



JOHAN HOLDINGS BERHAD

(Company No. 314-K)

(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2011**

	Note	3 months ended 31 October		9 months ended 31 October	
		2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Revenue	K1	81,739	74,368	227,289	217,058
Cost of sales		(29,565)	(26,986)	(80,707)	(78,378)
Gross profit		52,174	47,382	146,582	138,680
Other income		1,924	4,168	11,800	35,330
Administrative and other expenses		(50,447)	(34,366)	(133,164)	(115,769)
Earnings before interest, tax, depreciation and amortisation		3,651	17,184	25,218	58,241
Depreciation and amortisation		(2,504)	(1,888)	(7,584)	(5,982)
Finance cost		(13,432)	(12,796)	(42,130)	(32,132)
(Loss) / profit before tax	K1	(12,285)	2,500	(24,496)	20,127
Income tax expense	K5	(1,488)	(535)	(2,670)	(1,242)
(Loss) / profit for the period		(13,773)	1,965	(27,166)	18,885
Other comprehensive income:					
Foreign currency translation difference for foreign operations		1,705	3,294	4,126	(2,424)
Revaluation of land		-	-	-	4,915
Total comprehensive (loss) / profit for the period		(12,068)	5,259	(23,040)	21,376
(Loss) / profit for the period attributable to :					
Owners of the parent		(13,857)	1,812	(27,486)	18,643
Minority interest		84	153	320	242
		(13,773)	1,965	(27,166)	18,885
Total comprehensive (loss) / profit attributable to:-					
Owners of the parent		(12,189)	4,944	(23,493)	17,173
Minority interests		121	315	453	4,203
		(12,068)	5,259	(23,040)	21,376
(Loss) / earnings per share attributable to equity holders of the parent:					
Basic & diluted, (loss) / profit for the period (sen)	K13	(2.22)	0.29	(4.41)	2.99

(The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 January 2011 and the accompanying explanatory notes attached to the interim financial statements)

**JOHAN HOLDINGS BERHAD**(Company No. 314-K)
(Incorporated in Malaysia)**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 OCTOBER 2011**

	Note	As at 31 October 2011 RM'000	Audited As at 31 January 2011 RM'000
Property, plant and equipment	M9	201,982	202,529
Land held for property development		6,100	6,097
Intangible assets		11,660	11,267
Investment securities		74	69
Deferred tax assets		11,274	11,085
Current assets			
Property development costs		1,571	348
Inventories		29,259	31,999
Receivables		623,101	607,097
Investment securities		14,231	15,822
Cash and bank balances		124,036	140,410
		792,198	795,676
Current liabilities			
Payables		129,899	175,254
Tax payable		5,435	4,342
Investors certificates		418,648	392,780
Bank borrowings	K9	168,949	132,525
		722,931	704,901
Net current assets		69,267	90,775
		<u>300,357</u>	<u>321,822</u>
Share capital	M6	311,474	311,474
Reserves			
Share premium		69,415	69,415
Capital and revaluation reserves		30,954	30,954
Exchange reserve		13,858	9,865
Accumulated losses		(234,464)	(206,978)
Attributable to equity holders of the parent		191,237	214,730
Minority interest		8,686	8,233
Total equity		<u>199,923</u>	<u>222,963</u>
Long term liabilities			
Term loans	K9	59,194	63,433
Deferred tax liabilities		2,366	2,290
Hire purchase and lease creditors		5,374	2,636
Senior certificates		33,500	30,500
		<u>300,357</u>	<u>321,822</u>
Net assets per share (sen)		<u>30.70</u>	<u>34.47</u>

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 January 2011 and the accompanying explanatory notes attached to the interim financial statements)

**JOHAN HOLDINGS BERHAD**

(Company No. 314-K)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2011

	<-----Attributable to owners of the parent----->						
	Share capital RM'000	Share premium RM'000	Non- distributable reserves RM'000	Accumulated losses RM'000	Equity attributable to owners of the parent, total RM'000	Minority interest RM'000	Total equity RM'000
Balance as at 1 February 2010	311,474	69,415	43,536	(209,991)	214,434	4,659	219,093
Total comprehensive income/(loss) for the period	-	-	(1,470)	18,643	17,173	4,203	21,376
At 31 October 2010	<u>311,474</u>	<u>69,415</u>	<u>42,066</u>	<u>(191,348)</u>	<u>231,607</u>	<u>8,862</u>	<u>240,469</u>
Balance as at 1 February 2011	311,474	69,415	40,819	(206,978)	214,730	8,233	222,963
Total comprehensive income/(loss) for the period	-	-	3,993	(27,486)	(23,493)	453	(23,040)
At 31 October 2011	<u>311,474</u>	<u>69,415</u>	<u>44,812</u>	<u>(234,464)</u>	<u>191,237</u>	<u>8,686</u>	<u>199,923</u>

