NV Multi Corporation Berhad

(Company No: 204888-D)

Unaudited condensed consolidated income statements

For the year ended 31 December 2003

	3 months ended 31 December		12 months ended 31 December	
	2003 RM'000	**Pro Forma 2002 RM'000 (restated)**	**2003 RM'000**	**Pro Forma 2002 RM'000 (restated)**
Revenue	34,694	31,318	136,305	120,021
Operating profit	9,545	8,564	35,878	25,057
Interest expense	(343)	(93)	(1,141)	(246)
Interest income	4	182	11	379
Share of profit of associates	16	(55)	43	79
Profit before taxation	9,222	8,598	34,791	25,269
Taxation	(2,793)	(3,013)	(10,450)	(8,489)
Profit after taxation	6,429	5,585	24,341	16,780
Less: Minority interests	(319)	(483)	(1,199)	(1,470)
Net profit for the period	6,110	5,102	23,142	15,310
Basic earnings per ordinary share (sen)	8.93	7.46	33.82	22.35
Diluted earnings per ordinary share (sen)	-	-	-	-

The condensed consolidated income statement should be read in conjunction with audited annual financial report and the pro forma financial statement of the group for the year ended 31 December 2002

The pro forma consolidated income statement is audited except for balances that have been restated to take into account the effect of the change in accounting policy with respect to Note A1.

NV Multi Corporation Berhad
(Company No: 204888-D)

Unaudited condensed consolidated balance sheet
At 31 December 2003

	31 December 2003 RM'000	Pro Forma 31 December 2002 RM'000 (restated)	Audited 31 December 2002 RM'000
Property, plant and equipment	42,688	27,566	27,566
Investments in associates	176	145	145
Intangible assets	4,029	337	337
Deferred charges	10,142	7,872	-
Trade receivables	27,928	24,662	36,491
	84,963	60,582	64,539
Current assets			
Development expenditures	69,849	61,433	61,433
Inventories	46,922	43,996	43,996
Trade and other receivables	69,579	43,091	58,318
Pre-need funeral contract receivables	35,219	36,748	-
Other investments	450	813	813
Cash and cash equivalents	11,414	5,989	5,989
	233,433	192,070	170,549
Current liabilities			
Trade and other payables	61,356	45,165	50,571
Borrowings	20,385	1,636	1,636
Taxation	-	-	4,772
	81,741	46,801	56,979
Net current assets	151,692	145,269	113,570
	236,655	205,851	178,109
Financed by:			
Capital and reserves			
Share capital	70,000	70,000	70,000
Reserves			
Share premium	21,603	21,603	21,603
Revaluation reserve	10,601	10,601	10,601
Other reserves	(72)	-	-
Retained profit	48,737	25,595	49,082
Treasury shares	(7,257)	(7,257)	(7,257)
	143,612	120,542	144,029
Minority shareholders' interests	4,594	8,778	11,570
Long term and deferred liabilities			
Borrowings	8,421	858	858
Deferred taxation	1,157	1,032	1,032
Deferred pre-need funeral contract revenue	78,871	74,641	-
Other long term liabilities	-	-	20,620
	88,449	76,531	22,510
	236,655	205,851	178,109
Net tangible assets per share (RM)	2.04	1.76	2.10

The condensed consolidated balance sheet should be read in conjunction with audited annual financial report and the pro forma financial statement of the group for the year ended 31 December 2002

The pro forma consolidated balance sheet is audited except for balances that have been restated to take into account the effect of the change in accounting policy with respect to Note A1.

