

CREST BUILDER HOLDINGS BERHAD (573382-P)

***UNAUDITED INTERIM FINANCIAL REPORT FOR
THE FIRST QUARTER ENDED 31 MARCH 2009***

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INTERIM REPORT

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2009

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CREST BUILDER HOLDINGS BERHAD ^(573382-P)
CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE FIRST QUARTER ENDED 31 MARCH 2009

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current Year Quarter 31/03/2009 RM'000	Preceding Year Quarter 31/03/2008 RM'000	Current Year To Date 31/03/2009 RM'000	Preceding Year To Date 31/03/2008 RM'000
Revenue	61,379	69,209	61,379	69,209
Cost of Sales	<u>(52,667)</u>	<u>(58,088)</u>	<u>(52,667)</u>	<u>(58,088)</u>
Gross Profit	8,712	11,121	8,712	11,121
Other Operating Income	<u>467</u>	<u>468</u>	<u>467</u>	<u>468</u>
	9,179	11,589	9,179	11,589
Administration costs	<u>(2,905)</u>	<u>(3,692)</u>	<u>(2,905)</u>	<u>(3,692)</u>
	6,274	7,897	6,274	7,897
Finance costs	(2,021)	(1,999)	(2,021)	(1,999)
Share of profit / (loss) of Associated Company	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Profit before tax	4,253	5,898	4,253	5,898
Taxation	<u>(955)</u>	<u>(1,808)</u>	<u>(955)</u>	<u>(1,808)</u>
Net profit of the period	<u>3,298</u>	<u>4,090</u>	<u>3,298</u>	<u>4,090</u>
Attributable to :-				
Equity holders of the parent	3,298	4,090	3,298	4,090
Minority interest	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>3,298</u>	<u>4,090</u>	<u>3,298</u>	<u>4,090</u>
Earnings Per Share attributable to ordinary equity holders of the parent(sen) - Basic	<u>2.7</u>	<u>3.3</u>	<u>2.7</u>	<u>3.3</u>
- Diluted	<u>N/A *</u>	<u>3.2</u>	<u>N/A *</u>	<u>3.2</u>

* The calculation for Diluted EPS is not applicable for the individual quarter and period ended 31 March 2009 as it has an anti-dilution effect.

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the quarterly report.

CREST BUILDER HOLDINGS BERHAD ^(573382-P)
CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2009

	As at 31/03/2009 RM'000	(Audited) As at 31/12/2008 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	15,547	14,543
Investment properties	87,698	87,698
Other investments	8,554	8,554
Intangible assets	33,604	33,604
Land held for property development	29,230	29,336
	<u>174,633</u>	<u>173,735</u>
Current assets		
Property development costs	14,543	13,799
Inventories	1,898	1,898
Trade receivables	117,718	100,695
Amounts due from contract customers	127,118	152,200
Other receivables, deposits and prepayments	9,406	12,746
Tax recoverable	4,678	3,962
Cash and bank balances	14,425	18,097
	<u>289,786</u>	<u>303,397</u>
TOTAL ASSETS	464,419	477,132
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	124,089	124,089
Reserves	101,751	98,452
Total equity	225,840	222,541
Non-current liabilities		
Hire purchase payables	2,540	1,882
Deferred tax liabilities	267	532
Loans	43,664	43,189
	<u>46,471</u>	<u>45,603</u>
Current liabilities		
Trade payables	68,562	86,631
Amounts due to contract customers	6,862	4,265
Progress billings in respect of property development costs	10,408	12,068
Other payables, deposits and accruals	20,726	27,527
Hire purchase payables	2,492	2,082
Bank overdraft	12,116	7,983
Other bank borrowings	70,917	68,426
Provision for taxation	25	6
	<u>192,108</u>	<u>208,988</u>
Total liabilities	238,579	254,591
TOTAL EQUITY AND LIABILITIES	464,419	477,132
Net assets per share attributable to ordinary equity holders of the parent (RM)	<u>1.82</u>	<u>1.79</u>

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the quarterly report.

CREST BUILDER HOLDINGS BERHAD (57382-F)
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 31 MARCH 2009

	Share Capital RM'000	NON-DISTRIBUTABLE		DISTRIBUTABLE		Shareholders' Equity RM'000	Minority Interest RM'000	Total Equity RM'000
		Capital Reserve RM'000	Other Reserve RM'000	Retained Earnings RM'000				
At 1 January 2008	123,911	4,048	181	88,213		216,353	-	216,353
Profit for the period	-	-	-	4,090		4,090	-	4,090
	123,911	4,048	181	92,303		220,443	-	220,443
Share options granted under ESOS	-	-	-	-	-	-	-	-
Issue of shares:-								
- Options issued under ESOS	178	-	-	-	-	178	-	178
Dividend	-	-	-	-	-	-	-	-
At 31 March 2008	124,089	4,048	181	92,303		220,621	-	220,621
At 1 January 2009	124,089	4,074	251	94,128		222,542	-	222,542
Profit for the period	-	-	-	3,298		3,298	-	3,298
	124,089	4,074	251	97,426		225,840	-	225,840
Share options granted under ESOS	-	-	-	-	-	-	-	-
Issue of shares:-								
- Options issued under ESOS	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-
At 31 March 2009	124,089	4,074	251	97,426		225,840	-	225,840

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the quarterly report.

