

COUNTRY HEIGHTS HOLDINGS BERHAD (119416-K)

The Board of Directors of Country Heights Holdings Berhad is pleased to announce the following unaudited results of the Group for the 3rd Quarter ended 30 September 2008

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS For the Nine-Months Period Ended 30 September 2008

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		CURRENT YEAR QUARTER 30-Sept-08 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30-Sept-07 RM'000 Restated	CURRENT YEAR TO DATE 30-Sept-08 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30-Sept-07 RM'000 Restated
Revenue	4	44,042	70,003	196,083	190,326
Cost of sales		<u>(15,832)</u>	<u>(30,262)</u>	<u>(83,465)</u>	<u>(84,159)</u>
Gross profit		28,210	39,741	112,618	106,167
Other operating income		4,446	6,364	9,916	15,227
Selling and marketing expenses		(2,011)	(2,340)	(5,171)	(5,156)
Administrative expenses		(4,708)	(4,314)	(14,646)	(16,092)
Other operating expenses		<u>(19,604)</u>	<u>(24,357)</u>	<u>(56,026)</u>	<u>(59,127)</u>
Profit from operations	4	6,333	15,094	46,691	41,019
Finance costs		(6,565)	(12,821)	(20,543)	(38,492)
Share of results of associates		<u>432</u>	<u>69</u>	<u>350</u>	<u>(65)</u>
Profit before tax		200	2,342	26,498	2,462
Income tax expenses	20	<u>242</u>	<u>(401)</u>	<u>(9,549)</u>	<u>(426)</u>
Profit for the period		<u><u>442</u></u>	<u><u>1,941</u></u>	<u><u>16,949</u></u>	<u><u>2,036</u></u>
Attributable to:					
Equity holders to the parent		658	2,177	19,329	2,377
Minority interests		<u>(216)</u>	<u>(236)</u>	<u>(2,380)</u>	<u>(341)</u>
		<u><u>442</u></u>	<u><u>1,941</u></u>	<u><u>16,949</u></u>	<u><u>2,036</u></u>
Earnings per share attributable to ordinary equity holders of the Company (sen)					
- basic	28 (a)	0.24	0.79	7.01	0.86
- diluted	28 (b)	NA	NA	NA	NA

(The Unaudited Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements)

COUNTRY HEIGHTS HOLDINGS BERHAD (119416-K)

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET as at 30 September 2008

	Note	30-Sept-08 (Unaudited) RM'000	31-Dec-07 (Audited) RM'000
ASSETS			
Non-current assets			
Hotel properties and exhibition centre & showroom	9	345,715	348,675
Other property, plant and equipment	9	121,628	112,676
Property, plant and equipment		467,343	461,351
Investment properties	9	94,165	91,367
Prepaid land lease payments		353,673	356,943
Land held for property development		241,904	176,638
Investment in associates		3,645	3,295
Other investments	22	884	3,496
Long-term trade receivables		13,380	17,349
Fund held in trust		4,300	3,998
Deferred tax assets		13,058	13,486
		<u>1,192,352</u>	<u>1,127,923</u>
Current assets			
Property development costs		90,741	104,619
Inventories		143,188	159,141
Trade and other receivables		87,788	108,480
Tax recoverable		2,849	2,915
Cash and bank balances		13,334	49,110
		<u>337,900</u>	<u>424,265</u>
Non-current asset classified as held for sale		873	873
		<u>338,773</u>	<u>425,138</u>
TOTAL ASSETS		<u>1,531,125</u>	<u>1,553,061</u>
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the Company			
Share capital		275,707	275,707
Share premium		57,251	57,251
Revaluation reserves		143,803	145,204
Foreign exchange reserves		(5,517)	(5,244)
Capital redemption reserves		19,048	19,048
Retained earnings		198,150	177,420
Shareholders' equity		<u>688,442</u>	<u>669,386</u>
Minority interests		41,405	43,785
Total equity		<u>729,847</u>	<u>713,171</u>
Non-current liabilities			
Borrowings	24	320,705	376,292
Long-term liabilities		5,095	5,073
Deferred Income		28,154	27,734
Deferred tax liabilities		93,168	92,702
		<u>447,122</u>	<u>501,801</u>
Current liabilities			
Borrowings	24	27,312	27,952
Trade and other payables		272,987	262,521
Tax payable		53,857	47,616
		<u>354,156</u>	<u>338,089</u>
Total Liabilities		<u>801,278</u>	<u>839,890</u>
Total equity and liabilities		<u>1,531,125</u>	<u>1,553,061</u>
Net assets per share attributable to ordinary equity holders of the Company (RM)		2.50	2.43

(The Unaudited Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements)

COUNTRY HEIGHTS HOLDINGS BERHAD (119416-K)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the Nine-Months Period Ended 30 September 2008