NV Multi Corporation Berhad
(Company No: 204888-D)

Unaudited condensed consolidated statement of changes in equity
For the twelve months ended 31 December 2003

	Non-distributable RM'000	Distributable Retained Profits RM'000	Total RM'000
Balance at 1 January 2002	102,204	32,880	135,084
Net profit for the year	-	23,591	23,591
Repurchase of shares	-	(7,257)	(7,257)
Dividends	-	(7,389)	(7,389)
At 31 December 2002			
- as previously reported	102,204	41,825	144,029
- prior years adjustment	-	(23,487)	(23,487)
- as restated	102,204	18,338	120,542
Currency translation differences arising in the year	(72)	-	(72)
Net profit for the year	-	23,142	23,142
Dividends	-	-	-
At 31 December 2003	102,132	41,480	143,612

The condensed consolidated statement of changes in equity should be read in conjunction with audited annual financial report and the pro forma financial statement of the group for the year ended 31 December 2002

NV Multi Corporation Berhad
(Company No: 204888-D)

Unaudited condensed consolidated cash flow statement
For the twelve months ended 31 December 2003

	31/12/2003 RM'000	Pro Forma 31/12/2002 RM'000 (restated)	Audited 31/12/2002 RM'000
Net profit before tax	34,791	25,269	38,033
Adjustment for :			
Interest expense	1,141	293	293
Interest income	(11)	(379)	(379)
Non-cash items	3,490	3,473	3,473
Operating profit before changes in working capital	39,411	28,656	41,420
Changes in working capital			
Net change in current assets and non-current trade receivables	(33,960)	(31,703)	(44,467)
Net change in current liabilities, other long term liabilities and deferred pre-need funeral contract revenue	15,015	(913)	(913)
Cash generated from /(used in) operations	20,466	(3,960)	(3,960)
Income taxes paid	(13,590)	(17,236)	(17,236)
Net cash flows generated from / (used in) operating activities	6,876	(21,196)	(21,196)
Investing Activities			
Purchase of property, plant and equipment	(18,407)	(2,037)	(2,037)
Acquisition of additional interest in subsidiary company	(6,500)	-	-
Interest income	11	379	379
Proceeds from disposal of property, plant and equipment	261	73	73
Other investments	-	328	328
Net cash used in investing activities	(24,635)	(1,257)	(1,257)
Financing Activities			
Treasury shares	-	(7,257)	(7,257)
Net borrowings	26,312	118	118
Interest paid	(1,141)	(293)	(293)
Dividends paid	-	(12,429)	(12,429)
Dividends paid to minority shareholder	(2,350)	(589)	(589)
Net cash generated from / (used in) financing activities	22,821	(20,450)	(20,450)
Net increase / (decrease) in cash and cash equivalents	5,062	(42,903)	(42,903)
Cash and cash equivalents at 1 January	6,606	49,509	49,509
Cash and cash equivalents at 31 December	11,668	6,606	6,606

The condensed consolidated cash flow statement should be read in conjunction with audited annual financial report and the pro forma financial statement of the group for the year ended 31 December 2002

The pro forma consolidated cash flow statement is audited except for balances that have been restated to take into account the effect of the change in accounting policy with respect to Note A1.

Part A- Disclosure Requirements as per MASB 26

A1. Basis of preparation

The interim financial statements are unaudited and have been prepared in compliance with Malaysian Accounting Standards Board ("MASB") 26, Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of the Malaysian Securities Exchange Berhad ("MSEB").

The interim financial statements should be read in conjunction with the audited and the pro forma financial statements for the year ended 31 December 2002. These 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 December 2002.

The same accounting policies and methods of computation are followed in the interim financial statements as compared with the financial statements for the year ended 31 December 2002 except for the change in the method of accounting for pre-need sales of funeral services. The method of accounting for the Group's pre-need sales for funeral services activities was affected as follows:

Revenue from pre-need sales of funeral services is deferred until the period in which the funeral is performed and the products and services are delivered. On the balance sheet, the full contract amount is included in deferred pre-need funeral contract revenue. The corresponding receivable due from the customer is reflected in pre-need funeral contract receivables, and the corresponding cash received from the customer is reflected part in pre-need funeral contract receivables (for the portion placed in trust, for the purpose of defraying the future cost of delivering the funeral products and services, as determined by an independent actuarial consultant) and part in cash (for the portion the Group retains). The costs to acquire the sales, primarily commissions and other direct costs are reflected on the balance sheet as deferred charges (asset) and are charged to expense as the funeral services are performed and products are delivered. Indirect costs of marketing pre-need funeral products and services are expensed in the period in which they are incurred. Previously, these were recognized at the time the contract was executed and a significant deposit of the invoice value was received, and the cost of delivering the funeral products and services are accrued based on estimates determined by an independent actuarial consultant.

