



**JOHAN HOLDINGS BERHAD**

(Company No. 314-K)

(Incorporated in Malaysia)

**INTERIM FINANCIAL REPORT  
THIRD FINANCIAL QUARTER ENDED 31 OCTOBER 2005**

**CONDENSED CONSOLIDATED INCOME STATEMENT  
FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2005**

	Note	Third Quarter ended 31 October		Cumulative Quarter ended 31 October	
		2005 RM'000	2004 RM'000	2005 RM'000	2004 RM'000
Revenue		491,642	442,600	1,429,134	1,379,799
Cost of Sales		(426,116)	(370,869)	(1,237,215)	(1,175,007)
Gross Profit		<u>65,526</u>	<u>71,731</u>	<u>191,919</u>	<u>204,792</u>
Other Operating Income		2,772	12,641	21,531	18,654
Operating Expenses		(60,234)	(66,002)	(180,030)	(184,117)
Operating Profit		<u>8,064</u>	<u>18,370</u>	<u>33,420</u>	<u>39,329</u>
Finance Cost		(14,770)	(13,089)	(40,051)	(35,369)
Profit/(Loss) Before Taxation		<u>(6,706)</u>	<u>5,281</u>	<u>(6,631)</u>	<u>3,960</u>
Taxation	<b>K5</b>	(460)	(3,395)	1,482	(5,178)
Profit/(Loss) After Taxation		<u>(7,166)</u>	<u>1,886</u>	<u>(5,149)</u>	<u>(1,218)</u>
Minority Interest		280	(1,762)	1,399	(2,087)
Profit/(Loss) After Taxation and Minority Interest		<u><u>(6,886)</u></u>	<u><u>124</u></u>	<u><u>(3,750)</u></u>	<u><u>(3,305)</u></u>
Earning/(Loss) Per Share (sen)					
Basic	<b>K13</b>	<u>(1.35)</u>	<u>0.02</u>	<u>(0.74)</u>	<u>(0.65)</u>
Fully Diluted	<b>K13</b>	<u>(1.11)</u>	<u>0.02</u>	<u>(0.60)</u>	<u>(0.53)</u>

*(The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the year ended 31 January 2005)*



**CONDENSED CONSOLIDATED BALANCE SHEET  
AS AT 31 OCTOBER 2005**

		As at 31 October 2005	As at 31 January 2005 Restated
	Note	RM'000	RM'000
Property, Plant and Equipment	<b>M9</b>	252,182	275,837
Long Term Investments		2,883	3,020
Land and Development Expenditure		120,207	114,949
Goodwill on Consolidation		75,698	75,547
Deferred Tax Assets		7,722	11,154
Current Assets			
Inventories		208,568	272,226
Receivables		239,798	201,378
Short Term Investments		3,230	443
Cash and Bank Balances		84,521	91,233
		536,117	565,280
Current Liabilities			
Payables		448,619	467,313
Taxation		4,556	5,794
Bank Borrowings	<b>K9</b>	110,781	74,913
		563,956	548,020
Net Current Assets/(Liabilities)		(27,839)	17,260
		430,853	497,767
Share Capital	<b>M6</b>	254,451	254,451
ICULS	<b>M6</b>	57,024	57,024
Reserves			
Share Premium		69,415	69,415
Capital and Revaluation Reserves		30,905	30,905
Exchange Reserve		6,174	11,373
Accumulated Losses		(165,670)	(161,920)
Shareholders' Equity		252,299	261,248
Long Term Liabilities			
Minority Interests		24,026	28,084
Deferred Taxation		4,047	7,315
Term Loans	<b>K9</b>	112,680	160,298
Hire Purchase and Lease Creditors		2,297	2,778
Retirement Benefits		35,504	38,044
		430,853	497,767
NTA per share (sen)		33.2	34.3

*(The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the year ended 31 January 2005)*



**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2005**

	Note	Share Capital RM'000	ICULS RM'000	Share Premium RM'000	Non- Distributable Reserves RM'000	Accumulated Losses RM'000	Total RM'000
<b>At 1 February 2004</b>							
As previously stated		254,451	57,024	69,415	35,929	(141,764)	275,055
Prior year adjustment	M1	-	-	-	-	(7,507)	(7,507)
<b>At 1 February 2004 (Restated)</b>		<u>254,451</u>	<u>57,024</u>	<u>69,415</u>	<u>35,929</u>	<u>(149,271)</u>	<u>267,548</u>
Loss for the nine months		-	-	-	-	(3,305)	(3,305)
Translation differences		-	-	-	(460)	-	(460)
<b>At 31 October 2004</b>		<u><u>254,451</u></u>	<u><u>57,024</u></u>	<u><u>69,415</u></u>	<u><u>35,469</u></u>	<u><u>(152,576)</u></u>	<u><u>263,783</u></u>
<b>At 1 February 2005</b>		254,451	57,024	69,415	42,278	(161,920)	261,248
Loss for the nine months		-	-	-	-	(3,750)	(3,750)
Translation differences		-	-	-	(5,199)	-	(5,199)
<b>At 31 October 2005</b>		<u><u>254,451</u></u>	<u><u>57,024</u></u>	<u><u>69,415</u></u>	<u><u>37,079</u></u>	<u><u>(165,670)</u></u>	<u><u>252,299</u></u>

