

# MUI PROPERTIES BERHAD

Company No : 6113-W  
(Incorporated in Malaysia)

## INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2009

(The figures are unaudited)

### CONDENSED CONSOLIDATED INCOME STATEMENTS For The Financial Period Ended 31 December 2009

	FOURTH QUARTER		CUMULATIVE 12 MONTHS	
	31/12/2009	31/12/2008	31/12/2009	31/12/2008
	RM'000	RM'000	RM'000	RM'000
Revenue	650	6,975	17,541	30,359
Cost of sales	997	(4,140)	(8,870)	(17,858)
Gross profit	1,647	2,835	8,671	12,501
Gain on disposal of a subsidiary company	-	-	7,555	-
Gain on disposal of an investment property	-	-	805	-
Other income	980	625	1,857	1,273
Administrative expenses	(1,397)	(2,316)	(7,093)	(9,616)
Other expenses	(497)	(2,800)	(1,769)	(4,410)
Finance costs	(295)	(488)	(1,175)	(1,493)
Profit/(Loss) before taxation	438	(2,144)	8,851	(1,745)
Taxation	(174)	(114)	(688)	(1,726)
Profit/(Loss) for the financial period	264	(2,258)	8,163	(3,471)
Attributable to:-				
Equity holders of the Company	161	(2,529)	6,783	(5,283)
Minority interests	103	271	1,380	1,812
	264	(2,258)	8,163	(3,471)
	<b>Sen</b>	<b>Sen</b>	<b>Sen</b>	<b>Sen</b>
Earnings/(Loss) per 20 sen share attributable to equity holders of the Company:-				
- Basic	0.02	(0.34)	0.92	(0.71)
- 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 31 December 2009**

	31/12/2009	31/12/2008 (Audited)
	RM'000	RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	7,968	5,538
Investment properties	28,887	30,990
Prepaid land lease payments	979	993
Development properties	35,263	35,263
Investments	136,529	122,618
Deferred tax assets	587	449
Goodwill on consolidation	5,000	5,015
	<u>215,213</u>	<u>200,866</u>
<b>Current assets</b>		
Development properties and expenditure	76,554	76,072
Inventories	26,886	22,810
Trade and other receivables	9,741	13,693
Deposits, bank balances and cash	54,818	49,657
	<u>167,999</u>	<u>162,232</u>
<b>Assets of disposal group classified as held for sale</b>	-	2,425
	<u>167,999</u>	<u>164,657</u>
<b>TOTAL ASSETS</b>	<u>383,212</u>	<u>365,523</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	152,812	152,812
Treasury shares, at cost	(6,301)	(6,301)
Reserves	150,257	129,145
	<u>296,768</u>	<u>275,656</u>
<b>Minority interests</b>	60,927	59,547
<b>Total equity</b>	<u>357,695</u>	<u>335,203</u>
<b>Non-current liabilities</b>		
Employee benefits	548	518
Deferred taxation	-	451
	<u>548</u>	<u>969</u>
<b>Current liabilities</b>		
Borrowings	20,873	21,517
Trade and other payables	4,013	7,243
Provision for taxation	83	591
	<u>24,969</u>	<u>29,351</u>
<b>Total liabilities</b>	<u>25,517</u>	<u>30,320</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>383,212</u>	<u>365,523</u>
	<b>RM</b>	<b>RM</b>
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 31 December 2009**

Cumulative 12 months	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			
<b>31 December 2009</b>								
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	-	-	14,329	-	-	14,329	-	14,329
Profit for the financial period	-	-	-	-	6,783	6,783	1,380	8,163
At 31 December 2009	152,812	(6,301)	29,672	10,649	109,936	296,768	60,927	357,695
<b>31 December 2008</b>								
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	-	-	(17,895)	-	-	(17,895)	-	(17,895)
Loss for the financial period	-	-	-	-	(5,283)	(5,283)	1,812	(3,471)
Dividend in respect of the financial year ended 31 December 2007	-	-	-	-	(3,289)	(3,289)	-	(3,289)
At 31 December 2008	152,812	(6,301)	15,343	10,649	103,153	275,656	59,547	335,203

(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 31 December 2009**

	<b>CUMULATIVE 12 MONTHS</b>	
	<b>31/12/2009</b>	<b>31/12/2008</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash Flows From Operating Activities</b>		
Profit/(Loss) before taxation	8,851	(1,745)
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	(239)	-
Gain on disposal of property, plant and equipment	(21)	-
Write back of diminution in value of investments	(833)	-
Loss on disposal of investments	-	1,958
Others	1,415	1,472
	<hr/>	<hr/>
Operating profit before working capital changes	813	1,685
Net changes in working capital	(3,056)	5,795
	<hr/>	<hr/>
Cash (used in)/generated from operating activities	(2,243)	7,480
Interest paid	(1,175)	(1,493)
Tax refund	17	35
Income tax paid	(1,712)	(1,680)
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Net cash (used in)/generated from operating activities	(5,113)	4,342
	<hr/>	<hr/>
<b>Cash Flows From Investing Activities</b>		
Proceeds from disposal of a subsidiary company	9,300	-
Proceeds from disposal of an investment property	2,900	-
Proceeds from distribution arising from investments	239	-
Proceeds from disposal of property, plant and equipment	21	97
Proceeds from disposal of investments	-	8,614
Purchase of property, plant and equipment	(1,447)	(684)
Repayment to related companies	-	(232)
	<hr/>	<hr/>
Net cash generated from investing activities	11,013	7,795
	<hr/>	<hr/>
<b>Cash Flows From Financing Activities</b>		
Dividend paid	-	(3,289)
Repayment of bank borrowings	(2,000)	-
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Net cash used in financing activities	(2,000)	(3,289)
	<hr/>	<hr/>
Effect of exchange rate changes	453	(1,509)
	<hr/>	<hr/>
Net increase in cash and cash equivalents	4,353	7,339
Cash and cash equivalents at 1 January		
As previously reported	48,140	39,073
Effects of exchange rate changes on cash and cash equivalents	(548)	1,728
As restated	47,592	40,801
	<hr/>	<hr/>
<b>Cash and cash equivalents at 31 December</b>	<b>51,945</b>	<b>48,140</b>
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(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 31 December 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 31 December 2009.

