

THE NOMAD GROUP BHD (426627-H)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER ENDED	PRECEDING YEAR CORRESPONDING QUARTER ENDED	CURRENT FINANCIAL YEAR TO DATE	PRECEDING FINANCIAL YEAR TO DATE
	30 JUNE 2012	30 JUNE 2011	30 JUNE 2012	30 JUNE 2011
	RM'000	RM'000	RM'000	RM'000
Operating revenue	19,699	19,251	37,950	36,708
Other operating income	957	902	1,887	1,641
Depreciation	(3,099)	(3,074)	(6,213)	(6,130)
Other operating expenses	(15,071)	(14,611)	(29,142)	(27,482)
Profit from operations	2,486	2,468	4,482	4,737
Finance costs	(1,118)	(1,210)	(2,286)	(2,391)
Share in results of associated company	54	314	172	(284)
Profit before taxation	1,422	1,572	2,368	2,062
Taxation	(361)	(410)	(622)	(775)
Profit for the period	1,061	1,162	1,746	1,287
Basic earnings per share (sen)	0.48	0.52	0.78	0.58

The Unaudited Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2011.

THE NOMAD GROUP BHD (426627-H)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER ENDED	PRECEDING YEAR CORRESPONDING QUARTER ENDED	CURRENT FINANCIAL YEAR TO DATE	PRECEDING FINANCIAL YEAR TO DATE
	30 JUNE 2012	30 JUNE 2011	30 JUNE 2012	30 JUNE 2011
	RM'000	RM'000	RM'000	RM'000
Profit for the period	1,061	1,162	1,746	1,287
Foreign currency translation differences for foreign operations	573	1,125	(712)	1,750
Fair value of available-for-sale financial assets	(7,287)	(3,582)	(3,158)	(363)
Share of other comprehensive (loss)/income of associated company	(1,017)	(16)	(954)	4,444
Total comprehensive (loss)/income for the period	(6,670)	(1,311)	(3,078)	7,118

The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2011.

THE NOMAD GROUP BHD (426627-H)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
FOR THE PERIOD ENDED 30 JUNE 2012

	As at 30 JUNE 2012 RM'000	Audited As at 31 DECEMBER 2011 RM'000
NON-CURRENT ASSETS		
Property, plant and equipment	290,448	294,486
Investment in an associate	24,655	25,436
Other investments	91	91
Other receivables	4,805	3,536
Goodwill on consolidation	11,946	11,877
TOTAL NON-CURRENT ASSETS	331,945	335,426
CURRENT ASSETS		
Inventories	192	189
Trade receivable	3,100	2,795
Other receivables	5,486	2,111
Tax recoverable	2,328	2,410
Available-for-sale financial assets	37,529	40,687
Held-for-trading financial assets	32,280	34,595
Cash and bank balances	32,973	36,266
TOTAL CURRENT ASSETS	113,888	119,053
TOTAL ASSETS	445,833	454,479
CAPITAL AND RESERVES		
Issued capital	223,068	223,068
Reserves	122,222	128,646
TOTAL EQUITY	345,290	351,714
NON CURRENT LIABILITIES		
Bank borrowings	65,750	69,450
Deferred taxation	11,715	11,776
TOTAL NON CURRENT LIABILITIES	77,465	81,226
CURRENT LIABILITIES		
Trade payables	2,591	1,692
Other payables	14,587	14,447
Bank borrowings	5,900	5,400
TOTAL CURRENT LIABILITIES	23,078	21,539
TOTAL EQUITY AND LIABILITIES	445,833	454,479
Net assets per share attributable to ordinary equity holders of the parent (RM)	1.55	1.58

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2011.

