

MUI PROPERTIES BERHAD

Company No : 6113-W
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2009

(The figures are unaudited)

CONDENSED CONSOLIDATED INCOME STATEMENTS For The Financial Period Ended 30 September 2009

	THIRD QUARTER		CUMULATIVE 9 MONTHS	
	30/09/2009	30/09/2008	30/09/2009	30/09/2008
	RM'000	RM'000	RM'000	RM'000
Revenue	3,676	6,299	16,891	23,384
Cost of sales	(1,913)	(3,487)	(9,867)	(13,718)
Gross profit	1,763	2,812	7,024	9,666
Gain on disposal of a subsidiary company	-	-	7,555	-
Gain on disposal of an investment property	-	-	805	-
Other income	260	420	877	648
Administrative expenses	(2,233)	(2,585)	(5,696)	(7,300)
Other expenses	(383)	(686)	(1,272)	(1,610)
Finance costs	(275)	(321)	(880)	(1,005)
Profit/(Loss) before taxation	(868)	(360)	8,413	399
Taxation	(156)	(391)	(514)	(1,612)
Profit/(Loss) for the financial period	(1,024)	(751)	7,899	(1,213)
Attributable to:-				
Equity holders of the Company	(1,206)	(1,141)	6,622	(2,754)
Minority interests	182	390	1,277	1,541
	(1,024)	(751)	7,899	(1,213)
	Sen	Sen	Sen	Sen
Earnings/(Loss) per 20 sen share attributable to equity holders of the Company:-				
- Basic	(0.16)	(0.15)	0.89	(0.37)
- 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 and the accompanying explanatory notes attached to the interim financial statements)



CONDENSED CONSOLIDATED BALANCE SHEET
At 30 September 2009

	30/09/2009	31/12/2008 (Audited)
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	7,344	5,538
Investment properties	28,891	30,990
Prepaid land lease payments	982	993
Development properties	35,263	35,263
Investments	134,793	122,618
Deferred tax assets	630	449
Goodwill on consolidation	5,000	5,015
	<u>212,903</u>	<u>200,866</u>
Current assets		
Development properties and expenditure	74,006	76,072
Inventories	25,706	22,810
Trade and other receivables	14,081	13,693
Deposits, bank balances and cash	55,391	49,657
	<u>169,184</u>	<u>162,232</u>
Assets of disposal group classified as held for sale	-	2,425
	<u>169,184</u>	<u>164,657</u>
TOTAL ASSETS	<u>382,087</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	149,332	129,145
	<u>295,843</u>	<u>275,656</u>
Minority interests	60,824	59,547
Total equity	<u>356,667</u>	<u>335,203</u>
Non-current liabilities		
Employee benefits	549	451
Deferred taxation	-	518
	<u>549</u>	<u>969</u>
Current liabilities		
Borrowings	18,619	21,517
Trade and other payables	5,945	7,243
Provision for taxation	307	591
	<u>24,871</u>	<u>29,351</u>
Total liabilities	<u>25,420</u>	<u>30,320</u>
TOTAL EQUITY AND LIABILITIES	<u>382,087</u>	<u>365,523</u>
	RM	RM
Net assets per 20 sen share attributable to equity holders of the Company	0.40 *	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 and the accompanying explanatory notes attached to the interim financial statements)



CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For The Financial Period Ended 30 September 2009

	Attributable to Equity Holders of the Company						Minority	Total
	Share Capital RM'000	Treasury Shares RM'000	Non-Distributable			Total RM'000	Interests RM'000	Equity RM'000
			Other Reserves RM'000	General Reserve RM'000	Retained Profits RM'000			
Cumulative 9 months 30 September 2009								
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	-	-	13,565	-	-	13,565	-	13,565
Profit for the financial period	-	-	-	-	6,622	6,622	1,277	7,899
At 30 September 2009	152,812	(6,301)	28,908	10,649	109,775	295,843	60,824	356,667
30 September 2008								
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	-	-	(1,253)	-	-	(1,253)	-	(1,253)
Loss for the financial period	-	-	-	-	(2,754)	(2,754)	1,541	(1,213)
Dividend in respect of the financial year ended 31 December 2007	-	-	-	-	(3,290)	(3,290)	-	(3,290)
At 30 September 2008	152,812	(6,301)	31,985	10,649	105,681	294,826	59,276	354,102

(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 and the accompanying explanatory notes attached to the interim financial statements)



CONDENSED CONSOLIDATED CASH FLOW STATEMENT
For The Financial Period Ended 30 September 2009

