

MENTIGA CORPORATION BERHAD
(Company No. 10289-K)

Condensed Consolidated Income Statements
For the financial period ended 31 December 2008
(These figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current quarter ended 31 December 2008 RM'000	Comparative quarter ended 31 December 2007 RM'000	Current year to date 31 December 2008 RM'000	Comparative year to date 31 December 2007 RM'000
(a) Revenue	6,223	5,692	23,849	22,305
(b) Cost of sales	(1,141)	(839)	(4,391)	(3,060)
(c) Gross profit	<u>5,082</u>	<u>4,853</u>	<u>19,458</u>	<u>19,245</u>
(d) Other income	31	1,840	193	2,981
(e) Administrative expenses	(2,018)	(4,048)	(9,331)	(11,051)
(f) Finance costs	(163)	(165)	(628)	(678)
(g) Profit before Tax	<u>2,932</u>	<u>2,480</u>	<u>9,692</u>	<u>10,497</u>
(h) Income tax expenses	(158)	(1,625)	(314)	(1,625)
(i) Profit for the period	<u>2,774</u>	<u>855</u>	<u>9,378</u>	<u>8,872</u>
(j) Attributable to:				
Equity holders of the parent	2,774	855	9,378	8,872
Minority interest	-	-	-	-
	<u>2,774</u>	<u>855</u>	<u>9,378</u>	<u>8,872</u>
(k) Basic earning per share (based on weighted average 60,000,000 ordinary shares) (sen)	4.62	1.43	15.63	14.79
(l) Fully diluted	4.17	1.40	14.18	13.39

(The Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2007)

MENTIGA CORPORATION BERHAD
(Company No. 10289-K)

Condensed Consolidated Balance Sheet (unaudited)
As at 31 December 2008

	UNAUDITED AS AT END OF CURRENT QUARTER 31 DECEMBER 2008 RM'000	AUDITED AS AT PRECEDING FINANCIAL YEAR END 31 DECEMBER 2007 RM'000
1 Non-current assets		
Property, plant and equipment	38,315	36,646
Prepaid lease payments	49,598	50,247
	87,913	86,893
2 Current assets		
Inventories	676	85
Trade and other receivables	3,125	1,901
Cash and bank balances	2,529	6,948
	6,330	8,934
Non current assets held for sale	5,717	5,717
	12,047	14,651
3 Current liabilities		
Trade and other payables	24,005	26,623
Advance from a substantial shareholder	-	6,526
Retirement benefits	1,146	593
Borrowings (interest bearing)	1	2,011
	25,152	35,753
4 Net current liabilities	(13,105)	(21,102)
5 Less: Non current liabilities		
Accruals for legal claim with a licensed bank	825	825
Deferred tax liabilities	16,549	17,486
Retirement benefits	2,858	3,333
Borrowings (interest bearing)	7	8
Redeemable Convertible Preference Shares	10,000	10,000
	30,239	31,652
	44,569	34,139
Shareholders' Funds		
6 Share Capital	60,000	60,000
7 Revaluation and other reserves	46,117	45,065
8 Retained loss	(61,548)	(70,926)
9 Equity attributable to equity holders of the parent	44,569	34,139
10 Minority interest	-	-
11 Total equity	44,569	34,139
12 Net assets per share (RM)	0.74	0.57

(The Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2007)

MENTIGA CORPORATION BERHAD
(Company No. 10289-K)

Condensed Consolidated Statement Of Changes In Equity (unaudited)
As at 31 December 2008

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Attributable to equity holders of the parent

Group	Share Capital RM'000	Share options Reserves RM'000	Revaluation Reserves RM'000	Accumulated Loss RM'000	Total Equity RM'000
Balance as at 31 December 2006	60,000	5,578	38,738	(79,798)	24,518
Transfer from deferred tax liability	-	-	1,034	-	1,034
Provisions no longer required	-	(285)	-	-	(285)
Profit for the year	-	-	-	8,872	8,872
Balance as at 31 December 2007	<u>60,000</u>	<u>5,293</u>	<u>39,772</u>	<u>(70,926)</u>	<u>34,139</u>
At 31 December 2007	60,000	5,293	39,772	(70,926)	34,139
Transfer from deferred tax liability	-	-	1,052	-	1,052
Profit for the period	-	-	-	9,378	9,378
Balance as at 31 December 2008	<u>60,000</u>	<u>5,293</u>	<u>40,824</u>	<u>(61,548)</u>	<u>44,569</u>

(The Condensed Consolidated Statements of changes in equity should be read in conjunction with the Audited Financial statements for the year ended 31 December 2007)