	Attributable to Equity Holders of the Company						Minority Interests	Total Equity	
	Non-distributable			Distributable					
	Share Capital RM'000	Share Premium RM'000	Revaluation Reserve RM'000	Foreign Exchange Reserve RM'000	Capital Redemption Reserve RM'000	Retained Earnings RM'000			Total RM'000
At 1 January 2007	275,707	57,251	144,888	(4,593)	19,048	75,779	568,080	44,458	612,538
Depreciation transfer on revalued hotel properties and exhibition centre & showroom and prepaid land lease payments	-	-	(1,863)	-	-	1,863	-	-	-
Transfer from deferred tax	-	-	2,179	-	-	(703)	1,476	-	1,476
Foreign exchange differences, representing net expense recognised in equity	-	-	-	(651)	-	-	(651)	-	(651)
Net transfers and profit recognised directly in equity	-	-	316	(651)	-	1,160	825	-	825
Net profit for the year	-	-	-	-	-	100,481	100,481	(673)	99,808
Total recognised income and expense for the year	-	-	316	(651)	-	101,641	101,306	(673)	100,633
At 31 December 2007	275,707	57,251	145,204	(5,244)	19,048	177,420	669,386	43,785	713,171
At 1 January 2008	275,707	57,251	145,204	(5,244)	19,048	177,420	669,386	43,785	713,171
Depreciation transfer on revalued hotel properties and exhibition centre & showroom and prepaid land lease payments	-	-	(1,401)	-	-	1,401	-	-	-
Transfer from deferred tax	-	-	-	-	-	-	-	-	-
Foreign exchange differences, representing net expense recognised in equity	-	-	-	(273)	-	-	(273)	-	(273)
Net transfers and profit recognised directly in equity	-	-	(1,401)	(273)	-	1,401	(273)	-	(273)
Net profit for the year	-	-	-	-	-	19,329	19,329	(2,380)	16,949
Total recognised income and expense for the year	-	-	(1,401)	(273)	-	20,730	19,056	(2,380)	16,676
At 30 September 2008	275,707	57,251	143,803	(5,517)	19,048	198,150	688,442	41,405	729,847

(The Unaudited Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements)

COUNTRY HEIGHTS HOLDINGS BERHAD (119416-K)

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT
For the Nine-Months Period Ended 30 September 2008

	CURRENT YEAR TO DATE 30-Sept-08 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30-Sept-07 RM'000 Restated
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	26,498	2,462
Adjustments for:		
Allowance for doubtful debts - Others	3,372	3,012
Allowance for doubtful debts written back	(380)	(1,619)
Amortisation of prepaid land lease payment	3,270	3,534
Bad debts written off	5,023	2,481
Depreciation of hotel properties and exhibition centre & showroom	3,157	2,452
Depreciation of other property, plant and equipment	6,022	12,890
Dividend income	(23)	(73)
Gain on disposal of Investment properties	-	(1,629)
Gain on disposal of property, plant & equipment	(77)	(109)
Impairment losses in value of other investments	150	(996)
Interest expense	20,543	38,492
Interest income	(863)	(1,367)
Loss on disposal of investment in associates	-	(75)
Loss/(Gain) on disposal of other investment	390	(2,169)
Net foreign exchange (gain)	(2)	-
Property, plant & equipment written off	2	2
Reversal of deferred income	(28)	-
Reversal of provision in diminution in investment, net	(123)	-
Share of results of associates	(350)	65
Operating profit/(loss) before working capital changes	66,581	57,353
Changes in working capital:		
Inventories	15,953	16,184
Property development costs	(51,388)	(1,071)
Receivables	10,200	(14,170)
Deferred income	1,278	4,869
Payables	215	(17,093)
Cash generated from/(used in) operations	42,839	46,072
Taxes paid	(2,221)	(910)
Interest paid	(7,563)	(15,092)
Net cash generated from/(used in) operating activities	33,055	30,070

COUNTRY HEIGHTS HOLDINGS BERHAD (119416-K)

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT
For the Nine-Months Period Ended 30 September 2008

	CURRENT YEAR TO DATE 30-Sept-08 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30-Sept-07 RM'000 Restated
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of other property, plant and equipment	(6,550)	(6,070)
Expenditure incurred on hotel properties and exhibition centre & showroom	(197)	(436)
Acquisition on investment properties	(2,803)	(45)
Investment in associates	-	(3,110)
Additional investment in other investments	(1,204)	(7,424)
Proceeds from disposal of other investments	3,399	14,764
Proceeds from disposal of other property, plant & equipment	228	121
Proceeds from disposal of investment properties	-	11,400
Proceeds from disposal of subsidiaries	-	960
Interest received	863	1,367
Net dividend received	19	34
Net cash (used in) / generated from investing activities	<u>(6,245)</u>	<u>11,561</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Bond interest expenses paid	(4,488)	(4,488)
Drawdown of golf membership loans	22	-
Repayment of term loans	(229)	(216)
Repayment of revolving credits	(6,766)	(4,800)
Hire purchase and lease creditors	(450)	(386)
Repayment of working capital	-	(2,740)
Repayment of Bank Guaranteed Commercial Paper/ Medium Term Notes	(60,000)	-
Drawdown of Bank Guaranteed Commercial Paper/ Medium Term Notes	10,000	3,000
Net cash use in financing activities	<u>(61,911)</u>	<u>(9,630)</u>
NET MOVEMENT IN CASH AND CASH EQUIVALENTS	(35,101)	32,001
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>45,115</u>	<u>35,154</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>10,014</u>	<u>67,155</u>
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Cash and bank balances	13,334	74,220
Bank Overdrafts	<u>(3,320)</u>	<u>(7,065)</u>
	<u>10,014</u>	<u>67,155</u>

(The Unaudited Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements)