



ORIENTAL INTEREST BERHAD

[Company No. 272144-M]

QUARTERLY REPORT

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The Board of Directors is pleased to announce the interim financial statements on consolidated results for the fourth quarter of financial year ended 30 June 2009.

Condensed consolidated income statements for the financial period ended 30 June 2009

[The figures have not been audited.]

	Individual Quarter		Cumulative Quarter	
	Current Year 4th Quarter 30/06/2009 RM'000	Preceding Year Corresponding 4th Quarter 30/06/2008 RM'000	Current Year To Date 30/06/2009 RM'000	Preceding Year Corresponding Period 30/06/2008 RM'000
Revenue	32,112	30,472	106,114	96,442
Cost of sales	(23,804)	(24,114)	(84,891)	(76,575)
Gross profit	8,308	6,358	21,223	19,867
Other income	521	1,354	3,135	5,442
Selling and marketing expenses	(444)	(783)	(2,501)	(3,888)
Administrative expenses	(2,992)	(2,228)	(9,028)	(10,635)
Other expenses	(1,985)	(2,270)	(3,514)	(3,784)
Operating profit	3,408	2,431	9,316	7,002
Finance costs	(0)	(5)	(2)	(9)
Share of results of an associate	759	725	2,398	2,804
Profit before taxation	4,167	3,151	11,711	9,797
Taxation	(1,022)	(642)	(2,446)	(1,817)
Profit for the period	3,145	2,509	9,265	7,980
Attributable to:				
Equity holders of the Company	3,736	2,215	8,656	6,543
Minority interests	(591)	294	609	1,437
	3,145	2,509	9,265	7,980
Earnings per share attributable to equity holders of the Company:				
- Basic (sen)	4.12	2.45	9.56	7.23
- Diluted (sen)	N/A	2.45	N/A	7.19

The condensed consolidated income statements should be read in conjunction with the annual financial report for the financial year ended 30 June 2008.



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Condensed consolidated balance sheet as at 30 June 2009

[The figures have not been audited.]

	30/06/2009 RM'000	30/06/2008 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	25,760	27,722
Land held for property development	9,162	9,228
Investment properties	3,257	3,342
Biological assets	404	424
Prepaid lease payments	13,964	14,196
Investment in associate	17,767	15,369
Deferred tax assets	3,954	3,258
	<u>74,268</u>	<u>73,539</u>
Current assets		
Property development cost	89,897	81,337
Inventories	8,320	10,244
Developed Properties	5,498	5,521
Trade receivables	43,113	46,807
Other receivables	24,068	31,068
Current tax recoverable	3,546	3,808
Fixed deposits held as security for trade facilities	18	18
Fixed deposits with licensed banks	39,716	40,002
Cash and bank balances	25,822	20,792
	<u>239,998</u>	<u>239,597</u>
TOTAL ASSETS	<u><u>314,266</u></u>	<u><u>313,136</u></u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	90,545	90,545
Reserves	183,775	181,910
	<u>274,320</u>	<u>272,455</u>
Minority interests	20,152	19,875
Total equity	<u>294,472</u>	<u>292,330</u>
Non-current liabilities		
Deferred tax liabilities	892	995
Provision for property development	531	-
	<u>1,423</u>	<u>995</u>
Current liabilities		
Trade payables	11,195	15,134
Other payables	6,009	4,420
Provision for property development	557	-
Current tax payable	610	257
	<u>18,371</u>	<u>19,811</u>
Total liabilities	<u>19,794</u>	<u>20,806</u>
TOTAL EQUITY AND LIABILITIES	<u><u>314,266</u></u>	<u><u>313,136</u></u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	3.03	3.01

The condensed consolidated balance sheet should be read in conjunction with the annual financial report for the financial year ended 30 June 2008.



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**Condensed consolidated statement of changes in equity
for the financial period ended 30 June 2009**

[The figures have not been audited.]