	CUMULATIVE 9 MONTHS	
	30/09/2009	30/09/2008
	RM'000	RM'000
Cash Flows From Operating Activities		
Profit before taxation	8,413	399
Net adjustments		
Gain on disposal of a subsidiary company	(7,555)	-
Gain on disposal of an investment property	(805)	-
Gain on distribution arising from investments	(241)	-
Others	1,093	1,130
	<hr/>	<hr/>
Operating profit before working capital changes	905	1,529
Net changes in working capital	(1,819)	4,288
	<hr/>	<hr/>
Cash (used in)/generated from operating activities	(914)	5,817
Interest paid	(880)	(1,005)
Tax refund	17	37
Income tax paid	(1,368)	(965)
	<hr/>	<hr/>
Net cash (used in)/generated from operating activities	(3,145)	3,884
	<hr/>	<hr/>
Cash Flows From Investing Activities		
Proceeds from disposal of a subsidiary company	9,300	-
Proceeds from disposal of an investment property	2,900	-
Proceeds from distribution arising from investments	241	-
Proceeds from disposal of property, plant and equipment	-	97
Purchase of property, plant and equipment	(763)	(646)
	<hr/>	<hr/>
Net cash generated from/(used in) investing activities	11,678	(549)
	<hr/>	<hr/>
Cash Flows From Financing Activities		
Dividend paid	-	(3,290)
Repayment of bank borrowings	(2,000)	-
	<hr/>	<hr/>
Net cash used in financing activities	(2,000)	(3,290)
	<hr/>	<hr/>
Effect of exchange rate changes	21	(235)
	<hr/>	<hr/>
Net increase in cash and cash equivalents	6,554	(190)
Cash and cash equivalents at 1 January		
As previously reported	48,140	39,073
Effects of exchange rate changes on cash and cash equivalents	78	1,384
	<hr/>	<hr/>
As restated	48,218	40,457
	<hr/>	<hr/>
Cash and cash equivalents at 30 September	<hr/> 54,772 <hr/>	<hr/> 40,267 <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 and the accompanying explanatory notes attached to the interim financial statements)



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 Main Market 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 30 September 2009 other than the gain on disposal of a subsidiary company and an investment property as disclosed in the Income Statements.

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 30 September 2009.

A6. Issuances or Repayments of Debts and Equity Securities

As at 30 September 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 30 September 2009.

A7. Dividend Paid

There was no dividend paid by the Company during the financial period ended 30 September 2009 (30 September 2008: Nil).



A8. Segment Information

The analysis of the Group's operations for the financial period ended 30 September 2009 is as follows:-

	Properties RM'000	Investment Holding RM'000	Total RM'000
Revenue			
- External	16,462	429	16,891
- Inter-segment	-	-	-
Total	<u>16,462</u>	<u>429</u>	<u>16,891</u>
Results			
Segment results	<u>4,540</u>	<u>4,753</u>	9,293
Finance costs			(880)
Profit before taxation			<u>8,413</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 30 September 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

- a) 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.
- b) 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.
- c) Bashan Sdn Bhd and Dondang Sayang Holdings Sdn Bhd, both wholly-owned subsidiaries of the Group, which were placed under members' voluntary winding-up and creditors' voluntary winding-up respectively on 2 February 2007 were dissolved on 27 July 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 30 September 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 9 months ended 30 September 2009, the Group recorded revenue of RM16.9 million and pre-tax profit of RM8.4 million compared with the previous year corresponding period's revenue of RM23.4 million and pre-tax profit of RM0.4 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 and the disposal of an investment property with a gain of RM0.8 million. These 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 RM3.7 million and pre-tax loss of RM0.9 million compared with the revenue of RM5.6 million and pre-tax profit of RM1.3 million in the preceding quarter. The lower revenue in the current quarter was mainly due to lower contribution from the Group's property development projects. The gain on disposal of an investment property of RM0.8 million in the preceding quarter contributed to the pre-tax profit for that quarter.

B3. Prospects for Current Financial Year

The property market in Malaysia was generally weak for the period under review due to 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 UCSI University.

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

B4. Variance of Actual Profit from Forecast Profit

Not applicable.

B5. Taxation

Taxation comprises :-

	Third Quarter		Cumulative 9 months	
	30/09/2009	30/09/2008	30/09/2009	30/09/2008
	RM'000	RM'000	RM'000	RM'000
Current taxation	167	375	1,102	1,481
Deferred taxation	(21)	46	(552)	154
Under/(Over) provision in respect of prior years	10	(30)	(36)	(23)
	<u>156</u>	<u>391</u>	<u>514</u>	<u>1,612</u>

The current tax charge for the financial period ended 30 September 2009 is lower than the statutory rate of tax applicable mainly due to capital gains which are 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 30 September 2009 other than the disposal of a subsidiary company as disclosed in Note B8 and the disposal of an investment property for RM2.9 million with a gain of RM0.8 million arising therefrom.

B7. Quoted Securities

a) There were no purchases and disposal of quoted securities for the financial period ended 30 September 2009.

b) Total investments in quoted securities as at 30 September 2009 are as follows:-

	RM'000
At cost	15,513
Less: Allowance for diminution in value of investments	<u>(2,477)</u>
At book value	<u>13,036</u>
Market value	<u>17,708</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 30 September 2009 are as follows:-

	RM'000
Short Term Borrowings	
- Unsecured	<u>18,619</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 30 September 2009 (30 September 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>Third Quarter</u>		<u>Cumulative 9 months</u>	
	30/09/2009	30/09/2008	30/09/2009	30/09/2008
Profit/(Loss) for the financial period attributable to equity holders of the Company (RM'000)	(1,206)	(1,141)	6,622	(2,754)
Weighted average number of ordinary shares in issue ('000)	740,915	740,915	740,915	740,915
Earnings/(Loss) per share (sen)	<u>(0.16)</u>	<u>(0.15)</u>	<u>0.89</u>	<u>(0.37)</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: 24 November 2009