

FOCAL AIMS HOLDINGS BERHAD

(Company No: 17777-V)

QUARTERLY REPORT ON CONSOLIDATION RESULTS FOR THE FOURTH FINANCIAL QUARTER ENDED 30 SEPTEMBER 2009

(The figures have not been audited)

CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE QUARTER ENDED 30 SEPTEMBER 2009

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter Ended 30-09-09 RM'000	Preceding Year Corresponding Quarter Ended 30-09-08 RM'000	Current Year To Date Ended 30-09-09 RM'000	Preceding Year Corresponding Period To Date Ended 30-09-08 RM'000
Revenue	10,272	25,728	30,957	81,413
Cost of sales	(9,419)	(24,735)	(26,144)	(70,666)
Gross profit	853	993	4,813	10,747
Other income	56	552	436	1,512
Administrative expenses	(3,033)	(2,581)	(11,201)	(11,254)
Finance costs	(460)	81	(2,040)	(135)
(Loss)/Profit before tax	(2,584)	(955)	(7,992)	870
Income tax expense	(384)	203	(446)	(536)
(Loss)/Profit for the year	(2,968)	(752)	(8,438)	334
Attributable to:				
Equity holders of the parent	(2,968)	(752)	(8,438)	334
Minority interest	-	-	-	-
	(2,968)	(752)	(8,438)	334
(Loss)/Profit per share attributable to equity holders of the parent:				
Basic, for (loss)/profit from continuing operations	(1.17)	(0.30)	(3.33)	0.13
Diluted, for (loss)/profit from continuing operations	(1.17)	(0.30)	(3.33)	0.13

(The Condensed Consolidated Income Statements should be read in conjunction with the audited financial statements for the year ended 30 September 2008 and the accompanying explanatory notes attached to the interim financial statements)

FOCAL AIMS HOLDINGS BERHAD

(Company No: 17777-V)

CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2009

	As At 30-09-09 RM'000	As At 30-09-08 RM'000
ASSETS		
Non-current assets		
Property, plant & equipment	1,606	1,966
Land held for property development	336,742	317,995
Deferred tax assets	-	743
	<u>338,348</u>	<u>320,704</u>
Current Assets		
Property development costs	81,556	99,397
Inventories	33,842	38,248
Trade receivables & other receivables	14,861	27,070
Cash & Cash Equivalents	5,340	6,289
	<u>135,599</u>	<u>171,004</u>
TOTAL ASSETS	<u>473,947</u>	<u>491,707</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	253,317	253,317
Other reserves	22	22
Retained earnings	47,252	55,690
	<u>300,591</u>	<u>309,029</u>
Minority interest	2,500	2,500
Total equity	<u>303,091</u>	<u>311,529</u>
Non-current liabilities		
Borrowings	65,314	51,189
Deferred tax liabilities	60,684	60,989
	<u>125,999</u>	<u>112,177</u>
Current Liabilities		
Borrowings	29,270	48,201
Trade & other payables	15,587	19,800
	<u>44,857</u>	<u>68,001</u>
Total liabilities	<u>170,856</u>	<u>180,179</u>
TOTAL EQUITY AND LIABILITIES	<u>473,947</u>	<u>491,707</u>
	(0)	-
Net assets per share attributable to equity holders of the parent (RM)	1.19	1.22

(The Condensed Consolidated Balance Sheets should be read in conjunction with the audited financial statements for the year ended 30 September 2008 and the accompanying explanatory notes attached to the interim financial statements)

FOCAL AIMS HOLDINGS BERHAD

(Company No: 17777-V)

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS FOR THE FINANCIAL YEAR ENDED 30 SEPTEMBER 2009

	12 months ended	
	30-09-09 RM'000	30-09-08 RM'000
Net cash generated from operating activities	3,903	21,511
Net cash generated from investing activities	(46)	8
Net cash used in financing activities	<u>(4,094)</u>	<u>(23,041)</u>
Net decrease in cash and cash equivalents	(237)	(1,522)
Cash and cash equivalents at beginning of financial year	(3,693)	(2,171)
Cash and cash equivalents at end of the financial year	<u><u>(3,930)</u></u>	<u><u>(3,693)</u></u>

Cash and cash equivalents at the end of the financial year comprise the following:

Deposits with licensed banks	689	1,066
Cash and bank balances	4,651	5,223
Bank overdraft	<u>(9,270)</u>	<u>(9,983)</u>
	<u><u>(3,930)</u></u>	<u><u>(3,693)</u></u>

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the audited financial statements for the year ended 30 September 2008 and the accompanying explanatory notes attached to the interim financial statements)

FOCAL AIMS HOLDINGS BERHAD

(Company No: 17777-V)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE QUARTER ENDED 30 SEPTEMBER 2009