	---Attributable to Equity Holders of the Company---				Minority interests RM'000	Total equity RM'000
	Share capital RM'000	Non-distributable		Total RM'000		
		Share premium RM'000	Distributable Retained earnings RM'000			
At 1 July 2007	90,539	184	181,791	272,514	21,165	293,679
Profit for the period	-	-	6,543	6,543	1,437	7,980
Total recognised income and expense for the period	-	-	6,543	6,543	1,437	7,980
Dividend paid						
- first and final in respect of preceding financial year	-	-	(6,610)	(6,610)	-	(6,610)
- interim in respect of current financial year	-	-	-	-	(177)	(177)
Issuance of ordinary shares:						
- exercise of share options	6	2	-	8	-	8
Payment of reduction of share capital to minority interests	-	-	-	-	(2,550)	(2,550)
	6	2	(6,610)	(6,602)	(2,727)	(9,328)
At 30 June 2008	90,545	186	181,724	272,455	19,875	292,330
At 1 July 2008	90,545	186	181,724	272,455	19,875	292,330
Profit for the period	-	-	8,656	8,656	609	9,265
Total recognised income and expense for the period	-	-	8,656	8,656	609	9,265
Dividend paid						
- first and final in respect of preceding financial year	-	-	(6,791)	(6,791)	-	(6,791)
- interim in respect of current financial year	-	-	-	-	(332)	(332)
	-	-	(6,791)	(6,791)	(332)	(7,123)
At 30 June 2009	90,545	186	183,589	274,320	20,152	294,472

The condensed consolidated statement of changes in equity should be read in conjunction with the annual financial report for the financial year ended 30 June 2008.

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**Condensed consolidated cash flow statement
for the financial period ended 30 June 2009**

[The figures have not been audited.]

	Period Ended	
	30/06/2009 RM'000	30/06/2008 RM'000
Cash flows from operating activities		
Cash generated from operations	11,852	16,796
Income tax paid	(3,061)	(4,133)
Income tax refunded	431	1,592
	<hr/>	<hr/>
Net cash generated from operating activities	9,222	14,255
Cash flows from investing activities		
Interest received	1,602	1,899
Dividends received	-	3,500
Proceeds from sale of property, plant and equipment	2,011	529
Additions to property, plant and equipment	(937)	(629)
Additions to land held for property development	(29)	(230)
Additions to biological assets	-	(53)
	<hr/>	<hr/>
Net cash generated from investing activities	2,647	5,016
Cash flows from financing activities		
Proceeds from issuance of ordinary shares:		
- exercise of share options	-	8
Interest paid	(2)	(9)
Dividend paid to minority interests	(332)	(177)
Dividend paid to Company's shareholders	(6,791)	(6,610)
Payment of reduction of share capital to minority interests	-	(2,550)
	<hr/>	<hr/>
Net cash used in financing activities	(7,125)	(9,338)
Net change in cash and cash equivalents during the financial period	<hr/>	<hr/>
	4,744	9,933
Cash and cash equivalents		
- at the beginning of the period	60,794	50,861
	<hr/>	<hr/>
- at the end of the period	65,538	60,794
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The condensed consolidated cash flow statement should be read in conjunction with the annual financial report for the financial year ended 30 June 2008.



Notes to the quarterly report - 30 June 2009

A. Selected Explanatory Notes to the Interim Financial Statements as required under FRS 134

[The figures have not been audited.]

A.1. Basis of Preparation

The interim financial statements have been prepared in accordance with Financial Reporting Standards ("FRS") 134 "Interim Financial Reporting" and Paragraph 9.22 of Listing Requirements of Bursa Malaysia Securities Berhad, and should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2008.

A.2. Audit report of the Company for the preceding annual financial statements

There was no qualification on the report of the auditors on the annual financial statements of the Company for the immediate preceding financial year.

A.3. Seasonal or Cyclical Factors

Seasonal or cyclical factors do not have any material impact on the Group's business operations.

A.4. Exceptional and Extraordinary Items

There were no exceptional and extraordinary items for the financial period under review.

A.5. Changes in Estimates

There were no material changes in estimates of amounts reported in prior interim periods of the current financial year or changes in estimates of amounts reported in prior financial years.

A.6. Debt and Equity Securities

There were no issuance and/or repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current financial year to date.

A.7. Dividend Paid

The first and final ordinary dividend of 10% (10 sen) gross per ordinary share, less 25% income tax (7.50 sen per share net), amounting to RM6.791 million in respect of preceding financial year ended 30 June 2008, approved by the members at the Annual General Meeting of the Company held on 30 October 2008, had been paid on 28 November 2008.

A.8. Valuation of Property, Plant and Equipment

The valuations of property, plant and equipment have been brought forward without any amendments from the previous annual financial statements.

A.9. Material Events Subsequent to the Interim Reporting Period

There were no material events that have arisen subsequent to the end of the interim reporting period, which have not been reflected in the interim financial statements.

A.10. Changes in the Composition of the Group

On 1 April 2009, the Company acquired 8 ordinary shares of RM1.00 each representing 80% of the issued and paid-up capital of OIB Foods & Beverages Sdn. Bhd. ("OIB F&B") for a total cash consideration of RM10,000.