As the customer makes payments on the pre-need funeral service contract, the portion of pre-need funeral contract receivables representing the receivable due from the customer declines, and the portion representing the receivable from the trust increases. Realized earnings on the amounts held in trust represent a debit to pre-need funeral contract receivables and a credit to deferred pre-need funeral contract revenue and are not recognized as revenue until delivery of the products and service.

When the funeral products and service is delivered, the Group recognizes as revenue the full contract amount plus finance charges (previously, finance charges were recognized on time proportion basis) and all trust earnings associated with that contract, with a corresponding reduction recorded to deferred pre-need funeral contract revenue. The Group debits cash with the amount removed from trust that is attributable to the contract (consisting of the customer's payments and related realized earnings, all of which is withdrawn at that time) and records a corresponding reduction in pre-need funeral contract receivables. Associated deferred charges (asset) are expensed, and the actual expenses incurred in delivering the products and services are recognized.

The change in revenue recognition policy will provide a fairer presentation of the financial statement and will improve the cash flow of the Group as taxation payable is now deferred.

For pre-need sales of interment rights (cemetery property such as burial plots and urn compartments), there is no change in accounting where revenue are recognized on accrual basis, provided the contract was signed with customer, a significant deposit of the invoice value is received, and the products are ready for delivery to the buyer.

The effect of the change in accounting principles above is described in Note A4 below.

A2. Qualified financial statements

The auditors' report on the financial statements for the year ended 31 December 2002 was not qualified.

A3. Seasonal or cyclical factors

The target market of the Group is the Chinese population. Therefore, the Group's business operations are generally affected in the first quarter of the year as the Chinese celebrate Chinese New Year in the 1st quarter of each calendar year.

A4. Nature and amount of unusual items affecting assets, liabilities, equity, net income or cash flows

The change in accounting policy for the Group's pre-need sales for funeral services activities has been applied retrospectively and the effect on the Group's financial statements are as follows:

	As previously reported RM'000	Effect of change in policy RM'000	As restated RM'000
At 31 December 2002 :			
- retained earnings	49,082	23,487	25,595
Three months ended 31 December 2002			
- net profit for the period	5,485	383	5,102

A5. Nature and amount of changes in estimates

There were no changes in estimates that have a material effect in the current quarter.

A6. Issuance and repayment of debt and equity securities, share buy-back, share cancellation, shares held as Treasury shares and resale of treasury shares

The Company has purchased 1,582,000 ordinary shares from the open market in year 2002 which are being held as treasury shares in accordance with the requirements of Section 67A of the Companies Act, 1965.

Except for the corporate proposals disclosed in Note B8, there is no other issuance and repayment of debt and equity securities.

A7. Dividend Paid

An interim dividend of 7.5% less 28% income tax for the financial year ended 31 December 2003 was paid on 15 January 2004.

A8. Segmental reporting

There is no business segment analysis as the group primarily engages in the bereavement care business.

	Revenue RM'000	Total Assets RM'000	Capital Expenditure RM'000
Malaysia	127,449	306,363	41,198
Indonesia	8,856	12,033	1,490
	136,305	318,396	42.688

No comparative figures are available as the group only commenced business in Indonesia in 3rd quarter of 2003.

A9. Valuation of property, plant and equipment

The valuation of property has been brought forward without amendment from the previous annual audited financial statements for the financial year ended 31 December 2003.

A10. Changes in composition of the Group

(a) On 10 December 2003, NV Multi Corporation (Hong Kong) Limited ("NVHK"), a subsidiary of the Company, has acquired 1 ordinary share of USD1.00 each representing 100% equity interest in NV Mauritius Limited ("NVML") for USD1.00. NVML is a company incorporated in the Republic of Mauritius under Section 24 of the Companies Act, 2001.

