

**BOLTON BERHAD**  
(Company No. 5572-H)  
(Incorporated in Malaysia)

Interim Financial Report  
Fourth Quarter Ended 31 March 2009

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2009**

	Individual quarter ended		Cumulative quarter ended	
	31/03/2009 RM'000	31/03/2008 RM'000	31/03/2009 RM'000	31/03/2008 RM'000
<b>Continuing operations</b>				
Revenue	43,907	65,285	292,044	293,787
Cost of sales	(33,441)	(45,106)	(206,751)	(202,167)
Gross profit	<u>10,466</u>	<u>20,179</u>	<u>85,293</u>	<u>91,620</u>
Other income	14,503	1,652	17,335	11,811
Employee benefits expense	(2,470)	(5,087)	(15,442)	(17,450)
Depreciation and amortisation	(1,284)	(2,369)	(3,745)	(5,499)
Other expenses	(10,307)	(3,156)	(30,466)	(25,281)
Profit from operations	<u>10,908</u>	<u>11,219</u>	<u>52,975</u>	<u>55,201</u>
Finance costs	(2,426)	(2,842)	(9,309)	(14,025)
Other investing activities results	(6,722)	1,888	(7,654)	11,156
Share of results of associates and jointly controlled entities	187	1,363	2,101	5,728
Profit before taxation	<u>1,947</u>	<u>11,628</u>	<u>38,113</u>	<u>58,060</u>
Taxation	(2,969)	(4,481)	(14,603)	(14,193)
<b>(Loss)/Profit for the period from continuing operations</b>	<u>(1,022)</u>	<u>7,147</u>	<u>23,510</u>	<u>43,867</u>
<b>Discontinued Operations</b>				
Profit for the period from discontinued operations	-	2,456	-	4,588
<b>(Loss)/Profit for the period</b>	<u>(1,022)</u>	<u>9,603</u>	<u>23,510</u>	<u>48,455</u>
<b>Attributable to :</b>				
Equity holders of the parent	(2,474)	10,247	18,343	46,704
Minority interests	1,452	(644)	5,167	1,751
	<u>(1,022)</u>	<u>9,603</u>	<u>23,510</u>	<u>48,455</u>
Earnings/(Loss) per share attributable to equity holders of the parent :	sen	sen	sen	sen
Basic, for profit/(loss) from continuing operations	(0.88)	2.62	6.33	13.83
Basic, for profit from discontinued operations	-	0.82	-	1.51
Basic, for profit/(loss) for the period	<u>(0.88)</u>	<u>3.44</u>	<u>6.33</u>	<u>15.34</u>

**(The Condensed Consolidated Income Statements should be read in conjunction with the audited Financial Statements for the year ended 31 March 2008 and the accompanying notes attached to the interim financial statements)**

**UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS**

	<b>Unaudited As at 31/03/2009 RM'000</b>	<b>Audited As at 31/03/2008 RM'000</b>
<b>ASSETS</b>		
<b>Non-current Assets</b>		
Property, plant and equipment	37,361	38,443
Land held for property development	84,362	84,845
Investment properties	14,508	14,574
Prepaid land lease payments	27,571	28,878
Goodwill	3,487	1,852
Investment in associates	73	325
Investment in jointly controlled entities	68,973	66,840
Other investments	23,556	37,847
Deferred tax assets	2,888	5,386
	<u>262,779</u>	<u>278,990</u>
<b>Current Assets</b>		
Property development costs	187,522	175,848
Inventories	53,516	65,401
Short term investments	1,097	4,319
Trade and other receivables	129,634	115,122
Tax recoverable	8,368	7,005
Cash and bank balances	47,144	60,529
	<u>427,281</u>	<u>428,224</u>
Assets of disposal group classified as held for sale	46,491	46,311
	<u>473,772</u>	<u>474,535</u>
<b>TOTAL ASSETS</b>	<u>736,551</u>	<u>753,525</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	320,815	320,815
Share premium	24,909	24,909
Treasury shares	(23,813)	(13,023)
Other reserves	3,464	3,464
Retained profits	72,112	60,345
Shares held by ESTS Trust	(15,465)	(11,418)
Amounts recognised directly in equity relating to assets classified as held for sale	16,403	16,403
Shareholders' equity	<u>398,425</u>	<u>401,495</u>
Minority Interests	18,933	9,172
Total equity	<u>417,358</u>	<u>410,667</u>
<b>Non-current Liabilities</b>		
Borrowings	31,748	101,472
Other payables and deferred income	42,255	38,132
	<u>74,003</u>	<u>139,604</u>
<b>Current Liabilities</b>		
Trade and other payables	105,232	112,303
Borrowings	134,219	83,840
Current tax payable	3,511	4,883
	<u>242,962</u>	<u>201,026</u>
Liabilities directly associated with the assets classified as held for sale	2,228	2,228
	<u>245,190</u>	<u>203,254</u>
Total Liabilities	<u>319,193</u>	<u>342,858</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>736,551</u>	<u>753,525</u>
Net Assets per share attributable to Equity Holders of the Parent (RM)	<u>1.45</u>	<u>1.36</u>