*(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 January 2005.)*



**CONDENSED CONSOLIDATED CASH FLOW STATEMENT  
FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2005**

	<b>9-month ended 31 October</b>	
	<b>2005 RM'000</b>	<b>2004 RM'000</b>
<b>Cash Flows From Operating Activities</b>		
<b>Profit/(Loss) before tax and minority interest</b>	(6,631)	3,960
Adjustments for non-cash and non-operating items:		
- Non-cash items	14,157	32,002
- Investing and financing items	35,869	34,007
<b>Operating profit before changes in working capital</b>	43,395	69,969
Changes in working capital:		
- Changes in current assets	16,328	(42,896)
- Changes in current liabilities	(18,916)	(18,517)
Loan interest paid	(33,336)	(35,369)
Interest received	141	80
Taxation paid	(3,452)	(8,245)
<b>Net cash used in operating activities</b>	4,160	(34,978)
<b>Net cash used in investing activities</b>	4,418	(17,953)
<b>Net cash generated from/(used in) financing activities</b>	(11,788)	30,072
<b>Translation differences</b>	1,798	1,309
<b>Effects of Exchange Rate Changes on Cash and Cash Equivalents</b>	(2,703)	970
<b>Net Change in Cash and Cash Equivalents</b>	(4,115)	(20,580)
<b>Cash and Cash Equivalents at Beginning of Period</b>	59,680	44,256
<b>Cash and Cash Equivalents at End of Period</b>	55,565	23,676
<b>Analysis of Cash and Cash Equivalents:</b>		
Cash and bank balances	84,521	50,645
Bank overdrafts	(28,956)	(26,969)
	55,565	23,676

*(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the year ended 31 January 2005.)*

**NOTES TO THE INTERIM FINANCIAL REPORT****M1 Basis of Preparation**

The interim financial report is unaudited and has been prepared in compliance with the requirements of FRS 134 (formerly MASB 26) - Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad ("Bursa Malaysia") and should be read in conjunction with the audited financial statements of the Group for the year ended 31 January 2005.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the financial statements for the year ended 31 January 2005 except as follows:-

Prior to 1 February 2005, the Group recognised the actuarial gains and losses over the expected average remaining working lives of the employees participating in a defined benefit pension scheme plan of its subsidiaries in the United Kingdom ("UK") in the profits and loss accounts.

With effect from 1 February 2005, in accordance with the option available in the revised FRS 119 in respect of defined benefit pension scheme, the Group has opted to accelerate the recognition of actuarial gain or losses for its defined benefit plan to be consistent with the new accounting policy adopted on the effective date by its UK subsidiaries for the financial period beginning 1 February 2005. The change in accounting policy will result in the cumulative actuarial losses as at 31 January 2005 being recognised as a prior year adjustment. The future actuarial gain and losses will be presented through the statement of recognised income and expenses instead of the profit and loss account. The effects of this change on the interim financial statements are as follows:-

	2005 RM'000
<b>Effects on retained profits</b>	
At 1 Feb, as previously stated	(154,413)
Effects of change in accounting policy	(7,507)
At 1 Feb, as restated	<u>(161,920)</u>

Certain comparatives figures of the Group as at 31 January 2005 has been restated as follows:-

	Previously Stated RM'000	Adjustments RM'000	Restated RM'000
Minority Interest	34,037	(5,953)	28,084
Deferred Tax Asset	4,179	6,975	11,154
Retirement Benefits	17,372	20,672	38,044
Payable	467,550	(237)	467,313



## NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

### **M2 Auditors' Report**

The auditors' report of the financial statements for the financial year ended 31 January 2005 was not qualified.

### **M3 Seasonal or Cyclical Factors**

Overall, the business operations of the Group were not affected by any seasonal or cyclical factors.

### **M4 Unusual Items Due to Their Nature, Size or Incidence**

There were no unusual items due to their nature, size or incidence registered during the financial period under review except as disclosed in note K1.

### **M5 Changes in Accounting Estimates**

During the nine-month period under review, there was no change in accounting estimates adopted by the Group companies.

### **M6 Debt and Equity Securities**

During the nine-month period under review, there were no issuance, cancellations, repurchase, resale and repayments of debt and equity securities.

### **M7 Dividend Paid**

During the nine-month period under review, no dividend was paid by the Company.

