

**Part A – Explanatory Notes Pursuant to FRS 134**

**A1. BASIS OF PREPARATION**

The interim financial statements have been prepared under the historical cost convention except for the following assets which were stated at fair values: financial assets and investment properties.

The interim financial statements were unaudited and have been prepared in accordance with requirements of the Financial Reporting Standards (“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 for the year ended 31 December 2007. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that were significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2007.

**A2. CHANGES IN ACCOUNTING POLICIES**

The significant accounting policies adopted were consistent with those of the audited financial statements for the year ended 31 December 2007, except for goodwill that arised from the acquisition of Jernih Makmur Sdn. Bhd. This is now measured at cost less any accumulated impairment losses in accordance with the provision of FRS.

**A3. COMPARATIVES**

There were no changes to the comparatives during the current financial period.

**A4. AUDITORS’ REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS**

The auditors’ report on the preceding financial statements for the year ended [31 December 2007](#) was not qualified by the Auditors of the Company.

**NAIM INDAH CORPORATION BERHAD (19727-P)**  
**(Incorporated in Malaysia)**

**Part A – Explanatory Notes Pursuant to FRS 134**

**A5. SEGMENTAL INFORMATION**

	<b>12 months ended 31.12.2008 RM'000</b>	<b>12 months ended 31.12.2007 RM'000</b>
<b>Segment Revenue</b>		
Revenue from continuing operations:-		
Investment holding	905	4,971
Timber extraction	4,331	337
Property management	3,773	3,636
Property development	636	1,012
Total revenue including inter-segment revenue	<u>9,645</u>	<u>9,956</u>
Elimination of inter-segment revenue	<u>(905)</u>	<u>(903)</u>
Total revenue from continuing operations	<u>8,740</u>	<u>9,053</u>
Revenue from discontinued operations	<u>-</u>	<u>-</u>
Total	<u><u>8,740</u></u>	<u><u>9,053</u></u>
<b>Segment Results</b>		
Results from continuing operations:-		
Investment holding	(1,703)	(2,069)
Timber extraction	(227)	1,375
Property management	248	485
Property development	(7,293)	460
	<u>(8,975)</u>	<u>251</u>
Eliminations	<u>(416)</u>	<u>(1,303)</u>
Total results from continuing operations	<u>(9,391)</u>	<u>(1,052)</u>
Results from discontinued operations	<u>-</u>	<u>-</u>
Total	<u><u>(9,391)</u></u>	<u><u>(1,052)</u></u>

**A6. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE, OR INCIDENCE**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period ended 31 December 2008.

**A7. CHANGES IN ESTIMATES**

There was no change in estimates that had a material effect on the current quarter results.

**Part A – Explanatory Notes Pursuant to FRS 134**

**A8. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS**

The Group's performance is not subject to seasonal or cyclical fluctuations, except for the timber business the extraction works of which are dependent upon the weather conditions at the place where the forest is located.

**A9. DIVIDENDS PAID**

No interim ordinary dividend has been paid in the current financial period ended [31 December 2008](#) ([31 December 2007](#): Nil).

**A10. CARRYING AMOUNT OF REVALUED ASSETS**

The valuations of property, plant and equipment have been brought forward without amendment from the financial statements for the year ended [31 December 2007](#).

**A11. DEBT AND EQUITY SECURITIES**

There were no issuances, cancellations, repurchases, resale or repayments of debts and equity securities during the interim financial period.

**A12. CHANGES IN COMPOSITION OF THE GROUP**

There were no changes in the composition of the Group in the current financial quarter.

**A13. DISCONTINUED OPERATION**

There were no existing business segments that can be categorised as discontinued in the current financial quarter.

**A14. CAPITAL COMMITMENTS**

There were no material changes in capital commitments for the Group since the last annual balance sheet date at [31 December 2007](#).

**Part A – Explanatory Notes Pursuant to FRS 134**

**A15. CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

There were no changes in contingent liabilities or contingent assets since the last annual balance sheet date at [31 December 2007](#).

**A16. SUBSEQUENT EVENTS**

There were no material events subsequent to the end of the current financial quarter.

**PART B – Explanatory Notes Pursuant to Appendix 9B of  
the Listing Requirements of Bursa Malaysia Securities Berhad**

**B1. PERFORMANCE REVIEW**

For the current financial period ended [31 December 2008](#), the Group's revenue was [RM8.74](#) million compared to [RM9.05](#) million in the preceding financial period ended [31 December 2007](#). The decrease in revenue was mainly due to the Group slowing down its activities in the property development segment during the financial period.