(The Condensed Consolidated Balance Sheets should be read in conjunction with the audited financial statements for the year ended 31 March 2008 and the accompanying notes attached to the interim financial statements)

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 MARCH 2009**

	-----Attributable to Equity Holders of the Parent-----						Shares held by ESTS Trust RM'000	Distributable		Minority Interests RM'000	Total Equity RM'000
	-----Non-distributable Reserves-----					Retained Profits/ (Accumulated Losses) RM'000		Shareholders' Equity RM'000			
	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	Capital Reserve RM'000	Exchange Reserve RM'000	Relating to Assets Held for Sale RM'000					
<b>12 months ended 31.03.2008</b>											
Balance at 1 April 2007	320,815	244,909	(8,850)	19,867	-	(329)	-	(200,707)	375,705	8,152	383,857
Profit for the period								46,704	46,704	1,751	48,455
Dividend								(5,652)	(5,652)		(5,652)
Transfer of reserves						329			329		329
Reduction of share premium account		(220,000)						220,000	-		-
Amount recognised directly in equity relating to assets classified as held for sale				(16,403)		16,403			-		-
Acquisition of additional interests in subsidiary from minority shareholders									-	(731)	(731)
Treasury shares purchased			(4,173)						(4,173)		(4,173)
Purchased in respect of ESTS Trust							(11,418)		(11,418)		(11,418)
Balance at 31 Mar 2008	<u>320,815</u>	<u>24,909</u>	<u>(13,023)</u>	<u>3,464</u>	<u>-</u>	<u>16,403</u>	<u>(11,418)</u>	<u>60,345</u>	<u>401,495</u>	<u>9,172</u>	<u>410,667</u>
<b>12 months ended 31.03.2009</b>											
Balance at 1 April 2008	320,815	24,909	(13,023)	3,464	-	16,403	(11,418)	60,345	401,495	9,172	410,667
Dividend								(6,576)	(6,576)	-	(6,576)
Dilution in equity interest									-	(11)	(11)
Acquisition of subsidiary									-	4,605	4,605
Profit for the year								18,343	18,343	5,167	23,510
Treasury shares purchased			(10,790)						(10,790)		(10,790)
Purchased in respect of ESTS Trust							(4,047)		(4,047)		(4,047)
Balance at 31 Mar 2009	<u>320,815</u>	<u>24,909</u>	<u>(23,813)</u>	<u>3,464</u>	<u>-</u>	<u>16,403</u>	<u>(15,465)</u>	<u>72,112</u>	<u>398,425</u>	<u>18,933</u>	<u>417,358</u>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 March 2008 and the accompanying notes attached to the interim financial statements)

**BOLTON BERHAD**

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**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS  
FOR THE YEAR ENDED 31 MARCH 2009**

