

PASDEC HOLDINGS BERHAD
Company no: 367122-D
(Incorporated in Malaysia)

Interim Financial Statements
31 March 2009

PASDEC HOLDINGS BERHAD

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED INCOME STATEMENTS
For the Quarter Ended 31 March 2009**

	INDIVIDUAL QUARTER 3 months ended		CUMULATIVE QUARTER 3 months ended	
	31.3.2009 RM'000	31.3.2008 RM'000	31.3.2009 RM'000	31.3.2008 RM'000
Revenue	17,687	21,315	17,687	21,315
Cost of sales	(12,896)	(12,569)	(12,896)	(12,569)
Gross Profit	4,791	8,746	4,791	8,746
Other income	1,458	5,019	1,458	5,019
Finance Income	835	120	835	120
Other expenses	(4,467)	(5,209)	(4,467)	(5,209)
Finance costs	(1,912)	(2,210)	(1,912)	(2,210)
Share of losses of associates	(381)	(113)	(381)	(113)
Profit before tax	324	6,353	324	6,353
Taxation	(730)	(441)	(730)	(441)
(Loss)/profit for the period	(406)	5,912	(406)	5,912
Attributable to:				
Equity holders of the parent	(123)	6,231	(123)	6,231
Minority interest	(283)	(319)	(283)	(319)
	(406)	5,912	(406)	5,912
Earnings per share attributable to equity holders of the parent (Sen)				
Basic	(0.06)	3.03	(0.06)	3.03
Diluted	NA	NA	NA	NA
Dividend per share (Sen)	-	-	-	-

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

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Condensed Consolidated Balance Sheet As at 31 March 2009

	Unaudited 31.3.2009 RM'000	Audited 31.12.2008 RM'000
ASSETS		
Non Current Assets		
Property, plant and equipment	20,865	21,171
Prepaid lease land	81	82
Investment property	7,344	7,516
Land held for development	143,723	143,720
Investment in associates	3,303	3,378
Other investments	44,792	46,202
Intangible assets	823	823
	<hr/> 220,931 <hr/>	<hr/> 222,892 <hr/>
Current Assets		
Development properties	165,320	164,918
Inventories	31,054	11,610
Trade receivables	47,792	68,205
Other receivables	26,079	16,977
Deposit, cash and bank balances	18,378	25,176
	<hr/> 288,623 <hr/>	<hr/> 286,886 <hr/>
TOTAL ASSETS	<hr/> 509,554 <hr/>	<hr/> 509,778 <hr/>
EQUITY AND LIABILITIES		
Equity attributable to equity holder of the parent		
Share capital	205,978	205,978
Share premium	43,008	43,008
Retained earnings	101,290	101,413
	<hr/> 350,276 <hr/>	<hr/> 350,399 <hr/>
Minority interest	8,292	8,575
Total Equity	<hr/> 358,568 <hr/>	<hr/> 358,974 <hr/>

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**Condensed Consolidated Balance Sheet
As at 31 March 2009**

	Unaudited 31.3.2009 RM'000	Audited 31.12.2008 RM'000
Non Current Liabilities		
Deferred tax liabilities	316	316
Retirement benefits	2,576	2,358
Rainbow Exchangeable Bonds	46,000	46,000
Redemption Premium	5,914	5,257
Borrowings	13,087	6,752
	<u>67,893</u>	<u>60,683</u>
Current Liabilities		
Retirement benefits	284	284
Borrowings	34,273	41,980
Trade payables	29,516	30,420
Other payables	18,752	16,428
Current tax liabilities	268	1,009
	<u>83,093</u>	<u>90,121</u>
Total Liabilities	<u>150,986</u>	<u>150,804</u>
TOTAL EQUITY AND LIABILITIES	<u>509,554</u>	<u>509,778</u>
Net assets per share (RM)	1.70	1.70

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

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**Condensed Consolidated Statement of Changes in Equity
For the Period Ended 31 March 2009**

	---Attributable to the holders of the parent---				Minority interest RM'000	Total RM'000
	-----Non distributable-		Distributable			
	Share capital RM'000	Share premium RM'000	Retained earnings RM'000	Total RM'000		
1 January 2009	205,978	43,008	101,413	350,399	8,575	358,974
Loss for the period	-	-	(123)	(123)	(283)	(406)
31 March 2009	205,978	43,008	101,290	350,276	8,292	358,568
1 January 2008	205,978	43,008	105,113	354,099	10,447	364,546
Profit /(loss) for the period	-	-	6,231	6,231	(319)	5,912
31 March 2008	205,978	43,008	111,344	360,330	10,128	370,458

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

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**Condensed Consolidated Cash Flow Statement
For the Period Ended 31 March 2009**

	CUMULATIVE QUARTER	
	31.3.2009	31.3.2008
	RM'000	RM'000
Net cash used in operating activities	(9,496)	(12,743)
Net cash generated from investing activities	2,945	7,679
Net cash (used in)/generated from financing activities	(551)	4,033
NET DECREASE IN CASH AND CASH EQUIVALENTS	(7,102)	(1,031)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF FINANCIAL PERIOD	1,053	7,959
CASH AND CASH EQUIVALENTS AT THE END OF FINANCIAL PERIOD	(6,049)	6,928
Represented by:		
Deposit, cash and bank balances	18,378	28,075
Bank overdrafts (included within short term borrowing in note 22)	(24,427)	(21,147)
	(6,049)	6,928

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

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Explanatory Notes Pursuant to FRS 134 : Interim Financial Reporting and Listing Requirements of Bursa Malaysia Securities Berhad

1 Basis of preparation

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.

