



MULTI-PURPOSE

MULTI-PURPOSE HOLDINGS BERHAD
(24217 - M)
(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS
for the nine months ended 30 September 2008
(The figures have not been audited)

CONDENSED CONSOLIDATED INCOME STATEMENTS

	3 months ended		9 months ended	
	30-Sept 2008 RM'000	30-Sept 2007 RM'000	30-Sept 2008 RM'000	30-Sept 2007 RM'000
Revenue	759,149	806,365	2,310,820	2,422,806
Cost of sales	(619,802)	(636,406)	(1,883,231)	(1,975,721)
Gross profit	139,347	169,959	427,589	447,085
Other income	44,600	34,685	173,466	389,320
Administrative expenses	(14,703)	(17,050)	(86,451)	(56,789)
Other expenses	(93,989)	(75,130)	(278,824)	(136,433)
Finance costs	(38,515)	(9,806)	(45,160)	(38,097)
Share of profits of associates and jointly controlled entities	1,209	1,366	1,888	2,993
Profit before tax	37,949	104,024	192,508	608,079
Income tax expense	(3,425)	(29,687)	(61,199)	(104,877)
Profit for the period	34,524	74,337	131,309	503,202
Attributable to:				
Equity holders of the parent	39,917	47,956	138,846	338,970
Minority interest	(5,393)	26,381	(7,537)	164,232
	34,524	74,337	131,309	503,202
Earnings per share attributable to equity holders of the parent (sen):				
- Basic	4.2	5.0	14.5	35.5
- Diluted	3.6	4.3	12.4	29.7

(The Condensed Consolidated Income Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2007.)

CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2008

	(UNAUDITED)	(RESTATED)
	AS AT	AS AT
	30.09.2008	31.12.2007
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	180,693	274,757
Land held for property development	20,000	20,000
Investment properties	592,457	622,732
Prepaid lease payments	1,008	585
Associated companies	122,388	121,994
Jointly controlled entities	727	8,867
Other investments	98,796	530,281
Goodwill on consolidation	2,947,615	800,439
Long term receivables	39,864	39,864
Deferred tax assets	8,439	13,621
	4,011,987	2,433,140
Current assets		
Inventories	5,203	9,000
Loans to customers	99,451	188,565
Other receivables	296,246	334,791
Tax Recoverable	40,631	31,472
Short term deposits and investments	742,567	718,688
Cash and Bank balances	112,129	50,831
	1,296,227	1,333,347
Assets classified as held for sales	389,925	-
	1,686,152	1,333,347
	5,698,139	3,766,487
TOTAL ASSETS		
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	962,356	954,586
Reserves	902,534	874,814
	1,864,890	1,829,400
Minority interest	865,441	807,805
Total equity	2,730,331	2,637,205
Non-current liabilities		
Borrowings	2,200,000	102,861
Reserves for unexpired risks	74,243	65,129
Deferred tax liabilities	12,006	18,075
Provision for retirement benefits	2,682	1,616
	2,288,931	187,681
Current liabilities		
Other payables	548,750	513,583
Borrowings	4,641	156,172
Exchangeable bonds 2003/2008	-	260,500
Current tax payable	7,255	11,346
	560,646	941,601
Liabilities directly associated with assets classified as held for sale	118,231	-
	678,877	941,601
Total liabilities	2,967,808	1,129,282
TOTAL EQUITY AND LIABILITIES	5,698,139	3,766,487
Net assets per share attributable to ordinary equity holders of the parent (RM)	1.94	1.92

(The Condensed Consolidated Balance Sheet should be read in conjunction with the audited financial statements for the year ended 31 December 2007.)

CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2008

	9 months ended	
	30.09.2008	30.09.2007
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit before taxation from:		
Continuing operations	192,508	608,079
Adjustments for:		
Non-cash items	11,355	16,707
Non-operating items	<u>(30,785)</u>	<u>(418,916)</u>
Operating profit before changes in working capital	173,078	205,870
Changes in working capital:		
Net change in current assets	(44,498)	(91,629)
Net change in current liabilities	<u>(22,249)</u>	<u>95,587</u>
Cash generated from operations	106,331	209,828
Net tax paid	<u>(77,097)</u>	<u>(89,908)</u>
Net cash generated from operating activities	29,234	119,920
CASH FLOWS FROM INVESTING ACTIVITIES		
Property, plant and equipment	(5,648)	133,129
Equity Investments	(4,383)	(435,629)
Other investments	35,443	551,554
Interest paid	(23,608)	(38,097)
Interest income	34,026	42,114
	<u>35,830</u>	<u>253,071</u>
Net cash generated from investing activities	65,064	372,991
CASH FLOWS FROM FINANCING ACTIVITIES		
Issuance of ordinary shares & RCULS	731,428	718
Repurchase of treasury shares	(13,615)	-
Borrowings	1,943,139	(416,994)
Payment of dividend		
- to shareholders of the Company	(89,304)	(34,842)
- to minority shareholders	-	(396,104)
Acquisition of minority interest	<u>(2,488,663)</u>	<u>-</u>
Net cash generated from/(used in) financing activities	82,985	(847,222)
NET CHANGE IN CASH AND CASH EQUIVALENTS	<u>148,049</u>	<u>(474,231)</u>
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	440,598	858,168
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	<u><u>588,647</u></u>	<u><u>383,937</u></u>
Cash and cash equivalents consist of :		
Deposits, cash and bank balances	643,652	435,880
Bank overdrafts	(4,641)	(8,885)
Cash held in trust accounts	<u>(50,364)</u>	<u>(43,058)</u>
	<u><u>588,647</u></u>	<u><u>383,937</u></u>

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the year ended 31 December 2007.)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2008

	SHARE CAPITAL RM'000	SHARE PREMIUM RM'000	OTHER RESERVES RM'000	TREASURY SHARES RM'000	RETAINED PROFITS/ (ACCUMULATED LOSSES) RM'000	MINORITY INTEREST RM'000	TOTAL RM'000
At 1 January 2007	953,867	803,211	44,733	-	(403,189)	1,302,191	2,700,813
Prior year adjustments	-	-	-	-	(3,753)	229	(3,524)
At 1 January 2007 (restated)	953,867	803,211	44,733	-	(406,942)	1,302,420	2,697,289
Issue of new ordinary shares from warrant conversion	718	-	-	-	-	-	718
Profit for the period	-	-	-	-	338,970	164,232	503,202
Dividend	-	-	-	-	(34,842)	(396,104)	(430,946)
Changes in Group Structure	-	-	3,284	-	-	(128,448)	(125,164)
Increase in shareholding in subsidiary	-	-	-	-	(4,452)	(94,756)	(99,208)
At 30 September 2007	954,585	803,211	48,017	-	(107,266)	847,344	2,545,891
At 1 January 2008	954,586	803,211	44,663	-	26,940	807,805	2,637,205
Issue of new ordinary shares from warrant conversion	7,770	-	-	-	-	-	7,770
Profit for the period	-	-	-	-	138,846	(7,537)	131,309
Dividend Paid	-	-	-	-	(89,304)	-	(89,304)
Disposal of shares in subsidiaries	-	-	-	-	-	86,210	86,210
Repurchase of own shares	-	-	-	(13,615)	-	-	(13,615)
Issuance of ordinary share in Class A	-	1	-	-	-	-	1
Acquisition of additional shares in subsidiaries	-	-	-	-	-	(20,051)	(20,051)
Capital reduction and repayment by a subsidiary company	-	-	-	-	-	(724,643)	(724,643)
Issuance of shares & RCULS by a subsidiary company	-	-	-	-	-	723,657	723,657
Exchange differences arising from translation of foreign currency financial statements	-	-	(8,208)	-	-	-	(8,208)
At 30 September 2008	962,356	803,212	36,455	(13,615)	76,482	865,441	2,730,331

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2007.)

