

INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 DECEMBER 2008

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 and should be read in conjunction with the audited financial statements for the year ended 31 December 2007.

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 2007, other than for the compliance with the new/revised Financial Reporting Standards (FRS) that came into effect during the financial year under review.

The adoption of the new/revised FRS that came into effect during the financial year under review does not have material effects on the Group's financial result for the financial year-to-date or the Group's shareholders' funds as at 31 December 2008.

A2. Comparatives

The comparative figures have not been restated.

A3. Auditors' report on preceding annual financial statements

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

A4. Comments about seasonal or cyclical factors

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

A5. 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.

A6. Changes in estimates of amounts reported in prior interim periods of the current financial year or in prior financial year

The Group makes certain assumptions at the balance sheet date during its review for impairment of goodwill and depreciation. The key assumptions that may 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 31 December 2008 was RM3,343,000.



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A7. 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 during the current quarter.

A8. Dividends paid

No dividend was made during the current quarter under review.

A9. Segmental information

Business segment analysis	Real property and resort development RM'000	Investment holding RM'000	Others RM'000	Consolidated RM'000
<u>YTD ended 31 December 2008</u>				
Revenue	246,139	935	-	247,074
Results from operations	84,254	(12,534)	(62)	71,658
Finance cost	(530)	(741)	-	(1,271)
Share of results of associates	-	3,220	-	3,220
Profit/ (loss) before tax	83,724	(10,055)	(62)	73,607

Business segment analysis	Real property and resort development RM'000	Investment holding RM'000	Others RM'000	Consolidated RM'000
<u>YTD ended 31 December 2007</u>				
Revenue	269,820	551	-	270,371
Results from operations	68,278	2,262	(52)	70,488
Finance cost	(227)	(810)	-	(1,037)
Share of results of associates	-	884	-	884
Profit/ (loss) before tax	68,051	2,336	(52)	70,335

A10. 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.

A11. Material events subsequent to the end of interim period

There were no material event subsequent to the end of the financial year ended 31 December 2007 up to the date of this report that have not been reflected in the interim financial statements.



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A12. Changes in composition of the Group

The Company had on 22 December 2008 disposed the entire equity interests in its wholly-owned subsidiaries Tropicana City Parking Sdn Bhd, Tropicana Mall Management Sdn Bhd and Tropicana City Management Sdn Bhd to Tropicana City Sdn Bhd, an indirect wholly-owned subsidiary of the Company for a total cash consideration of RM7.00 only. On the same date, Tropicana Golf & Country Resort Bhd, a wholly-owned subsidiary of the Company had disposed the entire equity interest in its wholly-owned subsidiary Tropicana City Service Suites Sdn Bhd to Tropicana City Sdn Bhd for a total cash consideration of RM1,000,000.00 only.

The exercise is to put the said subsidiaries under Tropicana City Sdn Bhd which owns and manages the Tropicana City development for the various activities relating to the operations of the said development.

A13. 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 2007.

A14. Capital commitments

Nadi Jelita Sdn Bhd ("NJSB"), an indirect wholly-owned subsidiary of the Company, had on 6 February 2008 entered into a Sale and Purchase Agreement ("SPA") with Beta Fame Sdn Bhd ("Vendor") to acquire four (4) parcels of freehold agricultural lands comprised within master title HS(D) 27278 Lot PT 137, Pekan Jenjarom, Daerah Kuala Langat, Selangor (formerly Geran 26615 Lot 3977, Mukim Tanjung Duabelas, Kuala Langat, Selangor) and measuring an aggregate land area of approximately 4,069,288 square feet or 93.418 acres ("Properties") from the Vendor for a total cash consideration of RM29,502,339.00. A deposit of RM2,950,233.90 had been paid to the Vendor and the balance of the purchase price of RM26,552,105.10 shall be paid within thirty (30) days after the Vendor has fulfill certain conditions precedent as stipulated in the SPA.

