



**CONDENSED CONSOLIDATED INCOME STATEMENTS  
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2008 (Unaudited)**

	Individual Quarter		Cumulative Quarter	
	Current quarter ended 30.09.2008 RM'000	Comparative quarter ended 30.09.2007 RM'000	Current year to date 30.09.2008 RM'000	Comparative year to date 30.09.2007 RM'000
Revenue	63,946	168,504	152,639	339,991
Cost of sales	(50,005)	(118,319)	(109,736)	(226,232)
Gross profit	13,941	50,185	42,903	113,759
Other income	11,108	4,308	18,656	7,036
Administrative expenses	(10,124)	(10,233)	(19,348)	(18,932)
Selling and marketing expenses	(1,570)	(2,784)	(2,937)	(5,622)
Other expenses	(5,290)	(5,817)	(8,561)	(7,948)
Operating profit	8,065	35,659	30,713	88,293
Finance costs	(7,286)	(7,674)	(14,606)	(14,762)
Share of loss of associates	(333)	(500)	(403)	(681)
Share of profit of jointly controlled entities	504	7	735	29
Profit before tax	950	27,492	16,439	72,879
Income tax expense	457	(9,331)	(474)	(23,740)
<b>Profit for the period from continuing operations</b>	<b>1,407</b>	<b>18,161</b>	<b>15,965</b>	<b>49,139</b>
<b>Discontinued Operation</b>				
Profit for the period from discontinued operation	-	13,895	-	20,442
<b>Profit for the period</b>	<b>1,407</b>	<b>32,056</b>	<b>15,965</b>	<b>69,581</b>
Attributable to:-				
Equity holders of the Company	473	14,720	11,317	29,957
Minority interests	934	17,336	4,648	39,624
	<b>1,407</b>	<b>32,056</b>	<b>15,965</b>	<b>69,581</b>
Earnings per stock units attributable to equity holders of the Company:-				
Basic (sen)				
- for profit from continuing operations	0.08	1.49	1.81	3.85
- for profit from discontinued operation	-	1.30	-	1.84
	<b>0.08</b>	<b>2.79</b>	<b>1.81</b>	<b>5.69</b>
Diluted (sen)				
- for profit from continuing operations	0.08	1.39	1.81	3.59
- for profit from discontinued operation	-	1.22	-	1.72
	<b>0.08</b>	<b>2.61</b>	<b>1.81</b>	<b>5.31</b>

**The condensed consolidated income statements should be read in conjunction with the audited financial statements for the financial year ended 31 March 2008 and accompanying explanatory notes attached to the interim financial statements.**



**CONDENSED CONSOLIDATED BALANCE SHEETS**  
**AS AT 30 SEPTEMBER 2008 (Unaudited)**

	AS AT 30.09.2008 RM'000	AS AT 31.03.2008 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	250,763	249,506
Land held for property development	656,641	837,166
Investment properties	14,882	12,098
Prepaid lease payments	976	987
Intangible assets	2,268	2,318
Investments in associates	30,374	30,777
Investments in joint controlled entities	327	-
Other investments	17,376	19,176
Deferred tax assets	14,792	14,792
	<u>988,399</u>	<u>1,166,820</u>
<b>Current assets</b>		
Property development costs	532,349	280,818
Inventories	21,781	27,422
Receivables	208,731	175,696
Accrued billings in respect of property development costs	17,485	24,936
Cash and cash equivalents	167,107	455,023
	<u>947,453</u>	<u>963,895</u>
Non-current assets classified as held for sale	-	56,205
	<u>947,453</u>	<u>1,020,100</u>
<b>TOTAL ASSETS</b>	<u>1,935,852</u>	<u>2,186,920</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	591,995	419,061
8% Irredeemable Convertible Unsecured Loan Stocks 2006/2011	83,991	83,991
Treasury Stock Units	(9,184)	(5,110)
Reserves	196,626	231,744
	<u>863,428</u>	<u>729,686</u>
Minority interests	20,967	357,075
<b>Total Equity</b>	<u>884,395</u>	<u>1,086,761</u>



**CONDENSED CONSOLIDATED BALANCE SHEETS**  
**AS AT 30 SEPTEMBER 2008 (Unaudited)**

	<b>AS AT</b> <b>30.09.2008</b> <b>RM'000</b>	<b>AS AT</b> <b>31.03.2008</b> <b>RM'000</b>
<b>Non-current liabilities</b>		
8% Irredeemable Convertible Unsecured Loan Stocks 2006/2011	25,623	34,226
Borrowings	506,075	558,917
Deferred tax liabilities	49,406	55,730
	<u>581,104</u>	<u>648,873</u>
<b>Current liabilities</b>		
Payables	145,944	160,073
Provisions	2,418	644
Borrowings	310,945	268,523
Taxation	11,046	22,046
	<u>470,353</u>	<u>451,286</u>
<b>Total Liabilities</b>	<u>1,051,457</u>	<u>1,100,159</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>1,935,852</u>	<u>2,186,920</u>
<b>Net assets per stock unit attributable to ordinary equity holders of the Company (RM)</b>	<u>1.33</u>	<u>1.55</u>

Based on number of stock units net of treasury stock units

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the financial year ended 31 March 2008 and accompanying explanatory notes attached to the interim financial statements.



EASTERN & ORIENTAL BERHAD (555-K)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 30 SEPTEMBER 2007 (Unaudited)**

	Attributable to Equity Holders of the Company									Minority Interests	Total Equity
	Non-Distributable					Distributable					
	Share Capital	ICULS 2006/2011	Share Premium	Treasury Stock Units	Revaluation Reserve	Share Option Reserve	Exchange Reserve	Retained Profits	Total		
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Period ended 30 September 2007</b>											
<b>At 1 April 2007</b>	358,961	101,455	76,266	(749)	24,513	2,017	86	44,184	606,733	390,525	997,258
Currency translation differences	-	-	-	-	-	-	(4)	-	(4)	-	(4)
Net profit for the period	-	-	-	-	-	-	-	29,957	29,957	39,624	69,581
Total recognised income and expenses for the period	-	-	-	-	-	-	(4)	29,957	29,953	39,624	69,577
Issuance of ordinary stock units:											
- Pursuant to ESOS	2,695	-	-	-	-	-	-	-	2,695	-	2,695
- Warrants exercised	30,811	-	-	-	-	-	-	-	30,811	-	30,811
- Conversion of ICULS (equity portion)	17,371	(17,371)	-	-	-	-	-	-	-	-	-
- Conversion of ICULS (liability portion)	8,090	-	(861)	-	-	-	-	-	7,229	-	7,229
Purchase of treasury stock units	-	-	-	(4,315)	-	-	-	-	(4,315)	-	(4,315)
Shares issuance costs	-	-	(112)	-	-	-	-	-	(112)	-	(112)
Accretion arising from additional shares issued by subsidiaries	-	-	-	-	-	-	-	9,326	9,326	32,161	41,487
Effect of acquisition of additional equity interest in subsidiary	-	-	-	-	-	-	-	(8,124)	(8,124)	(13,645)	(21,769)
Share options granted under EOB ESOS lapsed	-	-	-	-	-	(3)	-	-	(3)	-	(3)
Share options granted under EOB ESOS	-	-	649	-	-	(649)	-	-	-	-	-
Share options granted under PPB ESOS	-	-	-	-	-	-	-	-	-	(322)	(322)
Transfer from revaluation reserve	-	-	-	-	(2,652)	-	-	2,652	-	-	-
Dividends	-	-	-	-	-	-	-	(12,151)	(12,151)	(2,423)	(14,574)
<b>At 30 September 2007</b>	417,928	84,084	75,942	(5,064)	21,861	1,365	82	65,844	662,042	445,920	1,107,962



EASTERN & ORIENTAL BERHAD (555-K)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 30 SEPTEMBER 2008 (Unaudited)**