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 January 2011 and the accompanying explanatory notes attached to the interim financial statements)

**JOHAN HOLDINGS BERHAD**

(Company No. 314-K)
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**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2011**

	9 months ended 31 October	
	2011 RM'000	2010 RM'000
Cash flows from operating activities		
(Loss) / profit before tax	(24,496)	20,127
Adjustments for non-cash and non-operating items:		
- Non-cash items	29,607	(22,466)
- Investing and financing items	41,246	28,288
Operating cash flows before working capital changes	46,357	25,949
Changes in working capital:		
- Changes in current assets	(45,003)	13,420
- Changes in current liabilities	(50,937)	(46,043)
Loan interest paid	(42,130)	(32,132)
Interest received	884	855
Tax paid	(1,577)	(3,694)
Net cash flows used in operating activities	(92,406)	(41,645)
Net cash flows from/(used in) investing activities	(5,961)	2,283
Net cash flows from financing activities	51,489	11,054
Translation differences	(1,481)	1,081
Net change in cash and cash equivalents	(48,359)	(27,227)
Cash and cash equivalents at beginning of year	70,591	85,997
Cash and cash equivalents at end of period	22,232	58,770
Analysis of cash and cash equivalents:		
Cash and bank balances	124,036	135,028
Bank overdrafts	(101,804)	(76,258)
	22,232	58,770

(The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 January 2011 and the accompanying explanatory notes attached to the interim financial statements)



JOHAN HOLDINGS BERHAD

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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 Financial Reporting Standard ("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 2011.

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 year ended 31 January 2011 except for the adoption of the following new/revised FRS and IC Interpretations for financial year beginning 1 February 2011 :

Effective for financial periods beginning on or after 1 July 2010

FRS 1 First-time Adoption of Financial Reporting Standards (revised)
FRS 3 Business Combinations (revised)
Amendment to FRS 127 Consolidated and Separate Financial Statements
Amendments to FRS 2 Share-based Payment
Amendments to FRS 5 Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS 138 Intangible Assets
IC Interpretation 12 Service Concession Arrangements
IC Interpretation 16 Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17 Distributions of Non-cash Assets to Owners
Amendments to IC Interpretation 9 Reassessment of Embedded Derivatives

Effective for financial periods beginning on or after 1 January 2011

Amendments to FRS 1: Additional Exemptions for First-time Adopters & Limited Exemption from Comparative
FRS 7 Disclosures for First-time Adopters
Amendments to FRS 2: Group Cash-settled Share-based Payment Transactions
Amendments to FRS 7: Improving Disclosures about Financial Instruments
IC Interpretation 4: Determining Whether an Arrangement Contains a Lease
IC Interpretation 18: Transfers of Assets from Customers
Amendments to FRSs contained in the documents entitled 'Improvements to FRSs (2010)'
- Amendments to FRS 1: First-time Adoption of Financial Reporting Standards
- Amendments to FRS 3: Business Combinations
- Amendments to FRS 7: Financial Instruments: Disclosures
- Amendments to FRS 101: Presentation of Financial Statements
- Amendments to FRS 121: The Effects of Changes in Foreign Exchange Rates
- Amendments to FRS 128: Investments in Associates
- Amendments to FRS 131: Interests in Joint Ventures
- Amendments to FRS 132: Financial Instruments: Presentation
- Amendments to FRS 134: Interim Financial Reporting
- Amendments to FRS 139: Financial Instruments: Recognition and Measurement

Effective for financial periods beginning on or after 1 July 2011

IC Interpretation 19: Extinguishing Financial Liabilities with Equity Instruments
Amendments to IC Interpretation 14: Prepayments of a Minimum Funding Requirement

Effective for financial periods beginning on or after 1 January 2012

FRS 124: Related Party Disclosures
IC Interpretation 15 and Amendments to IC Interpretation 15: Agreements for the Construction of Real Estate

The adoption of the above revised FRSs, IC Interpretation and Amendments to FRSs do not have any significant financial impact on the Group.



JOHAN HOLDINGS BERHAD

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NOTES TO THE INTERIM FINANCIAL REPORT (CONT'D)

M2 Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the audited financial statements for the year ended 31 January 2011 was unqualified.

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.