MENTIGA CORPORATION BERHAD
(Company No. 10289-K)

Condensed Consolidated Cash Flow Statements
For the financial period ended 31 December 2008
(These figures have not been audited)

	Current year to date 31 December 2008 RM'000	Comparative year to date 31 December 2007 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Net profit before tax	9,378	8,872
Adjustments for :		
Prepaid lease rental amortised	648	648
Property, plant and equipment		
- depreciation	1,983	2,584
Creditors write back	-	(1,713)
Share option granted	-	(285)
Receivable written off	-	30
Gain on loss of control of subsidiary	(11)	-
Tax expense	314	1,625
Interest expense	628	678
Provision no longer required	(59)	-
Provision for retirement benefit	797	823
	<u>13,678</u>	<u>13,262</u>
Changes in working capital		
-inventories	(591)	(48)
-receivables, deposits and prepayment	(1,066)	1,539
-payables	(9,633)	(14,806)
Cash flow from operations	<u>2,388</u>	<u>(53)</u>
Interest paid	(81)	(178)
Tax paid	(345)	(29)
Retirement benefits paid	(719)	(949)
Net cash flow (used in) / from operating activities	<u>1,243</u>	<u>(1,209)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Property, plant and equipment		
- additions	(3,651)	(765)
Net cash flow (used in) / from investing activities	<u>(3,651)</u>	<u>(765)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings	(2,000)	(2,000)
Hire purchase principal payments	(11)	(10)
Net cash flow (used in) / from financing activities	<u>(2,011)</u>	<u>(2,010)</u>
Net (decrease)/increase in Cash & Cash Equivalents	<u>(4,419)</u>	<u>(3,984)</u>
Cash & Cash Equivalents as at 1 January	<u>6,948</u>	<u>10,932</u>
Cash & Cash Equivalents at end of period	<u>2,529</u>	<u>6,948</u>

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2007)

MENTIGA CORPORATION BERHAD
(Company No. 10289-K)
Selected Explanatory Notes On Quarterly Financial Report
For Fourth Quarter Ended 31 December 2008

A. Explanatory Notes Pursuant to FRS 134

A1 Basis of Preparation

The financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The unaudited financial report should be read in conjunction with the audited financial statements for the year ended 31 December 2007. These explanatory notes attached to the unaudited 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 2007.

A2 Changes in Accounting Policies

The accounting policies, methods of computation and basis of consolidation adopted by the Group in this unaudited financial report are consistent with those used in the preparation of the audited financial statements for the financial year ended 31 December 2007 except for the adoption of the following new/revised Financial Reporting Standards ("FRS") effective for the financial period beginning 1 January 2008:

FRS 107 : Cash Flow Statements

FRS 111 : Construction 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

The adoption of the abovementioned FRSs does not result in significant changes in accounting policies of the Group.

A3 Auditors' Report on the Preceding Annual Financial Statements

The auditors' report on the financial statements for the year ended 31 December 2007 was not qualified.

A4 Seasonal or Cyclical Factors

The businesses of the group are in oil palm development and plywood manufacturing operation. The group businesses are subjected to seasonal or cyclical factors.

A5 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.

A6 Material Changes in Estimated of Amounts

There were no material changes in estimates, which would materially affect the results of the current unaudited financial period.

A7 Changes in Debt and Equity Securities

There were no issuances, cancellation, repurchases, resale and repayments of debt and equity securities during the unaudited financial period.

A8 Dividend Paid

There were no dividends paid or declared during the financial period.

A9 Segmental Information

	Current financial period 31 December 2008	Comparative financial period 31 December 2007
Segment revenue	RM'000	RM'000
Plantation	4,895	4,726
Sales of exclusive logging works & felleable timber	17,753	17,579
Sales of iron ore	1,201	-
	-----	-----
	23,849	22,305
	=====	=====

A10 Valuation of Property, Plant and Equipment

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

A11 Subsequent Events

Other than the matter mentioned in note B8 below relating to proposed sale of Indera Mahkota land, there were no material events subsequent to the end of the current quarter financial period ended 31 December 2008 up to the date of this report that have not been reflected in the interim financial statements.

A12 Changes in the Composition of the Group

There were no changes in composition of the Group for the current quarter including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operations.

A13 Changes in Contingent Liabilities and Contingent Assets

There were no changes in other contingent liabilities or contingent assets since the last annual balance sheet as at 31 December 2007.

