



JOHAN HOLDINGS BERHAD

(Company No. 314-K)

(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS

**CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE SIX MONTHS ENDED 31 JULY 2008**

	Note	3 months ended 31 July		6 months ended 31 July	
		2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Revenue	K1	153,974	112,641	290,919	214,805
Cost of sales		(102,098)	(71,658)	(191,446)	(134,627)
Gross profit		51,876	40,983	99,473	80,178
Other income		6,282	8,203	16,375	19,062
Administrative and other expenses		(45,448)	(37,953)	(83,428)	(76,302)
Finance cost		(6,288)	(10,171)	(21,730)	(20,186)
Profit before taxation	K1	6,422	1,062	10,690	2,752
Tax expense	K5	(694)	1,095	(1,327)	966
Group profit after taxation		<u>5,728</u>	<u>2,157</u>	<u>9,363</u>	<u>3,718</u>
Attributable to:-					
Equity holders of the parent	K1	5,558	1,901	9,104	3,405
Minority interests		170	256	259	313
		<u>5,728</u>	<u>2,157</u>	<u>9,363</u>	<u>3,718</u>
Earnings per share attributable to equity holders of the parent:					
Basic & diluted, for profit for the year (sen)	K13	<u>0.89</u>	<u>0.31</u>	<u>1.46</u>	<u>0.55</u>

(The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the year ended 31 January 2008 and the accompanying explanatory notes attached to the interim financial statements)



**CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 31 JULY 2008**

	Note	As at 31 July 2008 RM'000	Audited As at 31 January 2008 RM'000
Property, plant and equipment	M9	175,390	174,905
Land and development expenditure		18,715	100,534
Prepaid lease payments		8,884	8,937
Intangible assets		6,357	6,439
Investment securities		6	6
Deferred tax assets		11,761	11,805
Current assets			
Inventories		23,551	26,302
Receivables		536,538	481,006
Investment securities		3,919	658
Cash and bank balances		175,499	89,499
		<u>739,507</u>	<u>597,465</u>
Current liabilities			
Payables		157,717	149,223
Taxation		3,880	1,542
Investors certificates		460,716	383,183
Bank borrowings	K9	103,699	143,049
		<u>726,012</u>	<u>676,997</u>
Net current asset / (liabilities)		13,495	(79,532)
		<u>234,608</u>	<u>223,094</u>
Share capital	M6	254,451	254,451
ICULS	M6	57,024	57,024
Reserves			
Share premium		69,415	69,415
Capital and revaluation reserves		29,349	29,426
Exchange reserve		10,644	6,059
Accumulated losses		(249,037)	(258,141)
Attributable to equity holders of the parent		171,846	158,234
Minority interest		3,980	3,616
Total equity		<u>175,826</u>	<u>161,850</u>
Long term liabilities			
Deferred taxation		959	917
Term loans	K9	26,711	29,713
Hire purchase and lease creditors		1,112	1,614
Senior certificates		30,000	29,000
		<u>234,608</u>	<u>223,094</u>
Net assets per share (sen)		<u>33.8</u>	<u>31.1</u>

(The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the year ended 31 January 2008 and the accompanying explanatory notes attached to the interim financial statements)



**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2008**

Note	←-----Attributable to equity holders of the parent-----→						Minority Interest	Total Equity
	Share Capital RM'000	ICULS RM'000	Share Premium RM'000	Non- Distributable Reserves RM'000	Accumulated Losses RM'000	Total RM'000		
At 1 February 2007	254,451	57,024	69,415	35,704	(273,178)	143,416	3,079	146,495
Prior year adjustments	-	-	-	382	(4,836)	(4,454)	-	(4,454)
Restated	254,451	57,024	69,415	36,086	(278,014)	138,962	3,079	142,041
Profit for the six months	-	-	-	-	3,405	3,405	313	3,718
Translation differences	-	-	-	969	-	969	125	1,094
At 31 July 2007	<u>254,451</u>	<u>57,024</u>	<u>69,415</u>	<u>37,055</u>	<u>(274,609)</u>	<u>143,336</u>	<u>6,596</u>	<u>146,853</u>
At 1 February 2008	254,451	57,024	69,415	35,485	(258,141)	158,234	3,616	161,850
Profit for the six months	-	-	-	-	9,104	9,104	259	9,363
Translation differences	-	-	-	4,508	-	4,508	105	4,613
At 31 July 2008	<u>254,451</u>	<u>57,024</u>	<u>69,415</u>	<u>39,993</u>	<u>(249,037)</u>	<u>171,846</u>	<u>3,980</u>	<u>175,826</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 2008 and the accompanying explanatory notes attached to the interim financial statements)



**CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2008**

	6 months ended 31 July	
	2008 RM'000	2007 RM'000
Cash flows from operating activities		
Profit before tax and minority interest	10,690	2,752
Adjustments for non-cash and non-operating items:		
- Non-cash items	79,207	10,578
- Investing and financing items	14,774	9,924
Operating profit before working capital changes	104,671	23,254
Changes in working capital:		
- Changes in current assets	(52,781)	(41,186)
- Changes in current liabilities	93,554	29,470
Loan interest paid	(21,730)	(20,186)
Interest received	4,087	308
Taxation refunded/(paid)	-	2,145
Net cash generated from operating activities	127,801	(6,195)
Net cash (used in)/generated from investing activities	(3,237)	29,015
Net cash generated from/(used in) in financing activities	(39,679)	(13,396)
Translation differences	4,293	2,088
Net change in cash and cash equivalents	89,178	11,512
Cash and cash equivalents at beginning of year	53,564	60,157
Cash and cash equivalents at end of period	142,742	71,669
Analysis of cash and cash equivalents:		
Cash and bank balances	175,499	100,988
Bank overdrafts	(32,757)	(29,319)
	142,742	71,669

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the year ended 31 January 2008 and the accompanying explanatory notes attached to the interim financial statements)



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 - 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 2008.

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 2008 except for the adoption of the following new/revised Financial Reporting Standards ("FRS") effective for financial year beginning 1 February 2008:

FRS 107 Cash Flow Statements
FRS 111 Construction Contracts
FRS 112 Income Taxes
FRS 118 Revenue
FRS 119 Employee Benefits
FRS 120 Accounting for Government Grants and Disclosure of Government Assistance
FRS 126 Accounting and Reporting by Retirement Benefit Plans
FRS 129 Financial Reporting in Hyperinflationary Economies
Amendments
To FRS 121 The Effects of Changes in Foreign Exchange Rates
FRS 134 Interim Financial Reporting
FRS 137 Provisions, Contingent Liabilities and Contingent Assets

These new/revised FRSs are not expected to have any significant impact on the financial statements of the Group upon their initial application

M2 Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the year ended 31 January 2008 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 quarter under review.

M5 Changes in Accounting Estimates

During the financial quarter under review, there was no change in accounting estimates adopted by the Group companies.

M6 Debt and Equity Securities

During the financial quarter under review, there were no issuance, cancellations, repurchase, resale and repayments of debt and equity securities.

M7 Dividend Paid

During the financial quarter under review, no dividend was paid by the Company.

**M8 Segmental Information**

	Engineering & building materials RM'000	General trading RM'000	Property RM'000	Hospitality RM'000	Investment holding & secretarial services RM'000	Elimination RM'000	Total RM'000
<u>Six months ended 31 July 2008</u>							
Segment revenue							
Revenue:							
- External	51,032	26,786	1,231	211,785	85	-	290,919
- Internal	-	-	-	-	98	(98)	-
Total revenue	<u>51,032</u>	<u>26,786</u>	<u>1,231</u>	<u>211,785</u>	<u>183</u>	<u>(98)</u>	<u>290,919</u>
Segment results							
Results:							
- Segment results	6,139	2,438	663	16,395	11,704	(4,919)	32,420
- Finance cost	(1,596)	(239)	-	(15,710)	(9,104)	4,919	(21,730)
Profit before taxation	<u>4,543</u>	<u>2,199</u>	<u>663</u>	<u>685</u>	<u>2,600</u>	<u>-</u>	<u>10,690</u>
Tax expense							(1,327)
Profit for the period							<u>9,363</u>

