

ASIAN PAC HOLDINGS BERHAD^(129-T)

(INCORPORATED IN MALAYSIA)

**CONDENSED CONSOLIDATED INCOME STATEMENT
FOR FIRST QUARTER ENDED 30 JUNE 2008**

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER (Restated)	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD (Restated)
	30/6/08 RM'000	30/6/07 RM'000	30/6/08 RM'000	30/6/07 RM'000
Revenue	16,730	81,646	16,730	81,646
Operating expenses	(16,445)	(76,311)	(16,445)	(76,311)
Other operating income	2,255	894	2,255	894
Profit from operations	<u>2,540</u>	<u>6,229</u>	<u>2,540</u>	<u>6,229</u>
Finance cost	(351)	(2,079)	(351)	(2,079)
Profit before taxation	<u>2,189</u>	<u>4,150</u>	<u>2,189</u>	<u>4,150</u>
Taxation	(952)	(1,505)	(952)	(1,505)
Profit for the period	<u><u>1,237</u></u>	<u><u>2,645</u></u>	<u><u>1,237</u></u>	<u><u>2,645</u></u>
Attributable to:-				
Equity holders of the Parent	1,239	2,642	1,239	2,642
Minority interest	(2)	3	(2)	3
	<u><u>1,237</u></u>	<u><u>2,645</u></u>	<u><u>1,237</u></u>	<u><u>2,645</u></u>
EPS				
- Basic (sen)	0.13	0.29	0.13	0.29
- Diluted (sen)	0.13 @	0.27 #	0.13 @	0.27 #

Note : @ The assumed exercise of ESOS at average market price is treated as an issue of ordinary shares for no consideration. The dilutive effect of the assumed exercise of ESOS for current year quarter and current year to-date are not considered because the options are 'out-of-money'.

The effects of the assumed conversion of RCSLS in the preceding year corresponding quarter and preceding year corresponding period would be anti-dilutive in nature; accordingly, it is disregarded in the computation of the fully-diluted earnings per share.

(The Condensed Consolidated Income Statements should be read in conjunction with the audited financial statements for the year ended 31 March 2008 and the notes to the Interim Financial Report).

CONDENSED CONSOLIDATED BALANCE SHEET**AS AT 30 JUNE 2008**

(The figures have not been audited)

	AS AT END OF CURRENT QUARTER 30/6/08 RM'000	AS AT END OF CURRENT QUARTER 31/03/08 RM'000
ASSETS		
Non Current Assets		
Property, plant and equipment	166,801	164,666
Land held for property development	131,924	131,924
Investment properties	31,150	31,150
Prepaid land lease payments	46,999	47,136
Intangible assets	23,942	23,942
Other investments	16,880	17,089
Deferred tax assets	-	755
	<u>417,696</u>	<u>416,662</u>
Current Assets		
Property development costs	82,297	87,604
Inventories of completed properties	26,055	24,504
Trade & other receivables, deposits and prepayments	25,926	36,027
Short term investments	2,368	1,962
Short term deposits	19,496	15,852
Cash and bank balances	14,591	12,052
	<u>170,733</u>	<u>178,001</u>
TOTAL ASSETS	<u><u>588,429</u></u>	<u><u>594,663</u></u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	195,063	195,063
Reserves	3,334	3,334
Retained profits	77,252	76,013
Total shareholders' equity	<u>275,649</u>	<u>274,410</u>
Minority Interests	154	156
Total Equity	<u>275,803</u>	<u>274,566</u>
Non Current Liabilities		
Long term loan	90,785	97,890
Other deferred liabilities	100,888	101,003
	<u>191,673</u>	<u>198,893</u>
Current Liabilities		
Trade & other payables	103,623	101,564
Tax payable	603	1,064
Short term borrowing	16,727	18,576
	<u>120,953</u>	<u>121,204</u>
Total liabilities	<u>312,626</u>	<u>320,097</u>
TOTAL EQUITY AND LIABILITIES	<u><u>588,429</u></u>	<u><u>594,663</u></u>
Net assets per share (RM)	0.28	0.28

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR FIRST QUARTER ENDED 30 JUNE 2008**