THE NOMAD GROUP BHD (426627-H)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2012

	<----- Non-distributable ----->				<--Distributable-->	Total
	Share capital	Share premium	Foreign currency translation reserve	Fair value reserve	Unappropriated profits	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>FOR THE PERIOD ENDED 30 JUNE 2011</u>						
At 1 January 2011	223,068	79,437	(1,847)	41,018	8,782	350,458
Total comprehensive income for the period	-	-	1,750	4,081	1,287	7,118
Dividend paid (Note A7)	-	-	-	-	(3,346)	(3,346)
At 30 June 2011	<u>223,068</u>	<u>79,437</u>	<u>(97)</u>	<u>45,099</u>	<u>6,723</u>	<u>354,230</u>
<u>FOR THE PERIOD ENDED 30 JUNE 2012</u>						
At 1 January 2012	223,068	79,437	(732)	38,370	11,571	351,714
Total comprehensive income for the period	-	-	(712)	(4,112)	1,746	(3,078)
Dividend paid (Note A7)	-	-	-	-	(3,346)	(3,346)
At 30 June 2012	<u>223,068</u>	<u>79,437</u>	<u>(1,444)</u>	<u>34,258</u>	<u>9,971</u>	<u>345,290</u>

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2011.

THE NOMAD GROUP BHD (426627-H)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 JUNE 2012

	6 months ended 30 JUNE 2012 RM'000	6 months ended 30 JUNE 2011 RM'000
CASH FLOWS GENERATED FROM OPERATING ACTIVITIES		
Profit before tax	2,368	2,062
Adjustments for:-		
Allowance for doubtful debts reversed	(3)	(1)
Bad debts recovered	(1)	(17)
Depreciation of property, plant and equipment	6,213	6,130
Interest income	(464)	(410)
Dividend income	(789)	(638)
Interest expense	2,286	2,391
Share in results of associated company	(172)	284
Property, plant and equipment written off	565	11
Loss on disposal of property, plant and equipment	43	-
Operating profit before working capital changes	10,046	9,812
Changes in:-		
Inventories	(3)	27
Receivables	(5,517)	3,494
Payables	1,098	1,151
Cash generated from operations	5,624	14,484
Income taxes paid	(650)	(725)
Income taxes recovered	9	1,210
Interest received	432	377
Net cash generated from operating activities	5,415	15,346
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividend received	789	638
Proceeds from disposal of available-for-sale investment	16,030	7,610
Proceeds from disposal of property, plant and equipment	14	1
Proceeds from redemption of bonus units in money market fund	590	530
Purchase of property, plant and equipment	(3,612)	(387)
Purchase of available-for-sale investment	(13,715)	(19,290)
Net cash generated from / (used in) investing activities	96	(10,898)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of loans	(3,200)	(2,900)
Interest Paid	(2,286)	(2,391)
Dividend Paid	(3,346)	(3,346)
Net cash used in financing activities	(8,832)	(8,637)
NET CHANGES IN CASH AND CASH EQUIVALENTS	(3,321)	(4,189)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	36,266	37,207
EFFECT OF EXCHANGE RATE CHANGES	28	1,009
CASH AND CASH EQUIVALENTS AT END OF PERIOD	32,973	34,027
Cash and cash equivalents comprise:		
Cash in hand and at bank	8,265	8,034
Short term deposits with licensed banks	24,708	25,993
	32,973	34,027

The Unaudited Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2011.

THE NOMAD GROUP BHD (426627-H)

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2012

PART A – EXPLANATORY NOTES PURSUANT TO MFRS 134

A1. Basis of Preparation

The Unaudited Quarterly Report has been prepared in accordance with the Malaysian Financial Reporting Standards 134 ('MFRS' 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 2011, except for the adoption of the following amendments to MFRSs relevant to the Group:

Adoption of a new MASB accounting framework, the MFRS Framework

The Group has adopted the MFRS framework and MFRS 1, First-time adoption of Malaysian Financial Reporting Standards for the first time in these condensed consolidated interim financial statements. The transition to the MFRS framework does not have any significant impact on the financial position, financial performance and cashflow of the Group and the Company.

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 June 2012.

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 June 2012.

A7. Dividend Paid

The following dividend was paid during the current and previous corresponding financial quarter.