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

	Engineering & building materials RM'000	General trading RM'000	Property RM'000	Hospitality RM'000	Investment holding & secretarial services RM'000	Elimination RM'000	Total RM'000
<u>Six months ended 31 July 2007</u>							
Segment revenue							
Revenue:							
- External	33,995	24,288	-	156,446	76	-	214,805
- Internal	-	-	-	-	94	(94)	-
Total revenue	<u>33,995</u>	<u>24,288</u>	<u>-</u>	<u>156,446</u>	<u>170</u>	<u>(94)</u>	<u>214,805</u>
Segment results							
Results:							
- Segment results	1,140	1,700	11,103	14,338	3,400	(8,742)	22,939
- Finance cost	(1,636)	(222)	(728)	(14,282)	(12,061)	8,742	(20,187)
Profit/(loss) before taxation	<u>(496)</u>	<u>1,478</u>	<u>10,375</u>	<u>56</u>	<u>(8,661)</u>	<u>-</u>	<u>2,752</u>
Tax expense							966
Profit for the period							<u><u>3,718</u></u>

**NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)****M9 Carrying Amount of Revalued Assets**

The valuations of property, plant and equipment have been brought forward without amendment from the financial statements for the year ended 31 January 2008.

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 were no changes in the composition of the Group during the financial quarter under review except for the rationalisation of group structure announced on 6 June 2008 to Bursa Malaysia as follows:-

a) The following subsidiaries which have ceased operations have been placed under Members' Voluntary Winding-Up:-

Name of Companies	Country of incorporation	Authorised Capital	Paid -up Capital
William Jacks (Sabah) Sdn Bhd	Malaysia	RM500,000	RM250,000
William Jacks (Sarawak) Sdn Bhd	Malaysia	RM500,000	RM250,000
Oil & Mineral Services Sdn Bhd	Malaysia	RM25,000	RM2
Johan Capital & Commerce Sdn Bhd	Malaysia	RM5,000,000	RM3,000,000
Affinity Square Sdn Bhd	Malaysia	RM100,000	RM2
William Jacks Holdings Pty Ltd	Australia	A\$500,000	A\$500,000
Skinner Installation Pty Ltd	Australia	A\$50,000	A\$380
Skinner Services Pty Ltd	Australia	A\$40,000	A\$3,000

On completion of the members' voluntary winding-up exercise between six to nine months from date hereof, these aforesaid subsidiaries will be wound up and ceased to be subsidiaries of the Group.

The abovementioned members' voluntary winding up exercise will have no material impact on the earnings or net assets of the Group for the current financial year.

b) The group has disposed of 100% of its shareholding in Crayford Limited together with its wholly-owned subsidiary for a cash consideration of RM3.24 million (US\$1 million) on a willing buyer-willing seller basis. The gain on sale was approximately RM2.869 million.

M12 Changes in Contingent Liabilities

There were no changes in contingent liabilities since the last annual balance sheet as at 31 January 2008.

M13 Capital Commitment

There are commitment for the purchase of computer system not provided for in the financial statements of RM1.274 million as at 31 July 2008 (RM1.040 million as at 31 January 2008).

**NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)****M14 Related Party Transactions**

	3 months ended		6 months ended	
	31 July		31 July	
	2008	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
Purchases of goods	-	-	-	18
Sales of air tickets	77	112	150	198
Recovery of share registration and professional fees	105	35	247	71
Rental expense	20	15	39	34

Transactions with corporations in which the directors, Tan Sri Dato' Tan Kay Hock and Puan Sri Datin Tan Swee Bee, are deemed interested through their interest in George Kent (Malaysia) Bhd :-

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 RM153.974 million compared to last year's corresponding quarter revenue of RM112.641 million, higher by 37%. This higher revenue was attributed to higher sales recorded by many of our operating companies, both locally and overseas.

The Group recorded a profit before tax of RM6.422 million against last year's corresponding quarter profit before tax of RM1.062 million, up 505%. Many of our group companies have performed well, registering higher revenue and higher profits.

Group profit after taxation was RM5.728 million compared to last year's corresponding quarter profit of RM2.157 million, an increase of 166%.