A EXPLANATORY NOTES PURSUANT TO FRS134

A1 Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2007.

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2007 except for the adoption of the following revised Financial Reporting Standards ("FRS") effective for financial period beginning 1 January 2008:

FRS 107 – Cash Flow Statements
FRS 111 – Construction Contracts
FRS 112 – Income Taxes
FRS 118 – Revenue
FRS 134 - Interim Financial Reporting
FRS 137 – Provisions, Contingent Liabilities and Contingent Assets

The adoption of the above FRS does not have significant financial impact on the Group.

A2 Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the year ended 31 December 2007 was not qualified.

A3 Seasonal or Cyclical Factors

The business operations of the Group are generally dependent on the state of the overall economic environment.

A4 Segmental Information

	3 months ended		9 months ended	
	30.09.2008 RM'000	30.09.2007 RM'000	30.09.2008 RM'000	30.09.2007 RM'000
Segmental Revenue				
Gaming	695,448	730,156	2,124,806	2,231,482
Stockbroking	6,895	16,613	24,692	49,486
Financial Services	44,316	30,360	123,471	102,603
Corporate & others	13,232	646,577	44,332	658,065
	<u>759,891</u>	<u>1,423,706</u>	<u>2,317,301</u>	<u>3,041,636</u>
Eliminations	(742)	(617,341)	(6,481)	(618,830)
	<u>759,149</u>	<u>806,365</u>	<u>2,310,820</u>	<u>2,422,806</u>
Segmental Results				
Gaming	34,366	79,838	82,321	449,371
Stockbroking	(2,227)	14,061	347	44,669
Financial Services	(3,779)	11,008	3,824	27,865
Corporate & others	9,589	(883)	106,016	86,174
Profit before taxation	<u>37,949</u>	<u>104,024</u>	<u>192,508</u>	<u>608,079</u>

A5 Accounting Estimates

There were no changes in estimates of amounts reported in prior financial years that have a material effect in the current financial quarter.

A6 Dividends Paid

During the current financial period ended 30 September 2008, the following dividends were paid:

	RM'000
a) In respect of the financial year ended 31 December 2007:	
- Final dividend of 5 sen, less 26% tax and 1 sen tax exempt per share paid on 15 July 2008	45,062
b) In respect of the financial year ended 31 December 2008:	
- Interim dividend of 5 sen, less 26% tax paid on 26 September 2008	35,398
	<u>80,460</u>

A7 Carrying Amount of Revalued Assets

The valuations of property, plant and equipment have been brought forward without amendment from the previous annual financial statements.

A8 Changes in Debt and Equity Securities

There was no issuance, cancellation, repurchase, resale and repayment of debts and equity securities during the current quarter except for the following:

- (i) 3,590,400 ordinary shares were issued pursuant to the exercise of 2004/2009 warrants at exercise price of RM1.00 per share. As at 30 September 2008, the number of warrants 2004/2009 remaining unexercised was 191,509,976.
- (ii) At the Annual General Meeting (AGM) of the Company held on 19 June 2008, the shareholders of the Company had renewed the share buy-back mandate for the Company to purchase up to 10% of the issued and paid-up share capital. The mandate will expire at the next Annual General Meeting.

During the current quarter, the Company purchased 9,916,000 of its own issued ordinary shares from open market at an average price of RM1.37 per share. The total consideration paid for the purchases including transaction costs was RM13,615,055 and these were financed by internally generated funds. The purchased shares are being held as treasury shares in accordance with Section 67A of the Companies Act 1965.