M6 Debt and Equity Securities

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

M7 Dividend Paid

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



JOHAN HOLDINGS BERHAD

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M8 Segmental Information

	Engineering & building materials		General trading		Property		Hospitality and card services		Investment holding & secretarial services		Elimination		Total	
	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000

Nine months ended 31 October

Revenue:

External customers	58,814	55,412	36,574	33,467	2,930	103	128,862	127,988	109	88	-	-	227,289	217,058
Inter-segment	-	-	7,164	8,798	-	-	-	-	109	96	(7,273)	(8,894)	-	-
Total revenue	58,814	55,412	43,738	42,265	2,930	103	128,862	127,988	218	184	(7,273)	(8,894)	227,289	217,058

Results :

Interest income	187	267	-	-	-	-	11,037	8,075	882	309	(11,222)	(7,796)	884	855
Dividend income	-	-	-	-	-	-	-	-	1,762	2,474	(1,109)	(1,855)	653	619
Depreciation and amortisation	3,281	3,173	704	607	-	7	3,455	1,942	144	253	-	-	7,584	5,982
Earnings before interest, tax, depreciation and amortisation	4,540	7,467	929	1,674	1,561	66	34,795	50,357	5,837	14,269	(22,444)	(15,592)	25,218	58,241
Segment profit / (loss)	(673)	2,909	(121)	843	1,561	59	(8,244)	17,501	(5,797)	6,611	(11,222)	(7,796)	(24,496)	20,127

Assets :

Additions to non-current assets	406	2,330	454	468	-	-	4,216	2,569	150	16	-	-	5,226	5,383
Segment assets	74,593	98,722	46,047	28,153	53,568	51,216	807,153	847,292	439,556	265,691	(397,629)	(263,228)	1,023,288	1,027,846
Segment liabilities	43,788	45,994	14,498	12,742	39,685	38,778	725,938	683,911	118,261	50,037	(118,805)	(44,085)	823,365	787,377

**JOHAN HOLDINGS BERHAD**

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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 audited financial statements for the year ended 31 January 2011.

M10 Event Subsequent to the Balance Sheet Date

There was no event subsequent to the end of the financial quarter that require to be reflected in the financial statement 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.

M12 Changes in Contingent Liabilities

There were no contingent liabilities as at the reporting date.

M13 Capital Commitments

The capital commitment for the purchase of property, plant, equipment and computer systems not provided for in the interim financial statements is as follows :

	As at 31 October 2011 RM'000
Approved and contracted for	<u>4,840</u>

M14 Related Party Transactions

	3 months ended 31 October		9 months ended 31 October	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000

Transactions with corporations in which two Directors are deemed interested through their interest in George Kent (Malaysia) Bhd :-

Sales of tiles	28	-	110	-
Sales of air tickets	44	91	97	210
Recovery of share registration and professional fees	23	24	70	57
Rental expense for motor vehicle	-	-	11	-
	<u>-</u>	<u>-</u>	<u>11</u>	<u>-</u>

Transactions with a director :-

Sale of development properties - progress billings	407	-	1,139	-
	<u>407</u>	<u>-</u>	<u>1,139</u>	<u>-</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.



JOHAN HOLDINGS BERHAD

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ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS

K1 Review of Performance

For the financial quarter under review, the Group registered a revenue of RM81.739 million compared to corresponding quarter of RM74.368 million, higher by 9.9%. All the business segments registered higher revenue in the quarter under review.

The Group incurred a loss before tax of RM12.285 million against corresponding quarter profit before tax of RM2.5 million. This was due to lower other income and higher administrative and other expenses.

The Group's hospitality and card services segment incurred losses due to higher payroll, marketing costs, administrative expenses and finance costs.

In the engineering and building materials segment, the tiles manufacturing business incurred losses due to low selling price as a result of keen competition. Furthermore, the shortage of skilled labour had contributed to high production cost. The engineering business in Australia recorded a credible performance due to higher revenue and better gross profit margin.

The healthfoods business recorded a higher revenue. However the profit was lower due to higher operating lease payments for use of buildings and marketing promotion costs.

The property development business recorded a higher revenue compared to corresponding quarter and recorded a profit in current quarter.

The investment holding companies incurred losses due to higher finance costs, exchange losses arising from translation of Singapore Dollar denominated debts and impairment losses from marked to market of quoted investment securities.

Group loss for the period after taxation was RM13.773 million compared to corresponding quarter profit of RM1.965 million.

K2 Variation of Results Against Preceding Quarter

Total revenue for the current financial quarter was RM81.739 million, up 2.9% when compared to preceding quarter's RM79.448 million. When compared to preceding quarter's loss before tax of RM3.508 million, the Group incurred a higher loss before tax of RM12.285 due to losses incurred in the credit and charge cards business, tiles business and impairment losses from marked to market of quoted investments as well as exchange losses incurred by the investment holding companies.