K2 Variation of Results Against Preceding Quarter

Total revenue for the current financial quarter was RM153.974 million, up 12% when compared to preceding quarter's RM136.945 million. Group profit after tax for the quarter was RM5.728 million compared to preceding quarter's profit after tax of RM3.635 million. The higher profit in current quarter was mainly due to higher revenue and lower financial cost.

K3 Current Year Prospect

Many of our operating companies are expected to continue to perform well. Whilst the Board is optimistic of the current year prospect, it is cautious on the slowing growth of the economies in which the Group operates due to the high oil & energy prices and the turmoil in the financial markets.

K4 Profit Forecast

Not applicable as no profit forecast was published.

K5 Tax Expense

	3 months ended 31 July		6 months ended 31 July	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Taxation based on results for continuing operations: -				
- Malaysian taxation	259	(25)	174	(25)
- Overseas taxation	(953)	1,120	(1,501)	991
	<u>(694)</u>	<u>1,095</u>	<u>(1,327)</u>	<u>966</u>

The tax expense 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.

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

During the financial quarter under review, there were no sale of other unquoted investment and properties except for the rationalisation of group structure as stated in note M11 above.

K7 Quoted Investments

a) During the financial quarter under review, there were no sale and purchase of quoted securities.

b) Investment in quoted shares as at 31 July 2008: -

	As at 31 July 2008 RM'000	As at 31 July 2007 RM'000
At cost	<u>3,416</u>	<u>3,416</u>
At book value	<u>681</u>	<u>774</u>
At market value	<u>681</u>	<u>774</u>

K8 Status of Corporate Proposal Announced

There were no corporate proposals for the financial quarter under review.

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

	As at 31 July 2008 RM'000	As at 31 January 2008 RM'000
a) Short term borrowings		
Secured		
- Bank overdrafts	22,448	34,257
- Revolving credits, trust receipts and bankers' acceptance	11,600	25,416
- Current portion of long-term loans	42,866	79,423
	76,914	139,096
Unsecured		
- Bank overdrafts	10,308	1,678
- Revolving credits and short-term loans	16,477	2,275
	26,785	3,953
Total short term borrowings	<u>103,699</u>	<u>143,049</u>
b) Long term borrowings - term loans		
- Secured	69,577	109,136
Portion repayable within one year included in (a) above		
- Secured	(42,866)	(79,423)
Total long term borrowings	<u>26,711</u>	<u>29,713</u>
The bank borrowings denominated in foreign currencies are as follows: -	RM'000	RM'000
Denominated in Singapore Dollar	30,367	34,613
Denominated in U.S. Dollar	21,323	58,321
Denominated in NZ Dollar	1,197	1,273
	<u>52,887</u>	<u>94,207</u>

K10 Off Balance Sheet Financial Instruments

The Group does not have any financial instrument with off balance sheet risk as at 3 September 2008.

K11 Changes in Material Litigation

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

**ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS (CONT'D)****K12 Dividend**

No dividend has been declared by the Company for the financial period ended 31 July 2008 (31 July 2007 : Nil)

K13 Earnings per Share**Basic & diluted**

Basic and diluted earnings per share amounts are calculated by dividing profit for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares in issue during the period. In accordance with FRS 133 - Earnings Per Share, the Irredeemable Convertible Unsecured Loan Stock (ICULS) are included in the calculation of basic earnings per share as they are mandatory convertible instruments.

Diluted earning per share amount is the same as basic earnings per share. The ESOS shares are not included as the effect is anti-dilutive.

	3 months ended 31 July		6 months ended 31 July	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Profit for the period attributable to ordinary equity holders of the parent	5,558	1,901	9,104	3,405
Weighted average number of ordinary shares in issue ('000)	508,901	508,901	508,901	508,901
Effect of dilution : ICULS ('000)	114,047	114,047	114,047	114,047
Adjusted weighted average number of ordinary shares in issue and issuable	622,948	622,948	622,948	622,948
Basic & diluted earnings per share for: Profit for the period (sen)	0.89	0.31	1.46	0.55

BY ORDER OF THE BOARD

Teh Yong Fah
Group Secretary
Kuala Lumpur
4 September 2008