A9 Contingent Liabilities

As at 19 November 2008, the Board is not aware of any material contingent liabilities which have become enforceable or are likely to become enforceable which will effect the ability of the Company or any of its subsidiaries to meet its obligations as and when they fall due other than the following where in the normal course of business, the gaming, insurance and stockbroking subsidiary companies make various commitments and incur certain contingent liabilities with legal recourse to its customers. No material losses are anticipated as a result of these transactions.

A10 Material Subsequent Events

There were no material subsequent events since the end of the current quarter until a date not earlier than 7 days from the date of issuance of this quarterly report.

A11 Changes in Composition of the Group

There were no significant changes in the composition of the Group during the period under review.

A12 Unusual Items Affecting Interim Financial Report

There were no unusual items affecting the interim financial report of the Group for the current quarter under review.

B NOTES REQUIRED UNDER THE LISTING REQUIREMENTS OF BURSA SECURITIES

B1 Review of Performance

The Group's profit before taxation and minority interest of RM192.51 million for the period ended 30 September 2008 was 68% lower than RM608.08 million achieved in the previous corresponding financial period. Higher results achieved in the previous corresponding period was mainly due to exceptional gains on disposal of properties and quoted investments within the Group.

The Gaming Division reported a profit before taxation and minority interest of RM82.32 million which was substantially lower compared with RM449.37 million in the corresponding period last year. The decrease was mainly due to lower gaming sales as fewer draws were conducted and the absence of exceptional gains on disposal of properties and quoted investments.

The Stockbroking Division posted a profit before taxation of RM347,000 as compared to RM44.67 million in the previous corresponding financial period. Weak capital market during the period has resulted in lower trading volume which in turn has adversely affected the performance.

Profit before taxation of the Financial Service Division at RM3.82 million was lower than RM27.86 million registered in the previous corresponding financial period. The decrease was mainly due to higher claims as well as the weak capital market.

B2 Comment on Material Change in Profit Before Taxation

The Group's profit before taxation for the current quarter of RM37.95 million was lower when compared to RM73.45 million in the immediate preceding quarter. The decline in the results was mainly due to lower profit from gaming division and deteriorating market sentiments.

B3 Prospects for 2008

The Group expects to maintain the current performance for the year in the midst of uncertainties arising from global financial meltdown.

B4 Profit Forecast and Profit Guarantee

There were no profit forecast or profit guarantee issued by the Company.

B5 Income Tax Expense

	3 months ended		9 months ended	
	30.09.2008	30.09.2007	30.09.2008	30.09.2007
	RM'000	RM'000	RM'000	RM'000
Current tax:				
Malaysian income tax	3,441	30,136	61,215	107,828
Foreign tax	2	6	2	17
	<u>3,443</u>	<u>30,142</u>	<u>61,217</u>	<u>107,845</u>
Overprovision of Malaysian income tax in prior years	(18)	(265)	(18)	(2,649)
	<u>3,425</u>	<u>29,877</u>	<u>61,199</u>	<u>105,196</u>
Deferred tax	-	(190)	-	(319)
Total income tax expense	<u>3,425</u>	<u>29,687</u>	<u>61,199</u>	<u>104,877</u>

B6 Sale of unquoted investments and/or properties

The gains on disposal of unquoted investments for the current period and financial period to date are as follows:

	3 months ended 30.09.2008 RM'000	9 months ended 30.09.2008 RM'000
Net gain on disposal of unquoted investments	-	844

B7 Quoted Securities

(a) Total purchases and disposals of quoted securities for the current period and financial period to date are as follows:

	3 months ended 30.09.2008 RM'000	9 months ended 30.09.2008 RM'000
Total purchases	67,544	77,182
Total sale proceeds	50,322	61,196
Total gain on disposal	<u>27,014</u>	<u>28,030</u>

(b) Total investments in quoted securities as at 30 September 2008 are as follows:

	RM'000
Total investments at cost	609,889
Total investments at carrying value/book value (after impairment loss)	276,271
Market value	<u>360,453</u>

(Note: Investments held by the stockbroking and insurance subsidiaries have not been disclosed under this Note.)

