

CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE SECOND QUARTER ENDED 30 JUNE 2009
(The figures have not been audited)

	Individual Quarter		Cumulative Quarter	
	Preceding Year		Preceding Year	
	Current Year Quarter 30.06.2009	Corresponding Quarter 30.06.2008	Current Year To Date 30.06.2009	Corresponding Period 30.06.2008
	RM'000	RM'000	RM'000	RM'000
Revenue	17,201	15,848	35,023	30,743
Cost of sales	(2,242)	(2,463)	(5,610)	(3,892)
Gross profit	<u>14,959</u>	<u>13,385</u>	<u>29,413</u>	<u>26,851</u>
Other income	225	423	463	574
Staff Costs	(4,519)	(4,290)	(9,099)	(7,825)
Depreciation	(1,085)	(1,021)	(2,172)	(2,031)
Operating expenses	(4,425)	(3,901)	(7,418)	(6,924)
Profit from operations	<u>5,155</u>	<u>4,596</u>	<u>11,187</u>	<u>10,645</u>
Financing Cost	(3)	-	(6)	-
Share of profit/(loss) of an associate	97	(427)	781	(577)
Profit before tax	<u>5,249</u>	<u>4,169</u>	<u>11,962</u>	<u>10,068</u>
Taxation	(1,783)	(1,495)	(3,317)	(3,147)
Net profit for the period	<u><u>3,466</u></u>	<u><u>2,674</u></u>	<u><u>8,645</u></u>	<u><u>6,921</u></u>
Attributable to :				
Equity holders of the parents	2,584	2,143	6,571	5,350
Minority interest	882	531	2,074	1,571
Net profit for the period	<u><u>3,466</u></u>	<u><u>2,674</u></u>	<u><u>8,645</u></u>	<u><u>6,921</u></u>
Earnings per share attributable to equity holders of the parent				
Basic earnings per share (sen) *	<u><u>0.39</u></u>	<u><u>0.33</u></u>	<u><u>1.00</u></u>	<u><u>0.81</u></u>

* In order to provide a comparable results, the corresponding period and quarter's earnings per share has been calculated base on the number of shares in issue after the bonus issue and share split exercise during the year.

The Condensed Consolidated Income Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2008 and the accompanying explanatory notes attached to the financial statements.

PROGRESSIVE IMPACT CORPORATION BERHAD
(Company No. 203352-V)

CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 30 JUNE 2009
(The figures have not been audited)

	As At End Of Current Quarter 30.06.2009 RM'000	(Audited) As At Preceding Financial Year End 31.12.2008 RM'000
ASSETS		
Non - Current assets		
Property, plant and equipment	23,948	25,528
Concession asset under construction	26,473	28,081
Investment properties	4,110	4,110
Investment in associate	8,914	8,133
Prepaid lease payment	413	425
Intangible assets	16,163	16,163
	80,021	82,440
Current assets		
Inventories	3,337	2,566
Trade receivables	21,539	19,746
Other receivables	15,364	7,437
Tax recoverable	2,235	2,282
Investment in unit trusts	20	20
Cash and cash equivalents	19,417	24,899
	61,912	56,950
TOTAL ASSETS	141,933	139,390
EQUITY AND LIABILITIES		
Equity attributable to the equity holders of the parent		
Share capital	65,800	65,800
Share Premium	170	170
Other reserves	1,447	1,936
Retained earnings	19,949	16,586
	87,366	84,492
Minority interest	16,697	14,286
Total equity	104,063	98,778
Non Current Liabilities		
Long term borrowings	13,299	14,049
Deferred taxation	4,017	4,017
	17,316	18,066
Current liabilities		
Trade payables	11,516	13,656
Other payables	6,509	7,322
Short term borrowings	54	86
Taxation	2,475	1,482
	20,554	22,546
Total Liabilities	37,870	40,612
TOTAL EQUITY AND LIABILITIES	141,933	139,390
Net assets per share attributable to equity holders of the parent (RM)	0.13	0.90

The Condensed Consolidated Balance Sheets should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2008 and the accompanying explanatory notes attached to the financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SECOND QUARTER ENDED 30 JUNE 2009
(The figures have not been audited)

