



DIJAYA CORPORATION BERHAD

(Company No. 47908-K)

INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 30 SEPTEMBER 2007

PART A - EXPLANATORY NOTES PURSUANT TO FRS 134

A1. Basis of preparation

The interim financial statements have been prepared under the historical cost convention. The interim 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.

These 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.

A2. 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 Leases

FRS 119 Employee Benefits—Actuarial Gains and Losses, Group Plans and Disclosures

FRS 124 Related Party Disclosures

The adoption of the abovementioned FRSs does not result in any significant change in the Group's accounting policies.

As at the date of this report, the Group has not adopted FRS 139 Financial Instruments: Recognition and Measurement as its effective date has been deferred. The Group will apply this standard when it becomes effective.

A3. Comparatives

The comparative figures have not been restated.

A4. Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the year ended 31 December 2006 was not qualified.

A5. Comments about seasonal or cyclical factors

The business operations of the Group were not significantly affected by any seasonal or cyclical factor.



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A6 Nature and amount of items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period under review.

A7. Changes in estimates of amounts reported in prior interim periods of the current financial year or in prior financial year

The Group makes assumptions concerning the future and other sources of estimation uncertainty at the balance sheet date during its review for impairment of goodwill and depreciation.

The key assumptions and other key sources of estimation uncertainty mentioned above that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are in respect of those made during the review of impairment of goodwill. The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill as at 30 September 2007 was RM3,343,000.

A8. Debt and equity securities

There were no issuances and repayment of debts and equity securities, share repurchases, share cancellations, shares held as treasury shares and resale of treasury shares except for:

(i) issuance of shares

During the financial period ended 30 September 2007, the issued and paid-up share capital of the Company was increased from 259,525,583 ordinary shares of RM1.00 each to 259,563,083 ordinary shares by the issuance of 37,500 ordinary shares of RM1.00 each pursuant to the exercise of options granted under the Company's Employees' Share Option Scheme ('ESOS') at the price of RM1.31 per ordinary share. The total cash proceeds arising from the exercise of options under the ESOS amount to RM49,125.

A9. Dividends paid

During the financial period, the first and final dividend of 4 sen per share, less 27% income tax amounting to net dividend of RM7,578,147 or 2.92 sen per share, in respect of the year ended 31 December 2006 was paid on 26 July 2007.



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A10. Segmental information

Business segment analysis	Real property and resort development RM'000	Engineering and trading RM'000	Investment holding RM'000	Others RM'000	Consolidated RM'000
<u>YTD ended 30 September 2007</u>					
Revenue	191,618	-	126	-	191,744
Results from operations	39,078	-	(1,202)	(2)	37,874
Finance cost	(693)	(87)	(451)	-	(1,231)
Share of results of associates	-	-	1,436	-	1,436
Profit/ (loss) before tax	38,385	(87)	(217)	(2)	38,079

Business segment analysis	Real property and resort development RM'000	Engineering and trading RM'000	Investment holding RM'000	Others RM'000	Consolidated RM'000
<u>YTD ended 30 September 2006</u>					
Revenue	122,541	27,497	187	-	150,225
Results from operations	33,681	937	(1,083)	(11)	33,524
Finance cost	(42)	(93)	(818)	-	(953)
Share of results of associates	-	-	952	-	952
Profit/ (loss) before tax	33,639	844	(949)	(11)	33,523

A11. Valuations of property, plant and equipment

The valuations of the property, plant and equipment have been brought forward from the audited financial statement for the year ended 31 December 2007.



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A12. Material events subsequent to the end of interim period

There were no material events subsequent to the end of the current quarter except for the following:

- (a) On 12 November 2007, Nadi Jelita Sdn Bhd ("NJSB"), an indirect wholly-owned subsidiary of the Company entered into a Joint Venture Agreement ("JVA") with Aliran Firasat Sdn Bhd ("AFSB") to develop AFSB's parcel of commercial land in Pekan Baru Sungai Buloh, Daerah Petaling, Selangor. Pursuant to the JVA, NJSB shall have the exclusive rights to develop an integrated shop-office development complete with car parks and other necessary infrastructures. Both NJSB and AFSB shall be entitled to share the number of shop-office units equivalent to 60% and 40% of the gross development value of the proposed project respectively.
- (b) On 5 November 2007, an additional 25,000 options under the ESOS were exercised at the price of RM1.31 per share and the cash proceed arising therefrom was RM32,750. Pursuant to the above, the Company's issued and paid-up share capital stands at RM259,588,083 comprising 259,588,083 ordinary shares of RM1.00 each.

A13. Changes in composition of the Group

As announced on 10 July 2007, Dijaya dotCom Ventures Limited, a dormant wholly-owned subsidiary of Dijaya Digital Sdn Bhd, which in turn is a wholly-owned subsidiary of the Company, has been deregistered by the Companies Registry, Hong Kong pursuant to Section 291AA of the Companies Ordinance, Chapter 32, Laws of Hong Kong and dissolved on 6 July 2007.