Since the conditions precedent have not been met within the given timeframe, NJSB had on 25 February 2009, given notice to the Vendor to terminate the SPA with immediate effect and to refund the deposit paid.

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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's revenue for the current quarter ended 31 December 2008 was RM77.1 million, representing a marginal drop of 1.9% from RM78.6 million for the corresponding quarter last year while profit before tax for the current quarter rose marginally by 1.8% to RM32.8 million in comparison to the pre-tax profit of RM32.2 million for the same period last year.

The Group's profit before taxation for the year ended 31 December 2008 improved marginally by 4.6% to RM73.6 million from RM70.3 million last year notwithstanding a 8.6% decline in revenue to RM247.1 million as compared to RM270.3 million for the previous year which was mainly due to contributions from real property development projects with higher profit margins.

B2. Variation of results against preceding quarter

	Quarter ended	
	31/12/08	30/9/08
	RM'000	RM'000
Revenue	77,095	87,356
Consolidated profit before taxation	32,811	19,425

The Group's profit before tax for the current quarter increased by 69.1% to RM32.8 million as compared to RM19.4 million for the preceding quarter ended 30 September 2008, which was mainly attributed to higher profits being recognized from completion of real property development projects.

B3. Prospects

The property market in general is expected to be soft due to weak consumer sentiments and deteriorating global economic conditions. However, the Group remains cautiously optimistic that its real property development division will be able to withstand the softening market conditions due to the continued demand for its properties and the various proactive measures being undertaken to manage costs and further improve operational efficiencies.

B4. Profit forecast or profit guarantee

Not applicable.



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B5. Taxation

	Individual quarter		Year to date	
	31/12/08 RM'000	31/12/07 RM'000	31/2/08 RM'000	31/12/07 RM'000
Tax expense for the period	7,655	7,124	26,388	19,532
Under provision of tax for the previous financial year	(675)	-	4,602	-
Deferred taxation transfers	(2,860)	(830)	(6,291)	(4,131)
	4,120	6,294	24,699	15,401
Share of taxation of associated company	-	71	-	289
	4,120	6,365	24,299	15,690

The effective taxation rates were disproportionate to the 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 31/12/08 RM'000	Current year to date 31/12/07 RM'000
Total purchases	-	11,218
Total disposals	-	-
Total gain/ (loss) on disposals	-	-

Details of investments in quoted securities:

	As at 31/12/08 RM'000	As at 31/12/07 RM'000
At cost	122,564	111,345
At carrying value/ book value	49,923	47,871
At market value	50,460	82,133

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B8. Status of corporate proposals

There were no changes in the status of the proposed rights issue with warrants and related proposals since the last quarterly report dated 24 November 2008.

B9. Borrowings

	As at 31/12/08 RM'000	As at 31/12/07 RM'000
Secured short-term borrowings	42,501	21,652
Secured long-term borrowings	99,717	15,769
	142,218	37,421

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

The Board of Directors has proposed a first and final dividend in respect of the year ended 31 December 2008, of 2% less income tax of 25%, payable after approval by the Company's shareholders at the forthcoming Annual General Meeting.

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	
	31/12/08	31/12/07	31/12/08	31/12/07
Profit attributable to ordinary equity holders of the parent (RM'000)	23,494	24,082	32,848	48,589
Weighted average number of ordinary shares in issue ('000)	259,626	259,563	259,626	259,563
Basic earnings per share (sen)	9.0	9.3	12.7	18.7



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B13. Earnings per share (cont'd)

(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		Year to date	
	31/12/08	31/12/07	31/12/08	31/12/07
Profit attributable to ordinary equity holders of the parent (RM'000)	23,494	24,082	32,848	48,589
Weighted average number of ordinary shares in issue ('000) for the purpose of basic earnings per share	259,626	259,563	259,626	259,563
Effect of shares option	-	-	-	-
Diluted earnings per share (sen)	9.0	9.3	12.7	18.7

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 25 February 2009.