	← Attributable to Equity Holders of the Parent →			← Attributable to Equity Holders of the Parent →		
	Non-distributable	Distributable		Non-distributable	Distributable	
Share Capital	Other Reserves	Retained Profits	Total	Other Reserves	Retained Profits	Total
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 October 2008	253,317	22	309,029	22	55,690	309,029
Loss for the year	-	(8,438)	(8,438)	-	(8,438)	2,500
At 30 September 2009	253,317	22	300,591	22	47,252	303,091
At 1 October 2007	253,317	22	310,195	22	56,856	312,695
Profit for the year	-	334	334	-	334	334
Dividend paid	-	(1,500)	(1,500)	-	(1,500)	-
At 30 September 2008	253,317	22	309,029	22	55,690	311,529

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 30 September 2008 and the accompanying explanatory notes attached to the interim financial statements)

FOCAL AIMS HOLDINGS BERHAD

(Company No: 17777-V)

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.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 30 September 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 30 September 2008.

A2. Changes in Accounting Policies

At the date of authorisation of these financial statements, the following new FRSs, Amendments to FRSs and Interpretations were issued but not yet effective and have not been applied by the Group:

	Effective for financial periods beginning on or after
FRSs and interpretations	
FRS 4 : Insurance Contracts	1 January 2010
FRS 7 : Financial Instruments: Disclosure	1 January 2010
FRS 8 : Operating Segments	1 July 2009
FRS 101 : Presentation of Financial Statements	1 January 2010
FRS 123 : Borrowing Costs	1 January 2010
FRS 139 : Financial Instruments: Recognition and Measurement	1 January 2010
Amendments to FRS 1 : First Time Adoption of Financial Reporting Standards and FRS 127 : Consolidated and Separate Financial Statements: Cost of Investment in a Subsidiary, Jointly Controlled Entity or Associate	1 January 2010
Amendments to FRS 2 : Share-based Payment : Vesting Conditions and Cancellations	1 January 2010
Amendments to FRS 132 : Financial Instruments : Presentation	1 January 2010
Amendments to FRS 139 : Financial Instruments : Recognition and Measurement, FRS 7 : Financial Instruments : Disclosures and IC Interpretation 9 : Reassessment of Embedded Derivatives	1 January 2010
Amendments to FRSs contained in the document entitled "Improvements to FRSs (2009)"	1 January 2010
IC Interpretation 9 : Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 10 : Interim Financial Reporting and Impairment	1 January 2010
IC Interpretation 11 : FRS 2 : Group and Treasury Share Transactions	1 January 2010
IC Interpretation 13 : Customer Loyalty Programmes	1 January 2010
IC Interpretation 14 : FRS 119 : The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	1 January 2010

A2. Changes in Accounting Policies (cont'd)

Other than changes in the presentation of the financial statements that will arise from the adoption of FRS 101, the above FRSs, Amendments to FRSs and IC Interpretations are not expected to have any significant impact on the financial statements of the Group and of the Company upon their initial application.

The Group and the Company is exempted from disclosing the possible impact, if any, to the financial statements upon the initial application of FRS 7 and FRS 139.

A3. Qualification of Financial Statements

The preceding annual financial statements of the Group was not subject to any qualification.

A4. Explanatory comments about the seasonality or cyclicity of operations.

This industry is not affected by any fluctuations in relation to seasonality and cyclicity of operations.

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 or exceptional items for the current financial year to date.

A6. Nature and amount of changes in estimate of amount reported in prior interim periods of the current financial year, which give a material effect in the current interim period

There were no changes in estimates which give rise to a material effect in the current interim period.

A7. Details of issue, cancellation, repurchase, resale and repayment of debt and equity securities.

There were no issuance, cancellation, repurchase or resale and repayment of debt and equity securities for the current financial year to date.

A8. Dividend

There was no dividend paid for the financial quarter under review.

A9. Segmental Reporting

No segmental reporting is presented as the Group's operations primarily relate to property development activities and these are carried out entirely in Malaysia.

A10. Valuation of property, plant & equipment

No valuation was carried out on the Group's property, plant and equipment for the financial year ended 30 September 2009.

A11. Events subsequent to the end of the Interim Period of the Financial Statements

There are no material events subsequent to the end of the interim period reported or that have not been reflected in the financial statements for the said period.

A12. Effect of Changes in the Composition of The Group

There were no changes in the composition of the Group for the current year to date.

A13. Changes in contingent liabilities or contingent assets.

The contingent liabilities of the Company at the date of this report are as follows:

- (a) On 22 December 2008, a corporate guarantee was given by the Company in favour of AmBank (M) Berhad (formerly known as AmInvestment Bank Berhad) in consideration of the latter giving RM10.0 million term loan (TL (4)) to its subsidiary company, Focal Aims Land Sdn Bhd. To-date, RM8.8 million of the term loan has been drawdown.
- (b) On 13 May 2009, a corporate guarantee was given by the Company in favour of AmBank (M) Berhad (formerly known as AmInvestment Bank Berhad) in consideration of the latter giving RM15.0 million term loan (TL (5)) to its subsidiary company, Focal Aims Land Sdn Bhd. To-date, RM0.9 million of the term loan has been drawdown.

