

PK RESOURCES BERHAD (Company No. 17654-P)*(Incorporated in Malaysia)***CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE QUARTER AND PERIOD ENDED 31 MARCH 2009**

	<u>2009</u> Current Quarter Ended 31 March (RM '000)	<u>2008</u> Comparative Quarter Ended 31 March (RM '000)	<u>2009</u> 3 months Cumulative to date (RM '000)	<u>2008</u> 3 months Cumulative to date (RM '000)
Revenue	29,784	84,684	29,784	84,684
Cost Of Sales	(11,530)	(24,542)	(11,530)	(24,542)
Gross Profit	18,254	60,142	18,254	60,142
Other Income	1,132	1,344	1,132	1,344
Administrative Expenses	(17,079)	(23,637)	(17,079)	(23,637)
Selling and Marketing Expenses	(475)	(464)	(475)	(464)
Other Expenses	(1,130)	(1,222)	(1,130)	(1,222)
Finance costs	(1,004)	(1,507)	(1,004)	(1,507)
(Loss)/profit before tax	(302)	34,656	(302)	34,656
Taxation	(640)	(9,803)	(640)	(9,803)
(Loss)/profit for the period	(942)	24,853	(942)	24,853
Attributable to:				
Equity holders of the Company	(976)	18,274	(976)	18,274
Minority interests	34	6,579	34	6,579
	(942)	24,853	(942)	24,853
(Loss)/earnings per share attributable equity holders of the Company				
- Basic (sen)	(0.86)	16.02	(0.86)	16.02

(The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31st December 2008 and the accompanying explanatory notes attached to the interim financial statements)

PK RESOURCES BERHAD (Company No. 17654-P)*(Incorporated in Malaysia)***CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2009**

	As at 31 Mar 2009 (RM '000)	(Audited) As at 31 Dec 2008 (RM '000)
ASSETS		
Non current assets		
Property, plant and equipment	198,796	192,442
Land held for development	133,988	133,987
Investment properties	10,249	11,980
Prepaid land lease payments	5,139	5,187
Investments in associates	811	811
Deferred tax assets	844	842
Goodwill	843	843
	350,670	346,092
Current assets		
Property development costs	211,610	210,057
Inventories	69,298	69,264
Trade and other receivables	73,013	76,144
Tax recoverable	4,925	4,910
Cash and bank balances	10,651	13,625
	369,497	374,000
TOTAL ASSETS	720,167	720,092
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	114,036	114,036
Reserves	299,387	300,330
	413,423	414,366
Minority interests	133,565	133,531
Total equity	546,988	547,897
Non current liabilities		
Deferred tax liabilities	37,389	37,056
Long term borrowings	37,300	34,999
	74,689	72,055
Current liabilities		
Trade and other payables	64,105	65,564
Bank overdraft	981	930
Short term borrowings	30,303	30,344
Provision for taxation	3,101	3,302
	98,490	100,140
Total liabilities	173,179	172,195
TOTAL EQUITY AND LIABILITIES	720,167	720,092
Net assets per share (RM)	3.63	3.63

(The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31st December 2008 and the accompanying explanatory notes attached to the interim financial statements)

PK RESOURCES BERHAD (Company No. 17654-P)*(Incorporated in Malaysia)***CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER AND PERIOD ENDED 31 MARCH 2009**

	← Attributable to equity holders of the Company →			Minority Interests (RM '000)	Total Equity (RM '000)	
	Share capital (RM '000)	Reserve attributable to capital (RM '000)	Retained profits (RM '000)			Total (RM '000)
<u>3 months ended 31 March 2009</u>						
At 1 January 2009	114,036	133,846	166,484	414,366	133,531	547,897
Movements during the period						
- Profit for the period, representing total recognised income and expense for the period	-	-	(976)	(976)	34	(942)
- Share option expense	-	33	-	33	-	33
At 31 March 2009	114,036	133,879	165,508	413,423	133,565	546,988
<u>3 months ended 31 March 2008</u>						
At 1 January 2008	114,036	133,645	176,881	424,562	133,466	558,028
Movements during the period						
- Profit for the period, representing total recognised income and expense for the period	-	-	18,274	18,274	6,579	24,853
At 31 March 2008	114,036	133,645	195,155	442,836	140,045	582,881

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31st December 2008 and the accompanying explanatory notes attached to the interim financial statements)

PK RESOURCES BERHAD (Company No. 17654-P)*(Incorporated in Malaysia)***CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE QUARTER AND PERIOD ENDED 31 MARCH 2009**

