

MATRIX INTERNATIONAL BERHAD
(COMPANY NO: 3907-W)

UNAUDITED INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 31 JANUARY 2009

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MATRIX INTERNATIONAL BERHAD
(COMPANY NO : 3907-W)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE PERIOD ENDED 31 JANUARY 2009
CONDENSED CONSOLIDATED BALANCE SHEET**

		Group	
	Note	As at 31/01/09	As at 30/04/08
		RM'000	(Audited) RM'000
NON-CURRENT ASSETS			
Property, plant and equipment		200,738	210,925
Investment properties		1,314,491	1,314,491
Jointly controlled entity		7,926	7,149
Investments	B7	47,932	47,485
Intangible assets		163,038	163,865
		1,734,125	1,743,915
CURRENT ASSETS			
Inventories		166,453	183,492
Receivables		20,982	20,019
Deposits with licensed banks		35,945	34,829
Cash and bank balances		1,668	6,636
		225,048	244,976
TOTAL ASSETS		1,959,173	1,988,891
EQUITY			
Share capital		1,113,042	1,113,042
Share premium		258,985	258,985
Accumulated losses		(128,810)	(138,340)
Equity attributable to equity holders of the parent		1,243,217	1,233,687
Minority interests		3,419	3,078
Total equity		1,246,636	1,236,765
NON-CURRENT LIABILITIES			
Long term bank borrowings		406,689	459,739
Other long term liabilities		108	130
Deferred tax liabilities		92,682	92,812
		499,479	552,681
CURRENT LIABILITIES			
Payables		107,905	125,358
Short term borrowings		103,400	73,485
Tax payable		1,753	602
		213,058	199,445
Total liabilities		712,537	752,126
TOTAL EQUITY AND LIABILITIES		1,959,173	1,988,891
<i>Net assets per share attributable to ordinary equity holders of the parent (sen)</i>			
		<i>112</i>	<i>111</i>

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 2009
CONDENSED CONSOLIDATED INCOME STATEMENT

	Note	3 MONTHS ENDED		9 MONTHS ENDED	
		31/01/09	31/01/08	31/01/09	31/01/08
		RM'000	RM'000	RM'000	RM'000
Revenue		104,842	82,328	251,907	237,231
Operating expenses		(88,049)	(71,913)	(206,682)	(204,613)
Profit from operations		16,793	10,415	45,225	32,618
Other income		1,318	3,666	8,343	11,085
Other expenses		(430)	(245)	(1,434)	(406)
Share of results from jointly controlled entity		228	348	777	991
Finance costs		(11,121)	(12,462)	(33,786)	(37,314)
Profit before tax		6,788	1,722	19,125	6,974
Income tax expense	B5	(2,687)	(1,360)	(6,020)	(4,902)
Profit for the quarter / period		4,101	362	13,105	2,072
Attributable to:					
- Equity holders of the Parent		2,717	(903)	9,530	(2,438)
- Minority interests		1,384	1,265	3,575	4,510
		4,101	362	13,105	2,072
Earnings / (loss) per share (sen):					
Basic, for the quarter/period	B13	0.24	(0.10)	0.86	(0.27)

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 2009
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	----- Attributable to the equity holders of the Parent -----					
	Share Capital	Share Premium	Accumulated Losses	Total	Minority Interests	Total Equity
	RM '000	RM '000	RM'000	RM'000	RM'000	RM'000
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	<u>905,050</u>	<u>312,621</u>	<u>(138,728)</u>	<u>1,078,943</u>	<u>1,692</u>	<u>1,080,635</u>
At 1 May 2008	1,113,042	258,985	(138,340)	1,233,687	3,078	1,236,765
Profit for the period, representing total recognised income and expense for the period	-	-	9,530	9,530	3,575	13,105
Dividend paid to minority interest of a subsidiary	-	-	-	-	(3,234)	(3,234)
At 31 January 2009	<u>1,113,042</u>	<u>258,985</u>	<u>(128,810)</u>	<u>1,243,217</u>	<u>3,419</u>	<u>1,246,636</u>

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 2009
CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