	Year ended 31/03/2009 RM'000	Year ended 31/03/2008 RM'000
Profit before tax from:		
Continuing operations	38,113	58,060
Discontinued operations	-	4,432
Adjustment for :-		
Non-cash items	8,934	(9,031)
Non-operating items (which are investing/financing)	3,742	7,277
Operating profit before changes in working capital	<u>50,789</u>	<u>60,738</u>
Changes in working capital		
Net change in current assets	18,689	25,578
Net change in current liabilities	(24,189)	28,924
Land held for property development	(3,042)	(206)
Taxation paid	(17,910)	(15,700)
Net cash flows from operating activities	<u>24,337</u>	<u>99,334</u>
Investing Activities		
- Property, plant and equipment	(1,244)	8,927
- Assets held for sale	(180)	-
- Other investments	6,645	719
- Short term investments	2,390	770
- Dividend received from quoted investments	1,390	1,288
- Proceeds from maturity of bonds	240	1,400
- Net cash from disposal of an associated company	-	21,870
- Net cash paid for acquisition of a subsidiary	(6,205)	(300)
- Acquisition of additional interests from minority shareholders	-	(690)
- Net cash from sale of a subsidiary	-	13,189
	<u>3,036</u>	<u>47,173</u>
Financing Activities		
- Bank borrowings	(13,560)	(102,689)
- Other borrowings	(33)	(220)
- Dividend paid	(6,576)	(5,652)
- Equity investments	(14,837)	(15,591)
	<u>(35,006)</u>	<u>(124,152)</u>
Net Change in Cash and Cash Equivalents	(7,633)	22,355
Cash and Cash Equivalents previously classified as held for sale	-	(1,230)
Cash and Cash Equivalents at beginning of period	49,914	28,789
Cash and Cash Equivalents at end of period	<u>42,281</u>	<u>49,914</u>
Analysis of cash and cash equivalents at end of the financial period:		
Cash and bank balances	43,247	58,859
Deposits with licensed financial institutions	3,897	1,670
Bank overdrafts	(4,863)	(10,615)
	<u>42,281</u>	<u>49,914</u>

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the audited financial statements for the year ended 31 March 2008 and the accompanying notes attached to the interim financial statements)

**Explanatory Notes**

**A1. Basis of Preparation**

The interim financial report is unaudited and has been prepared in accordance with Financial Reporting Standard (FRS) 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the Group's audited financial statements for the year ended 31 March 2008

**A2. Changes in Accounting Policies**

The accounting policies and methods of computation by the Group in this interim report are consistent with those adopted in the most recent annual audited financial statements

On 1 April 2008, the Group adopted the following new/revised FRSs mandatory for the financial year beginning on or after 1 January 2008.

- FRS 107 - Cash Flow Statements
- FRS 111 - Construction Contracts
- FRS 112 - Income Taxes
- FRS 118 - Revenue
- FRS 134 - Interim Financial Reporting
- FRS 137 - Provisions, Contingent Liabilities and Contingent Assets

The adoption of the abovementioned FRSs does not result in significant changes in accounting policies of the Group

**A3. Audit Qualification**

The audit report of the Group's most recent annual audited financial statements for the year ended 31 March 2008 was not qualified

**A4. Seasonality or Cyclical Factors**

There were no material seasonal or cyclical factors which affected the results of the operations for the quarter under review

**A5. Exceptional items**

	<b>Individual quarter ended 31/03/09 RM'000</b>	<b>Cumulative quarter ended 31/03/09 RM'000</b>
Included in other investing results were ::		
- Profit/(Loss) on disposal of quoted investments	41	(52)
- Impairment loss on quoted investments	(7,308)	(7,639)
- Others	38	37
	<u>(7,229)</u>	<u>(7,654)</u>

**A6. Changes in estimates**

There were no major changes in estimates that have a material effect on the results of the quarter under review

**A7. Debt and Equity Securities**

During the current financial quarter, the Company repurchased 15,742,000 units of its issued share capital of RM1.00 each from the open market at an average cost of RM0.62 per share.