	Non Distributable			Distributable	Total RM'000	Minority Interest RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Other Reserves RM'000	Retained Profits RM'000			
At 1 January 2008	47,000	170	1,296	29,569	78,035	7,406	85,441
Foreign exchange reserve	-	-	489	(372)	117	414	531
Expenses for bonus issue and share split exercise	-	(27)	-	-	(27)	-	(27)
Net expenses recognised directly in equity	-	(27)	489	(372)	90	414	504
Profit for the year	-	-	-	5,350	5,350	1,571	6,921
Total recognised income and expenses for the period	-	(27)	489	4,978	5,440	1,985	7,425
Minority interest of subsidiary acquired	-	-	-	-	-	4,913	4,913
Bonus issue & share split	18,800	-	-	(18,800)	-	-	-
Dividend	-	-	-	(3,506)	(3,506)	(342)	(3,848)
At 30 June 2008	65,800	143	1,785	12,241	79,969	13,962	93,931
At 1 January 2009	65,800	170	1,936	16,586	84,492	14,286	98,778
Foreign exchange reserve	-	-	(489)	-	(489)	337	(152)
Expenses for bonus issue and share split exercise	-	-	-	-	-	-	-
Net expenses recognised directly in equity	-	-	(489)	-	(489)	337	(152)
Profit for the period	-	-	-	6,571	6,571	2,074	8,645
Total recognised income and expense for the period	-	-	(489)	6,571	6,082	2,411	8,493
Bonus issue & share split	-	-	-	-	-	-	-
Dividend	-	-	-	(3,208)	(3,208)	-	(3,208)
At 30 June 2009	65,800	170	1,447	19,949	87,366	16,697	104,063

The Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2008.

PROGRESSIVE IMPACT CORPORATION BERHAD
(Company No. 203352-V)

CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE SECOND QUARTER ENDED 30 JUNE 2009
(Unaudited)

	Cumulative Current Year Quarter 30.06.2009 RM'000	Cumulative Preceding Year Period 30.06.2008 RM'000
Net cash outflow from operating activities	(2,242)	(4,264)
Net cash outflow from investing activities	-	(18,470)
Net cash outflow from financing activities	(3,240)	-
Net decrease in cash and cash equivalents	<u>(5,482)</u>	<u>(22,734)</u>
Cash and cash equivalents at 1 January 2009/2008	24,899	39,515
Cash and cash equivalents at 30 June 2009/2008	<u><u>19,417</u></u>	<u><u>16,781</u></u>

Notes :

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statement for the financial year ended 31 December 2008 and the accompanying explanatory notes attached to the financial statements.

SELECTED EXPLANATORY NOTES

1. Accounting Policies and Methods of Computation

The interim financial statements are unaudited and have been prepared in accordance with 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 financial 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 financial year ended 31 December 2008.

2. Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended 31 December 2008.

3. Audit Report

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

4. Seasonality or Cyclicity

The Group's performance is not affected by any seasonal or cyclical factors.

5. Unusual Items due to their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period ended 30 June 2009.

6. Issuance, Cancellations, Repurchases, Resale and Repayments of Debt and Equity Securities

There was no issuance, cancellations, repurchases, resale and repayment of debt and equity securities in the current period to date under review.

7. Dividends

The Board of Directors has on 4th August 2009 approved the payment of an interim dividend of 0.55 sen per share less tax at 25% to be paid on 28th August 2009 to all shareholders on the Register of Members at the close of business at 19th August 2009. The proposed dividend shall be reflected in the third quarter results.

SELECTED EXPLANATORY NOTES

8. Segmental Information

(a) Business Segments

Segmental information is presented in respect of the Group's business segments:-

	<u>Environmental Consulting & Eng. Services</u>	<u>Laboratory Testing Services</u>	<u>Waste Management Engineering</u>	<u>Others*</u>	<u>Elimination</u>	<u>Cumulative Quarter ended 30.06.2009</u>
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Segment Revenue						
External revenue	22,107	11,231	1,685	-	-	35,023
Inter- segment revenue	-	1,890	-	-	(1,890)	-
Total revenue	<u>22,107</u>	<u>13,121</u>	<u>1,685</u>	<u>-</u>	<u>(1,890)</u>	<u>35,023</u>
Segment Results						
Segment results/ Profit from operations	7,837	6,015	143	(2,033)	-	11,962
(Financing cost)/ profit from deposits, net	-	-	-	-	-	-
Taxation						<u>(3,317)</u>
Profit After Taxation						8,645
Minority Interest						<u>(2,074)</u>
Net profit for the year						<u>6,571</u>

* The segment denotes as "others" includes the results of Progressive Impact Corporation Berhad ("the Company") and an investment holding subsidiary.