(b) On 16 December 2003, NV Care Sdn Bhd, a 85%-owned subsidiary of the Company has entered into a Memorandum of Understanding with Kuala Lumpur Christian Funeral Parlour ("the Association") with the intention to jointly develop a piece of land currently used as a car park situated adjacent to the crematorium at Jalan Kuari, Off Jalan Cheras, Kuala Lumpur measuring approximately 1.34 acres, into a modern funeral complex comprising memorial halls complete with columbarium facilities as well as other physical features with the intention to market such memorial hall services and cinerary urn niches to members of the Association and the Christian public.

(c) On 26 January 2004, Nirvana Memorial Park Sdn Bhd ("NVMP"), a wholly-owned subsidiary of the Company, has acquired two (2) ordinary shares of RM1.00 each in the issued and paid-up share capital of SK Global Sdn Bhd ("SKG") for a cash consideration of RM2.00 (Ringgit Malaysia Two Only). Upon acquisition, SKG becomes the wholly owned subsidiary of NVMP.

A11. Subsequent events

There has not arisen any material event subsequent to the end of 31 December 2003 except for the proposals as disclosed in B8 below.

A12. Capital Commitments

Capital commitments not provided for in the financial statements as at 31 December 2003 are as follows:

	RM'000
Property, plant and equipment:	
- Authorized and contracted for	4,355
Investment	
- Authorised and contracted for	3,780

A13. Contingent Liabilities or contingent assets

a) There is a guarantee of RM6.5million as at 31 December 2003 for end-financing facilities granted to purchasers of the Group, for which no loss is expected.

The above contingent liability is not secured against any of the Group's assets.

b) There are two legal suits amounting to RM616,590 and RM2,006,195 respectively, against two subsidiary companies, which the solicitors are of the view that the claims are unfounded and in any event grossly inflated.

Part B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of MSEB

B1. Comparison with Preceding Quarter

The Group registered a turnover of RM34.7 million and a pre-tax profit of RM9.2 million in current quarter as compared to RM42.0 million and RM12.6 million in the preceding quarter, a decrease of RM7.3 million or 17.4% and RM3.4 million or 27.0% respectively. The decrease was due to contribution from the launching of new memorial parks located in Sibu, Sarawak, and Jakarta, Indonesia in the preceding quarter.

B2. Review of Performance

The Group recorded a turnover of RM34.7 million for the current quarter ended 31 December 2003 as compared to RM31.3 million in the preceding year corresponding quarter ended 31 December 2002. As a result of increase in turnover, pre-tax profit increased from RM8.6 million in the preceding year corresponding quarter to RM9.2 million in the current quarter ended 31 December 2003. The improvement was due to contribution from new memorial parks located in Sibu, Sarawak.

In the opinion of the Directors, there has not arisen any item, transaction or event of a material and unusual nature from the date of the current financial period ended 31 December 2003 to the date of this announcement which, is likely to substantially affect the results of the operations of the Group for the period ended 31 December 2003.

B3. Variance of Actual Profit from Forecast Profit and Shortfall in the Profit Guarantee

There were no profit forecast or profit guarantee given for the financial period ended 31 December 2003.

B4. Prospects

Barring any unforeseen circumstances, the Group expects performance in next quarter to remain satisfactory.

B5. Taxation

The taxation charges of the Group for the current financial period ended 31 December 2003 were as follows:-

	3 months ended 31.12.2003 RM'000	3 months ended 31.12.2002 RM'000	12 months ended 31.12.2003 RM'000	12 months ended 31.12.2002 RM'000
Malaysian taxation	2,768	3,013	10,233	8,362
Under provision of taxation in respect of priors years	-	-	92	(42)
Provision for deferred taxation	25	-	125	169
Total	2,793	3,013	10,450	8,489

B6. Sale of Investments and / or Properties

Except for the loss on disposal of property amounting to RM99,211 in the third quarter, there were no other sales of investments or properties for the current quarter and year ended 31 December 2003.