**M8 Segment Information**

	<b>Engineering &amp; building materials RM'000</b>	<b>General trading RM'000</b>	<b>Property RM'000</b>	<b>Hospitality RM'000</b>	<b>Investment holding &amp; secretarial services RM'000</b>	<b>Elimination RM'000</b>	<b>Total RM'000</b>
<b><u>Nine months ended 31 October 2005</u></b>							
<b>Revenue and Expenses</b>							
Revenue							
- External	65,498	1,059,028	-	304,477	131	-	1,429,134
- Internal	2,879	-	-	-	161	(3,040)	-
Total revenue	<u>68,377</u>	<u>1,059,028</u>	<u>-</u>	<u>304,477</u>	<u>292</u>	<u>(3,040)</u>	<u>1,429,134</u>
Results							
- Segment results	5,011	1,475	282	24,081	15,817	(13,773)	32,893
- Finance cost	(3,097)	(8,356)	-	(17,172)	(24,672)	13,773	(39,524)
Profit/(Loss) before taxation	<u>1,914</u>	<u>(6,881)</u>	<u>282</u>	<u>6,909</u>	<u>(8,855)</u>	<u>-</u>	<u>(6,631)</u>
- Taxation							<u>1,482</u>
Loss after taxation							<u>(5,149)</u>
- Minority interest							<u>1,399</u>
Loss after taxation and minority interest							<u>(3,750)</u>

**M8 Segment Information (Cont'd)**

	<b>Engineering &amp; building materials RM'000</b>	<b>General trading RM'000</b>	<b>Property RM'000</b>	<b>Hospitality RM'000</b>	<b>Investment holding &amp; secretarial services RM'000</b>	<b>Elimination RM'000</b>	<b>Total RM'000</b>
<b><u>Nine months ended 31 October 2004</u></b>							
<b>Revenue and Expenses</b>							
Revenue							
- External	67,316	1,005,421	112	306,735	215	-	1,379,799
- Internal	3,150	-	-	-	142	(3,292)	-
Total revenue	<u>70,466</u>	<u>1,005,421</u>	<u>112</u>	<u>306,735</u>	<u>357</u>	<u>(3,292)</u>	<u>1,379,799</u>
Results							
- Segment results	6,287	14,657	1,649	22,912	4,122	(10,298)	39,329
- Finance cost	(3,301)	(7,810)	-	(15,809)	(18,747)	10,298	(35,369)
Profit/(Loss) before taxation	<u>2,986</u>	<u>6,847</u>	<u>1,649</u>	<u>7,103</u>	<u>(14,625)</u>	<u>-</u>	<u>3,960</u>
- Taxation							<u>(5,178)</u>
Loss after taxation							<u>(1,218)</u>
- Minority interest							<u>(2,087)</u>
Loss after taxation and minority interest							<u>(3,305)</u>



**NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)****M9 Property, Plant and Equipment**

The valuations of land and buildings have been brought forward, without amendment from the previous annual report.

**M10 Events Subsequent to the Balance Sheet Date**

There were no event subsequent to the end of the financial quarter that have not been reflected in the financial statements for the quarter.

**M11 Changes in Composition of the Group**

There was no change in the composition of the Group during the financial quarter under review.

**M12 Changes in Contingent Liabilities**

These have been disclosed in Note K11 to this Financial Report.

**M13 Capital Commitments**

A foreign subsidiary company has a commitment amounting to RM15.4 million in respect of the balance of the purchase consideration for a parcel of land under a conditional Agreement. The amount is payable upon fulfillment of all conditions by the other party as set out in the Agreement.

**M14 Related Party Transactions**

	<b>Nine-month ended 31 October 2005 RM'000</b>
Remuneration paid to Executive and Non-Executive Directors	<u>1,162</u>
Transactions with corporations in which the directors, Dato' Tan Kay Hock and Datin Tan Swee Bee, are deemed interested through their interest in George Kent (Malaysia) Bhd :-	
Purchases of goods	400
Sales of air tickets	375
Recovery of share registration and professional fees	110
Rental expense	<u>57</u>

The Directors of the Company are of the opinion that the above transactions were in the normal course of business and have been established under terms that are no less favourable than those arranged with independent parties.

**ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS****K1 Review of Performance**

For the financial quarter under review, the Group registered a higher revenue of RM491.642 million compared to previous corresponding quarter of RM442.600 million, an increase of 11%. This higher revenue was mainly attributable to higher sales recorded by many of our group companies. The operating profit was lower at RM8.064 million compared to previous corresponding quarter's profit of RM18.370 million, which included an exceptional item, the refund of Value Added Tax of RM9.7 million. Without this exceptional item the Group's operating profit would have been RM8.670 million. Loss before tax was RM6.706 million compared to previous corresponding quarter's profit of RM5.281 million. At attributable level, the loss was RM6.886 million compared to previous corresponding quarter's profit of RM0.124 million.

