. Bank Negara Malaysia, had vide its letter dated 13 November 2007 granted approval for the above Rights Issue.

On 5 December 2007, the Company announced that the approval from Securities Commission has been obtained for the above Rights Issue vide its letter dated 27 November 2007.

On 8 January 2008, the shareholders of the Company have approved the Rights Issue.

The aforesaid Rights Issue is now pending completion.

B9 There were no debt securities and the group borrowings as at 31 January 2008 are as follows:

Secured:	RM'000
Short term borrowings	121,517
Long term borrowings	<u>460,089</u>
Total borrowings	<u>581,606</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/period ended 31 January 2007 : Nil).

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

	3 Months Ended		Period Ended	
	31/01/08	31/01/07	31/01/08	31/01/07
	RM'000	RM'000	RM'000	RM'000
Loss for the quarter/period from continuing operations	(903)	(1,026)	(2,438)	(15,637)
Loss for the quarter/period from discontinued operation	-	(234)	-	(3,855)
Loss for the quarter/period	<u>(903)</u>	<u>(1,260)</u>	<u>(2,438)</u>	<u>(19,492)</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	(0.10)	(0.11)	(0.27)	(1.73)
Loss from discontinued operation	-	(0.03)	-	(0.43)
Loss per share for the quarter/period	<u>(0.10)</u>	<u>(0.14)</u>	<u>(0.27)</u>	<u>(2.15)</u>

No diluted loss per share is presented for the current quarter/period as the computation based on the potential ordinary shares outstanding (Note B8) have an antidilutive effect.

cc: Securities Commission