As a result, the Group recorded a loss before tax of approximately [RM9.39](#) million compared to a loss before tax of approximately [RM1.05](#) million for the corresponding preceding financial period ended [31 December 2007](#). The increases in loss before tax were mainly due to the provision of financial interest and the recognition of impairment losses on land and development expenditure during the financial year as per the provision of FRS.

**B2. COMMENT ON MATERIAL CHANGE IN PROFIT BEFORE TAXATION**

The Group's recorded a loss before taxation of approximately [RM5.11](#) million for the current quarter as compared to a loss before taxation of approximately [RM3.13](#) million for the quarter ended [30 September 2008](#). This was mainly due to the recognition of impairment loss on the property development segment.

**B3. COMMENTARY ON PROSPECTS FOR THE NEXT FINANCIAL YEAR**

The Directors are of the view that the performance of the Group hinges substantially on the performance of its subsidiaries namely Jernih Makmur Sdn Bhd (Principal activity – logging and selling of round end timber logs) and Consistent Harvest Sdn Bhd (Principal activity – renting of shopping spaces in its shopping complex) and the joint venture property development with Creative Springs Sdn. Bhd. Barring any unforeseen circumstances, the Directors are confident that they will be able to achieve better performance of the Group in the coming year.

**B4. PROFIT FORECAST OR PROFIT GUARANTEE**

The disclosure requirements for explanatory notes for the variance of actual profit after tax and minority interests and forecast profit after tax and minority interests and for the shortfall in profit guarantee are not applicable.

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**PART B – Explanatory Notes Pursuant to Appendix 9B of  
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**B5. INCOME TAX EXPENSE**

	3 months ended		12 months ended	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
	RM'000	RM'000	RM'000	RM'000
Current tax:				
Malaysian income tax	(207)	(109)	(257)	(43)
Over/(Under) provision of income tax in prior period	-	160	-	(73)
Deferred taxation	-	687	-	1,556
Current provision	<u>(207)</u>	<u>738</u>	<u>(257)</u>	<u>1,440</u>

The provision for taxation during the current financial period was mainly for the property management segment.

**B6. SALE OF UNQUOTED INVESTMENTS AND/ OR PROPERTIES**

There were no sales of unquoted investments and properties in the current financial period under review.

**B7. QUOTED SECURITIES**

There were no purchases or disposals of quoted securities in the current financial period under review.

**B8. CORPORATE PROPOSALS**

There were no corporate proposals announced but not completed as at the date of issuance of this quarterly report.

**B9. BORROWINGS**

	As at 31.12.2008 RM'000
Secured borrowings: -	
Payable within one year	9,903
Payable after one year	<u>7,514</u>
	<u>17,417</u>

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**B10. OFF BALANCE SHEET FINANCIAL INSTRUMENTS**

There were no financial instruments with off balance sheet risk issued during the current financial period under review.

**B11. CHANGES IN MATERIAL LITIGATION**

As at [18 February 2009](#), there were no changes in material litigations, including the status of pending material litigations since the last annual balance sheet date at [31 December 2008](#).

**B12. DIVIDENDS PAYABLE**

No interim ordinary dividend has been declared for the financial period ended [31 December 2008](#) ([31 December 2007](#): Nil).

**B13. EARNINGS PER SHARE**

	3 months ended		12 months ended	
	<a href="#">31.12.2008</a>	<a href="#">31.12.2007</a>	<a href="#">31.12.2008</a>	<a href="#">31.12.2007</a>
Profit / (Loss) from continuing operations attributable to ordinary equity holders of the parent (RM'000)	(5,318)	1,435	(9,648)	388
Profit / (Loss) from discontinued operations attributable to ordinary equity holders of the parent (RM'000)	-	-	-	-
Profit / (Loss) attributable to ordinary equity holders of the parent (RM'000)	<u>(5,318)</u>	<u>1,435</u>	<u>(9,648)</u>	<u>388</u>
Weighted average number of Ordinary Shares in issue ('000)	702,034	702,034	702,034	702,034
Basic earnings per share (sen)	(0.76)	0.20	(1.37)	0.06
Diluted earnings per share (sen)	-	-	-	-

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**B14. AUTHORISATION FOR ISSUE OF INTERIM FINANCIAL STATEMENTS**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on [25 February 2009](#).

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By order of the Board  
**YEAP KOK LEONG**  
Company Secretary  
MAICSA NO. 0862549  
[Dated this 25 February 2009](#)