A14 Capital Commitments

The amount of commitments for the development cost for new area at Sungai Lembing Estate not provided for in the financial statements as at 31 December 2008 is as follows:

Approved and contracted for	RM <u>5,972,498</u>
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B. Bursa Malaysia listing requirements (part A of Appendix 9B)

B1 Review of Performance

The revenue for the financial period ended 31 December 2008 was higher at RM23.85 million compared to RM22.30 million for the corresponding period last year. The increase in revenue for the period is due to increase on sales of exclusive logging works and fellable timber.

The Group's profits before taxation decreased to RM9.69 million for the financial period as compared to RM10.50 million from the previous financial period. The decrease of profit in the financial period is due to decrease of other income to RM0.19 million as compared to previous financial period of RM2.98 million.

B2 Material Change in the Quarterly Results

For the quarter under review, the Group reported profits before taxation decrease to RM2.93 million compared to RM4.80 million for the previous quarter. The increase of profit during the previous quarter is mainly due to increase in sales of exclusive logging works and fellable timber.

B3 Current Year Prospects

The Company expected the contribution from the plantation sector would reduce marginally due to raising costs of production and the drop in the CPO prices. However, the yearly timber concession quota granted by the state will improve the Company's earning for the current year. The plywood manufacturing operation is temporary suspended due to escalating increase in cost. The Company also expects the revenue from mining activities – iron ore will further improve the group's earning.

B4 Variance from Profit Forecast/Profit Guarantee

Not applicable in this quarterly report.

B5 Taxation

	3 months ended		12 months ended	
	2008	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
Current tax:				
Malaysian income tax	43	29	199	29
Deferred tax	115	1,596	115	1,596
Total income tax expense	<u>158</u>	<u>1,625</u>	<u>314</u>	<u>1,625</u>

B6 Profit/Loss on sale of investments and / or properties

There were no profits or losses on sales of investments and / or properties for the current financial period.

B7 Particulars of purchase or disposal quoted securities

There was no purchase or disposal of quoted securities of the group for the financial period.

B8 Status of the Corporate Proposals

There were no corporate proposals announced from the date of the last quarterly report to the date of this announcement.

The status of outstanding corporate proposals at the date of this report are as follows:

(1) Proposed sale of Indera Mahkota land

The Board of Directors had on 28 May 2007 agreed to the proposed disposal of Indera Mahkota land which was held for long term investment to raise cash for working capital requirements for the Group.

The proposed disposal had been approved in the Company's Extraordinary General Meeting held on 18 February 2008.

The proposed disposal is expected to realise an estimated net gain after tax of approximately RM3.698 million at Group level.

The company had on 16 January 2008 announced that Pasdec Corporation Sdn Bhd ("PCSB") had consented to Mentiga's request for an extension of time of 4 months from 14 January 2008 to submit the application to the land office for the sub-division of the land.

Subsequently, the company had on 14 May 2008 announced that Pasdec Corporation Sdn Bhd ("PCSB") had consented to Mentiga's request for another extension of time of 4 months from 14 May 2008 for Mentiga to fulfill its obligation to submit the application to the land office for the sub-division of the land as per the terms of the sale and purchase agreement dated 3 December 2007 between PCSB and Mentiga.

The company had on 12 September 2008 announced that PCSB had consented to Mentiga's request for a further extension of time of 4 months from 13 September 2008 ("Third Extension") for Mentiga to fulfill its obligation to submit the application to the Land Office for the sub-division of the Land as per the terms of the sale and purchase agreement dated 3 December 2007 between PCSB and Mentiga. The Third Extension was requested by Mentiga as the final title for the Land, which is required for the application to the Land Office, has not been issued by the State Authority as at 12 September 2008.

The company had on 14 January 2009 announced that PCSB has consented to Mentiga's request for a further extension of time of 4 months from 14 January 2009 ("Fourth Extension") for Mentiga to fulfill its obligation to submit the application to the Land Office for the sub-division of the Land as per the terms of the sale and purchase agreement dated 3 December 2007 between PCSB and Mentiga. The Fourth Extension was requested by Mentiga as the final title for the Land, which is required for the application to the Land Office, has not been issued by the State Authority as at 14 January 2009.

B9 Group Borrowings

As at 31 December 2008, the Group borrowings are as follows:

	<u>31 December 2008</u> RM'000	<u>31 December 2007</u> RM'000
Short term borrowings:		
Term loan	8	2,019
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	<u>8</u>	<u>2,019</u>

B10 Off Balance Sheet Financial Instruments

There is no financial instrument with off-balance sheet risk as at the date of this report.

B11 Material Litigation

The list of material litigation is attached as Annexure 1

B12 Dividend

No interim dividend has been recommended for the current financial to date.