	Attributable to Equity Holders of the Company							Minority Interests	Total Equity	
	<----- Non-Distributable ----->				Distributable Retained Profits/ (Accumulated Losses)					
	Share Capital	ICULS 2006/2011	Share Premium	Treasury Stock Units	Share Option Reserve	Exchange Reserve	Total			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
<b>Period ended 30 September 2008</b>										
<b>At 1 April 2008</b>	419,061	83,991	76,006	(5,110)	1,294	390	154,054	729,686	357,075	1,086,761
Currency translation differences	-	-	-	-	-	37	-	37	-	37
Net profit for the period	-	-	-	-	-	-	11,317	11,317	4,648	15,965
Total recognised income and expenses for the period	-	-	-	-	-	37	11,317	11,354	4,648	16,002
Issuance of ordinary stock units:										
- Pursuant to Members' Scheme	172,899	-	220,053	-	-	-	-	392,952	-	392,952
- Warrants exercised	35	-	-	-	-	-	-	35	-	35
Purchase of treasury stock units	-	-	-	(4,074)	-	-	-	(4,074)	-	(4,074)
Shares issuance costs	-	-	(1,637)	-	-	-	-	(1,637)	-	(1,637)
Effect of acquisition of additional equity interest in subsidiary	-	-	-	-	-	-	(264,888)	(264,888)	(340,756)	(605,644)
<b>At 30 September 2008</b>	591,995	83,991	294,422	(9,184)	1,294	427	(99,517)	863,428	20,967	884,395

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 March 2008 and accompanying explanatory notes attached to the interim financial statements.



**CONDENSED CONSOLIDATED CASH FLOW STATEMENT  
FOR THE PERIOD ENDED 30 SEPTEMBER 2008 (Unaudited)**

	<b>6 mths ended 30.09.2008 RM'000</b>	<b>6 mths ended 30.09.2007 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax from:-		
Continuing operations	16,439	72,879
Discontinued operation	-	27,754
Adjustments for:-		
Depreciation and amortisation	6,217	7,161
Non-cash items	1,195	(10,623)
Non-operation items	8,436	7,910
Operating profit before working capital changes	<u>32,287</u>	<u>105,081</u>
Working capital changes:-		
Land held for property development	3,158	27,207
Property development cost	(10,988)	91,535
Non-current assets classified as held for sale	(1,208)	-
Changes in inventories	5,640	4,677
Changes in receivables	(30,233)	(156,352)
Changes in payables	(12,998)	(82,632)
Interest received	6,427	5,118
Interest paid	(33,034)	(32,898)
Income tax refunded	5,374	840
Income tax paid	<u>(19,229)</u>	<u>(25,821)</u>
NET CASH USED IN OPERATING ACTIVITIES	(54,804)	(63,245)
NET CASH USED IN INVESTING ACTIVITIES	(216,989)	(11,705)
NET CASH USED IN FINANCING ACTIVITIES	(14,124)	(10,713)
Effects of exchange translation differences	51	(4)
NET DECREASE IN CASH AND CASH EQUIVALENTS	<u>(285,866)</u>	<u>(85,667)</u>
CASH AND CASH EQUIVALENTS AT 1 APRIL	452,495	344,583
CASH AND CASH EQUIVALENTS AT 30 SEPTEMBER	<u><u>166,629</u></u>	<u><u>258,916</u></u>

For purpose of cash flow statements, cash and cash equivalents comprised of the follow:-

Continuing Operations

Deposits with financial institutions	77,761	114,438
Cash on hand and at banks	89,346	137,995
Bank overdrafts	(478)	(10,253)
	<u>166,629</u>	<u>242,180</u>

Discontinued Operation

Deposits with financial institutions	-	14,903
Cash on hand and at banks	-	1,833
	<u>-</u>	<u>16,736</u>
	<u>166,629</u>	<u>258,916</u>

**The condensed consolidated cash flow statement should be read in conjunction with the audited financial Statements for the financial year ended 31 March 2008 and accompanying explanatory notes attached to the interim financial statements.**



**A. Explanatory Notes Pursuant to FRS 134**

**1. Basis of preparation**

This interim report is unaudited and has been prepared in accordance with the requirements of Financial Reporting Standard ("FRS") 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") 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 Group for the financial year ended 31 March 2008 and the explanatory notes. These explanatory notes provide an explanation of the events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 March 2008.

**2. Changes in Accounting Policies**

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 31 March 2008 except for the adoption of the following revised Financial Reporting Standards ("FRSs") which are effective for the Group's annual reporting for the financial year ending 31 March 2009:

FRS 107	Cash Flow Statements
FRS 112	Income Taxes
FRS 118	Revenue
FRS 134	Interim Financial Reporting
FRS 137	Provisions, Contingent Liabilities and Contingent Assets

The adoption of revised FRSs do not have significant impact on the financial statements of the Group. Further, the requirement arising from the adoption of revised FRS 112 is only applicable if the entities with unutilised tax reinvestment or other similar tax allowance in excess of the normal capital allowance, meet the condition to recognise deferred tax asset to the extent that it is probable that the future taxable profit will be available against which the unutilised reinvestment or other similar tax allowance can be utilised.