**K2 Variation of Results Against Preceding Quarter**

Total revenue for the current financial quarter was RM491.642 million, an increase of 6.7% when compared to preceding quarter's RM460.754 million. The increase was attributed to higher revenue of the UK motor group business. Attributable loss was RM6.886 million compared to preceding quarter's profit of RM2.015 million.

**K3 Current Year Prospect**

Many of the Group's businesses remain highly competitive. Your Board remains cautiously optimistic about the Group's prospects for the current year.

**K4 Profit Forecast**

Not applicable as no profit forecast was published.

**K5 Tax Credit/(Charge)****Taxation based on results: -**

- Malaysian taxation
- Overseas taxation

<b>Nine-month ended 31 October 2005 RM'000</b>
(779)
2,261
<u>1,482</u>

The tax charge is provided on the profits made by certain group companies due to the absence of the group tax relief in the respective countries of operations.

The tax credit is due to tax credit on losses incurred by foreign subsidiary companies.

**ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS (CONT'D)****K6 Unquoted Investments and Properties**

During the nine-month period under review, a UK subsidiary sold its property for RM 17.203 million and registered a gain of RM3.678 million from the disposal. There were no sale of unquoted investments.

**K7 Quoted Investments**

	<b>Nine-month ended 31 October 2005 RM'000</b>
a) Total sale and purchase of quoted securities for the current financial period to date and profit arising thereon are as follows: -	
Total purchase (cost)	-
Total disposal (cost)	-
Total gain on disposal	-
	<b>As at 31 October 2005 RM'000</b>
b) Investment in quoted shares as at 31 October 2005: -	
At cost	4,040
At book value	1,363
At market value	2,551

**K8 Status of Corporate Proposal Announced**

On 12th December 2005, the Company announced its proposal to dispose off the interest in William Jacks Plc. This is pending the approval of the shareholders of Jacks International Limited at an Extraordinary General Meeting to be convened.

There was no change in the status of the other corporate proposal announced previously.

**ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS (CONT'D)****K9 Borrowings and Debt Securities**

	<b>As at 31 October 2005 RM'000</b>
<b>a) Short term borrowings</b>	
<b>i) Secured</b>	
- Bank overdrafts	12,686
- Revolving credits and short-term loans	4,389
- Trust receipts and bankers' acceptance	8,180
- Current portion of long-term loans	52,578
	77,833
<b>ii) Unsecured</b>	
- Bank overdrafts	16,270
- Revolving credits and short-term loans	16,678
- Trust receipts and bankers' acceptance	-
- Current portion of long-term loans	-
	32,948
<b>Total short term borrowings</b>	<u><u>110,781</u></u>
<b>b) Long term borrowings - Term Loans</b>	
- Secured	165,258
- Unsecured	-
	<u>165,258</u>
Portion repayable within one year included in (a) above	
- Secured	(52,578)
- Unsecured	-
	(52,578)
<b>Total long term borrowings</b>	<u><u>112,680</u></u>
 The bank borrowings denominated in foreign currencies are as follows: -	 <b>RM'000</b>
Denominated in Singapore Dollar	30,439
Denominated in U.S. Dollar	96,229
Denominated in British Sterling Pound	6,509
Denominated in Australian Dollar	689
	<u><u>133,866</u></u>



## **ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS (CONT'D)**

### **K10 Off Balance Sheet Financial Instruments**

The Group does not have any financial instrument with off balance sheet risk as at 14 December 2005.

### **K11 Changes in Material Litigation**

There is no change in the material litigation from the date of the last quarterly report.

### **K12 Dividend**

There was no dividend declared by the Company in last financial year and the Directors do not propose any dividend for the current financial period ended 31 October 2005.

### **K13 Earning/(Loss) per Share**

The calculations of basic earning/(loss) per share for the third quarter and cumulative quarter were based on the loss after tax and minority interest of RM6.886 million and RM3.750 million respectively (31 Oct 2004: profit after tax and minority interest of RM0.124 million and loss after tax and minority interest of RM3.305 million) and on 508,901,363 (31 Oct 2004: 508,901,363) ordinary shares of RM0.50 each in issued during the period.

The calculations of fully-dilutive earning/(loss) per share was based on the loss after tax and minority interest of RM6.886 million and RM3.750 million respectively (31 Oct 2004: profit after tax and minority interest of RM0.124 million and loss after tax and minority interest of RM3.305 million) and on the ordinary shares of RM0.50 each in issued during the financial period, adjusted for the dilutive effects of all potential ordinary shares from the conversion of Irredeemable Convertible Unsecured Loan Stocks amounted to 622,948,527.

## **BY ORDER OF THE BOARD**

**Teh Yong Fah**

Group Secretary

Kuala Lumpur

15 December 2005