OIB F&B has two wholly-owned subsidiaries namely OIB Recipe Sdn. Bhd. ("OIB Recipe") and OIB Confectionery Sdn. Bhd. ("OIB Confectionery"). All these companies are dormant at present.

The acquisition does not have any material impact on the financial position of the Group as of end of reporting period and of its financial performance and cashflows for the interim reporting period then ended.



Notes to the quarterly report - 30 June 2009

A.11. Segmental Reporting

	Property Development RM'000	Manufacturing RM'000	Others RM'000	Eliminations RM'000	Consolidated RM'000
Current period ended					
30 June 2009					
Revenue	125,239	31,442	1,499	(52,066)	106,114
Intra-segment revenue	(47,065)	(4,669)	-	51,734	-
Inter-segment revenue	-	-	(332)	332	-
External revenue	<u>78,174</u>	<u>26,773</u>	<u>1,167</u>	<u>-</u>	<u>106,114</u>
Segment result	8,949	(401)	(125)	-	8,423
Unallocated income					1,029
Unallocated expenses					(137)
Operating profit					<u>9,315</u>
Finance costs					(2)
Share of results of an associate			2,398		2,398
Profit before taxation					<u>11,711</u>
Corresponding period ended					
30 June 2008					
Revenue	91,672	38,089	10,748	(44,067)	96,442
Intra-segment revenue	(29,599)	(5,103)	(4,102)	38,804	-
Inter-segment revenue	-	-	(5,263)	5,263	-
External revenue	<u>62,073</u>	<u>32,986</u>	<u>1,383</u>	<u>-</u>	<u>96,442</u>
Segment result	7,985	(1,361)	165		6,789
Unallocated income					377
Unallocated expenses					(164)
Operating profit					<u>7,002</u>
Finance costs					(9)
Share of results of an associate			2,804		2,804
Profit before taxation					<u>9,797</u>

A.12. Contingent Liabilities

There were no contingent liabilities required for the Group as at 14 August 2009, the latest practicable date which is not earlier than 7 days from the date of issuance of this interim financial statements and there were no changes in contingent liabilities since the last annual balance sheet date.



Notes to the quarterly report - 30 June 2009

B. Additional Information required by the Bursa Malaysia Securities Listing Requirements in relation to the issuance of the Interim Financial Statements

[The figures have not been audited.]

B.1. Review of Performance of the Company and its Principal Subsidiaries

For the financial quarter under review, the Group reported revenue of RM32.112million and profit before taxation of RM4.167million, representing a rise of 5% and 32% respectively compared with the corresponding quarter. In addition to reversal of gain on disposal of development land of RM1.174million, recognized in prior financial year, charged in the corresponding quarter, improvement in results was also mainly achieved through higher progress billings generated by Property Division.

Meanwhile, associated company, Brilliant Delta, continued to contribute consistently to the Group's results, with the share of profit attributed to the Group increased by 5% compared with the corresponding quarter.

B.2. Material Changes in the Quarterly Results as compared with the Preceding Quarter

Revenue and profit before taxation registered by the Group were higher by 41% and 139% respectively compared with the immediate preceding quarter. Property Division recorded a similar increase in billings of 42%, while its profit before taxation rose tremendously by more than 15 times, mainly attributable to favourable revision in profit margins for completed projects and those in advanced stage of its development cycle. Although sales of Manufacturing Division was 39% higher, its results dropped by more than 8 times and experiencing a loss before taxation of RM0.492million, principally due to loss on foreign exchange coupled with decrease in profit margin.

Share of profit from associated company reduced by 36% mainly caused by lower progress billings from its housing project compared with the immediate preceding financial quarter.

B.3. Prospects for the Current Financial Year

Noted from various sources, global and local economy may take up to between 12 and 18 months before full recovery from its down turn. Therefore, it is expected that most people would remain cautious with venturing into capital expenditure and financial commitment. Nevertheless, there would still be demand for certain segments within the property market, particularly those purchasing for self occupation. As the Group has always focusing on developing affordable owner occupants property market, in the opinion of the Board, the operations of the Group is expected to be profitable for the current financial year ending 30 June 2010.

B.4. Variance of Actual Profit from Forecast Profit

Not applicable. The Group has not given any profit forecast nor profit guarantee in respect of any corporate proposals.