**3. Auditors' report on preceding audited financial statements**

The auditors' report for the annual financial statements of the Group for the financial year ended 31 March 2008 was not subject to any qualification.

**4. Seasonality or cyclicity of operations**

The business of the Group is not affected in any material way by seasonal or cyclical factors or influence, apart from the general economic conditions in which it operates.

**5. Material and unusual items**

There were no material or unusual items during the current financial period ended 30 September 2008.

**6. Changes in estimates**

There were no material changes in estimates that have had a material effect in the current financial quarter.



**A. Explanatory Notes Pursuant to FRS 134 (cont'd)**

**7. Debt and equity securities**

Save as disclosed below, there were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities in the Company:

**a) Issuance of shares pursuant to Members' Scheme**

During the financial period ended 30 September 2008, the Company ("EOB") issued 172,899,109 ordinary stock units at an issuance price of RM2.2727 each pursuant to the Members' Scheme stated in Note 12(ii) of Part A.

**b) Warrants**

During the financial period ended 30 September 2008, 35,000 units of warrant were converted into ordinary stock units at the exercise price of RM1.00 per ordinary stock unit. The number of outstanding warrants as at 30 September 2008 was 40,525,921.

**c) Treasury Shares**

During the financial period ended 30 September 2008, the Company bought back 4,249,700 of its issued ordinary stock units in the open market for a consideration of RM4,073,632.

**8. Dividends paid**

On 27 February 2008, the Board of Directors declared a special dividend of 5 sen per stock unit less 26% income tax amounting to approximately RM15.412 million in respect of the financial year ended 31 March 2008. The dividend was paid on 22 April 2008.

No dividend was paid during the current financial quarter under review.





**A. Explanatory Notes Pursuant to FRS 134 (cont'd)**

**9. Discontinued operation**

The Group completed the divestment of its entire equity interest of 68,604,274 ordinary shares of RM0.50 each in Putrajaya Perdana Berhad ("PPB") on 31 October 2007. In the previous year corresponding quarter and year to date, the results arising from PPB Group of companies were classified as discontinued operation in the Income Statement and Cash Flow Statement in accordance with FRS 5: Non-current Assets Held for Sale and Discontinued Operation.

The results of the discontinued operation in the previous year corresponding quarter and year to date are as follows:-

	<b>Individual Quarter Ended 30.9.2007 RM'000</b>	<b>Cumulative Quarter Ended 30.9.2007 RM'000</b>
Revenue	105,183	218,257
Cost of sales	(92,966)	(194,624)
Gross profit	12,217	23,633
Other operating income	10,546	11,654
Administrative expenses	(3,759)	(6,935)
Selling and marketing expenses	(100)	(346)
Other operating expenses	(121)	(220)
Profit from operations	18,783	27,786
Finance costs	(24)	(32)
Profit before tax	18,759	27,754
Income tax expenses	(4,864)	(7,312)
Profit for the period from discontinued operation	13,895	20,442

**10. Segmental information by business segment**

<b><u>6-month ended</u> <u>30 September 2008</u> RM'000</b>	<b>Properties</b>	<b>Hospitality</b>	<b>Investment Holding and others</b>	<b>Elimination</b>	<b>Total</b>	<b>Discontinued Operation</b>	<b>Consolidated</b>
<b>REVENUE</b>							
External sales	127,173	24,950	516	-	152,639	-	152,639
Inter-segment sales	-	-	921	(921)	-	-	-
Total revenue	127,173	24,950	1,437		152,639	-	152,639
<b>RESULTS</b>							
Segment results	39,250	(799)	(8,278)	540	30,713	-	30,713
Finance cost					(14,606)	-	(14,606)
Share of loss of associates					(403)	-	(403)
Share of profit of jointly controlled entities					735	-	735
Profit before tax					16,439	-	16,439