CREST BUILDER HOLDINGS BERHAD (573382-P)
CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE FIRST QUARTER ENDED 31 MARCH 2009

	3 Months Ended 31/3/2009 RM'000	3 Months Ended 31/3/2008 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	4,253	5,898
Adjustments for :-		
Depreciation	957	985
Gain on disposal of property, plant and equipment	(137)	(9)
Interest expense	2,021	2,041
Interest income	(104)	(1,845)
Operating profit before working capital changes	6,990	7,070
Net change in current assets	5,892	42,741
Net change in current liabilities	(19,064)	(52,238)
	(13,172)	(9,497)
Cash generated from operations	(6,182)	(2,427)
Income tax paid	(1,917)	(1,442)
Net cash generated from operating activities	(8,099)	(3,869)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	104	1,845
Purchase of land held for development	-	(83)
Proceeds from disposal of investment property	-	-
Proceeds from disposal of property, plant and equipment	137	9
Purchase of other investment	-	-
Purchase of investment properties	-	-
Purchase of property, plant and equipment	(229)	(795)
Net cash used in from investing activities	12	976
CASH FLOWS FROM FINANCING ACTIVITIES		
Fixed deposits with licensed banks	-	(109)
Interest paid	(2,021)	(2,041)
Loan raised	3,608	12,273
Proceeds from issuance of ordinary shares	-	178
Repayment of loans	(641)	(20,128)
Repayment of hire purchase creditors	(665)	(565)
Net cash (used in) / generated from financing activities	281	(10,392)
Net (decrease) / increase in cash and cash equivalents	(7,806)	(13,285)
Cash and cash equivalents brought forward	6,658	17,189
Cash and cash equivalents carried forward	(1,148)	3,904
Note:		
Cash and bank balances	1,319	1,537
Fixed deposit with licensed banks	13,106	17,083
	14,425	18,620
Less: Bank overdraft	(12,116)	(11,320)
Fixed deposit pledged	(3,457)	(3,396)
Cash and cash equivalents	(1,148)	3,904

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for

CREST BUILDER HOLDINGS BERHAD (573382-P)
INTERIM FINANCIAL REPORT
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**PART A: EXPLANATORY NOTES PURSUANT TO PARAGRAPH 16, FRS134
INTERIM FINANCIAL REPORTING**

A1. BASIS OF PREPARATION

The unaudited interim financial report has been prepared in accordance with the reporting requirements as set out in the Financial Reporting Standards (“FRS”) No. 134 – “Interim Financial Reporting” and paragraph 9.22 of the Bursa Malaysia Securities Berhad (“Bursa Securities”) Listing Requirements, and should be read in conjunction with the Group’s audited statutory financial statements presented in the Annual Report for the financial year ended 31 December 2008.

The accounting policies and method of computation adopted by the Group in this interim financial report are consistent with those adopted for the annual audited financial statements for the financial year ended 31 December 2008.

The following new FRSs and Interpretations were issued but not yet effective and have not been applied by the Group:-

FRSs and Interpretations		Effective for financial periods beginning on or after
FRS 7	Financial Instruments : Disclosures	1 January 2010
FRS 8	Operating Segments	1 January 2010
FRS 139	Financial Instruments : Recognition and Measurement	1 July 2009
IC Interpretation 9	Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 10	Interim Financial Reporting and Impairment	1 January 2010

The adoption of the abovementioned FRSs and Interpretations upon their effective dates are not expected to have any significant impact to the Group.

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FOR THE FIRST QUARTER ENDED 31 MARCH 2009

A2. AUDIT QUALIFICATION OF PRECEDING ANNUAL FINANCIAL STATEMENTS

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

A3. SEASONALITY AND CYCLICALITY FACTORS

The operations of the Group were not materially affected by any seasonal or cyclical factors.

A4. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows for the current quarter ended 31 March 2009.

A5. CHANGES IN ESTIMATES

There were no changes in estimates of amounts reported in prior financial years that have a material effect on the current quarter ended 31 March 2009.

