



MEDA INC. BERHAD (507785-P)
Condensed Consolidated Balance Sheets as at 31 March 2007

	AS AT 31/3/2007 (Unaudited) RM'000	AS AT 31/12/2006 (Audited) RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	110,767	108,882
Land held for development	64,357	62,957
Investment properties	218,591	218,591
Goodwill	811	811
Investment in associate	3,204	3,236
	<u>397,730</u>	<u>394,477</u>
Current Assets		
Property, plant and equipment	16,117	16,203
Property Development Cost	65,676	76,387
Investment properties	77,719	77,719
Accrued Billings	1,830	1,088
Inventories	27,891	26,352
Amount due from customers for contract works	3	3
Trade & Other Receivables	120,245	129,305
Fixed Deposits with Licensed Banks	625	625
Tax Refundable	111	111
Cash & Cash Equivalents	5,808	6,536
	<u>316,025</u>	<u>334,329</u>
	<u>713,755</u>	<u>728,806</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	213,470	213,470
Share premium	20,013	20,013
Retained earnings	33,642	35,455
	<u>267,125</u>	<u>268,938</u>
Non-current liabilities		
Borrowings	132,050	131,803
Deferred Taxation	24,704	24,704
Amount Owing to a Subsidiary's Former Shareholder	1,663	1,663
	<u>158,417</u>	<u>158,170</u>
Current Liabilities		
Trade & Other Payables	80,251	83,980
Progress Billings	12,435	20,159
Overdraft & Short Term Borrowings	137,080	139,112
Provision for Taxation	58,447	58,447
	<u>288,213</u>	<u>301,698</u>
Total liabilities	<u>446,630</u>	<u>459,868</u>
TOTAL EQUITY AND LIABILITIES	<u>713,755</u>	<u>728,806</u>

(The Condensed Consolidated Balance Sheets should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2006)

MEDA INC. BERHAD (507785-P)
Condensed Consolidated Income Statement for the Period ended 31 March 2007
(The figures have not been audited)

	3 MONTHS ENDED		3 MONTHS ENDED	
	31/03/2007	31/03/2006	31/03/2007	31/03/2006
	(Unaudited)	(restated)	(Unaudited)	(restated)
	RM'000	RM'000	RM'000	RM'000
Revenue	17,358	38,983	17,358	38,983
Cost of sales	(8,185)	(21,700)	(8,185)	(21,700)
Gross Profit	9,173	17,283	9,173	17,283
Other income	223	362	223	362
Administrative and general expenses	(6,383)	(7,355)	(6,383)	(7,355)
Selling and marketing expenses	(339)	(622)	(339)	(622)
Finance cost	(4,457)	(4,465)	(4,457)	(4,465)
Share of loss of associates	(30)	(19)	(30)	(19)
Profit/(Loss) before tax	(1,813)	5,184	(1,813)	5,184
Income tax	-	(1,864)	-	(1,864)
Profit/(Loss) for the period	(1,813)	3,320	(1,813)	3,320
Attributable to:				
Equity holders of the parent	(1,813)	3,320	(1,813)	3,320
Earning/(loss) per share attributable to equity holders of the parent:				
Basic EPS (Sen)	(0.42)	0.78	(0.42)	0.78
Fully Diluted EPS (Sen)	N.A.	N.A.	N.A.	N.A.

N.A. Not Applicable

(The Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statement for the year ended 31 December 2006)

MEDA INC. BERHAD (507785-P)
Unaudited Condensed Consolidated Statements of Changes in Equity
For the Period Ended 31 March 2007

	-----Attributable to Equity Holders of the Parent-----				Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Retained Profit RM'000	Total RM'000	
Balance as at 01 January 2006	213,470	20,013	19,803	253,286	253,286
Net profit for the current period	-	-	3,320	3,320	3,320
Balance as at 31 March 2006	<u>213,470</u>	<u>20,013</u>	<u>23,123</u>	<u>256,606</u>	<u>256,606</u>
Balance as at 01 January 2007	213,470	20,013	35,455	268,938	268,938
Net loss for the current period	-	-	(1,813)	(1,813)	(1,813)
Balance as at 31 March 2007	<u>213,470</u>	<u>20,013</u>	<u>33,642</u>	<u>267,125</u>	<u>267,125</u>

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statement for the year ended 31 December 2006)

MEDA INC. BERHAD
Unaudited Condensed Consolidated Cash Flow Statements for the Period ended 31 March 2007