A. Explanatory Notes Pursuant to FRS 134 (cont'd)

10. Segmental information by business segment (cont'd)

<u>6-month ended</u> <u>30 September 2007</u> RM'000	Properties	Hospitality	Investment Holding and others	Elimination	Total	Discontinued Operation	Consolidated
<b>REVENUE</b>							
External sales	319,131	18,686	2,174	-	339,991	218,257	558,248
Inter-segment sales	-	-	395	(395)	-	-	-
Total revenue	<u>319,131</u>	<u>18,686</u>	<u>2,569</u>		<u>339,991</u>	<u>218,257</u>	<u>558,248</u>
<b>RESULTS</b>							
Segment results	96,069	122	(7,164)	(734)	88,293	27,786	116,079
Finance cost					(14,762)	(32)	(14,794)
Share of loss of associates					(681)	-	(681)
Share of profit of jointly controlled entities					29	-	29
Profit before tax					<u>72,879</u>	<u>27,754</u>	<u>100,633</u>

Analysis of geographical location is not applicable as the Group operates principally within Malaysia.

11. Material subsequent event

There were no material event subsequent to the end of the financial period ended 30 September 2008 except for the following:-

- (i) KCB Trading Sdn Bhd ("KCB"), a wholly-owned subsidiary of the Company had on 6 June 2008 entered into a conditional Sale and Purchase Agreement ("SPA") with Magna Universe Sdn Bhd ("Magna") to dispose a piece of freehold land held under GN 63251, Lot No. 287, Seksyen 43, Bandar and District of Kuala Lumpur, Wilayah Persekutuan measuring approximately 5,221 square metres for a cash consideration of RM84,295,555 ("Proposed Disposal").

The Company has on 15 October 2008 announced that KCB served notice on Magna to terminate the SPA due to failure of Magna to meet a payment milestone as provided for in the SPA as supplemented by the Supplemental Agreement ("Agreements").

Pursuant to the terms of the Agreements, a sum of RM2,185,911 was immediately forfeited and KCB is claiming a further sum of RM6,243,644 totalling RM8,429,555 together with all accrued interest make up the agreed liquidated damages payable by Magna as a result of termination.



**A. Explanatory Notes Pursuant to FRS 134 (cont'd)**

**12. Changes in composition of the Group**

- (i) On 23 June 2008, the Company ("EOB") has internally reorganised its group structure involving its wholly-owned subsidiaries, namely Major Liberty Sdn. Bhd. ("MLSB"), Matrix Promenade Sdn. Bhd. ("MPSB"), E&O-Pie Sdn. Bhd. ("EOPIE"), E&O Trading Sdn. Bhd. ("EOT") and Radiant Kiara Sdn. Bhd. ("RKSb").

MLSB is a direct wholly-owned subsidiary of EOB and MLSB was the immediate holding company of MPSB. EOPIE, EOT and RKSb are direct wholly-owned subsidiaries of EOB.

The internal reorganisation entails the transfer of MPSB from MLSB to be directly held under EOB and thereafter the transfer of EOPIE, EOT and RKSb from EOB to MPSB.

- (ii) On 27 November 2007, AmInvestment Bank Berhad ("AmInvestment") on behalf of the EOB announced that the Company has presented to the Board of E&O Property Development Berhad ("E&OProp"), a proposal for a members' scheme of arrangement under Section 176 of the Companies Act, 1965 for the exchange of the ordinary shares of RM1.00 each in E&OProp held by the shareholders of E&OProp other than EOB and Dynamic Degree Sdn. Bhd. ("E&OProp MIs") for new ordinary stock units of RM1.00 each in EOB and/ or cash ("Members' Scheme").

On 11 July 2008, the Company announced the completion of the Members' Scheme, that 242,259,571 E&OProp shares have been transferred from the respective securities accounts of the E&OProp MIs to the Company's securities account. In exchange, 172,899,109 New EOB shares have been credited to the respective securities accounts and the cash entitlements amounting to RM212,694,451 have been despatched to the relevant E&OProp MIs. The New EOB shares were listed and quoted on the Main Board of Bursa Malaysia Securities Berhad ("Bursa Securities") on 11 July 2008. Pursuant thereto, E&OProp became a wholly-owned subsidiary of the Company.