	<u>30.06.2012</u>	<u>30.06.2011</u>
Final dividend for financial year	31 December 2011	31 December 2010
Approved and declared on	10 May 2012	25 May 2011
Date paid	21 May 2012	10 June 2011
Number of ordinary share on which dividends were paid ('000)	223,068	223,068
Amount per share	2.0 sen	2.0 sen
	less 25% taxation	less 25% taxation
Net dividend paid (RM'000)	3,346	3,346

A8. Segmental Information

Analysis of the Group's revenue and results as at 30 June 2012 by operating segments are as follows:

Six months ended 30 June 2012

	Investment holding	Serviced Residences	Serviced Offices	Eliminations	Total Domestic Operations
	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Domestic Operations :</u>					
Revenue					
External	948	21,345	6,273		28,566
Intersegment sales	-	851	-	(851)	-
	948	22,196	6,273	(851)	28,566
Results					
Segment results	378	1,810	(830)	-	1,358
Share in results of an associate					172
Profit before taxation					1,530
Assets					
Segment assets	85,140	267,275	11,147	-	363,562
Investment in associated company					24,655
Total assets					388,217
Liabilities					
Segment Liabilities	244	88,877	3,297	-	92,418
					Total Overseas Operations RM'000
<u>Overseas Operations ^ :</u>					
Revenue					
External	-	-	9,384	-	9,384
Results					
Segment results	-	-	838	-	838
Share in results of an associate					-
Profit before taxation					838
Assets					
Segment assets	-	-	57,616	-	57,616
Investment in associated company					-
Total assets					57,616
Liabilities					
Segment Liabilities	-	-	8,125	-	8,125
					Group Total RM'000
<u>Group :</u>					
Revenue					
External	948	21,345	15,657	-	37,950
Intersegment sales	-	851	-	(851)	-
	948	22,196	15,657	(851)	37,950
Results					
Segment results	378	1,810	8	-	2,196
Share in results of an associate					172
Profit before taxation					2,368
Assets					
Segment assets	85,140	267,275	68,763	-	421,178
Investment in associated company					24,655
Total assets					445,833
Liabilities					
Segment Liabilities	244	88,877	11,422	-	100,543

^ Operations outside Malaysia relates to that in Singapore, Thailand, Vietnam, Philippines and Indonesia.

Segmental analysis for the preceding corresponding quarter is as follows:

Six months ended 30 June 2011

	Investment holding	Serviced Residences	Serviced Offices	Eliminations	Total Domestic Operations
	RM'000	RM'000	RM'000	RM'000	RM'000
Domestic Operations :					
Revenue					
External	744	21,460	6,236		28,440
Intersegment sales	-	575	-	(575)	-
	744	22,035	6,236	(575)	28,440
Results					
Segment results	(107)	2,336	822	-	3,051
Share in results of an associate					(284)
Profit before taxation					2,767
Assets					
Segment assets	94,207	271,500	12,125	-	377,832
Investment in associated company					26,390
Total assets					404,222
Liabilities					
Segment Liabilities	502	95,520	2,586	-	98,608
					Total Overseas Operations
					RM'000
Overseas Operations ^ :					
Revenue					
External	-	-	8,268	-	8,268
Results					
Segment results	-	-	(705)	-	(705)
Share in results of an associate					-
Loss before taxation					(705)
Assets					
Segment assets	-	-	54,919	-	54,919
Investment in associated company					-
Total assets					54,919
Liabilities					
Segment Liabilities	-	-	6,303	-	6,303
					Group Total
					RM'000
Group :					
Revenue					
External	744	21,460	14,504	-	36,708
Intersegment sales	-	575	-	(575)	-
	744	22,035	14,504	(575)	36,708
Results					
Segment results	(107)	2,336	117	-	2,346
Share in results of an associate					(284)
Profit before taxation					2,062
Assets					
Segment assets	94,207	271,500	67,044	-	432,751
Investment in associated company					26,390
Total assets					459,141
Liabilities					
Segment Liabilities	502	95,520	8,889	-	104,911

[^] Operations outside Malaysia relates to that in Singapore, Thailand, Vietnam, Philippines and Indonesia.

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

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

A11. Changes in the Composition of the Group

There were no material changes in the composition of the Group during the financial quarter under review.