B13 Earnings per share

	<u>Current quarter ended 31 December 2008</u>	<u>Comparative quarter ended 31 December 2007</u>
<u>Basic earnings per share</u>		
Profit for the period (RM'000)	2,774	855
Number of shares in issue during the period ('000)	60,000	60,000
Weighted average number of shares in issue ('000)	60,000	60,000
Basic earnings per share (sen)	4.62	1.43
<u>Diluted earnings per share</u>		
Profit for the period (RM'000)	2,774	855
Add : RCPS interest	<u>145</u>	<u>125</u>
Profit for computation of diluted EPS	<u>2,919</u>	<u>980</u>
Weighted average number of shares in issue ('000)	60,000	60,000
Dilutive effect of conversion of Redeemable Convertible Preference Shares ('000)	10,000	10,000
Diluted earnings per share (sen)	4.17	1.40

On behalf of the Board
MENTIGA CORPORATION BERHAD

YEAP KOK LEONG
Company Secretary

Kuala Lumpur

MENTIGA CORPORATION BERHAD
(Company No 10289 - K and its Subsidiaries)
LIST OF MATERIAL LITIGATIONS OF THE GROUP AS AT 15 FEBRUARY, 2009 .

SUMMONS ISSUED AGAINST MCB:

NO	PLAINTIFF / LAWYER :	DEFENDEN / LAWYER:	AMOUNT CLAIM / COURT:	REMARKS
1	<p>KEKWA KREATIF SDN. BHD. / RAJADEVAN & ASSOC.</p> <p>KEKWA CLAIM AGAINST MENTIGA IS FOR THE BALANCE OF PAYMENT DUE FOR WORK DONE IN DEVELOPING "PUSAT PERANGANAN PULAU SIBU MERSING" VIA CONTRACT NO MCB/JP/SC/C.130 YEAR 1996 PLUS INTEREST OF 4% PER ANNUM FROM THE DATE OF JUDGEMENT UNTIL REALIZATION.</p>	<p>MESSRS VENDARGON & PARTNERS</p>	<p>RM 5,549,625.00</p> <p>KTN HIGH COURT</p> <p>CIVIL SUIT NO; 22 - 5 - 2000</p>	<p>THE COURT ON 05.01.2009 HAS POSTPONED THE CASE AND TO FIX A NEW DATE FOR NEXT HEARING.</p>
2	<p>SPECIFICATION CLAIMS/ MESSR MURA RAJU</p> <p>MENTIGA HAS BEEN SUED BY A TOTAL OF 170 HOUSE PURCHASERS CLAIMING THAT THE HOUSES HAVE NOT BEEN BUILT ACCORDING TO SPECIFICATIONS UNDER THE SUNGAI ISAP DAMAI PROJECT. THE TOTAL AMOUNT CLAIMED BY THE PURCHASERS IS RM5,196,040.29.</p>	<p>MESSR RADZI & ABDULLAH</p>	<p>RM5,196,040.29</p>	<p>MCB HAS LOST THE CASE AND OUR SOLICITOR'S HAS FILE A NOTICE OF APPEAL TO THE HIGH COURT ON 03.04.2008.</p> <p>THE CASE IS FIXED FOR HEARING AT THE KTN. HIGH COURT ON 27.02.2009.</p>

MENTIGA CORPORATION BERHAD
 (Company No 10289 - K and its Subsidiaries)
LIST OF MATERIAL LITIGATIONS OF THE GROUP AS AT 15 FEBRUARY, 2009.

SUMMONS ISSUES BY MCB

NO	PLAINTIFF / LAWYER :	DEFENDEN / LAWYER:	AMOUNT CLAIM / COURT:	REMARKS
1	<p>HARANAY, HISHAM, ANIKAH & ASSOCIATES</p> <p>MENTIGA IS CLAIMING FOR THE SUM OF RM768,000.00 AS AT 18 OCTOBER 2002 AGAINST VC FOR BREACH OF THE SALE AND PURCHASE AGREEMENT ENTERED INTO BY THE PARTIES ON 22 NOVEMBER 1996. JUDGEMENT IN DEFAULT WAS OBTAINED AGAINST VC ON 18 OCTOBER 2002.</p>	<p>VC CONSTRUCTION SDN BHD / TUN AHMAD FADZIL</p>	<p>RM768,000.00</p> <p>KTN.(H) COURTS</p> <p>SUIT NO : 22-39-2002</p>	<p>ON 07.11.02, THE JUDGEMENT WAS SERVED ON VC WHO HAD THEN FAILED TO COMPLY WITH THE SAID JUDGEMENT. ON 28.04.2005 MENTIGA INSTRUCTED MESSRS HARANAY TO PROCEED WITH WINDING UP. MENTIGA'S SOLICITORS HAS SENT NOTICE UNDER SEC.218 CO. ACT 1965 TOGETHER WITH JUDGEMENT DATED 18.10.2006.</p> <p>THE HEARING FOR WINDING UP IS FIXED ON 23.03.2009.</p>

MENTIGA CORPORATION BERHAD
(Company No 10289 - K and its Subsidiaries)
LIST OF MATERIAL LITIGATIONS OF THE GROUP AS AT 15 FEBRUARY, 2009.