	<u>2009</u> 3 months ended 31 March (RM '000)	<u>2008</u> 3 months ended 31 March (RM '000)
OPERATING ACTIVITIES		
(Loss)/profit before tax	(302)	34,656
Adjustments for non-cash flow items :		
Property plant & equipment	1,815	1,064
Other non-cash items	38	(1,675)
Operating profit before changes in working capital	1,551	34,045
Changes in working capital		
Net changes in property development expenditure	(1,406)	7,893
Net changes in current assets	3,091	3,273
Net changes in liabilities	(1,982)	(12,119)
Net cash flows generated from operating activities	1,254	33,092
INVESTING ACTIVITIES		
Property, plant & equipment	(6,538)	(593)
Other investing activities	-	206
Net cash flows used in investing activities	(6,538)	(387)
FINANCING ACTIVITIES		
Bank borrowings	2,259	(20,638)
Net cash flows generated from/(used in) financing activities	2,259	(20,638)
Net (decrease)/increase in cash and cash equivalents	(3,025)	12,067
Cash and cash equivalents at beginning of year	12,695	26,663
Cash and cash equivalents at end of period	9,670	38,730
Cash and cash equivalents comprise the following:		
Cash and bank balances	10,651	39,683
Bank overdraft	(981)	(953)
	9,670	38,730

(The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31st December 2008 and the accompanying explanatory notes attached to the interim financial statements)



1. BASIS OF PREPARATION

The interim financial report has been prepared in accordance with FRS 134 Interim Financial Reporting and Chapter 9 part 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia").

The interim financial report should be read in conjunction with the audited financial statements for the financial year ended 31 December 2008.

The accounting policies and basis of measurement adopted by the Group in these interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2008.

FRS 139, Financial Instruments : Recognition and Measurement application has been fixed to be effective on 1 January 2010. The Company is exempted from disclosing the possible impact, if any, to the financial statements upon the initial application of FRS 139.

2. AUDIT QUALIFICATION OF PRECEDING AUDITED ANNUAL REPORT

There were no audit qualifications in the Group's preceding audited annual report.

3. SEASONAL OR CYCLICAL FACTORS

The Group's operations are not materially affected by any seasonal or cyclical events.

4. UNUSUAL ITEMS

There were no unusual items that affect assets, liabilities, equity, net income or cashflows for the current interim quarter and financial period to date.

5. MATERIAL CHANGES IN ESTIMATES OF AMOUNTS REPORTED IN PRIOR INTERIM PERIODS OR FINANCIAL YEARS

There were no material changes in the estimates of amounts reported in prior interim periods that have material effect in the current interim period.

6. CHANGES IN SHARE CAPITAL

There has been no issuance or repayment of debts and equity securities, shares buy-back, share cancellations, shares held as treasury shares and resale of treasury shares for the current interim quarter and period ended 31 March 2009.

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NOTES TO THE QUARTERLY FINANCIAL STATEMENTS FOR THE QUARTER AND PERIOD ENDED 31 MARCH 2009

7. SEGMENTAL INFORMATION

The segment revenue and results for the Company and its subsidiaries are set out below:

	Segment Revenue		Segment Results	
	3 months ended 31 March			
	2009	2008	2009	2008
	RM '000	RM '000	RM '000	RM '000
Property development	13,475	72,641	(1,090)	36,957
Hospitality	2,195	2,131	(479)	(153)
Education	12,100	7,720	1,558	(1,211)
Unallocated reconciling items	2,014	2,192	(419)	(774)
	29,784	84,684	(430)	34,819

8. VALUATIONS OF PROPERTY, PLANT AND EQUIPMENT

The property, plant and equipment have been brought forward from the financial statements for the year ended 31 December 2008 at cost.

9. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE INTERIM PERIOD

In the opinion of the Board, there were no material events or transactions which have arisen during the period from the end of the interim quarter to the date of this announcement that would materially affect the results or operations of the Group.

10. CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes to the composition of the Group during the interim period including business combinations, acquisitions or disposals of subsidiaries and long term investments, restructuring or discontinuing operations.

11. CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There were no changes in contingent liabilities or contingent assets since the last annual report.

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12. CAPITAL COMMITMENTS

The changes in capital commitments not provided for since the last annual report are as follows :

	As At 31.03.2009 RM'000	Audited As At 31.12.2008 RM'000
Approved and contracted for	20,504	31,747
Approved but not contracted for	6,039	6,039
	<u>26,543</u>	<u>37,786</u>

13. RELATED PARTY TRANSACTIONS

The significant related party transactions for the financial year to date are as follows:

	As At 31.03.2009 RM'000	Audited As At 31.12.2008 RM'000
Rental paid to a company in which certain directors have financial interests - G.O. Construction Sdn Bhd	34	135
	<u>34</u>	<u>135</u>

14. REVIEW OF PERFORMANCE OF THE COMPANY AND ITS PRINCIPAL SUBSIDIARIES FOR THE CURRENT QUARTER.

For the current quarter, the Group achieved a turnover of RM29.78 million as compared to the preceding year's corresponding quarter of RM84.68 million, which included a land sale of RM64.95 million. Turnover for property sales for the current quarter of RM13.48 million is RM5.78 million higher as compared to the preceding year's corresponding quarter turnover of RM7.69 million, mainly due to higher percentage of completion for its Acacia Park, Desa Kolej and Impiana Residence projects.