	9 MONTHS ENDED	
	31/01/09	31/01/08
	RM'000	RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Receipts from operations	287,150	245,938
Payments for operating expenses (including taxes)	(231,156)	(198,314)
Other receipts	1,558	530
Net cash generated from operating activities	<u>57,552</u>	<u>48,154</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Sales of plant and machinery	51	163
Acquisition of plant and machinery	(878)	(1,705)
Sales of other investments	-	1,771
Acquisition of other investments	(1,646)	(15,381)
Interest received	720	699
Dividend received	624	2,678
Net cash used in investing activities	<u>(1,129)</u>	<u>(11,775)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Payment of Rights Issue expenses	(35)	-
Dividend paid to minority shareholders	(3,234)	(3,896)
Repayment of borrowings and loan	(23,135)	(4,035)
Interest paid	(33,740)	(37,276)
Other payments	(46)	(32)
Net cash used in financing activities	<u>(60,190)</u>	<u>(45,239)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(3,767)	(8,860)
OPENING CASH AND CASH EQUIVALENTS	41,380	42,011
CLOSING CASH AND CASH EQUIVALENTS	<u>37,613</u>	<u>33,151</u>
The closing cash and cash equivalents comprise the following:		
Deposits with licensed banks	35,945	31,260
Cash and bank balances	1,668	1,891
	<u>37,613</u>	<u>33,151</u>

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 2008.

The same accounting policies and methods of computation used in the preparation of the financial statements for the year ended 30 April 2008 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"), amendments to FRSs and Interpretations, as listed in the audited financial statements for year ended 30 April 2008, which are effective for financial periods beginning on or after 1 July 2007. These FRSs have no significant impact on the financial statements of the Group upon their initial application.

- A2 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.

- A3 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 2009 except for the following:

	Current Quarter 31/01/2009 RM'000	Financial Period ended 31/01/2009 RM'000
Amortisation of intangible assets	(276)	(827)
Impairment in value of quoted investments	(351)	(1,199)
	<u>(627)</u>	<u>(2,026)</u>

- b) There were no material changes in estimates during the financial period ended 31 January 2009.

- A4 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 2009. In addition, none of the outstanding Warrants 2008/2018 were exercised in the period ended 31 January 2009.

- A5 The Company did not pay any dividend in the current quarter ended 31 January 2009.

NOTES (CONTINUED)

A6 Segmental information for the financial period ended 31 January 2009:

	External RM '000	Inter - segment RM '000	Total RM '000
REVENUE			
Property development and investment	78,805	-	78,805
Gaming and related activities	161,912	-	161,912
Recreation	11,190	-	11,190
Trading and others	-	3,075	3,075
Elimination : Intersegment revenue	-	(3,075)	(3,075)
Total revenue	<u>251,907</u>	<u>-</u>	<u>251,907</u>
			Total RM '000
Property development and investment			33,920
Gaming and related activities			16,945
Recreation			(3,712)
Trading and others			(1,396)
			<u>45,757</u>
Unallocated corporate expenses			(532)
Profit from operations			<u>45,225</u>
Other income			
- property development and investment			6,845
- gaming and related activities			503
- recreation			73
- trading and others			835
- unallocated			87
			<u>8,343</u>
Other expenses			
- gaming and related activities			(55)
- trading and others			(1,032)
- unallocated			(347)
			<u>(1,434)</u>
			52,134
Share of results after tax from jointly controlled entity			777
Finance costs			(33,786)
Profit before tax			<u>19,125</u>
Income tax expense			(6,020)
Profit for the period			<u>13,105</u>

A7 There were no material events subsequent to the end of this current quarter that have not been reflected in the financial statements for this period.

NOTES (CONTINUED)

- A8 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 handover by Berjaya TS Management Sdn Bhd of its property management operations of Berjaya Times Square to Berjaya Times Square Joint Management Body on 1 November 2008. Thus, Berjaya TS Management Sdn Bhd ceased operation on even date and is now an inactive subsidiary company of the Group.
- A9 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 For the Quarter**

The Group registered a revenue of RM104.84 million and pre-tax profit of RM6.79 million in the current quarter ended 31 January 2009 as compared to a revenue of RM82.33 million and pre-tax profit of RM1.72 million reported in the previous year corresponding quarter. The improvement in revenue and pre-tax profit was mainly due to higher property sales reported by Berjaya Times Square Sdn Bhd ("BTSSB"). In addition, the gaming business operated by Natural Avenue Sdn Bhd ("NASB") also recorded an increase in revenue (about 23% growth) as well as pre-tax profit (about 8% growth) mainly arising from having three additional draws as compared to the previous year corresponding quarter.