### **A6. Issuances or Repayments of Debts and Equity Securities**

As at 31 December 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 December 2009.

### **A7. Dividend Paid**

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



#### A8. Segment Information

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

	Properties RM'000	Investment Holding RM'000	Total RM'000
<b>Revenue</b>			
- External	16,517	1,024	17,541
- Inter-segment	-	-	-
Total	16,517	1,024	17,541
<b>Results</b>			
Segment results	4,936	5,090	10,026
Finance costs			(1,175)
Profit before taxation			8,851

#### 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 December 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.
- 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 31 January 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 31 December 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 year ended 31 December 2009, the Group recorded revenue of RM17.5 million and pre-tax profit of RM8.8 million compared with the previous year corresponding period's revenue of RM30.4 million and pre-tax loss of RM1.7 million. The lower revenue was mainly due to units sold but pending recognition of revenue at balance sheet date in the Group's property development projects. 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 year under review. As for the previous year, the loss on disposal of investments contributed to the pre-tax loss for that year.

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

For the current quarter, the Group recorded revenue of RM0.7 million and pre-tax profit of RM0.4 million compared with the revenue of RM3.7 million and pre-tax loss of RM0.9 million in the preceding quarter. The lower revenue in the current quarter was mainly due to the reason as mentioned above.

### B3. Prospects for Year 2010

The property market in Malaysia was generally weak for the period under review as the local economy contracted for the most part of 2009 following the global financial crisis.

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.

With signs that the Malaysian economy is returning to a growth path and barring any unforeseen circumstances, the Directors expect the Group to perform satisfactorily for the financial year ending 31 December 2010.

### B4. Variance of Actual Profit from Forecast Profit

Not applicable.

### B5. Taxation

Taxation comprises :-

	Fourth Quarter		Cumulative 12 months	
	31/12/2009	31/12/2008	31/12/2009	31/12/2008
	RM'000	RM'000	RM'000	RM'000
Current taxation	120	310	1,222	1,791
Deferred taxation	53	(116)	(499)	38
Under/(Over) provision in respect of prior years	1	(80)	(35)	(103)
	<u>174</u>	<u>114</u>	<u>688</u>	<u>1,726</u>

The current tax charge for the financial period ended 31 December 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 31 December 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 31 December 2009.

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

	<b>RM'000</b>
At cost	15,353
Less: Allowance for diminution in value of investments	<u>(1,644)</u>
At book value	<u>13,709</u>
Market value	<u>20,316</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 December 2009 are as follows:-

	<b>RM'000</b>
Short Term Borrowings	
- Unsecured	<u>20,873</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

The Board of Directors has declared an Interim Dividend of 1 sen per 20 sen share ( 5%) less tax at 25% amounting to RM5,556,859 (31 December 2008: Nil) for the financial year ended 31 December 2009 which is payable on 15 April 2010.

## B13. Dividend Entitlement Date

Notice is hereby given that the Register of Members of the Company will be closed from 22 March 2010 to 23 March 2010, both dates inclusive, to determine shareholders' entitlement to the dividend payment. The entitlement date for the dividend payment is on 19 March 2010.

A Depositor shall qualify for the dividend only in respect of:-

1. Shares deposited into the Depositor's Securities Account before 12.30 p.m. on 17 March 2010 (in respect of shares exempted from mandatory deposits);
2. Shares transferred into the Depositor's Securities Account before 4.00 p.m. on 19 March 2010 in respect of ordinary transfers; and
3. Shares bought on the Bursa Malaysia Securities Berhad ("Bursa Malaysia") on a cum entitlement basis according to the Rules of the Bursa Malaysia.





#### B14. 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>Fourth Quarter</u>		<u>Cumulative 12 months</u>	
	<u>31/12/2009</u>	<u>31/12/2008</u>	<u>31/12/2009</u>	<u>31/12/2008</u>
Profit/(Loss) for the financial period attributable to equity holders of the Company (RM'000)	161	(2,529)	6,783	(5,283)
Weighted average number of ordinary shares in issue ('000)	740,915	740,915	740,915	740,915
Earnings/(Loss) per share (sen)	<u>0.02</u>	<u>(0.34)</u>	<u>0.92</u>	<u>(0.71)</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 February 2010**