K3 Current Year Prospect

The uncertainties of European economies arising from their debt crisis continue unabated. This has impacted the economies in which the Group operates. Trading environment in which the Group businesses operate remains challenging. The Board is cautious about the Group's prospects for the rest of the financial year.

K4 Profit Forecast

Not applicable as no profit forecast was issued by the Group.

**JOHAN HOLDINGS BERHAD**

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ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS (CONT'D)**K5 Tax Expense**

	3 months ended		9 months ended	
	31 October		31 October	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Tax expense based on results for continuing operations: -				
Current				
- Malaysian tax	(119)	(33)	(208)	(55)
- Foreign tax	(1,369)	(502)	(2,462)	(1,187)
	<u>(1,488)</u>	<u>(535)</u>	<u>(2,670)</u>	<u>(1,242)</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.

K6 Unquoted Investments and Properties

During the financial quarter under review, there were no sale of unquoted investment and properties.

K7 Quoted Investments

a) Details of purchases and disposals of quoted securities are as follows:-

	3 months ended		9 months ended	
	31 October		31 October	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
Purchase consideration	<u>205</u>	<u>1,724</u>	<u>2,574</u>	<u>3,563</u>
Sales proceeds	<u>575</u>	<u>319</u>	<u>1,595</u>	<u>10,950</u>
Gain / (loss) on disposal	<u>12</u>	<u>6</u>	<u>(81)</u>	<u>2,994</u>

b) Investments in quoted securities:-

	As at	As at
	31 October 2011	31 January 2011
	RM'000	RM'000
At cost	<u>12,768</u>	<u>11,962</u>
At book value	<u>14,231</u>	<u>15,822</u>
At market value	<u>14,231</u>	<u>15,822</u>

K8 Status of Corporate Proposal Announced

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

**JOHAN HOLDINGS BERHAD**(Company No. 314-K)
(Incorporated in Malaysia)**ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS (CONT'D)****K9 Borrowings and Debt Securities**

	As at 31 October 2011 RM'000	As at 31 January 2011 RM'000
a) Short term borrowings		
Secured		
- Bank overdrafts	77,304	66,989
- Revolving credits, trust receipts and bankers' acceptance	28,142	30,144
- Current portion of long-term loans	14,184	11,102
	119,630	108,235
Unsecured		
- Bank overdrafts	24,500	2,830
- Revolving credits and short-term loans	24,819	21,460
	49,319	24,290
Total short term borrowings	<u>168,949</u>	<u>132,525</u>
b) Long term borrowings		
Secured		
- Term Loan	73,378	74,535
Portion repayable within one year included in (a) above	(14,184)	(11,102)
Total long term borrowings	<u>59,194</u>	<u>63,433</u>

The bank borrowings denominated in foreign currencies are as follows: -

	RM'000	RM'000
Denominated in Singapore Dollar	<u>184,071</u>	<u>153,986</u>

K10 Off Balance Sheet Financial Instruments

The Group does not have any financial instrument with off balance sheet risk as at 6 December 2011.

K11 Changes in Material Litigation

There were no material litigations during the quarter under review.

K12 Dividend

The Board does not recommend any dividend for the financial period ended 31 October 2011 (31 October 2010 : Nil).

**JOHAN HOLDINGS BERHAD**

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ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS (CONT'D)**K13 Earnings per Share****Basic & diluted**

Basic and diluted earnings per share 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 as at the end of the financial period.

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

	3 months ended 31 October		9 months ended 31 October	
	2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
(Loss)/profit for the period attributable to ordinary equity holders of the parent	<u>(13,857)</u>	<u>1,812</u>	<u>(27,486)</u>	<u>18,643</u>
Number of ordinary shares ('000) in issue	<u>622,948</u>	<u>622,948</u>	<u>622,948</u>	<u>622,948</u>
Basic & diluted (loss)/earnings per share	<u>(2.22)</u>	<u>0.29</u>	<u>(4.41)</u>	<u>2.99</u>

K14 Realised and Unrealised Profits / (Losses)

The breakdown of accumulated losses of the Group as at the reporting date into realised and unrealised profit / (losses), are as follows:-

	As at 31 October 2011 RM'000	As at 31 January 2011 RM'000
Total accumulated losses of Johan Holdings Berhad and its subsidiaries :		
- Realised	(429,486)	(397,559)
- Unrealised	<u>23,336</u>	<u>20,680</u>
	(406,150)	(376,879)
Consolidation adjustments	<u>171,686</u>	<u>169,901</u>
Accumulated losses as per consolidated accounts	<u>(234,464)</u>	<u>(206,978)</u>

BY ORDER OF THE BOARD**Teh Yong Fah**

Group Secretary

Kuala Lumpur

7 December 2011