As at 31 March 2009, the total number of shares repurchased amounted to 31,746,300 ordinary shares at an average price of RM0.75 per share. The shares repurchased are retained as treasury shares

**A8. Dividends Paid**

No dividend was paid during the current financial quarter under review

**A9. Segmental Reporting**

	-----Year ended 31/03/2009----->					
Business segments	Property Development RM'000	Property Investment RM'000	Construction RM'000	Quarry Operations RM'000	Other Operations RM'000	Total RM'000
Revenue from continuing operations	260,259	12,086	48,801	2,924	7,694	331,764
Less : Eliminations of inter-segment						(39,720)
Net revenue from continuing operations						<u>292,044</u>
Discontinued operations						-
Total revenue						<u>292,044</u>
<b>Continuing operations</b>						
Segment results from continuing operations	<u>57,372</u>	<u>3,149</u>	<u>1,389</u>	<u>1,015</u>	<u>2,145</u>	65,070
Head office expenses						(12,095)
Operating profit						<u>52,975</u>
Finance costs						(9,309)
Other investing activities results						(7,654)
Share of results of associates and jointly controlled entities						2,101
Profit before taxation						<u>38,113</u>
Taxation						(14,603)
Profit for the year from continuing operations						<u>23,510</u>
<b>Discontinued operations</b>						
Profit for the year from discontinued operations						-
<b>Profit for the year</b>						<u><u>23,510</u></u>

Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis:

**A10. Valuation of property, plant and equipment**

The valuation of land and buildings have been brought forward, without amendment from the most recent annual audited financial statements for the year ended 31 March 2008. The carrying value was based on a valuation carried out in 1983 by independent professional valuers less depreciation, as permitted under the transitional provision of IAS 16 (Revised): Property, Plant and Equipment.

**A11. Subsequent Events**

Save as disclosed in B8, there were no material subsequent events since 31 March 2009

**A12. Changes in the Composition of the Group**

- (1) In January 2009, the Company disposed of a 40% shareholding in one of its indirect wholly-owned subsidiaries for RM80,000. The disposal resulted in a gain to the Group on disposal of RM13,000
- (2) The Company had on 13 March 2009 announced the disposal of four (4) wholly owned dormant/inactive subsidiaries for a total consideration of RM8.

**A13. Changes in contingent liabilities and contingent assets**

As at 31 March 2009, there were no material changes in contingent liabilities since the last annual audited balance sheet as at 31 March 2008. There was no contingent asset as at 31 March 2009.

**ADDITIONAL INFORMATION AS REQUIRED BY APPENDIX 9B OF THE BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS.**

**B1. Review of Performance**

For the quarter ended 31 March 2009, the Group achieved a profit before tax of RM1.947 million from a revenue of RM43.907 million. The main contributor to the Group's results continues to be the Property Development business which contributed approximately 88% of the Group's results. Revenue decreased by 38% compared to the preceding quarter due to lower sales generated as a result of a stagnant property market. The results of the Group for the current quarter is also affected by a provision for impairment loss of RM7.2 million on the balance of shares in Symphony House Berhad held by the Group

**B2. Material Changes in the Quarterly Results as Compared to the Immediate Preceding Quarter**

The performance for the current quarter is lower than the immediate preceding quarter due to the economic downturn and provision for impairment loss as mentioned in Para. B1 above.

**B3. Prospects for the financial year ending 31 March 2010**

In order to counter the impact of the global economic downturn and the continued slowdown in the domestic economy, the Government has announced another stimulus package of RM60 billion on 9 March 2009 to spur economic activities and cushion the downturn. Notwithstanding that the Group has put in motion various strategies to mitigate and minimise the impact of the economic slowdown, the directors however expect the slowdown to be reflected in the future performance of the Group

**B4. Profit Forecast/Profit Guarantee**

Not applicable

**B5. Taxation**

Taxation comprises the following :-

	Individual quarter ended 31/03/09 RM'000	Cumulative quarter ended 31/03/09 RM'000
Current taxation - current year	2,900	14,272
Under provision in prior year	69	331
	<u>2,969</u>	<u>14,603</u>