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

2 Auditors' report on preceding annual financial statements

The auditors' report on the financial statement for the year ended 31 December 2008 was not qualified.

3 Seasonal or cyclical factors

The Group's performance is not materially subject to seasonal or cyclical fluctuations.

4 Unusual items due to their nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group for the current quarter under review.

5 Changes in estimates

There were no material changes in estimates that have had a material effect in the current quarter results.

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6 Issuance or repayment of debt and equity securities

There were no issuance, cancellations, repurchases, resale, and repayment of debts and equity securities for the current quarter.

7 Valuation of property, plant and equipment

There was no valuation of property, plant and equipment conduct during the period for the Group.

8 Dividend paid

There was no dividend paid during the quarter ended 31 March 2009.

9 Segmental information

The segment information by activities for the Company and its subsidiaries for the current quarter is as follows:-

	CUMULATIVE QUARTER 3 months ended 31.3.2009 RM'000	CUMULATIVE QUARTER 3 months ended 31.3.2008 RM'000
Segment revenue		
Investment holding and provision of management services	172	145
Property development	14,356	17,610
Construction	1,153	1,358
Trading in building materials	1,789	1,967
Bricks manufacturing	659	426
	18,129	21,506
Elimination	(442)	(191)
Total revenue	17,687	21,315

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Segment results

Investment holding and provision of management services	310	53
Property development	3,716	4,251
Construction	(397)	(47)
Trading in building materials	(98)	62
Bricks manufacturing	(158)	(98)
Others	-	4,993
Sub total	3,373	9,214
Finance cost	(1,912)	(2,210)
Share of losses from associates	(381)	(113)
Sub total	(2,293)	(2,323)
Elimination	(756)	(538)
Profit before tax	324	6,353

10 Subsequent event

There were no material events subsequent to the end of the current quarter.

11 Changes in the composition of the Group

There were no changes in the composition of the Group for the quarter under review.

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12 Contingent liabilities

Contingent liabilities of the Group comprise of the following:-

	As at 31.3.2009 RM'000	As at 31.3.2008 RM'000
Bank guarantee	283	283
Performance bond	210	210
Total	493	493

13 Capital commitments

The Group did not have any capital commitment for the interim financial statement as at 31 March 2009.

14 Review of performance

The Group recorded revenue of RM17.69 million for the quarter under review, representing a decrease of 17% over the previous year corresponding quarter of RM21.32 million. The decrease is mainly due to low contribution of Group's property development sector.

15 Review of current quarter profitability against preceding quarter

	Current Quarter 31.3.2009 RM'000	Preceding Quarter 31.12.2008 RM'000
Turnover	17,687	18,016
Profit/(loss) before tax	324	(61)

During the quarter under review, the Group recorded pre-tax profit of RM324,144 as compared to loss of RM61,477 reported in the immediate preceding quarter mainly due to provision for doubtful debts and provision for impairment losses in inventories made during the preceding quarter.

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16 Prospects for the current financial year

Barring any unforeseen circumstances, the Board expects the Group's performance to be satisfactory for the remaining period of the financial year ending 31 December 2009.

17 Profit forecast and profit guarantee

The Group has not provided any profit forecast or profit guarantee in a public document.

18 Taxation

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	3 months ended		3 months ended	
	31.3.2009	31.3.2008	31.3.2009	31.3.2008
	RM'000	RM'000	RM'000	RM'000
Malaysian tax: - current year	730	441	730	441

The effective tax rate for the quarter is higher than the statutory tax rate mainly due to the disallowance for tax purposes of certain expenses, in addition to losses incurred by certain subsidiaries, which are not eligible as group relief.

19 Profit on sale of unquoted investments and/or properties

There was no disposal of unquoted investments or properties held as fixed assets for the financial period to date.

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20 Purchase/disposal of quoted securities

There were no purchase and disposal of quoted securities for the financial period ended 31 March 2009.

Total investment in quoted securities as at 31 March 2009 is as follows:-

	RM'000
At cost	44,675
At carrying value	43,909
At market value	72,923

21 Corporate proposals

There was no corporate proposal announced and pending completion during the quarter under review.

22 Group borrowings and debt securities

The Group exposures in borrowings are as follows:

	As at 31.3.2009 RM'000	As at 31.3.2008 RM'000
Short term borrowings		
- secured	33,937	34,957
- unsecured	336	679
Total short term borrowings	34,273	35,636
Long term borrowings		
- secured	64,466	61,411
- unsecured	535	114
Total short term borrowings	65,001	61,525
Total borrowings	99,274	97,161

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23 Off balance sheet financial instruments

There were no financial instruments with material off balance sheet risk at the date of this report.

24 Material litigation

There was no material litigation involving the Group at the date of this report.

25 Dividends proposed

No dividend was declared during the quarter under review.

26 Earnings per share

	INDIVIDUAL QUARTER 3 months ended		CUMULATIVE QUARTER 3 months ended	
	31.3.2009	31.3.2008	31.3.2009	31.3.2008
Basic earnings per share				
(Loss)/profit attributable to the equity holder of the parent RM'000	<u>(123)</u>	<u>6,231</u>	<u>(123)</u>	<u>6,231</u>
Number of shares at the beginning of the period Unit ('000)	<u>205,978</u>	<u>205,978</u>	<u>205,978</u>	<u>205,978</u>
Basic earnings per share (Sen)	<u>(0.06)</u>	<u>3.03</u>	<u>(0.06)</u>	<u>3.03</u>