

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

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 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 31 December 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 31 December 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 31 December 2008

By Business Segments

Revenue and expenses	Investment holding	#Hospitality Industry	Eliminations	Consolidated
	RM'000	RM'000	RM'000	RM'000
Revenue				
Total revenue - External	7,806	18,510	(468)	25,848
Results				
Segment results	115,543	(7,314)	(114,442)	(6,213)
Share in results of an associate				359
				(5,854)
Taxation				(1,780)
Loss after taxation				(7,634)

By Geographical Locations

Revenue and expenses	Malaysia	*Outside Malaysia	Eliminations	Consolidated
	RM'000	RM'000	RM'000	RM'000
Revenue				
Total revenue - External	22,535	3,781	(468)	25,848
Results				
Segment results	111,473	(3,244)	(114,442)	(6,213)
Share in results of an associate				359
				(5,854)
Taxation				(1,780)
Loss after taxation				(7,634)

Consist of Serviced Residences and Serviced Offices sectors.

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

Segmental analysis for the preceding corresponding quarter is as follows:

Quarter ended 31 December 2007

By Business Segments

Revenue and expenses	Investment holding	#Hospitality Industry	Eliminations	Consolidated
	RM'000	RM'000	RM'000	RM'000
Revenue				
Total revenue - External	41,986	11,296	(32,926)	20,356
Results				
Segment results	38,536	2,912	(31,474)	9,974
Share in results of an associate				1,825
				11,799
Taxation				(4,384)
Profit after taxation				7,415

By Geographical Locations

Revenue and expenses	Malaysia	^Outside Malaysia	Eliminations	Consolidated
	RM'000	RM'000	RM'000	RM'000
Revenue				
Total revenue - External	51,086	2,196	(32,926)	20,356
Results				
Segment results	40,893	555	(31,474)	9,974
Share in results of an associate				1,825
				11,799
Taxation				(4,384)
Profit after taxation				7,415

Consist of Serviced Residences and Serviced Offices sectors.

^ Operation outside Malaysia refers to that in Singapore.

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.

However, the Group assesses whether there are any indication of impairment for property, plant and equipment at each reporting date. No impairment losses have been recognised for property, plant and equipment at 31 December 2008.

A10. Subsequent events

A10.1 Proposed acquisition of the entire equity interest in Instant Office Holdings Pte. Ltd. and Bizcentre Pte. Ltd. for a total cash consideration of IDR8.0 Billion. (" I-Office acquisition")

The Nomad Offices Pte Ltd ("TNOPL" or "Purchaser"), a wholly-owned sub-subsidiary of 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 IDR 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 I-Office acquisition, IOH and BC will be the wholly-owned subsidiaries of TNOPL and TNGB will be the ultimate holding company of PTCK.

The above acquisition has been completed on 13 February 2009.

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 and also announcement made on 13 February 2009 with regards to the completion of the acquisition.

There is no material subsequent event during the current quarter under review other than that stated above.

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 incorporation of the sub-subsidiary companies as stated below:

A11.1 The Nomad Offices Philippines Inc.

TNOPL had on 12 November 2008 incorporated a wholly-owned subsidiary known as The Nomad Offices Philippines Inc. ("The Nomad Philippines") in Philippines.

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

The incorporation of The 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 TNGB for the financial year ended 31 December 2008.

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

A11.2 PT The Nomad Offices Indonesia

TNOPL had on 12 December 2008 executed the deed of establishment of a wholly-owned subsidiary known as PT The Nomad Offices Indonesia ("The Nomad Indonesia") in Indonesia.

The authorised share capital of The Nomad Indonesia is United States Dollar Five Hundred Thousand (USD500,000) and United States Dollar Three Hundred Thousand (USD300,000) of the authorised share capital has been subscribed.

The establishment of The Nomad Indonesia 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 TNGB for the financial year ended 31 December 2008.

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

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 was no material commitments not provided for in the financial statement as at 31 December 2008.

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 fourth quarter ended 31 December 2008, the Group reported a pre-tax loss of RM3.4 million compared to RM0.1 million profit before tax ('PBT') in the previous corresponding quarter. The difference of RM3.5 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 twelve month period, the Group recorded a pre-tax loss of RM5.9 million as compared to PBT of RM11.8 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 31 December 2008 to the date of issue of this announcement.

B2. Material changes in Quarterly Results

The Group reported pre-tax loss of RM3.4 million in the current quarter, as compared to pre-tax loss of RM2.2 million last quarter ended 30 September 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 eight 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 31 December 2008 RM'000	Year to date 31 December 2008 RM'000
Provision for taxation	401	1,780

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 31 December 2008.

B7. Quoted Securities

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

	Current quarter 31 December 2008 RM'000	Year to date 31 December 2008 RM'000
Total purchase consideration	199	7,218
Total sale proceeds	-	10,838
Total loss on disposal	-	(437)

Total investments in quoted securities as at 31 December 2008 were as follows:-

	RM'000
At cost	15,906
At book value	11,236
At market value	36,181

B8. Status of Corporate Proposal Announced But Not Completed As At 24 February 2009

- B8.1** Proposed acquisition of a land measuring 2,553 sq meter held under HGB No. 1261/1998 together with a constructed 9-storey office building known as Menteng Office Park ("the Said Property"), located at Probolinggo 18, Menteng, Central Jakarta, Indonesia for a total cash consideration of IDR85 Billion ("Purchase Consideration")

TNOPL had through its wholly-owned subsidiary company, PT The Nomad Offices Indonesia ("TNOI" or referred to as "Purchaser") entered into a Binding Agreement for Sale and Purchase ("BASP") on 17 December 2008 to acquire ("Proposed Acquisition") from PT Pulo Mas Jaya ("PMJ" or referred to as "Vendor"), a land measuring 2,553 sq meter held under HGB No. 1261/1998 together with a constructed 9-storey office building known as Menteng Office Park ("the Said Property"), located at Probolinggo 18, Menteng, Central Jakarta, Indonesia for a total cash consideration of IDR85 Billion ("Purchase Consideration").

TNOI is a Foreign Capital Investment Company established by TNOPL, in order to purchase the Said Property from PMJ. TNOI had on 12 December 2008 executed the deed of establishment in Indonesia, and is a private company limited by shares. The principal activities of TNOI are office building management services and other services related businesses. The issued and paid-up capital of TNOI is USD300,000.00 comprising 300,000 ordinary shares of USD1.00 each.

PMJ is a company incorporated in Indonesia, as one of Daerah Khusus Ibukota Jakarta regional government owned company. The principal activities of PMJ are property development and property management.

None of the Directors and major shareholders of TNGB or persons connected to them, has any interest, direct or indirect, in the Proposed Acquisition.

The Proposed Acquisition is not expected to have any material impact on TNGB's consolidated earnings for the financial year ended 31 December 2008.

Please refer to the announcement dated 17 December 2008 for the full announcement setting out, amongst others, details of the Proposed Acquisition and salient terms of the BASP.

B9. Borrowing and Debt Securities

There were no outstanding group borrowings and debt securities as at the end of the quarter ended 31 December 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 31 Dec 2008 RM'000	Preceding Financial Year Corresponding 31 Dec 2007 RM'000	Current Financial To date 31 Dec 2008 RM'000	Preceding Financial Year To Date 31 Dec 2007 RM'000
Basic Earning per share				
Group's (loss)/profit after Tax used as numerator in The calculation of basic EPS	(3,767)	(811)	(7,634)	7,415
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)/Earning Per Share (sen)	(1.7)	(0.4)	(3.4)	3.3
Diluted Earning 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

27 February 2009