	Attributable to Equity Holders of the Parent						Minority Interest	Total Equity
	Share Capital	Non-distributable			Distributable Retained Profits	Total		
		Share Premium	Reserves	ICULS				
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 April 2008	195,063	2,206	1,128	-	76,013	274,410	156	274,566
Profit for the period	-	-	-	-	1,239	1,239	(2)	1,237
At 30 June 2008	195,063	2,206	1,128	-	77,252	275,649	154	275,803
At 1 April 2007	161,183	850	2,429	30,000	47,340	241,802	139	241,941
Profit for the period	-	-	-	-	2,642	2,642	3	2,645
Issue of ordinary shares pursuant to ESOS	2,833	1,002	(1,002)	-	-	2,833	-	2,833
Conversion of RCSLS to ordinary shares	139	35	-	-	-	174	-	174
Conversion of ICULS to ordinary shares	30,000	-	-	(30,000)	-	-	-	-
At 30 June 2007	194,155	1,887	1,427	-	49,982	247,451	142	247,593

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the financial statements for the year ended 31 March 2008 and the Notes to the Interim Financial Report)

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**CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR FIRST QUARTER ENDED 30 JUNE 2008**

(The figures have not been audited)

	30/6/08	30/6/07
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	2,188	4,150
Adjustment for non-cash items:		
Non-cash items	(279)	417
Non-operating Items	229	1,257
Operating profit before working capital changes	<u>2,138</u>	<u>5,824</u>
Changes in Working Capital :		
Net change in current assets	13,933	48,416
Net change in current liabilities	2,155	(33,261)
Cash generated from operations	<u>18,226</u>	<u>20,979</u>
Interest and Dividend received	4	313
Taxation paid	(694)	(2,002)
Net cash generated from operations	<u>17,536</u>	<u>19,290</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest and Dividend received	78	477
Investments net of disposal	458	(583)
Purchase property, plant & equipment (net of disposal)	(2,374)	(126)
Net cash used in investing activities	<u>(1,838)</u>	<u>(232)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Issuance of Shares - ESOS	-	2,832
Repayment hire purchase financing (net)	(165)	(168)
Drawdown/ (Repayment) of term loan	(8,954)	16,000
Contribution to Sinking Fund	-	(6,944)
Interest/Coupon paid	(396)	(18)
Net cash used in financing activities	<u>(9,515)</u>	<u>11,702</u>
NET INCREASE IN CASH & CASH EQUIVALENTS	6,183	30,760
CASH & CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	<u>27,904</u>	<u>59,144</u>
CASH & CASH EQUIVALENTS AT THE END OF THE YEAR	<u>34,087</u>	<u>89,904</u>

(The Condensed Consolidated Cashflow Statements should be read in conjunction with the financial statements for the year ended 31 March 2008 and Notes to the Interim Financial Report)

NOTES TO THE INTERIM FINANCIAL REPORT FOR FIRST QUARTER ENDED 30 JUNE 2008

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 Chapter 9, Part K 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 March 2008. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 March 2008.

The accounting policies and methods of computation adopted in this interim financial statements are consistent with those adopted in the preparation of the audited financial statements for the year ended 31 March 2008, except for the adoption of the following new and revised Financial Reporting Standards ("FRS") and amendment to FRS:-

FRS 107 :	Cash Flow Statements
FRS 111 :	Constructions Contracts
FRS 112 :	Income Taxes
FRS 118 :	Revenue
FRS 120 :	Accounting for Government Grants and Disclosure of Government Assistance
FRS 134 :	Interim Financial Reporting
FRS 137 :	Provisions, Contingent Liabilities and Contingent Assets
Amendments to FRS 121 :	The Effects of Changes in Foreign Exchange Rates - Net Investment In A Foreign Operation

The adoption of the abovementioned FRSs and Amendments to FRSs do not have significant financial impact on the financial statements of the Group.

A2 Audit Qualification

The audit report of the preceding annual financial statements was not qualified.

A3 Seasonal or Cyclical Factors

The Group's activities are not affected by any seasonal or cyclical factors.

A4 Nature and Amount of Unusual Items

There were no items of an exceptional or unusual nature that have affected the assets, liabilities, equity, net income or cashflows of the Group during the current quarter.

A5 Changes in Estimates

There are no significant changes in estimates in the current financial period.

A6 Debt and Equity Securities

There were no other issuances, cancellations, repurchases, resale and repayment of debt and equity securities for the first quarter ended 30 June 2008.

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A7 Dividend

There is no dividend paid for first quarter ended 30 June 2008.