The effective tax rate of the Group for the period under review is higher than the statutory tax rate due to losses of some subsidiaries which cannot be set off against taxable profits of other subsidiaries and impairment loss on quoted investment that is not tax deductible

**B6. Sale of unquoted investments and properties**

For the current quarter under review, save as disclosed in Note A12, there were no other sales of unquoted investments. There were no sale of properties other than the sale of land and buildings in the normal course of business as property developer:

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**B7. Quoted investments**

(a) Total purchases and sales of quoted investments were as follows :

	Individual quarter ended 31/03/09 RM'000	Cumulative quarter ended 31/03/09 RM'000
Total purchases	59	436
Total sales proceeds	26	9,398
Total profit on disposal	47	12

(b) Investments in quoted securities as at 31 March 2009 were as follows :

	At Cost RM'000	At Book Value RM'000	At Market Value RM'000
Quoted in Malaysia			
Other investments	72,076	18,331	18,331

**B8. Corporate Developments**

- (1) On 26 September 2008 announced that it had undertaken a proposed internal re-organisation exercise involving its subsidiaries and on 7 January 2009 the Company further announced that FIC's approval was granted for the said internal re-organisation exercise. The said proposal was completed on 27 March 2009.
- (2) The Company had on 8 May 2009 announced that its wholly owned subsidiary, Bolton Land Sdn Bhd (BLSB) had subscribed for 2,000,000 Redeemable Preference Shares of RM1.00 each with 8% preferential dividend per annum in the share capital of Zahar Holdings Sdn Bhd (ZHSB), a subsidiary of BLSB. The subscription is to provide additional working capital for ZHSB and it will not have any material effect on the earnings per share, net assets, gearing, share capital and substantial shareholders' shareholding of Bolton for the financial year ending 31 March 2010.

**B9. Group borrowings**

Particulars of the Group's borrowings as at 31 March 2009 were as follows :

	RM'000
Short term bank borrowings :-	
Secured	74,209
Unsecured	60,010
Long term bank borrowings :-	
Secured	31,736
Unsecured	12
Total Group borrowings	<u>165,967</u>

All borrowings are denominated in Ringgit Malaysia

**B10. Off Balance Sheet Financial Instruments**

There are no financial instruments with off balance sheet risks as at the date of this report

**B11. Material Litigation**

There is no material litigation pending as at the date of this report

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**B12. Dividends Proposed**

The Board of Directors has recommended a final dividend of 1.5 sen per share less 25% tax in respect of the financial year ended 31 March 2009 (2008: 3.0 sen).

The proposed dividend payout of approximately RM3.252 million is subject to the approval of shareholders at the annual General Meeting to be held.

**B13. Earnings per share**

	Individual quarter ended		Cumulative quarter ended	
	31/03/09 RM'000	31/03/08 RM'000	31/03/09 RM'000	31/03/08 RM'000
(Loss)/Profit from continuing operations	(2,474)	7,791	18,343	42,116
Profit from discontinued operations	-	2,456	-	4,588
(Loss)/Profit for the period attributable to the ordinary equity holders of the parent	<u>(2,474)</u>	<u>10,247</u>	<u>18,343</u>	<u>46,704</u>
Weighted average number of ordinary shares excluding treasury shares and shares held by Employees' Trust Scheme ('000)	279,769	297,468	290,007	304,464
Basic earnings per share (sen) for :				
(Loss)/Profit from continuing operations	(0.88)	2.62	6.33	13.83
Profit from discontinued operations	-	<u>0.82</u>	-	<u>1.51</u>
(Loss)/Profit for the period	<u>(0.88)</u>	<u>3.44</u>	<u>6.33</u>	<u>15.34</u>

**LIM SENG YON**  
**WONG WAI FONG**  
Secretaries

**Kuala Lumpur**  
Date: 27 May 2009