For the current quarter, the Group's education sector also posted higher revenue of RM12.10 million as compared to the preceding year's corresponding quarter of RM7.72 million. This was attributable to higher student enrolment and a change in the semester system.

The lower turnover for the current quarter compared to the preceding year's corresponding quarter, resulted in the Group achieving a pre-tax loss of RM0.30 million as compared to a pre-tax profit of RM34.66 million for the preceding year's corresponding quarter.

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15. MATERIAL CHANGES IN THE PROFIT BEFORE TAXATION FOR THE QUARTER COMPARED TO THE IMMEDIATE PRECEDING QUARTER

The Group posted a pre-tax loss of RM0.30 million for the current quarter as compared to the pre-tax profit of RM1.14 million for the immediate preceding quarter. The pre-tax loss arose from the lower recognition of revenue as against the immediate preceding quarter for the on-going projects.

16. CURRENT YEAR'S PROSPECTS

As the property market remains soft in 2009, the Group's performance is expected to remain challenging.

17. VARIANCE OF ACTUAL PROFIT FROM FORECAST PROFIT

The Group did not issue any profit forecast or profit guarantee in a public document during the financial period.

18. TAXATION

Taxation is made up as follows:

	3 months ended	
	31.03.2009	31.03.2008
	RM'000	RM'000
Current taxation	309	9,621
Over provision for prior year	-	(51)
Deferred tax	331	233
Total	640	9,803

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18. TAXATION (CONTD.)

The effective tax rate for the quarter and period ended 31 March 2009 which was lower than the statutory tax rate, is reconciled as follows :

	3 months ended 31.03.2009 RM'000	3 months ended 31.03.2008 RM'000
(Loss)/profit before tax	(302)	34,656
Taxation at Malaysian statutory tax rate of 25% (2008:26%)	(76)	9,011
Effect of expenses not deductible	283	447
Tax benefit not recognised during the year	433	396
Over provision of income tax expense in prior year	-	(51)
Taxation for the period	640	9,803

19. SALE OF INVESTMENTS AND PROPERTIES

There were no sale of investments and/or assets for the current quarter and financial period to date.

20. STATUS OF CORPORATE PROPOSALS

There were no corporate proposals announced but not completed as at 28 May 2009.

21. GROUP BORROWINGS

The Group's borrowings as at the end of the reporting period are as follows:

(a) Secured and unsecured :

	As At 31.03.2009 RM'000	Audited As At 31.12.2008 RM'000
Total secured borrowings	67,603	65,343
Total unsecured borrowings	981	930
Total borrowings	68,584	66,273

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21. GROUP BORROWINGS (CONTD.)

- (b) Short-term and long-term

	As At 31.03.2009 RM'000	Audited As At 31.12.2008 RM'000
Total short-term borrowings	31,284	31,274
Total long-term borrowings	37,300	34,999
Total short-term and long-term borrowings	<u>68,584</u>	<u>66,273</u>

- (c) All the debts/borrowings are denominated in Ringgit Malaysia.

22. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

There were no off balance sheet financial instruments as at 28 May 2009.

23. MATERIAL LITIGATION

As at 28 May 2009, there were no changes in material litigation, including the status of pending material litigation since the last annual balance sheet date of 31 December 2008, except for the pending claim of RM10.00 million against a subsidiary, Nilai Springs Berhad as disclosed in the preceding quarter. The trial scheduled for 12 & 14 May 2009, was subsequently postponed to 2 September 2009.

24. DIVIDENDS

- a) The Board of Directors is recommending a first and final dividend of 2% less 25% tax (2007: 3% less 26% tax) for the financial year ended 31 December 2008.
- b) The net dividend payable amounting to RM1,710,533 if approved by the shareholders of the Company at the forthcoming Annual General Meeting of the Company will be paid on a date to be announced.

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25. EARNINGS PER SHARE

a) Basic loss per share

Basic loss per share for the current quarter is based on the net loss attributable to ordinary shareholders of RM0.98 million and the weighted average number of ordinary shares outstanding during the current year to date of 114,035,500 ordinary shares.

b) Fully diluted (loss)/earnings per share

The outstanding ESOS have been excluded from the computation of fully diluted (loss)/earnings per share as their conversion to ordinary shares would be anti-dilutive in nature. Accordingly, the basic and fully diluted profit per share are the same.

BY ORDER OF THE BOARD

PAUL YONG POW CHOY

Company Secretary

28 May 2009