9. Valuation of Property, Plant and Equipment

Freehold and leasehold land and buildings are stated at valuation. Revaluations were made based on a valuation by an independent valuer on an open market value basis.

10. Subsequent Events

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

11. Change In The Composition of The Group

There was no change in the composition of the Group for the current quarter since the 1st Quarter ended 31 March 2009.

12. Contingent Liabilities and Contingent Assets

There were no material changes in contingent liabilities and contingent assets of a material nature since the last audited financial statements for the financial year ended 31 December 2008.

13. Capital Commitments

Total outstanding approved capital commitments not contracted for at the end of the current quarter is RM3.0 million.

SELECTED EXPLANATORY NOTES

ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES

1. Performance Review

For the second quarter ended 30 June 2009, the Group recorded a revenue of RM17.2 million which is 3% lower as compared to the first quarter ended 31 March 2009 of RM17.8 million but 9% higher as compared to the preceding year corresponding period ended 30 June 2008 of RM15.8 million. The increase is mainly contributed by the increase of sales by the operations in Saudi Arabia.

For the second quarter ended 30 June 2009, the Group's profit before tax (PBT) was RM5.2 million which is 22% lower as compared to the first quarter ended 31 March 2009 of RM6.7 million but 26% higher as compared to the preceding corresponding period ended 30 June 2008 of RM4.2 million. The decrease was mainly due to the increase of administrative costs and lower revenue recorded in current period as compared to the immediate preceding quarter.

2. Comment on Material Change in Profit Before Taxation

There is no material change in the profit before taxation for the quarter reported as compared with the immediate preceding quarter.

3. Commentary On Prospects

With the continuous improvement towards environmental awareness by all the relevant parties in the industries, the performance outlook for year 2009 is envisaged to be favourable.

The Group is also expected to improve upon its results through increased efficiency in the Group's operation.

4. Taxation

	6 months ended	
	30.06.09	30.06.08
	RM'000	RM'000
Taxation comprise the following :		
Current tax :		
- Malaysia Income Tax	2,760	3,092
- Foreign Tax	557	55
Tax expense	<u>3,317</u>	<u>3,147</u>

The effective tax rate for the quarter under review was 28% which is slightly higher as compared to the current statutory rate.

5. Sale of Unquoted Investments and/or Properties

There were no sale of unquoted investments and/or properties for the current quarter and financial year to date.

6. Purchase or Disposal of Quoted Securities

(a) There were no purchases or disposals of quoted securities for the current quarter under review.

(b) There were no investments in quoted securities as at the end of the reporting period.

SELECTED EXPLANATORY NOTES

7. Corporate Proposals

Status of Corporate Proposal

There were no corporate proposals announced from the date of the last quarter report to the date of this announcement.

8. Borrowings

As at 30 June 2009, the Group has the following borrowing :

	As At End Of Current Quarter 30.06.09 RM'000	As At Preceding Year Quarter 30.06.08 RM'000
Term loan - secured :		
Short term	54	-
Long term	13,299	12,600
Total term loan	<u>13,353</u>	<u>12,600</u>

9. Off Balance Sheet Financial Instruments

The Group does not have any financial instruments with off balance sheet risk as at the date of this report.

10. Changes in Material Litigation

There are no changes to any material litigation since the last audited financial statement for the financial year ended 31 December 2008.

11. Basis of calculation of earnings per share

The basic earnings per share for the quarter and cumulative year to date are computed as follow:

	Individual Current Year Quarter 30.06.09	Cumulative Current Year To Date 30.06.09
Profit for the period (RM'000)	<u>2,584</u>	<u>6,571</u>
Number of ordinary shares of RM0.10 each in issue ('000)	<u>658,000</u>	<u>658,000</u>
Basic Earnings Per Share (sen)	<u>0.39</u>	<u>1.00</u>

There is no diluted earnings per share as there were no potential dilutive ordinary shares outstanding as at the end of the reporting period.

By order of the Board
PROGRESSIVE IMPACT CORPORATION BERHAD
Hajjah Zaidah Binti Haji Mohd Salleh
Company Secretary (MIA 3313)

Shah Alam