Accordingly, the Members' Scheme was completed and the shares of E&OProp have been removed from the Official List of Bursa Securities with effect from 8 August 2008, pursuant to Paragraph 8.15(6) of the Listing Requirements.

**13. Contingent Liabilities**

Details of contingent liabilities as at 20 November 2008 (the latest practicable date which is not earlier than 7 days from the issue of this quarterly report) are as follows:-

	RM'000
i) Corporate guarantees issued by the Company for banking facilities granted to subsidiaries:	
- Secured	<u>27,825</u>
ii) Contingent liability arising from investment in a subsidiary in respect of balance of purchase consideration subject to the subsidiary attaining certain profit target within three financial years immediately following the completion of the acquisition	
- Unsecured	<u>1,060</u>



**B. Explanatory Notes required by the Bursa Malaysia's Listing Requirements**

**1. Review of performance**

The Group achieved a revenue of RM152.639 million for the financial period ended 30 September 2008 as compared to RM339.991 million recorded in the previous year corresponding period ended 30 September 2007. The decrease in revenue by RM187.352 million was mainly due to completion of certain development projects such as Seventy Damansara, Dua Residency and Idamansara in the previous financial year.

The Group posted a lower profit before tax of RM16.439 million on the back of lower revenue, compared to the pre-tax of RM72.879 million in the previous year corresponding period.

**2. Variation of results against preceding quarter**

The Group recorded a revenue of RM63.946 million and a profit before tax of RM950,000 as compared to the immediate preceding quarter where the Group revenue was RM88.693 million and a profit before tax of RM15.489 million. The Group profit before tax for the current quarter is lower compared to the immediate preceding quarter mainly attributable to lower contribution from property division.

**3. Current year prospects**

The Company had on 11 July 2008 completed the Members' Scheme as disclosed in Note 12(ii) of Part A above. The Group has consolidated the full results of E&OProp Group in the current financial quarter.

In this tough and uncertain global market environment, the primary focus and priority for the Group is to preserve capital value. The Group will exercise prudent measures to manage costs to ride out this period of global financial turbulence, taking into consideration prevailing sentiments and market conditions.

It is timely that the Company had successfully completed the Members' Scheme in July this year as the exercise allow the Group to consolidate the resources and operations during challenging times. In an improved environment, it will enable the Group to be better distinguished as an integral brand and better positioned to seize growth opportunities when they arise.

**4. Variance in profit forecast/profit guarantee**

The Group did not issue any profit forecast/profit guarantee for the financial period under review.

**5. Taxation**

	Individual Quarter Ended		Cumulative Quarter Ended	
	30.09.2008	30.09.2007	30.09.2008	30.09.2007
	RM'000	RM'000	RM'000	RM'000
Malaysian income tax				
- current	(222)	12,484	6,796	30,206
- in respect of prior years	-	(18)	2	(27)
Deferred tax	(235)	(3,135)	(6,324)	(6,439)
	<u>(457)</u>	<u>9,331</u>	<u>474</u>	<u>23,740</u>

The effective tax rate of the Group for the financial period under review is lower than the statutory tax rate of 25% mainly due to changes in tax rates on balance of deferred tax and certain incomes of the group are not subject to income tax.



**B. Explanatory Notes required by the Bursa Malaysia's Listing Requirements (cont'd)**

**6. Sale of unquoted investments and or properties**

During the financial period ended 30 September 2008, the Group has disposed of investment property previously classified as held for sale for a cash consideration of RM5.467 million and the disposal gave rise to a gain of RM832,000.

	<b>Individual Quarter Ended 30.09.2008 RM'000</b>	<b>Cumulative Quarter Ended 30.09.2008 RM'000</b>
Net gain on disposal of investment property previously classified as held for sale	-	832

**7. Investment in quoted securities**

Particulars of investment in quoted securities:

	<b>Current financial year to date 30.09.2008 RM'000</b>
(a) Purchases / disposals	
Total sale proceeds	-
Total profit/(loss) on disposal	-
(b) Balances as at 30 September 2008	
Total investments at cost	26,685
Total investments at carrying value/book value (after impairment loss)	14,059
Total investment at market value at end of reporting period	13,315

**8. Status of Corporate Proposals**

There was no corporate proposal announced but not completed as at 20 November 2008.