B.5. Taxation

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year Corresponding	Current Year	Preceding Year Corresponding
	4th Quarter	4th Quarter	To Date	Period
	30/06/2009	30/06/2008	30/06/2009	30/06/2008
	RM'000	RM'000	RM'000	RM'000
Malaysian income tax based on the profit for the financial period	1,412	219	3,659	2,416
Transfer to/(from) deferred taxation	(635)	652	(770)	(332)
Taxation (over)/underprovided in respect of prior financial periods	245	(229)	(443)	(267)
	<u>1,022</u>	<u>642</u>	<u>2,446</u>	<u>1,817</u>



Notes to the quarterly report - 30 June 2009

B.5. Taxation [continued]

The Group's effective tax rate for the reporting quarter is slightly lower than the statutory tax rate mainly due to additional recognition of deferred tax assets in respect of prior financial periods.

B.6. Profits on Sale of Investments and/or Properties

There were no disposals of investments or properties outside the ordinary course of business of the Group for the current financial year to date.

B.7. Quoted Securities

There were no purchases or disposals of quoted securities for the current financial year to date. The Group did not have any investment in quoted securities as at the end of the reporting period.

B.8. Status of Corporate Proposals

There are no corporate proposals that have been announced but not completed as at 14 August 2009, the latest practicable date which is not earlier than 7 days from the date of issuance of this interim financial statements.

B.9. Group Borrowings and Debt Securities

The Group did not have any borrowings nor debt securities as at the end of the reporting period.

B.10. Off Balance Sheet Financial Instruments

There were no financial instruments with off balance sheet risk as at 14 August 2009, the latest practicable date which is not earlier than 7 days from the date of issuance of this interim financial statements.

B.11. Changes in Material Litigation

There were no pending material litigation as at 14 August 2009, the latest practicable date which is not earlier than 7 days from the date of issuance of this interim financial statements.

B.12. Dividend

(a) (i) The Board of Directors is pleased to recommend the payment of a first and final ordinary dividend of 10% per share, less 25% income tax, in respect of financial year ended 30 June 2009, which is subject to the approval of members at the forthcoming Annual General Meeting of the Company;

(ii) The gross amount per share is 10 sen, less 25% income tax (7.50 sen per share net);

(iii) For the previous corresponding period, the gross amount per share of the first and final ordinary dividend paid was 10 sen, less 25% income tax (7.50 sen per share net);

(iv) Payment date for the aforesaid first and final dividend has yet to be determined; and

(v) In respect of deposited securities, entitlement to the aforesaid first and final dividend will be determined on the basis of the record of depositors at a date to be fixed.

(b) The total gross dividend per share for the current financial year ended 30 June 2009 is 10 sen , less 25% income tax (7.50 sen per share net).



Notes to the quarterly report - 30 June 2009

B.13. Earnings Per Share ("EPS")

	Individual Quarter		Cumulative Quarter	
	Current Year 4th Quarter 30/06/2009 RM'000	Preceding Year Corresponding 4th Quarter 30/06/2008 RM'000	Current Year To Date 30/06/2009 RM'000	Preceding Year Corresponding Period 30/06/2008 RM'000
(a) Basic				
Profit attributable to ordinary equity holders of the Company	<u>3,736</u>	<u>2,215</u>	<u>8,656</u>	<u>6,543</u>
Number of ordinary shares in issue at beginning of the period ('000)	90,545	90,545	90,545	90,539
Effect of shares issued pursuant to Company's ESOS ('000)	-	-	-	6
Weighted average number of ordinary shares outstanding ('000)	<u>90,545</u>	<u>90,545</u>	<u>90,545</u>	<u>90,545</u>
Basic EPS (sen)	<u>4.13</u>	<u>2.45</u>	<u>9.56</u>	<u>7.23</u>

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

(b) Diluted

Profit attributable to ordinary equity holders of the Company	<u>3,736</u>	<u>2,215</u>	<u>8,656</u>	<u>6,543</u>
Weighted average number of ordinary shares outstanding ('000)	90,545	90,545	90,545	90,545
Adjustment per share options ('000)	(1,176)	33	(865)	430
Weighted average number of ordinary shares outstanding after adjustment for the effect of all dilutive potential ordinary shares ('000)	<u>89,369</u>	<u>90,578</u>	<u>89,680</u>	<u>90,975</u>
Diluted EPS (sen)	<u>N/A</u> *	<u>2.45</u>	<u>N/A</u> *	<u>7.19</u>

For the purpose of calculating diluted earnings per share, weighted average number of ordinary shares in issued during the financial period is adjusted for the dilutive effects of all potential ordinary shares. The Company has only one category of dilutive potential ordinary shares, which are share options granted to employees pursuant to ESOS.

* No computation of diluted earnings per share in respect of the above-mentioned financial periods were made as the potential ordinary shares were anti-dilutive.

By order of the Board

Lam Voon Kean (MIA 4793)
[Company Secretary]

20 August 2009