A8 Segmental Reporting

The quarter ended 30 June 2008

	Investment Holding RM'000	Property Invest. & Dev. RM'000	Others RM'000	Eliminations RM'000	Total RM'000
Revenue					
External Sales	16	16,070	644	-	16,730
Intersegment Sales	121	-	-	(121)	-
Total Sales	137	16,070	644	(121)	16,730
Results					
Segment Results	288	2,180	72	-	2,540
Unallocated Corporate Income					-
Operating Profit					2,540
Finance Cost					(351)
Income Tax					(952)
Profit after tax					1,237

The quarter ended 30 June 2007

	Investment Holding RM'000	Property Invest. & Dev. RM'000	Others RM'000	Eliminations RM'000	Total RM'000
Revenue					
External Sales	374	80,625	647	-	81,646
Intersegment Sales	112	-	-	(112)	-
Total Sales	486	80,625	647	(112)	81,646
Results					
Segment Results	101	6,050	78	-	6,229
Unallocated Corporate Income					-
Operating Profit					6,229
Finance Cost					(2,079)
Income Tax					(1,505)
Profit after tax					2,645

A9 Valuation of Property, Plant and Equipment

There is no revaluation of property, plant and equipments brought forward from the previous audited financial statements as the Group does not adopt a revaluation policy on its property, plant and equipments.

A10 Subsequent Events

There were no material events subsequent to the first quarter ended 30 June 2008 up to the date of this report, which is likely to substantially affect the results of the operations of the Group.

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A11 Effects of Changes in the Composition of the Group

There were no changes in the composition of the Group for the first quarter ended 30 June 2008.

A12 Contingent Liabilities

Contingent liabilities of the Group as at the date of this report, are in respect of guarantees given to government bodies and service providers amounting to RM99,000.

A13 Capital Commitment

The capital commitment as at the date of this announcement is as follows:

	RM'000
Approved and contracted for:	
Acquisition of freehold land	<u>15,761</u>

A14 Related Party Transactions

There were no significant related party transactions as at the date of this announcement.

ADDITIONAL DISCLOSURE AS PER LISTING REQUIREMENTS, PARA 9.22

B1 Review of Performance of the Company and its Principal Subsidiaries

The Group recorded a turnover and pre-tax profit of RM16.73 million and RM2.19 million respectively for the first quarter ended 30 June 2008. This represents a decrease of 80% and 47% in turnover and pre-tax profit respectively as compared to the preceding year.

The decrease in turnover and pre-tax profit were mainly due to the delay in the launching of the development projects planned by the Group which are still pending authorities' approval.

B2 Comment on Financial Results (Current quarter compared with the preceding quarter)

	Current Quarter 30-Jun-08 RM'000	Preceding Quarter 31-Mar-08 RM'000	Variance RM'000
Profit before tax	<u>2,189</u>	<u>8,579</u>	(6,390)

The Group recorded a lower pre-tax profit of RM2.189 million in the current quarter as compared to the pre-tax profit of RM8.579 million in the preceding quarter. Lower pre-tax profit was mainly due to lower operating revenue recorded in the current quarter.

B3 Prospects

The Group's performance will be affected by the rise in the construction cost and the slow down in the economy. In addition, the Group is moving towards diversifying into other property related business like building, owning and leasing of retail mall and car parks as a new and sustainable source of revenue in the future. As such, the performance in the remaining financial year will be affected to certain extent.

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B4 Profit Forecast / Guarantee

The Group has not published any profit forecast or profit guarantee for the year.

B5 Taxation

Taxation comprises:-

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30/6/08 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/6/07 RM'000	CURRENT YEAR TODATE 30/6/08 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/6/07 RM'000
Company Level				
- current taxation	-	-	-	-
Subsidiary Companies				
- current taxation	(952)	(1,507)	(952)	(1,507)
- prior year	-	2	-	2
	<u>(952)</u>	<u>(1,505)</u>	<u>(952)</u>	<u>(1,505)</u>

The tax charge in the current quarter and current year todate arises from the investment and operating income of subsidiary companies.

The difference between the income tax expense at the statutory income tax rate and the income tax expense at the effective income tax rate of the Group is due to certain income not subject to tax, certain expenses not deductible for tax purposes, utilisation of previously unrecognised tax losses and deferred tax assets not recognised during the current quarter and current year todate.

B6 Profit/(Loss) on Sale of Unquoted Investments and/or Properties

Not applicable.

B7 Quoted Securities

a) Total purchases and disposals of quoted securities for the first quarter ended 31 June 2008 are as follows:

	CURRENT YEAR QUARTER RM'000	CURRENT YEAR TODATE RM'000
Total purchases	<u>-</u>	<u>-</u>
Total disposals		
Sales Proceeds	<u>458</u>	<u>458</u>
Loss on disposals (net)	<u>(138)</u>	<u>(138)</u>

b) Total investments in quoted securities as at 30 June 2008 are as follows:-

	RM'000
At cost	72,757
Less : Impairment losses	<u>(53,509)</u>
At book value	<u>19,248</u>
Market value	<u>17,025</u>

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B7 Quoted Securities (Cont'd)

Note : Included in the Group's quoted investments are shares received in prior years as consideration for disposal of the Group's stockbroking business. As the Group intends to hold this block of investment for long term, the Group continued to mark the cost of investments for this block of shares to the net tangible assets per share of the investee company as at 30 April 2008 of RM0.802 in accordance with International Accounting Standard No: 25 requirements. All the shares held under short term investments are marked to market.

B8 Status of Corporate Proposals

- a) The Company had announced on 19 May 2004, the Proposed Acquisition of 91.367 acres of freehold land held under H.S. (D) 28646, PT 4021, Mukim of Semenyih, District of Hulu Langat, state of Selangor by BH Builders Sdn. Bhd. ("BH Builders"), a wholly-owned subsidiary of the Company, from Vee Seng Development Sdn. Bhd. for a total cash consideration of RM17,511,765. The completion of the Proposed Acquisition is subject to the conditions precedent, which stated that amongst others, the withdrawal or removal of the Private Caveats from the said land within eighteen (18) months from the date of the Sale and Purchase Agreement or such time as may be extended by BH Builders at its absolute discretion.

On 8 October 2007, the Company announced that BH Builders exercised its discretion to extend the time period for the withdrawal or removal of the Private Caveats to 18 November 2008.

B9 Group Borrowings as at 30 June 2008 are as follows:

A) Short term borrowings and debt securities	RM'000
Secured:-	<u>16,727</u>
B) Long term borrowings and debt securities	RM'000
Secured:-	
2 & 3 Years Term Loan	<u>90,785</u>
Total long term Borrowings	<u><u>107,512</u></u>

B10 Off Balance Sheet Financial Instruments

The Group does not have any financial instruments with off balance sheet risk as at the date of this announcement.

B11 Material Litigation

The Directors are not aware of any material litigation that would adversely affect the operations and financial affairs of the Group as at the date of this announcement.

B12 Proposed Dividend

The Directors do not recommend any dividend for first quarter ended 30 June 2008.

ASIAN PAC HOLDINGS BERHAD (129-T)
(INCORPORATED IN MALAYSIA)

B13 Earning/(Loss) Per Share

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	30/6/08 RM'000	30/6/07 RM'000	30/6/08 RM'000	30/6/07 RM'000
a) Basic earnings per share				
Net profit attributable to ordinary equity holders of the parent	1,239	2,642	1,239	2,642
Weighted average no. of ordinary share in issue	975,315	918,650	975,315	918,650
Basic earnings per share (sen)	<u>0.13</u>	<u>0.29</u>	<u>0.13</u>	<u>0.29</u>
b) Diluted earning per share				
Net profit attributable to ordinary equity holders of the parent	1,239	2,642	1,239	2,642
Assumed conversion of RCCLS	n/a	#	n/a	#
Assumed conversion of ESOS	-	-	-	-
	<u>1,239</u>	<u>2,642</u>	<u>1,239</u>	<u>2,642</u>
Weighted average no. of ordinary share in issue	975,315	918,650	975,315	918,650
Assumed exercise of ESOS	@	6,396	@	6,396
Assumed conversion of ICULS	n/a	50,000	n/a	50,000
Assumed conversion of RCCLS	n/a	#	n/a	#
	<u>975,315</u>	<u>975,046</u>	<u>975,315</u>	<u>975,046</u>
Diluted earning per share (sen)	<u>0.13</u>	<u>0.27</u>	<u>0.13</u>	<u>0.27</u>

@ The assumed exercise of ESOS at average market price is treated as an issue of ordinary shares for no consideration. The dilutive effect of the assumed exercise of ESOS for current year quarter and current year to-date are not considered because the options are 'out-of-money'.

The effects of the assumed conversion of RCCLS in the preceding year corresponding quarter and preceding year corresponding period would be anti-dilutive in nature; accordingly, it is disregarded in the computation of the fully-diluted earnings per share.

Dated : 25 August 2008
Kuala Lumpur, Malaysia

By order of the Board
Chan Yoon Mun
Secretary