**9. Group Borrowings**

a) The Group borrowings were as follows:-

	<b>As at 30.09.2008 RM'000</b>
Short Term - Secured	259,445
- Unsecured	51,500
Long Term - Secured	506,075

b) All the borrowings were denominated in Ringgit Malaysia.

**10. Off Balance Sheet Financial Instruments**

There were no financial instruments with off balance sheet risk as at 20 November 2008.

**11. Material Litigation**

There was no material litigation which affects the financial position or business of the Group as at 20 November 2008.



**B. Explanatory Notes required by the Bursa Malaysia's Listing Requirements (cont'd)**

**12. Dividend**

The Board of Directors do not recommend any interim dividend for the current financial period ended 30 September 2008.

**13. Earnings Per Stock Unit**

	Individual Quarter		Cumulative Quarter	
	Current quarter ended 30.09.2008	Comparative quarter ended 30.09.2007	Current year to date 30.09.2008	Comparative year to date 30.09.2007
<b>a) Basic earnings per stock unit</b>				
(i) Profit from continuing operations attributable to equity holders of the Company (RM'000)	473	7,853	11,317	20,273
Weighted average number of ordinary stock units in issue (unit '000)	502,142	390,882	502,142	390,882
Weighted average number of ordinary stock units which will be issued upon conversion of ICULS 2006/2011 (unit '000)	123,107	135,325	123,107	135,325
Adjusted weighted average number of ordinary stock units (unit '000)	625,249	526,207	625,249	526,207
Basic earnings per stock unit for profit from continuing operations for the period (sen)	0.08	1.49	1.81	3.85
(ii) Profit from discontinued operation attributable to equity holders of the Company (RM'000)	-	6,867	-	9,684
Weighted average number of ordinary stock units in issue (unit '000)	-	390,882	-	390,882
Weighted average number of ordinary stock units which will be issued upon conversion of ICULS 2006/2011 (unit '000)	-	135,325	-	135,325
Adjusted weighted average number of ordinary stock units (unit '000)	-	526,207	-	526,207
Basic earnings per stock unit for profit from discontinued operation for the period (sen)	-	1.30	-	1.84



**B. Explanatory Notes required by the Bursa Malaysia's Listing Requirements (cont'd)**

**13. Earnings Per Stock Unit (contd.)**

	Individual Quarter		Cumulative Quarter	
	Current	Comparative	Current	Comparative
	quarter ended 30.09.2008	quarter ended 30.09.2007	year to date 30.09.2008	year to date 30.09.2007
<b>b) Diluted earnings per stock unit</b>				
(i) Profit from continuing operations attributable to equity holders of the Company (RM'000)	473	7,853	11,317	20,273
Weighted average number of ordinary stock units in issue (unit '000)	502,142	390,882	502,142	390,882
Weighted average number of ordinary stock units which will be issued upon conversion of ICULS 2006/2011 (unit '000)	123,107	135,325	123,107	135,325
Effect of dilution of ESOS (unit '000)	-	3,916	-	3,916
Effect of dilution of Warrants (unit '000)	-	33,891	-	33,891
	625,249	564,014	625,249	564,014
Diluted earnings per stock unit for profit from continuing operations for the period (sen)	0.08	1.39	1.81	3.59
(ii) Profit from discontinued operation attributable to equity holders of the Company (RM'000)	-	6,867	-	9,684
Weighted average number of ordinary stock units in issue (unit '000)	-	390,882	-	390,882
Weighted average number of ordinary stock units which will be issued upon conversion of ICULS 2006/2011 (unit '000)	-	135,325	-	135,325
Effect of dilution of ESOS (unit '000)	-	3,916	-	3,916
Effect of dilution of Warrants (unit '000)	-	33,891	-	33,891
	-	564,014	-	564,014
Diluted earnings per stock unit for profit from discontinued operation for the period (sen)	-	1.22	-	1.72

The fully diluted earnings per stock unit is the same as the basic earnings per stock unit for current financial period under review, as the effects of ESOS and Warrants are ignored as they are anti-dilutive in calculating the diluted earnings per stock unit in accordance with FRS 133 on Earnings per share.

BY ORDER OF THE BOARD

Ang Hong Mai  
Company Secretary

Kuala Lumpur  
26 November 2008