

MUI PROPERTIES BERHAD

Company No : 6113-W
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2009

(The figures are unaudited)

CONDENSED CONSOLIDATED INCOME STATEMENTS For The Financial Period Ended 31 March 2009

	INDIVIDUAL QUARTER		CUMULATIVE 3 MONTHS	
	31/03/2009	31/03/2008	31/03/2009	31/03/2008
	RM'000	RM'000	RM'000	RM'000
Revenue	7,659	10,431	7,659	10,431
Cost of sales	(5,004)	(6,558)	(5,004)	(6,558)
Gross profit	2,655	3,873	2,655	3,873
Gain on disposal of a subsidiary company	7,555	-	7,555	-
Other income	377	115	377	115
Administrative expenses	(1,797)	(2,306)	(1,797)	(2,306)
Other expenses	(463)	(474)	(463)	(474)
Finance costs	(328)	(352)	(328)	(352)
Profit before taxation	7,999	856	7,999	856
Taxation	67	(710)	67	(710)
Profit for the financial period	8,066	146	8,066	146
Attributable to:-				
Equity holders of the Company	7,545	(495)	7,545	(495)
Minority interests	521	641	521	641
	8,066	146	8,066	146
	Sen	Sen	Sen	Sen
Earnings/(Loss) per 20 sen share attributable to equity holders of the Company:-				
- Basic	1.02	(0.07)	1.02	(0.07)
- Fully diluted	N/A	N/A	N/A	N/A

Note:-

N/A - Not applicable

(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2008)



CONDENSED CONSOLIDATED BALANCE SHEET
At 31 March 2009

	31/03/2009	31/12/2008 (Audited)
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	5,647	5,538
Investment properties	30,986	30,990
Prepaid land lease payments	990	993
Development properties	35,263	35,263
Investments	124,401	122,618
Deferred tax assets	475	449
Goodwill on consolidation	5,000	5,015
	<u>202,762</u>	<u>200,866</u>
Current assets		
Development properties and expenditure	74,616	76,072
Inventories	22,622	22,810
Trade and other receivables	15,847	13,693
Tax recoverable	16	-
Deposits, bank balances and cash	55,749	49,657
	<u>168,850</u>	<u>162,232</u>
Assets of disposal group classified as held for sale	-	2,425
	<u>168,850</u>	<u>164,657</u>
TOTAL ASSETS	<u>371,612</u>	<u>365,523</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	152,812	152,812
Treasury shares, at cost	(6,301)	(6,301)
Reserves	139,079	129,145
	<u>285,590</u>	<u>275,656</u>
Minority interests	60,068	59,547
Total equity	<u>345,658</u>	<u>335,203</u>
Non-current liabilities		
Employee benefits	549	451
Deferred taxation	-	518
	<u>549</u>	<u>969</u>
Current liabilities		
Borrowings	20,172	21,517
Trade and other payables	4,716	7,243
Provision for taxation	517	591
	<u>25,405</u>	<u>29,351</u>
Total liabilities	<u>25,954</u>	<u>30,320</u>
TOTAL EQUITY AND LIABILITIES	<u>371,612</u>	<u>365,523</u>
	RM	RM
Net assets per 20 sen share attributable to equity holders of the Company	0.39 *	0.37 *

* The net assets per share is based on the number of ordinary shares issued less shares repurchased

(The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2008)



CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For The Financial Period Ended 31 March 2009

	Attributable to Equity Holders of the Company						Minority Interests	Total Equity
	Share Capital	Treasury Shares	Non-Distributable			Total		
			Other Reserves	General Reserve	Retained Profits			
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 January 2009	152,812	(6,301)	15,343	10,649	103,153	275,656	59,547	335,203
Net income recognised directly in equity	-	-	2,389	-	-	2,389	-	2,389
Profit for the financial period	-	-	-	-	7,545	7,545	521	8,066
At 31 March 2009	152,812	(6,301)	17,732	10,649	110,698	285,590	60,068	345,658
At 1 January 2008	152,812	(6,301)	33,238	10,649	111,725	302,123	57,735	359,858
Net expenses recognised directly in equity	-	-	(10,004)	-	-	(10,004)	-	(10,004)
Loss for the financial period	-	-	-	-	(495)	(495)	641	146
Dividend for the financial year ended 31 December 2007	-	-	-	-	(3,290)	(3,290)	-	(3,290)
At 31 March 2008	152,812	(6,301)	23,234	10,649	107,940	288,334	58,376	346,710

(The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2008)



CONDENSED CONSOLIDATED CASH FLOW STATEMENT
For The Financial Period Ended 31 March 2009