A12. Changes in contingent liabilities or contingent assets

a) Guarantees

In the ordinary course of business, contingent liabilities of the Group comprises the following:

	Year to date 30 June 2012 RM'000
Bank guarantee facilities granted to suppliers for services provided	<u>605</u>
b) Claim	
VAT (claim by Indonesian tax authorities)	<u>5,800</u>

On 7 June 2012, the tax authorities of Indonesia had claimed VAT payment of Rp 8.5 billion together with a penalty of Rp 8.5 billion (total Rp 17 billion, equivalent to approximately RM 5.8 million) from the Group's wholly owned subsidiary, PT The Nomad Offices Indonesia ("PTTNOI"). The VAT payment is in relation to PT TNOI's acquisition of the Menteng Office Park building in Jakarta in the year 2009. Based on a legal opinion obtained, the Directors are of the opinion that the total claim of Rp 17 billion is invalid and have appealed in accordance with the law.

The Group is in a position to meet this claim, if required.

Other than the above, there were no material contingent liabilities or contingent assets not provided for in the financial statement as at 30 June 2012.

A13. Commitment

There were no material commitments not provided for in the financial statement as at 30 June 2012.

A14. Operating lease arrangements

The future aggregate minimum lease payables under non-cancellable operating leases contracted for as at balance sheet date but not recognised as payables are as follows:

	Year to date 30 June 2012 RM'000
Within one year	13,808
In the second to fifth year inclusive	12,864
Total future minimum lease payables	<u>26,672</u>

A15. 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.

PART B – EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1. Review of the performance of the Group

a) Current Year-to-date vs. Previous Year-to-date

The Group's pre-tax profit for the period ended 30 June 2012 was higher than the previous corresponding pre-tax profit by RM0.3 million (2012 : RM2.4 million, 2011 : RM2.1 million).

Performance of the respective operating business segments for the period ended 30 June 2012 compared to the previous corresponding period is analysed as follows:-

- 1) Investment holding - For the current year-to-date, the pre-tax profit was RM0.5 million compared to a pre-tax loss of RM0.4 million in 2011. This was mainly due to higher dividend income and interest income arising from investment in shares and money market placements as well as share of profits in the associated company of RM0.2 million achieved compared to the share of loss of RM0.3 million for the previous corresponding period.
- 2) Serviced residences – The pre-tax profit was lower by RM0.5 million for the current year-to-date compared to the previous corresponding period (2012 : RM1.8 million, 2011 : RM2.3 million). This was mainly due to lower occupancy rates for the hotels and serviced residences and increase in operating costs.
- 3) Serviced offices – The serviced offices segment pre-tax profit was RM8,000 for the current year-to-date compared to a pre-tax profit of RM117,000 for the previous corresponding period. The decrease was mainly due to higher operating costs incurred in establishing two (2) new serviced office centers in Malaysia and Indonesia during the months of May 2012 and June 2012 respectively.

b) Current Quarter vs. Previous Year Corresponding Quarter

For the three months ended 30 June 2012, the Group recorded a lower pre-tax profit of RM1.4 million compared with RM1.6 million in the previous corresponding period.

Performance of the respective operating business segments for the second quarter ended 30 June 2012 compared to the previous corresponding quarter is analysed as follows:-

- 1) Investment holding – 2012 pre-tax profit was RM0.2 million higher compared to the previous corresponding period. (2012 : RM0.6 million, 2011 : RM0.4 million). The improvement was mainly due to higher dividend income received from investment in shares and share of profits in the associated company.
- 2) Serviced residences – 2012 pre-tax profit was RM1.6 million compared to RM1.2 million in the previous corresponding period. The improvement of RM0.4 million was mainly due to higher revenue achieved from increase in average room rates.
- 3) Serviced offices – The serviced offices segment incurred a pre-tax loss of RM0.8 million compared to a pre-tax profit of RM31,000 for the previous corresponding period. The pre-tax loss was mainly due to increase in operating costs on the establishment of two (2) new serviced office centers, in Malaysia and Indonesia during the months of May 2012 and June 2012 respectively.

The Board of Directors is of the opinion that there have been no transactions or events that have arisen which would significantly affect the results of the operations of the Group for the period from 30 June 2012 to the date of this announcement.