B8 Corporate Proposals

a) **Implementation of Section 34A of the Securities Commission Act, 1993 pursuant to the offer by CIMB Investment Bank Berhad ("CIMB") on behalf of Magnum Corporation Sdn Bhd ("MCSB") for all the remaining ordinary shares of RM1.00 each in Magnum 4D Berhad ("M4D") ("M4D Shares") not already owned by MCSB ("Offer Shares") for a consideration of RM3.00 per M4D Share ("Offer")**

Pursuant to the requirements under Part II of the Malaysian Code on Take-Overs and Mergers, 1998, CIMB had served on behalf of MCSB, a notice on the Board of M4D to inform M4D of MCSB's intention to undertake the Offer.

MCSB had, as at 13 June 2008, received acceptances from the holders of the Offer Shares resulting in them, together with its nominee or related corporation, holding more than 90% of the value of ordinary shares in M4D. Any holder of the Offer Shares who has not accepted the Offer may now exercise his rights pursuant to Section 34A of the Securities Commission Act 1993 ("SCA") by serving a notice on MCSB to require MCSB to acquire his Offer Shares on the same terms and conditions as set out in the offer document dated 5 June 2008 for the Offer, or such other terms as may be agreed.

Pursuant to Section 34A(2) of the SCA, MCSB had on 1 July 2008 despatched to the holders of the Offer Shares who have not accepted the Offer, a notice in the manner prescribed under the Malaysian Code on Take-Overs and Mergers 1998 ("Notice"). Any holder of the Offer Shares who has not accepted the Offer may, within three (3) months from the date of the Notice, give notice to MCSB that he requires MCSB to acquire his Offer Shares.

B9 Borrowings

The Group's borrowings as at 30 September 2008 are as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
Short Term			
Bank Overdraft	2,260	2,381	4,641
Long Term			
Term Loan	2,200,000	-	2,200,000
Total	<u>2,202,260</u>	<u>2,381</u>	<u>2,204,641</u>

All the borrowings are denominated in Ringgit Malaysia.

B10 Off Balance Sheet Financial Instruments

The Group does not have any financial instruments with off balance sheet risk.

B11 Material Litigation

a) JB High Court Civil Suit Nos. 22-355, 22-456 and 22-516

AA Anthony Securities Sdn Bhd ("AAAS") is currently engaged in legal proceedings as the defendant, whereby a remisier Ng Hong Chai is taking action against AAAS for alleged unfair suspension of his trading since 1994 and thereby resulting in his loss of income. The amount claimed by Ng Hong Chai for years 1995 to 1997 is RM5.8 million, while the amount subsequent to July 1997 had yet to be quantified.

The plaintiff's claims were dismissed by the High Court on 23 July 2004, 30 September 2004 and 29 August 2006. The plaintiff had filed appeals against the court decisions.

b) Sandakan High Court Suit No. S(22)-61 of 1995

Sandakan Turf Club ("STC") has filed a suit against a subsidiary of MCSB for breach of the provisions of an Agreement dated 26 November 1987 between the parties. The amount claimed by STC amounted to RM13.0 million and the matter has been heard before the High Court at Sandakan in October 2000.

On 10 July 2003, the High Court had delivered the decision that the said subsidiary was only liable to pay the sum of RM238,271 and interest at 8% per annum for the special damages claimed. The claim for general damages was dismissed.

However, STC has filed Notice of Appeal ("Notice") to the Court of Appeal against the decision by the High Court in respect of its claim for general damages. On 27 August 2007, the Court of Appeal granted STC's application to file their supplementary records of appeal in three volumes. Currently, the hearing date has yet to be fixed.

c) Kuala Lumpur High Court Originating Petition No. D5-26-39-2004

On 14 May 2004, a petition was presented pursuant to Section 181 of the Companies Act 1965 ("Petition"). The Petition was served on MCSB, Magnum 4D Berhad ("M4DB"), Magnum 4D (Perak) Sdn. Bhd. ("M4D Perak") and Longterm Profit Sdn. Bhd. ("LPSB") by Kejutaan Holdings Sdn. Bhd. ("Petitioner"). In the Petition, MCSB, M4DB, M4D Perak, LPSB and the Directors of M4D Perak were cited as the Respondents. In December 2004, the Petition was amended to include a director of the Company, M4DB and LPSB as an additional Respondent.