	CUMULATIVE 3 MONTHS	
	31/03/2009	31/03/2008
	RM'000	RM'000
Cash Flows From Operating Activities		
Profit before taxation	7,999	856
Net adjustments		
Gain on disposal of a subsidiary company	(7,555)	-
Gain on distribution arising from investments	(244)	-
Others	415	373
	<hr/>	<hr/>
Operating profit before working capital changes	615	1,229
Net changes in working capital	(2,339)	(238)
	<hr/>	<hr/>
Cash (used in)/generated from operating activities	(1,724)	991
Interest paid	(328)	(352)
Tax refund	-	36
Income tax paid	(490)	(225)
	<hr/>	<hr/>
Net cash (used in)/generated from operating activities	(2,542)	450
	<hr/>	<hr/>
Cash Flows From Investing Activities		
Proceeds from disposal of a subsidiary company	9,300	-
Proceeds from distribution arising from investments	244	-
Proceeds from disposal of property, plant and equipment	-	88
Purchase of property, plant and equipment	(1)	(140)
	<hr/>	<hr/>
Net cash generated from/(used in) investing activities	9,543	(52)
	<hr/>	<hr/>
Effect of exchange rate changes	(1,311)	(56)
	<hr/>	<hr/>
Net increase in cash and cash equivalents	5,690	342
Cash and cash equivalents at 1 January		
As previously reported	48,140	39,073
Effects of exchange rate changes on cash and cash equivalents	1,747	(1,048)
	<hr/>	<hr/>
As restated	49,887	38,025
	<hr/>	<hr/>
Cash and cash equivalents at 31 March	55,577	38,367
	<hr/>	<hr/>

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2008).



A. NOTES TO THE INTERIM FINANCIAL REPORT

A1. Basis of preparation

The Interim Financial Report of the Group is unaudited and has been prepared in accordance with FRS 134, Interim Financial Reporting and Chapter 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"). The significant accounting policies and methods of computation applied in this unaudited interim financial report are consistent with those adopted in the audited financial statements for the year ended 31 December 2008.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2008.

A2. Auditors' Report

The auditors' report on the financial statements for the financial year ended 31 December 2008 was not qualified.

A3. Seasonal or Cyclical Factors

The Group's property development operations in Malaysia are dependent on the economic conditions in Malaysia which would affect demand for properties.

A4. Exceptional Items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the financial period ended 31 March 2009 other than the gain on disposal of a subsidiary company as disclosed in Note B8.

A5. Changes in Estimates of Amounts Reported Previously

There were no significant changes in estimates of amounts reported in prior financial years which have a material effect in the financial period ended 31 March 2009.

A6. Issuances or Repayments of Debts and Equity Securities

As at 31 March 2009, the number of treasury shares held is 23,145,300 ordinary shares.

There were no issuances and repayments of debt and equity securities, share buy-backs, share cancellations and resale of treasury shares by the Company for the financial period ended 31 March 2009.

A7. Dividend Paid

There was no dividend paid by the Company during the financial period ended 31 March 2009. (31 March 2008: Nil).



A8. Segment Information

The analysis of the Group's operations for the financial period ended 31 March 2009 is as follows:-

	Properties RM'000	Investment Holding RM'000	Total RM'000
Revenue			
- External	7,526	133	7,659
- Inter-segment	-	-	-
Total	<u>7,526</u>	<u>133</u>	<u>7,659</u>
Results			
Segment results	<u>1,464</u>	<u>6,863</u>	8,327
Finance costs			<u>(328)</u>
Profit before taxation			<u>7,999</u>

A9. Property, Plant and Equipment

The valuation of freehold land has been brought forward without amendment from the previous annual report.

A10. Events Subsequent to the End of the Interim Reporting Period

There are no material events subsequent to the financial period ended 31 March 2009 that have not been reflected in the financial statements for the said period as at the date of this report.

A11. Changes in the Composition of the Group

- On 30 January 2009, the Group completed the disposal of the entire equity interest in Two Holdings Sdn Bhd, a wholly-owned subsidiary. The details of the disposal are mentioned in Note B8.
- Resona Resources Berhad, a wholly-owned subsidiary of the Group, which was placed under members' voluntary winding-up on 31 January 2005 was dissolved on 1 March 2009 pursuant to Section 272(5) of the Companies Act, 1965.

Other than the above, there were no changes in the composition of the Group during the financial period ended 31 March 2009.

A12. Contingent Liabilities

There are no material contingent liabilities as at the date of this report.

A13. Capital Commitments

There are no material capital commitments as at the date of this report.