	3 Months ended 31/3/2007	3 Months ended 31/03/2006
	RM'000	RM'000
CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(Loss) before Tax	(1,813)	5,184
Adjustments for:		
Share of losses in associate company	30	19
Depreciation	1,480	2,126
Bad debts written off	-	4
Allowance for doubtful debts	-	37
Gain/(Loss) on disposal of property, plant & equipment	-	(24)
Interest expense	4,457	4,465
Interest income	(223)	(81)
Operating Profit before Changes in Working Capital	3,931	11,730
Changes in development properties	10,714	2,785
Changes in inventories	(1,539)	26
Changes in amount due from customers for contract works	-	8
Changes in trade and other receivables	9,050	(10,766)
Changes in trade and other payables	(4,199)	(2,195)
Changes in accrued billings	(742)	4,296
Changes in progress billings	(7,724)	5,655
Cash Generated From Operations	9,491	11,539
Tax paid	-	(509)
Interest received	223	81
Net Cash Generated From Operating Activities	9,714	11,111
CASH FLOW FROM INVESTING ACTIVITIES		
Expenditure incurred on land held for development	(1,400)	(153)
Purchase of property, plant and equipment	(3,279)	(913)
Proceed from disposal of property, plant and equipment	-	181
Placement of fixed deposits	-	(85)
Net Cash Used In Investing Activities	(4,679)	(970)
CASH FLOW FROM FINANCING ACTIVITIES		
Loan Drawdown	-	752
Repayment of Loan	(1,785)	(5,493)
Repayment of hire purchase liabilities	(361)	(224)
Interest paid	(3,628)	(4,264)
Net Cash Used In Financing Activities	(5,774)	(9,229)
NET CHANGE IN CASH & CASH EQUIVALENTS	(739)	912
CASH & CASH EQUIVALENTS BROUGHT FORWARD	(8,570)	(10,337)
CASH & CASH EQUIVALENTS CARRIED FORWARD	(9,309)	(9,425)

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Audited Financial Statement for the year ended 31 December 2006)

Part A - Explanatory Notes Pursuant to FRS 134

1 Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirement of FRS 134: Interim Financial Reporting issued by the Malaysian Accounting Board (MASB) 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 2006. 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 year ended 31 December 2006.

2 Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2006 except for the adoption of the following new/revised Financial Reporting Standards ("FRS") effective for the financial period beginning 1 January 2007:

FRS 117	Lease
FRS 124	Related Party Disclosures
FRS 6	Exploration for and Evaluation of Mineral Resources
FRS 119	Employee Benefit - Actuarial Gain and Losses, Group Plans and Disclosures

The adoption of FRS 117 and 124 does not have significant financial impact on the Group. Whereas FRS 6 and 119 are not relevant to the Group.

3. Audit Report

The preceeding audited financial statements for the year ended 31 December 2006 were not qualified.

4. Seasonal or Cyclical Factors

The business operations of the Group during the first quarter ended 31 March 2007 have not been materially affected by any significant seasonal or cyclical factors.

5. Unusual Items affecting Assets, Liabilities, Equity, Net Income or Cash Flow

There were no unusual items that materially affected the assets, liabilities, equity, net income or cash flow of the Group as at the date of issue of this report.

6. Accounting Estimates

There were no changes in the estimates of amounts reported in prior financial years that have material effect in the current quarter ended 31 March 2007.

7. Issuances and Repayment of Debt and Equity

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the current quarter ended 31 March 2007.

8. Dividend Paid

There was no payment of dividend during the current quarter ended 31 March 2007.

9. Segment Reporting

Segment information for the current quarter ended 31 March 2007 is presented in respect of the Group's business segment.

	Revenue RM'000	Profit/(Loss) Before Tax RM'000
Property Development	6,323	(602)
Property & Investment Holdings	5,084	2,306
Hotels	4,541	707
Plantation	321	153
Parking Management	862	607
Others	<u>227</u>	<u>(71)</u>
	17,358	3,100
Unallocated Corporate Expenses	-	(426)
Share of associate loss	-	(30)
Finance Cost	<u>-</u>	<u>(4,457)</u>
	<u>17,358</u>	<u>(1,813)</u>

10. Valuation of Property, Plant and Equipment

The valuation of land and buildings has been brought forward, without amendment from the financial statements as at 31 December 2006.

11. Subsequent Material Events

There were no material events subsequent to the quarter ended 31 March 2007.

12. Changes in the Composition of the Group

There are no material changes in the composition of the Group for the quarter ended 31 March 2007.

13. Contingent Liabilities and Contingent Assets

As at 31 March 2007, corporate guarantee of RM18.0 million was provided by the Group in respect of credit facilities granted by a financial institution to an associated company.

PART B. BMB Revised Listing Requirements

1. Review of Performance

The Group recorded a loss before tax of RM1.81 million and total revenue of RM17.36million for the first quarter ended 31 March 2007 compared to profit before tax of RM5.18million and revenue of RM38.983 million for the preceding year corresponding quarter. The decrease in revenue was mainly due to slower property development activities in the current quarter which has directly affected the performance of the Group.

2. Variation of Results against Immediate Preceding Quarter

The Group recorded a loss before tax of RM1.81 million for the current quarter compared to profit before tax of RM4.53 million for the immediate preceding quarter. The slowdown of property development activities has caused the Group to incur a loss in the current quarter.

3. Prospects

The year 2007 will remain challenging for the Group. It is taking measures to address its borrowings by looking at ways to unlock the value of its investment properties and undertaking new development projects.

4. Profit Forecast

Not applicable as no profit forecast was published.