A6. ISSUANCE OR REPAYMENT OF DEBT AND EQUITY SECURITIES

There were no issuance and repayment of debt securities, share buy-backs, share cancellations, shares held as treasury shares and/or resale of treasury shares for the current financial period under review.

A7. DIVIDEND PAID

There were no dividends paid during the current quarter.

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FOR THE FIRST QUARTER ENDED 31 MARCH 2009

A8. SEGMENTAL REPORTING

The segmental reporting by industry of the Group is set out as below:-

(i) For the three (3) months ended 31 March 2009.

Segment Revenue and Segment Results

Business Segment	Construction RM'000	Investment Holding RM'000	Property Developments RM'000	Eliminations RM'000	Consolidated RM'000
Revenue					
- External customer	57,370	1,805	2,204	-	61,379
- Inter-segment	2,373	1,456	-	(3,829)	-
Total revenue	59,743	1,474	2,204	(3,829)	61,379
Results					
- Segment Results	3,405	2,601	812	(544)	6,274
Finance Cost					(2,021)
Taxation					(955)
Net Profit for the Period					3,298

No geographical segment is presented as the Group operates principally in Malaysia.

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(ii) For the three (3) months ended 31 March 2008.

Segment Revenue and Segment Results

Business Segment	Construction RM'000	Investment Holding RM'000	Property Developments RM'000	Eliminations RM'000	Consolidated RM'000
Revenue					
- External customer	51,682	164	17,363	-	69,209
- Inter-segment	5,258	1,472	-	(6,730)	-
Total revenue	56,940	1,636	17,363	(6,730)	69,209
Results					
- Segment Results	2,138	1,571	4,632	(444)	7,897
Finance Cost					(1,999)
Taxation					(1,808)
Net Profit for the Period					4,090

No geographical segment is presented as the Group operates principally in Malaysia.

A9. VALUATIONS OF PROPERTY, PLANT AND EQUIPMENT

The valuations of property, plant and equipment have been brought forward without amendment from the financial statements for the year ended 31 December 2008.

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A10. SUBSEQUENT MATERIAL EVENTS

There were no material events subsequent to the reporting period up to 18 May 2009, being the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report, that have not been reflected in the financial statements for the current quarter ended 31 March 2009.

A11. CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group for the current quarter ended 31 March 2009.

A12. CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Contingent liabilities of the Group as at 18 May 2009 being the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report comprises of Bank Guarantees provided by the Group to the various parties in the normal course of business and the changes in contingent liabilities since the last financial year ended 31 December 2008 are as follows:-

	RM'000
Balance as at 1 January 2009	78,351
Extended during the period	215
Discharged during the period	(915)
Balance as at 18 May 2009	77,651

A13. CAPITAL COMMITMENTS

There was no capital commitments that have a material effect in the current quarter ended 31 March 2009.

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A14. SIGNIFICANT RELATED PARTY DISCLOSURES

Crest Builder Holdings Berhad and / or its subsidiaries	Transacting Party	Relationship	Nature of Transactions	Current Quarter Ended 31 March 2009 RM'000	Cumulative Quarter Ended 31 March 2009 RM'000
Crest Builder Sdn Bhd	Farima Sdn Bhd	Company connected with a Director of the Company	Construction work	7,521	7,521

The directors are of the opinion that the transactions above have been entered into in the normal course of business and have been established on the terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

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PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA SECURITIES

B1. REVIEW OF PERFORMANCE

For the first quarter under review, the Group revenue decreased by 11% to RM61.4 million from RM69.2 million in the corresponding first quarter of the preceding year. The decrease in revenue was mainly due to the property division which saw less activity in the first quarter.

The profit after tax of RM3.3 million was lower compared to the preceding year corresponding first quarter of RM4.1 million. This was due to lower contribution from property division.

B2. COMPARISON WITH IMMEDIATE PRECEDING QUARTER'S RESULTS

	Current 1st Quarter RM'000	Preceding 4th Quarter RM'000	Increase/ (Decrease)	
			RM'000	%
Revenue	61,379	56,074	5,305	9%
Profit before taxation	4,253	4,349	(96)	(2%)
Profit after taxation	3,298	2,668	630	24%

For the current quarter under review, the Group recorded profit before taxation and profit after taxation of RM4.2 million and RM3.3 million respectively as compared to RM4.3 million and RM2.7 million respectively in the immediate preceding quarter.

B3. CURRENT YEAR PROSPECT

The Group continues to bid actively and successfully for construction projects. Continuous effort is being taken to identify strategic measures for improving the Group's construction margin.

Despite the global economic crisis, the Board is cautiously optimistic that the operating results for 2009 will remain satisfactory.

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B4. VARIANCES ON PROFIT FORECAST AND PROFIT GUARANTEE

Not applicable to the Group.