B. NOTES PER BURSA SECURITIES LISTING REQUIREMENTS

B1. Review of Performance of the Company and its Principal Subsidiaries

During the 3 months ended 31 March 2009, the Group recorded revenue of RM7.7 million and pre-tax profit of RM8.0 million compared with the previous year corresponding period's revenue of RM10.4 million and pre-tax profit of RM0.9 million. The lower revenue was mainly due to a reduction in units sold in the Group's property development project in Vila Sri Ukay. The Group completed the disposal of a subsidiary company as detailed in Note B8 during the period under review with a gain of RM7.5 million. This contributed to the higher pre-tax profit for the financial period under review.

B2. Material Changes in the Quarterly Results Compared to the Results of the Preceding Quarter

For the current quarter, the Group recorded revenue of RM7.7 million which is marginally higher than the revenue of RM7.0 million in the preceding quarter. It also recorded pre-tax profit of RM8.0 million compared with pre-tax loss of RM2.3 million in the preceding quarter. The profit in the current quarter included the gain on disposal of a subsidiary company as mentioned in Note B8.

B3. Prospects for Current Financial Year

The property market in Malaysia has softened as a result of the slowdown in the economy.

The Group will focus on its ongoing development project in Bandar Springhill, Negeri Sembilan, which has seen increased interest following the announcement of plans to establish an education township there with UCIS University.

Barring any unforeseen circumstances, the Directors expect the Group to perform satisfactorily for the remaining periods in the financial year ending 31 December 2009.

B4. Variance of Actual Profit from Forecast Profit

Not applicable.

B5. Taxation

Taxation comprises :-

	First Quarter		Cumulative 3 months	
	31/03/2009	31/03/2008	31/03/2009	31/03/2008
	RM'000	RM'000	RM'000	RM'000
Current taxation	445	600	445	600
Deferred taxation	(467)	92	(467)	92
(Over)/Under provision in respect of prior years	(45)	18	(45)	18
	<u>(67)</u>	<u>710</u>	<u>(67)</u>	<u>710</u>

The current tax charge for the financial period ended 31 March 2009 is lower than the statutory rate of tax applicable mainly due to the capital gain which is not subject to tax.

B6. Sale of Investments and/or Properties

There were no disposal of investments and/or properties during the financial period ended 31 March 2009 other than the disposal of a subsidiary company as disclosed in Note B8.

B7. Quoted Securities

a) There were no purchases and disposal of quoted securities for the financial period ended 31 March 2009.

b) Total investments in quoted securities as at 31 March 2009 are as follows:-

	RM'000
At cost	15,939
Less: Allowance for diminution in value of investments	<u>(2,477)</u>
At book value	<u>13,462</u>
Market value	<u>13,309</u>



B8. Status of Corporate Proposals

On 14 September 2007, the Company entered into an agreement with Pan Malaysian Industries Berhad ("PMI") to dispose to PMI the 385,000 ordinary shares of RM1.00 each representing the entire issued and paid up capital of Two Holdings Sdn Bhd, a wholly-owned subsidiary company, for a cash consideration of RM9.3 million. PMI has obtained the approvals of the Securities Commission and its shareholders for the transaction on 28 April 2008 and 7 August 2008 respectively. The transaction was completed on 30 January 2009 with a gain on disposal of RM7.5 million.

Other than the above, the Group has not announced any corporate proposals which have not been completed as at the date of this report.

B9. Group Borrowings

Total Group borrowings as at 31 March 2009 are as follows:-

	RM'000
Short Term Borrowings	
- Unsecured	<u>20,172</u>

B10. Off Balance Sheet Financial Instruments

There are no financial instruments with off balance sheet risk as at the date of this report.

B11. Material Litigation

There is no material litigation involving the Group as at the date of this report.

B12. Dividend

No dividend has been declared by the Board for the financial period ended 31 March 2009 (31 March 2008: Nil).

B13. Earnings/(Loss) Per Share

(a) Basic earnings/(loss) per share

The basic earnings/(loss) per ordinary share is calculated by dividing the profit/(loss) for the financial period attributable to equity holders of the Company with the weighted average number of shares in issue during the period as follows:-

	<u>First Quarter</u>		<u>Cumulative 3 months</u>	
	<u>31/03/2009</u>	<u>31/03/2008</u>	<u>31/03/2009</u>	<u>31/03/2008</u>
Profit/(Loss) for the financial period attributable to equity holders of the Company (RM'000)	7,545	(495)	7,545	(495)
Weighted average number of ordinary shares in issue ('000)	740,915	740,915	740,915	740,915
Earnings/(Loss) per share (sen)	<u>1.02</u>	<u>(0.07)</u>	<u>1.02</u>	<u>(0.07)</u>

(b) Diluted earnings per share is not disclosed as it is not applicable.

By Order of the Board
MUI PROPERTIES BERHAD

Leong Park Yip
Company Secretary

Date: 29 May 2009