B. Additional notes as required by Bursa Malaysia Listing Requirements

B1. Review of Performance

The Group has recorded revenue of RM31 million and loss before taxation of RM8.0 million at the end of the fourth quarter of the financial year ended 30 September 2009. The Group's losses has increased by more than 100% in the current year as compared to the previous corresponding year. This is mainly due to the following:

- (a) lesser income recognised for the current year as lesser units of properties sold ; and
- (b) lower income being recognised as a result of lower percentage cost of completion being recognised for the newly launched properties during the current year.

B2. Explanatory comment on any material change in the profit before taxation for the quarter reported on as compared with the immediate preceding quarter.

The Group recorded loss before tax of RM3.0 million for the fourth quarter as compared to the third quarter loss before tax of RM859,000. The higher losses incurred is mainly due to less revenue being recognised as a result of lower percentage of completion of property completed during the quarter under review.

B3. Current Year Prospect

Kota Masai Project (Mukim Plentong, Johor)

The property below RM100,000-00 is moving at a slow pace but the commercial property (double storey shop office) has been able to attract interest from the potential buyers.

Saujana O-Lot Project (Mukim Damansara, Selangor)

The sales for phase 2 is very encouraging and we expect the interests to be continued.

B4. Variance of Actual Profit from Forecast Profit and Shortfall in Profit Guarantee.

Not applicable

B5. Taxation

	Current Year Quarter 30-09-09 RM'000	Current year To date 30-09-09 RM'000
Malaysian income tax:		
Income tax expense for the year	-	-
Underprovision in prior years	-	8
Deferred tax:		
Relating to origination and reversal of temporary differences	573	627
Relating to changes in tax rates		
Overprovision in prior years	(189)	(189)
	<u>384</u>	<u>446</u>

Domestic current income tax is calculated at the statutory tax rate of 25% (2008 : 26%) of the estimated assessable profit for the year.

A reconciliation of income tax expense applicable to (loss)/profit before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and of the Company is as follows:

Loss before tax	<u>(2,584)</u>	<u>(7,992)</u>
Taxation at Malaysian statutory tax rate of 25%	(646)	(1,998)
Effect of prior year's preferential tax rate of 20% on first RM500,000 of chargeable income for qualified small and medium enterprises	-	-
Effect of expenses not deductible for tax purposes	(1,033)	373
Deferred tax assets not recognised in respect of current period tax losses and unabsorbed capital allowances	2,252	2,252
Income not subject to tax	-	-
Overprovision of deferred tax in prior years	(189)	(189)
Under provision of tax expense in prior years	-	8
Tax expense for the year	<u>384</u>	<u>446</u>

The effective tax rate on the Group in the current quarter and financial year to date is higher than the statutory rate principally due to expenditure disallowed for taxation purposes.

B6. Sale of unquoted investment and / or properties

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

B7. Particulars of purchase or disposal of quoted securities.

There were no purchases or disposals of quoted securities by the Group for the current quarter and financial year to-date.

B8. (a) Status of corporate proposal

There are no outstanding corporate proposals announced but not completed as at 30 September 2009.

(b) Status of utilisation of proceeds raised from any corporate proposal.

Not applicable.

B9. Group borrowings and debt securities

Details of the Group's borrowings as at 30 September 2009 are as follows:

	RM'000
Short term borrowings	
Secured	
Revolving credit	20,000
Overdraft	9,270
Hire purchase creditors	-
	<u>29,270</u>
Long term borrowings	
Secured	
Term loans	65,314
	<u>65,314</u>

There were no term loans or bank borrowings denominated in foreign currencies as at the reporting date.

B10. Summary of off Balance Sheet Financial Instruments

The Group does not have any financial instrument with off balance sheet risk as at 30 September 2009.

B11. Changes in material litigation

There was no material litigation pending as at 30 September 2009.

B12. Dividend

The Directors do not recommend any dividend for the financial year ended 30 September 2009.

B13. Loss per shareBasic

Loss per share is calculated by dividing the Company's loss after taxation over ordinary shares in issue during the year.

	Current Quarter Ended 30-09-09	Corresponding Quarter Ended 30-09-08	Current Year to date Ended 30-09-09	Corresponding Year to date Ended 30-09-08
Net (Loss)/Profit attributable to ordinary shareholders (RM'000)	<u>(2,968)</u>	<u>(752)</u>	<u>(8,438)</u>	<u>334</u>
Number of ordinary shares in issue ('000)	<u>253,317</u>	<u>253,317</u>	<u>253,317</u>	<u>253,317</u>
Basic (loss)/profit per share (sen)	<u>(1.17)</u>	<u>(0.30)</u>	<u>(3.33)</u>	<u>0.13</u>
Diluted (loss)/profit per share (sen)	<u>(1.17)</u>	<u>(0.30)</u>	<u>(3.33)</u>	<u>0.13</u>

By order of the Board

Chua Siew Chuan
Company Secretary