B5. TAXATION

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	<u>Quarter Ended 31.3.2009 (RM'000)</u>	<u>Quarter Ended 31.3.2008 (RM'000)</u>	<u>Period Ended 31.3.2009 (RM'000)</u>	<u>Period Ended 31.3.2008 (RM'000)</u>
Current period's provision	1,220	1,761	1,220	1,761
Deferred tax	(265)	47	(265)	47
	<u>955</u>	<u>1,808</u>	<u>955</u>	<u>1,808</u>
 Profit before taxation	 <u>4,253</u>	 <u>5,898</u>	 <u>4,253</u>	 <u>5,898</u>
 Taxation at Malaysian statutory tax rate – 25% / 26%	 1,063	 1,533	 1,063	 1,533
Tax losses not yet utilised	18	16	18	16
Effect of different tax rate	-	(38)	-	(38)
Over provision in deferred tax in prior year	(265)	47	(265)	47
Expenses not deductible for tax purposes	139	250	139	250
	<u>955</u>	<u>1,808</u>	<u>955</u>	<u>1,808</u>

The Group's effective tax rate for the current quarter ended 31 March 2009 was higher than the statutory tax rate prevailing in Malaysia principally due to under provision of tax in prior year.

B6. PROFIT ON SALE OF UNQUOTED INVESTMENTS AND / OR PROPERTIES

There was no disposal of unquoted investments and/or properties for the current quarter ended 31 March 2009.

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B7. DEALINGS IN QUOTED SECURITIES

- (i) The Group did not transact any quoted securities for the current quarter ended 31 March 2009.
- (ii) As at 31 March 2009, the Group did not hold any quoted securities.

B8. CORPORATE PROPOSALS

The Group has not announced any corporate proposal during the current quarter ended 31 March 2009 under review.

B9. BORROWINGS AND DEBT SECURITIES

The details of Group borrowings and debt securities, all of which is denominated in Ringgit Malaysia, as at 31 March 2009 are as follows:-

	RM'000	RM'000
Short term borrowings :		
Secured		
- Hire Purchase	2,492	
- Term Loan	3,880	
Unsecured		
- Bank Overdraft	12,116	
- Bankers' Acceptance	22,037	
- Term Loan	45,000	
	85,525	
Long term borrowings :		
Secured		
- Hire Purchase	2,540	
- Term Loan	3,664	
Unsecured		
- Term Loan	40,000	
	46,204	
Total		131,729

B10. OFF BALANCE SHEET FINANCIAL INSTRUMENT

There were no financial instruments with off balance sheet risk as at 18 May 2009, being the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report.

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B11. MATERIAL LITIGATION

Save as previously disclosed, there were no changes in material litigation, including the status of pending material litigation since the previous quarter to 18 May 2009, being the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report.

B12. DIVIDEND

No dividend was proposed or paid in respect of the first quarter ended 31 March 2009.

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B13. EARNINGS PER SHARE

a. Basic earnings per share

The basic earnings per share has been calculated based on the Group's profit after taxation and divided by the weighted average number of ordinary shares outstanding during the current quarter ended 31 March 2009.

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	31/3/2009	31/3/2008	31/3/2009	31/3/2008
Profit after tax attributable to equity holders of the parent (RM'000)	3,298	4,090	3,298	4,090
Weighted average number of ordinary shares in issue ('000)	124,089	124,012	124,089	124,012
Basic earnings per share (sen)	2.7	3.3	2.7	3.3

b. Diluted earnings per share

The diluted earnings per share has been calculated based on the Group's profit after taxation and divided by the weighted average number of ordinary shares which would be issued on conversion of all dilutive potential ordinary shares into ordinary shares as follows:-

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	31/3/2009	31/3/2008	31/3/2009	31/3/2008
Profit after tax attributable to equity holders of the parent (RM'000)	3,298	4,090	3,298	4,090
Weighted average number of ordinary shares ('000)	124,089	124,012	124,089	124,012
Assume full conversion of Warrants ('000)	*	2,761	*	2,761
Effects of ESOS ('000)	*	749	*	749
Weighted average number of ordinary shares ('000)	124,089	127,522	124,089	127,522
Diluted earnings per share (sen)	N/A	3.2	N/A	3.2

* Not taken into account in the computation of diluted earnings per share because the effect is anti-dilutive.

The computation for diluted earnings per share is not applicable for individual quarter and period ended 31 March 2009 as it has an anti-dilution effect.

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B14. AUTHORISED FOR ISSUE

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 21 May 2009.

By Order of the Board

Company Secretaries
Heng Chiang Pooh FCIS (MAICSA 7009923)
Chiam Han Twee FCIS (MAICSA 7009910)

Date: 21 May 2009