B2. Material changes in Quarterly Results

	Current Quarter 30 June 2012 RM'000	Preceding Quarter 31 March 2012 RM'000
Revenue	19,699	18,251
Profit Berfore Tax	1,422	946

For the current financial quarter ended 30 June 2012, the Group recorded an increase in revenue of RM1.4 million and pre-tax profit of RM0.5 million compared to the preceding quarter ended 31 March 2012. The improved performance is analysed as follows :-

- 1) Investment holding - Revenue and pre-tax profit increased by RM0.8 million and RM0.7 million respectively compared to the preceding quarter. This was mainly due to dividend income received from investment in shares.
- 2) Serviced residences – Revenue and pre-tax profit increased by RM1.0 million and RM1.3 million respectively compared to the preceding quarter. This was mainly due to higher occupancy and average room rates achieved compared to the preceding quarter.
- 3) Serviced offices – The serviced offices segment incurred a pre-tax loss of RM1.5 million compared to the preceding quarter. This was mainly due to higher operating costs incurred in establishing two (2) new serviced office centers in Malaysia and Indonesia.

B3. Current year prospects

Given the uncertainty surrounding the global economy, the Board anticipates that the business environment in which the Group operates will remain challenging for the rest of the financial year.

B4. Profit forecast

No profit forecast was announced hence there is no comparison between actual results and forecast.

B5. Operating Profit

	Current Quarter 30 June		Cumulative Quarter 30 June	
	2012	2011	2012	2011
	RM'000	RM'000	RM'000	RM'000
Included in operating profit are:				
Interest income	231	229	464	410
Other income including investment income	805	735	1,582	1,337
Interest expense	(1,118)	(1,210)	(2,286)	(2,391)
Depreciation	(3,099)	(3,074)	(6,213)	(6,130)
Bad debts recovered	(1)	(17)	(1)	(17)
Reversal of doubtful debts no longer required	-	-	(3)	(1)
Foreign exchange gain / (loss)	6	(565)	(99)	(981)

B6. Taxation

Taxation comprises the following:

	Current quarter 30 June 2012 RM'000	Year to date 30 June 2012 RM'000
Tax Expense	361	622

The year to date effective income tax rate is slightly higher than the statutory tax rate of 25% mainly due to the absence of group relief for tax losses of certain subsidiaries.

B7. Status of Corporate Proposal

There were no corporate proposals announced but not completed as at the date of this announcement.

B8. Group Borrowings and Debt Securities

The Group's borrowings are secured, denominated in Ringgit Malaysia and classified as follows: -

	30.06.2012 RM'000
Current	5,900
Non- current	65,750
	<u>71,650</u>

B9. Material litigations

There are no material litigation which would have a material impact on the Group.

B10. Dividend Proposed or Declared

Details of the final dividend approved by the shareholders at the Company's Annual General Meeting are as follows:-

Final dividend for financial year	31 December 2011	31 December 2010
Gross amount per share	2.0 sen	2.0 sen
Approved and declared on	10 May 2012	25 May 2011
Entitlement to dividends based on Record of Depositors as at	11 May 2012	31 May 2011
Date paid	21 May 2012	10 June 2011

B11. Earnings Per Share ('EPS')

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Financial Year 30 June 2012 RM'000	Preceding Corresponding Financial Year 30 June 2011 RM'000	Current Financial Year To Date 30 June 2012 RM'000	Preceding Financial Year To Date 30 June 2011 RM'000
Basic Earnings per share				
Group's profit after tax used as numerator in the calculation of basic EPS	1,061	1,162	1,746	1,287
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 Earnings Per Share (sen)	0.48	0.52	0.78	0.58
Diluted Earnings Per Share (sen)	0.48	0.52	0.78	0.58

B12. Realised and unrealised unappropriated profits

The realised and unrealised unappropriated profits of the Group are as follows:

	30.06.2012 RM'000	31.12.2011 RM'000
Total unappropriated profits of the Company and its subsidiaries:		
- Realised profits	14,510	14,937
- Unrealised losses	(11,814)	(12,415)
Total share of unappropriated profits from associated company:		
- Realised profits	8,269	9,113
- Unrealised losses	(994)	(64)
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	9,971	11,571
	=====	=====

B13. Authorisation for Issue

The interim financial report was authorised for issue by the Board of Directors in accordance with a resolution of the Directors dated 10 August 2012.

By order of the Board
THE NOMAD GROUP BHD
 JENNY WONG CHEW BOEY (MAICSA 7006120)
 Secretary
 Kuala Lumpur
 10 August 2012