For the Nine months period

For the cumulative nine months ended 31 January 2009, the Group registered a revenue of RM251.91 million and a pre-tax profit of RM19.13 million as compared to a revenue of RM237.23 million and a pre-tax profit of RM6.97 million reported in the previous year corresponding period. The increase in revenue was mainly due to higher revenue recorded by both the property development and investment business (registering about 21% growth) and gaming business (registering about 4% growth).

The higher pre-tax profit in the current period under review was mainly due to the completion of its disposal of 32 units of service suites in the preceding quarter as well as higher rental income as a result of improved occupancy rates from its property investment business. In addition, the Group incurred a lower finance cost as a result of lower bank borrowings in the current financial period as compared to the previous year corresponding period.

B2 Third Quarter vs Second Quarter

As compared with the preceding quarter ended 31 October 2008, the Group reported an increase of 40% in revenue from RM75.04 million to RM104.84 million. However, it reported a lower pre-tax profit of RM6.79 million in the current quarter as compared to a pre-tax profit of RM13.24 million in the preceding quarter. The increase in revenue was mainly due to higher property sales registered by BTSSB as mentioned earlier as well as higher revenue recorded by NASB (about 31% growth) arising from having five additional draws in the current quarter as compared to the preceding quarter.

The lower pre-tax profit in the current quarter under review was mainly due to lower profit contribution from BTSSB. In the preceding quarter, BTSSB reported a higher profit contribution from the completion of its disposal of 32 units of service suites. However, NASB reported an increase of 10% in pre-tax profit for this current quarter as compared to the preceding quarter mainly due to the additional draws as mentioned above.

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

B3 Future Prospects

Barring any unforeseen circumstances, the Directors envisage that the operating performance of the Group for the forthcoming financial quarter will be satisfactory. The Directors also expect the Numbers Forecast Operators (NFO) business in Sarawak operated by NASB to show favourable results in the forthcoming financial quarter.

B4 There is no profit forecast or profit guarantee for the financial period ended 31 January 2009.

B5 The income tax expense for the financial period ended 31 January 2009 are detailed as follows:

	Current Quarter 31/01/09 RM'000	Financial Period ended 31/01/09 RM'000
Malaysian taxation:		
Current quarter/period provision	2,035	5,455
Under provision in prior years	695	695
Deferred	(43)	(130)
	<u>2,687</u>	<u>6,020</u>

The disproportionate tax charge of the Group for the period ended 31 January 2009 was mainly due to certain expenses being disallowed for tax purposes.

B6 For the financial period ended 31 January 2009, there were 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/period ended 31 January 2009 were as follows:

	Current Quarter 31/01/09 RM'000	Financial Period ended 31/01/09 RM'000
Cost of purchase of quoted securities	<u>286</u>	<u>1,646</u>

(b) Investment in quoted securities as at 31 January 2009 are as follows:

	RM'000
Quoted investment in Malaysia at cost	<u>48,965</u>
Quoted investment in Malaysia at carrying value	<u>46,932</u>
Quoted investment in Malaysia at market value	<u>85,322</u>

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

B7 (c) Investment in quoted Malaysian Government Securities as at 31 January 2009 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><u>1,111</u></u>

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

B9 There were no debt securities and the Group borrowings as at 31 January 2009 are as follows:

Secured:	RM'000
Short term borrowings	103,400
Long term borrowings	<u>406,689</u>
Total borrowings	<u><u>510,089</u></u>

B10 There were no off balance sheet financial instruments as at the date of this announcement except for 415,982,348 Warrants 2008/2018 issued pursuant to a rights issue in the previous financial year.

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 2008 : RMNil).

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

	3 Months Ended		Period Ended	
	31/01/09	31/01/08	31/01/09	31/01/08
	RM'000	RM'000	RM'000	RM'000
Profit/(loss) for the quarter/period	<u>2,717</u>	<u>(903)</u>	<u>9,530</u>	<u>(2,438)</u>
Weighted average number of ordinary shares ('000)	<u>1,113,042</u>	<u>905,050</u>	<u>1,113,042</u>	<u>905,050</u>
Basic earnings/(loss) per share (sen):	<u>0.24</u>	<u>(0.10)</u>	<u>0.86</u>	<u>(0.27)</u>

No diluted earnings/(loss) per share is presented for the current quarter/period as the computation based on the outstanding warrants would have an antidilutive effect.

cc: Securities Commission