The Petitioner has alleged that its interests in M4D Perak were oppressed by the Respondents and has sought for, inter alia, an order that MCSB, M4DB and LPSB to jointly and severally acquire its shares in M4D Perak based on the valuation of a Court-appointed valuer.

On 10 March 2008, the High Court had dismissed the Petition against all the Respondents with costs. However, the Petitioner had on 17 March 2008 filed a Notice of Appeal in the Court of Appeal against the judgement of the High Court of 10 March 2008. The Record of Appeal was filed on 7 May 2008 and served on the solicitors of the Company on the same date. The hearing date has been fixed on 2 March 2009.

d) Kuala Lumpur High Court Suit No. S1-22-946-2008

On 6 October 2008, Leisure Dotcom Sdn Bhd ("LDSB"), a subsidiary of the Company, commenced legal proceedings against Globesource Sdn Bhd ("GSB") claiming for amongst others, specific performance for delivery of a piece of freehold land and 2 leases in Kuala Lumpur pursuant to a conditional sale and purchase agreement entered into between LDSB and GSB ("SPA") on 21 June 2007. Pursuant to the SPA, GSB is to sell and LDSB is to purchase the freehold land and 2 Leases in Kuala Lumpur for a total consideration of RM72,162,000.00 ("Purchase Price"). Upon execution of the SPA, LDSB paid a deposit of RM7,216,200.00 representing 10% of the Purchase Price. The sealed copy of the Writ indorsed with Statement of Claim has been extracted and is currently pending service on GSB's solicitors.

B12 Dividend

The Board of Directors does not recommend the payment of any dividend for the current quarter ended 30 September 2008.

B13 Earnings Per Share

a) Basic earnings per share

Basic earnings per share is calculated by dividing the net profit for the period by the weighted average number of ordinary shares in issue during the period.

	3 months ended		9 months ended	
	30.09.2008	30.09.2007	30.09.2008	30.09.2007
	RM'000	RM'000	RM'000	RM'000
Net profit for the period	39,917	47,956	138,846	338,970
Weighted average number of ordinary share in issue	955,484	954,371	955,484	954,371
Basic earnings per share (sen)	4.2	5.0	14.5	35.5

b) Fully diluted earnings per share

For the purpose of calculating diluted earnings per share, the net profit for the period and the weighted average number of ordinary shares in issue during the period have been adjusted for the effects of dilutive potential ordinary shares from conversion of 191,509,976 warrants (B) exercised at a price of RM1.00.

	3 months ended		9 months ended	
	30.09.2008 RM'000	30.09.2007 RM'000	30.09.2008 RM'000	30.09.2007 RM'000
Net profit for the period	39,917	47,956	138,846	338,970
Adjustment for after tax effects of interest on exercise of warrants	1,108	1,127	3,454	3,382
	41,025	49,083	142,300	342,352
Weighted average number of ordinary shares in issue	955,484	954,371	955,484	954,371
Adjustment for assumed Weighted Average number exercise of Warrant B	191,510	199,281	191,510	199,281
	1,146,994	1,153,652	1,146,994	1,153,652
Adjusted weighted average number of ordinary shares for diluted earnings per share	1,146,994	1,153,652	1,146,994	1,153,652
Fully diluted earnings per share (sen)	3.6	4.3	12.4	29.7

By Order Of The Board

Lim Kong Yow
COMPANY SECRETARY

19 November 2008