5. Taxation

	Period ended 31/3/2007 RM'000
Current Tax Expense	<u>-</u>
<u>Reconciliation of Tax Variance:</u>	
Profit/(Loss) before Tax	<u>(1,813)</u>
Tax at 28%	(508)
Tax Effect on Non-deductible Expenses:	
Depreciation of non-qualifying assets	46
Non-deductible expenses	411
Deferred tax asset not recognised in income statement	51
Tax Expense	<u><u>-</u></u>

6. Sale of Unquoted Investments and/or Properties

There was no disposal of unquoted investment and properties outside the ordinary course of the Group's business during the current quarter ended 31 March 2007.

7. Purchase or Disposal of Quoted Securities

There was no purchase or disposal of quoted securities for the current quarter ended 31 March 2007.

8. (a) Status of Corporate Proposal Announced

There was no uncompleted corporate proposal announced for the current quarter ended 31 March 2007.

(b) Utilisation of Corporate Exercise Proceeds

Not Applicable.

9. Group Borrowings and Debt Securities

The Group borrowings as at 31 March 2007 was as follows:

	RM '000
Short Term - Secured	137,080
Long Term - Secured	<u>132,050</u>
	<u>269,130</u>

None of the Group borrowings is denominated in foreign currency.

10. Off Balance Sheet Financial Instruments

During the financial period to date, the Group did not enter into any contracts involving off balance sheet financial instruments.

11. Changes in Material Litigation

(i) Companion Park Sdn Bhd ("CPSB") Vs Meda Development Sdn Bhd ("MDSB")

CPSB has made a claim of RM3.5 million against MDSB in respect of properties buy back arrangement via a Put Option Agreement dated 1 October 1998. The plaintiff has also issued another notice to certain directors of the Company and a director of certain subsidiary companies, as guarantors, to pay the balance outstanding sum.

The Court had allowed CPSB's application to reinstate the matter and MDSB has filed its appeal against the court's decision.

The matter is fixed for continuation of trial from 10 September 2007 to 12 September 2007.

(ii) The Store Corporation Berhad & The Store (Malaysia) Sdn Bhd ("The Store") Vs ZKP Development Sdn Bhd ("ZKP")

This matter arose out of a tenancy agreement entered into between the two parties whereby The Store agreed to rent all the premises known as Shoplots S2.67, F1.19, G0.58 and LG0.57 of The Summit Bukit Mertajam.

The Store applied for a declaration order against ZKP to seek inter alia the Court's declaration that the outstanding arrears in rental of RM4.7 million claimed by ZKP as at year 2002 to be unlawful and a declaration from the Court of what ought to be the applicable rental rate per square foot for the respective term of the tenancy.

The Court granted Order In Terms to convert the originating summons into a Writ Action on 21 Oct 2004 and in the same action, ZKP filed a counter claim inter alia, for the sum of RM8,972,257.88 being the shortfall of rental payable by The Store as at 2004 and continuing together with interest at the rate of 12% per annum.

Pursuant thereto, ZKP filed an application for Summary Judgement against The Store which was dismissed on 12 Aug 2005.

ZKP's appeal was dismissed with costs on 24 July 2006 and is fixed for hearing on 18 July 2007.

In the meantime, the Court has fixed 30 July 2007 as mention date pending the outcome of the appeal.

(iii) ZKP Development Sdn Bhd ("ZKP") Vs AMAssurance Berhad ("AM")

This is a contract of insurance where AM agreed to insure and indemnify ZKP up to total sum of RM74,000,000.00. ZKP had submitted a claim for the sum of RM6,016,154.52 being loss and damage suffered to its properties during the insured period.

AM had repudiated their liability in the contract of insurance. A Writ Of Summons was initiated thereafter by ZKP against AM to claim amongst others the aforesaid sum of RM6,016,154.52.

The Timbalan Pendaftar had allowed AM's application to strike out ZKP's Writ and Statement Of Claim on reason that it was time-barred and ZKP has filed its appeal against the Timbalan Pendaftar's decision.

The appeal is fixed for clarification and decision on 14 June 2007.

(iv) Lembaga Hasil Dalam Negeri ("LHDN") Vs ZKP Development Sdn Bhd ("ZKP")

A Writ of Summons was initiated by LHDN against ZKP to claim the sum of RM9.6 million in respect of outstanding tax assessment and tax penalty payable for the Years of Assessment from 1998 to 2001 on 2 November 2007.

ZKP has filed its Statement of Defence on 14 February 2007.

12. Dividend

No dividend has been recommended or declared for this financial year under review.

13. Earnings/(Loss) Per Share

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Basic loss per Share	<u>(0.42)</u>

The calculation of basic loss per share for the quarter ended 31 March 2007 is based on the net loss of RM1.813 million attributable to ordinary equity holders of the parent and the weighted number of ordinary shares of 426.94 million.

The Group does not have any dilutive potential ordinary shares outstanding as at 31 March 2007. Accordingly, no diluted earnings per share is presented.