

**THE NOMAD GROUP BHD (426627-H)  
(FORMERLY KNOWN AS KUALA LUMPUR CITY CORPORATION BERHAD )**

**QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2008**

**Notes (In compliance with FRS 134)**

**A1. Accounting policies**

The Unaudited Quarterly Report has been prepared in accordance with the Financial Reporting Standards 134 ('FRS' 134) issued by the Malaysian Accounting Standards Board ('MASB') on 'Interim Financial Reporting' and Chapter 9, part K of the Listing Requirements of Bursa Malaysia Securities Berhad ('BMSB').

The accounting policies and methods of computations adopted by the Group in these quarterly financial statements are consistent with those adopted in the audited financial statements for the year ended 31 December 2007.

**A2. Audit report of previous annual financial report**

The audit report of the previous annual financial report was not qualified.

**A3. Seasonal or Cyclical Factors**

The Group's operations were not affected by any seasonal or cyclical factors.

**A4. Unusual items affecting financial statements**

There were no unusual items affecting the financial statements for the quarter ended 30 September 2008.

**A5. Changes in accounting estimates**

There were no changes in the accounting estimates used in the preparation of the financial statements in the current financial quarter as compared to the previous financial year.

**A6. Debts and Equity Securities**

There was no transaction in Group debts and equity securities for the period ended 30 September 2008.

**A7. Dividend Paid**

No dividend has been paid during the financial period. The Board of Directors has not declared or recommended the payment of dividend in respect of the current financial period under review.

**A8. Segmental Information**

Segmental analysis for the current financial year to date is as follows:

**Quarter ended 30 September 2008****By Business Segments**

Revenue and expenses	Investment holding	#Hospitality Industry	Eliminations	Consolidated
	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>				
Total revenue - External	6,343	12,087	(365)	18,065
<b>Results</b>				
Segment results	115,566	(3,441)	(114,416)	(2,291)
Share in results of an associate				(197)
				(2,488)
Taxation				(1,379)
Loss after taxation				(3,867)

**By Geographical Locations**

Revenue and expenses	Malaysia	*Outside Malaysia	Eliminations	Consolidated
	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>				
Total revenue - External	15,978	2,452	(365)	18,065
<b>Results</b>				
Segment results	113,084	(959)	(114,416)	(2,291)
Share in results of an associate				(197)
				(2,488)
Taxation				(1,379)
Loss after taxation				(3,867)

# Consist of Serviced Residences and Serviced Offices sectors.

\* Operation outside Malaysia refers to that in Singapore, Thailand and Vietnam.

Segmental analysis for the preceding corresponding quarter is as follows:

**Quarter ended 30 September 2007**

**By Business Segments**

<b>Revenue and expenses</b>	<b>Investment holding</b>	<b>^Hospitality Industry</b>	<b>Eliminations</b>	<b>Consolidated</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Revenue</b>				
Total revenue - External	39,123	6,911	(31,012)	15,022
<b>Results</b>				
Segment results	38,239	1,997	(30,025)	10,211
Share in results of an associate				1,484
				11,695
Taxation				(3,469)
Profit after taxation				8,226

**By Geographical Locations**

<b>Revenue and expenses</b>	<b>Malaysia</b>	<b>Outside Malaysia</b>	<b>Eliminations</b>	<b>Consolidated</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Revenue</b>				
Total revenue - External	46,034	-	(31,012)	15,022
<b>Results</b>				
Segment results	40,236	-	(30,025)	10,211
Share in results of an associate				1,484
				11,695
Taxation				(3,469)
Profit after taxation				8,226

*^ Consist of Serviced Residences sector only.*

**A9. Revaluation of property, plant and equipment**

There has been no revaluation on any of the Group's property, plant and equipment during the current quarter under review.

**A10. Subsequent events**

The Company had on 21 November 2008 received a confirmation that The Nomad Offices Pte Ltd (formerly known as Nomad Space Pte Ltd), a wholly-owned subsidiary of the Company, had on 12 November 2008 incorporated a wholly-owned subsidiary known as The Nomad Offices Philippines Inc. ('Nomad Philippines') in Philippines.

The present share capital of Nomad Philippines is Philippine Peso Nine Million One Hundred Sixty One Thousand Two Hundred (PHP 9,161,200).

The incorporation of Nomad Philippines is not expected to have any material effects on the issued and paid-up share capital, consolidated earnings and net assets per share, gearing and major shareholders' shareholdings of the Company for the financial year ending 31 December 2008.

None of the Directors and/or major shareholders of the Company and/or persons connected with them have any interest, direct or indirect, in the incorporation of Nomad Philippines.

There is no material subsequent event other than that stated above and the internal group restructuring exercise which was completed on 4 November 2008 as mentioned in Note A11.

**A11. Changes in the Composition of the Group**

There were no changes in the composition of the Group during the period under review other than the internal group restructuring as announced to Bursa on 29 September 2008. The group restructuring exercise was completed on 4 November 2008.

**A12. Changes in contingent liabilities or contingent assets**

There were no changes in the contingent liabilities or contingent assets during the current quarter under review.

**A13. Commitment**

There were no material commitments not provided for in the financial statement as at 30 September 2007.

**A14. Related Party Transactions**

Related Party Transactions had been entered into in the ordinary course of business based on normal commercial terms and on arms length basis.