Maxi Legacy Sdn Bhd ("MLSB"), a wholly-owned dormant subsidiary of Bakat Rampai Sdn Bhd ("BRSB"), which in turn is a wholly-owned subsidiary of the Company, had on 10 April 2007 commenced its member's voluntary winding up proceeding pursuant Section 254(1)(b) and 255(6)(b) of the Companies Act, 1965.

A14. Changes in contingent liabilities or contingent assets

There were no changes in contingent liabilities or contingent assets since the last annual balance sheet as at 31 December 2006.

A15. Capital commitments

There were no capital commitments not provided for in the financial statements as at 30 September 2007.



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PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BHD

B1. Performance review

The Group recorded a turnover of RM191.7 million and profit before tax of RM38.0 million for the financial period ended 30 September 2007. This represents a 27.6% increase in turnover and 13.5% increase in pre-tax profit as compared to the previous period's results.

The Group's on-going real property developments contributed favourably to the Group's profitability during the financial period.

B2. Variation of results against preceding quarter

	Quarter ended	
	30/9/07 RM'000	30/6/07 RM'000
Revenue	77,760	62,643
Consolidated profit before taxation	14,879	12,977

The Group registered a profit before tax of RM14.8 million for 3Q07, an increase of 14.5% compared to the preceding quarter ended 30 June 2007. The increase is mainly due to improved progress billings recognition from the Group's ongoing real property development projects.

B3. Prospects

The Group is confident of its financial performance for the current year with the encouraging locked-in unbilled sales for its current developments. The profits from these future billings together with upcoming new launches will contribute positively to the Group's financial performance.

B4. Profit forecast or profit guarantee

Not applicable.



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B5. Taxation

	Individual quarter		Year to date	
	30/9/07 RM'000	30/9/06 RM'000	30/9/07 RM'000	30/9/06 RM'000
Tax expense for the period	7,008	(3,022)	12,408	3,175
Deferred taxation transfers	(2,827)	2,778	(3,302)	2,511
	4,181	(244)	9,106	5,686
Share of taxation of associated company	90	62	218	235
	4,271	(182)	9,324	5,921
Prior years under provision	-	-	-	-
	4,271	(182)	9,324	5,921

The statutory tax rate was reduced to 27% effective in the current year of assessment.

The effective taxation rates were disproportionate to its financial results principally due to non-availability of group relief for losses incurred by some subsidiaries, and non-deductibility of certain expenses for taxation purposes.

B6. Sale of unquoted investments and properties

There was no sale of unquoted investments and/or properties outside the ordinary course of the Group's business for the financial period under review.

B7. Quoted securities

Details of purchases and disposals of quoted securities are as follows:

	Current quarter 30/9/07 RM'000	Current year to date 30/9/07 RM'000
Total purchases	-	-
Total disposals	-	-
Total gain/ (loss) on disposals	-	-



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B7. Quoted securities (cont'd)

Details of investments in quoted securities:

	As at 30/9/07 RM'000	As at 30/9/06 RM'000
At cost	111,425	112,702
At carrying value/ book value	44,122	41,980
At market value	75,450	52,696

B8. Status of corporate proposals

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

B9. Borrowings

	As at 30/9/07 RM'000	As at 30/9/06 RM'000
Secured short-term borrowings	24,717	32,873
Secured long-term borrowings	10,327	-
	35,044	32,873

All of the above borrowings are denominated in Ringgit Malaysia.

B10. Off balance sheet financial instruments

There were no off balance sheet arrangement entered into nor were there any off balance sheet financial instruments issued as at the date of this report.

B11. Material litigation

There has been no material litigation or claim as at the date of this report, the value of which exceeds 5% of the Group's net tangible assets.

B12. Dividend payable

There is no dividend payable in respect of the current year to date.



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PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BHD

B13. Earnings per share

a) Basic earnings per ordinary share

Basic earnings per share amounts were calculated by dividing profit for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares in issue during the period.

	Individual quarters		Year to date	
	30/9/07	30/9/06	30/9/07	30/9/06
Profit attributable to ordinary equity holders of the parent (RM'000)	9,137	11,238	24,507	24,145
Weighted average number of ordinary shares in issue ('000)	259,563	259,526	259,563	259,526
Basic earnings per share (sen)	3.5	4.3	9.4	9.3

(b) Diluted earnings per ordinary share

For the purpose of calculating diluted earning per share, the net profit for the period and the weighted average number of ordinary shares in issue during the period have been adjusted for the effect of dilutive potential ordinary shares from the exercise of share options granted.

	Individual quarters		Year to date	
	30/9/07	30/9/06	30/9/07	30/9/06
Profit attributable to ordinary equity holders of the parent (RM'000)	9,137	11,238	24,507	24,145
Weighted average number of ordinary shares in issue ('000) for the purpose of basic earnings per share	259,563	259,526	259,563	259,526
Effect of shares option	2,577	-	2,577	-
Weighted average number of ordinary shares in issue ('000) for the purpose of diluted earnings per share	262,140	-	262,140	-
Diluted earnings per share (sen)	3.5	4.3	9.3	9.3

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 19 November 2007.