SUMMONS ISSUES BY MCB

NO	PLAINTIFF / LAWYER :	DEFENDEN / LAWYER:	AMOUNT CLAIM / COURT:	REMARKS
2	HARANAY, HISYAM, ANIKAH & ASSOCIATES. MENTIGA IS CLAIMING FOR THE AMOUNT OF RM8,380,132.00 IN RESPECT OF THE FOLLOWING; a) BALANCE OF PROGRESS PAYMENT FOR WORK DONE IN CONSTRUCTING A RESORT IN PULAU SIBU RM1,744,606.14 b) RETENTION SUM RM1,292,532.96 c) CLAIM FOR VARIATION ORDER RM3,500,000.00 d) BALANCE SUM FOR ADDITIONAL LANDSCAPE WORKS RM213,520.10 e) CLAIM FOR RETURN OF MONEY WRONGFULLY DEDUCTED FROM THE PROGRESS CLAIMS RM429,652.80 f) APPEAR FOR WAIVER OF LIQUIDATED AND ASCERTAINED DAMAGES RM1,200,000.00	KUMPULAN PENAMBANG (JOHORE) SDN. BHD. / REGINALD VALLIPURAM & CO. (JOHOR BAHRU).	RM8,380,132.00	BASED ON THE FACTS AND DOCUMENTS PRESENTED, THE SOLICITORS HANDLING THE CASE ARE OF THE OPINION THAT MENTIGA HAS A GOOD CLAIM. MAHINDAR & CO HAS WITHDRAWN FROM REPRESENTING MCB AS DATO' MAHINDAR'S HEALTH IS NOT VERY WELL. NEW SOLICITOR HARANAY, HISHAM, ANIKAH & ASSOCIATES HAS BEEN APPOINTED BY MCB. HARANAY, HISHAM, ANIKAH & ASSOCIATES HAS WRITTEN TO PAM (PERSATUAN ARKITEK MALAYSIA) ON 09.01.2008 AND PAM HAS CONFIRMED THAT THE ARBITRATION IS STILL PENDING VIDE PAM SUIT NO : 449. MENTIGA SOLICITOR'S WRITTEN TO MESSRS MAHINDAR & CO ON 31.01.2008 & REMINDER DATED 09.04.2008 ASKING FOR ORIGINAL COPY OF THE CONTRACT DOCUMENTS, BUT SO FAR OUR SOLICITOR'S HAVE YET TO RECEIVE ANY DOCUMENT FROM MESSRS MAHINDAR & CO. OUR SOLICITOR'S WILL MEET DATO' MAHINDAR ON 26.11.2008 TO RESOLVE THE MATTER. DATO' MAHINDAR POSTPONED THE MEETING.

MENTIGA CORPORATION BERHAD

(Company No 10289 - K and its Subsidiaries)

LIST OF MATERIAL LITIGATIONS OF THE GROUP AS AT 15 FEBRUARY, 2009.

JUDGEMENT / LETTER OF DEMAND ISSUE AGAINST MCB

NO	PLAINTIFF / LAWYER :	AMOUNT CLAIM / COURT:	REMARKS
1	MAJLIS DAERAH PEKAN (MDP) MAJLIS DAERAH PEKAN HAS ON 09 OCTOBER 2007 DEMANDED AN OUTSTANDING SUM OF RM692,331.00 BEING THE COMPANY'S TAX ASSESSMENT IN ARREARS AS AT 31 AUGUST, 2007.	RM692,331.00	SCHEDULE OF PAYMENT; OCT. 2007 = RM100,000.00 EVERYMONTH FROM NOV. 2007 TO SEPT. 2008 = RM50,000.00 AND OCT. 2008 = RM42,331.00 PAID ON 30.10.2007 = RM 100,000.00 PAID ON 20.11.2007 = RM 50,000.00 PAID ON 26.12.2007 = RM 50,000.00 PAID ON 15.01.2008 = RM 50,000.00 PAID ON 12.02.2008 = RM 50,000.00 PAID ON 30.06.2008 = RM 50,000.00 PAID ON 23.09.2008 = RM 50,000.00 PAID ON 13.11.2008 = RM 50,000.00 THE BALANCE = RM 242,331.00