## Notes (BMSB Revised Listing Requirements)

### B1. Review of the performance of the Group

For the third quarter ended 30 September 2008, the Group reported a pre-tax loss of RM2.2 million compared to RM4.2 million profit before tax ('PBT') in the previous corresponding quarter. The difference of RM6.4 million mainly was contributed by the provision for impairment loss of marketable securities due to poor market sentiments and additional expenses incurred for re-branding and business expansion.

For the nine month period, the Group recorded a pre-tax loss of RM2.5 million as compared to PBT of RM11.7 million in the last corresponding period. The difference was mainly contributed by poor market sentiments and additional expenses incurred for re-branding and business expansion.

The Board of Directors are of the opinion that there had been no material and unusual items, transactions or events that has arisen which would significantly affect the results of the operations of the Group for the period from 30 September 2008 to the date of issue of this announcement.

### B2. Material changes in Quarterly Results

The Group reported pre-tax loss of RM2.2 million in the current quarter, as compared to pre-tax loss of RM0.9 million last quarter ended 30 June 2008. The difference was mainly contributed by provision of impairment loss of marketable securities during the current quarter under review and additional expenses incurred for business expansion as mentioned above.

### B3. Current year prospects

The Board of Directors expects the remaining financial year to be challenging with the opening of seven new Serviced Office Centers during the year as the business of a Serviced Office Center normally takes some time to mature.

### B4. Profit forecast / Profit Guarantee

Not applicable in this Quarterly Report.

### B5. Taxation

Taxation comprises the following :

	Current quarter 30 September 2008	Year to date 30 September 2008
	RM'000	RM'000
Provision for taxation	482	1,379

Although the Group incurred loss for the current quarter and financial year to date, there is tax charge due to dividend income and other taxable profits.

**B6. Unquoted Investments and / or properties**

There were no disposal or purchase of unquoted investments or properties for the period ended 30 September 2008.

**B7. Quoted Securities**

Total purchases and disposals of quoted securities were as follows :-

	Current quarter 30 September 2008	Year to date 30 September 2008
	RM'000	RM'000
Total purchase consideration	1,583	7,019
Total sale proceeds	1,439	10,838
Total loss on disposal	(323)	(456)

Total investments in quoted securities as at 30 September 2008 were as follows:-

At cost	RM'000 15,707
At book value	11,996
At market value	44,230

**B8. Status of Corporate Proposal Announced But Not Completed As At 28 November 2008**

Proposed acquisition of the entire equity interest in Instant Office Holdings Pte. Ltd. and Bizcentre Pte. Ltd. for a total cash consideration of RP8.0 Billion. ("Proposed acquisition")

The Nomad Offices Pte Ltd ("TNO" or "Purchaser"), a wholly-owned sub-subsidiary of The Nomad Group Bhd ("TNGB"), had entered into a sale and purchase agreement ("SPA") to acquire from Peh Ee Hong ("PEH") and Lok Teng Teng Dorothy ("LTTD") (collectively referred to as the "Vendors"), the entire equity interest in Instant Office Holdings Pte Ltd ("IOH") and Bizcentre Capital Pte Ltd ("BC") (collectively referred to as the "Sale Shares"), respectively for a total cash consideration of Rp 8.0 billion ("Proposed Acquisition").

IOH and BC each own 50% equity interest in PT Concept Kreatif ("PTCK"), the owner and operator of iOffice, a provider of serviced and instant office solutions, located at Wisma Metropolitan II, 6th Floor, Jl. Jend. Sudirman Kav.29, Jakarta 12920, Indonesia.

Upon the completion of the Proposed Acquisition, IOH and BC will be the wholly-owned subsidiaries of TNO and TNGB will be the ultimate holding company of PTCK.

Please refer to the announcement dated 12 September 2008 for the full announcement setting out, amongst others, details of the Proposed Acquisition and salient terms of the SPA.

**B9. Borrowing and Debt Securities**

There were no outstanding group borrowings and debt securities as at the end of the quarter ended 30 September 2008.

**B10. Off Balance Sheet Financial Instruments**

There were no financial instruments with off balance sheet risks as at the date of the issue of this announcement.

**B11. Material litigations**

There were no material litigations against the Company and its subsidiary companies.

**B12. Dividend**

Please refer to explanatory Note A7.

**B13. Earning Per Share ('EPS')**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Financial Year Quarter Ended 30 Sept 2008 RM'000	Preceding Financial Year Corresponding Quarter Ended 30 Sept 2007 RM'000	Current Financial Year To date 30 Sept 2008 RM'000	Preceding Financial Year To date 30 Sept 2007 RM'000
Basic Earnings per share				
Group's (loss)/profit after tax used as numerator in the calculation of basic EPS	(2,721)	2,556	(3,867)	8,226
Weighted average no of ordinary shares in issue used as denominator in the calculation of basic EPS	223,068	223,068	223,068	223,068
Basic (Loss)/Earnings Per Share (sen)	(1.2)	1.1	(1.7)	3.7
Diluted Earnings Per Shares	N/A	N/A	N/A	N/A

By order of the Board

**THE NOMAD GROUP BHD**

**(FORMERLY KNOWN AS KUALA LUMPUR CITY CORPORATION BERHAD)**

WONG KEO ROU (MAICSA 7021435)

Secretary

Kuala Lumpur

28 November 2008