B7. Quoted Securities

There was no purchase or disposal of quoted securities in the current quarter and financial year to date.

B8. Status of Corporate Proposals

The following proposals have been announced but not yet completed and the status are as follows:

(i) Proposed issuance of RM100 million Commercial Paper / Medium Term Notes

The Securities Commission has on 19 January 2004 approved the Company's proposed issuance of RM100.0 million Commercial Paper / Medium Term Notes ("the Programme"). The proceeds of the Programme will be utilized to repay the Company and its subsidiaries' existing bank borrowings and for stand-by general working capital requirements of the Group.

(ii) Proposed Bonus Issue, Proposed Sub-Division of Shares, and Proposed Amendments to the Memorandum and Articles of Association ("the Proposals")

As announced on 20 February 2004, the Company proposed to implement the following:

(a) a bonus issue of 17,104,500 new ordinary shares of RM1.00 each in NV Multi ("NV Multi Share") to be credited as fully paid-up on the basis of one (1) new NV Multi Share for every four (4) existing NV Multi Shares held at a date to be determined later ("Proposed Bonus Issue");

(b) a sub-division of one (1) existing ordinary share of RM1.00 each in NV Multi into four (4) new ordinary shares of RM0.25 each ("Proposed Sub-Division of Shares"); and

(c) amendments to the Memorandum and Articles of Association of NV Multi to accommodate the Proposed Sub-Division of Shares ("Proposed Amendments").

The Proposals are subject to and conditional upon approvals being obtained from the following:

(a) Securities Commission for the Proposed Sub-Division of Shares;

(b) Malaysia Securities Exchange Berhad for the Proposed Bonus Issue and Proposed Sub-Division of Shares and the listing of and quotation for the 342,090,000 ordinary shares of RM0.25 each in NV Multi;

(c) shareholders of the Company for the Proposals at an extraordinary general meeting to be convened;

The Proposed Sub-Division of Shares is conditional upon the Proposed Amendments. The Proposed Bonus Issue is inter-conditional upon the Proposed Sub-Division of Shares.

B9. Group Borrowings as at 31 December 2003

All borrowings are unsecured: -

	RM'000
Overdraft and Revolving Credit	**18,784**
Term Loan	
Payable within next 1 year	1,000
Payable after next 1 year	7,724
	8,724
Hire Purchase and Lease Creditors:-	
Payable within next 1 year	601
Payable after next 1 year	697
Total	**1,298**

B10. Financial Instruments

Other than disclosed in Note A13 (a) above, there are no financial instruments with off balance sheet risk that the Group is aware of as at the date of this announcement.

B11. Pending material litigation

Save as disclosed in Note A13 (b) above, there is no other pending litigation as at the date of this announcement.

B12. Dividend

	12 months ended 31 December 2003	2002
Interim:		
Amount per share (RM)	7.5% less 28% income tax	10% less 28% income tax
Entitlement date	22 December 2003	19 August 2002
Payment date	15 January 2004	3 September 2003
Special:		
Amount per share (RM)	Nil	5% less 28% income tax
Entitlement date		19 August 2002
Payment date		3 September 2003

B13. Earnings per share

	3 months ended 31.12.2003 RM'000	3 months ended 31.12.2002 RM'000 (restated)	12 months ended 31.12.2003 RM'000	12 months ended 31.12.2002 RM'000 (restated)
Basic earnings per share				
Net profit for the period (RM'000)	6,110	5,102	23,142	15,310
Issued ordinary shares at beginning of the period ('000)	70,000	70,000	70,000	70,000
Weighted average number of ordinary shares ('000)	68,418	68,418	68,418	68,502
Basic earnings per share (sen)	8.93	7.46	33.82	22.35

Comparative earnings per share have been restated to take into account the effect on net profit for the period of the changed in accounting policy with respect to Note A1.

B14. Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 26 February 2004 .