

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

Interim Financial Report  
First Quarter Ended 30 June 2009

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

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS  
 FOR THE PERIOD ENDED 30 JUNE 2009**

	Individual quarter ended		Cumulative quarter ended	
	30/06/2009 RM'000	30/06/2008 RM'000	30/06/2009 RM'000	30/06/2008 RM'000
Revenue	58,471	87,332	58,471	87,332
Cost of sales	(39,528)	(59,523)	(39,528)	(59,523)
Gross profit	<u>18,943</u>	<u>27,809</u>	<u>18,943</u>	<u>27,809</u>
Other income	511	1,059	511	1,059
Employee benefits expense	(4,066)	(4,841)	(4,066)	(4,841)
Depreciation and amortisation	(712)	(820)	(712)	(820)
Other expenses	(5,916)	(7,191)	(5,916)	(7,191)
Profit from operations	<u>8,760</u>	<u>16,016</u>	<u>8,760</u>	<u>16,016</u>
Finance costs	(1,689)	(2,434)	(1,689)	(2,434)
Other investing activities results	3,531	(165)	3,531	(165)
Share of results of associates and jointly controlled entities	620	880	620	880
Profit before taxation	<u>11,222</u>	<u>14,297</u>	<u>11,222</u>	<u>14,297</u>
Taxation	(3,183)	(4,948)	(3,183)	(4,948)
<b>Profit for the period</b>	<u><u>8,039</u></u>	<u><u>9,349</u></u>	<u><u>8,039</u></u>	<u><u>9,349</u></u>
<b>Attributable to :</b>				
Equity holders of the parent	5,856	8,650	5,856	8,650
Minority interests	2,183	699	2,183	699
	<u>8,039</u>	<u>9,349</u>	<u>8,039</u>	<u>9,349</u>
	sen	sen	sen	sen
Basic earnings per share (sen) for :				
Profit for the period	<u>2.14</u>	<u>2.92</u>	<u>2.14</u>	<u>2.92</u>

(The Condensed Consolidated Income Statements should be read in conjunction with the audited Financial Statements for the year ended 31 March 2009 and the accompanying notes attached to the interim financial statements)

**UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS**

	<b>Unaudited As at 30/06/2009 RM'000</b>	<b>Audited As at 31/03/2009 RM'000</b>
<b>ASSETS</b>		
<b>Non-current Assets</b>		
Property, plant and equipment	36,706	37,361
Land held for property development	85,178	84,362
Investment properties	14,508	14,508
Prepaid land lease payments	27,457	27,571
Goodwill	3,487	3,487
Investment in associates	73	73
Investment in jointly controlled entities	69,593	68,973
Other investments	25,893	23,556
Deferred tax assets	2,969	2,888
	<u>265,864</u>	<u>262,779</u>
<b>Current Assets</b>		
Property development costs	191,924	187,522
Inventories	50,709	53,516
Short term investments	997	1,097
Trade and other receivables	102,853	136,637
Tax recoverable	7,144	8,368
Cash and bank balances	44,567	47,144
	<u>398,194</u>	<u>434,284</u>
Assets classified as held for sale	46,539	46,491
	<u>444,733</u>	<u>480,775</u>
<b>TOTAL ASSETS</b>	<u>710,597</u>	<u>743,554</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	(23,816)	(23,813)
Other reserves	3,464	3,464
Retained profits	77,968	72,112
Shares held by ESTS Trust	(15,465)	(15,465)
Amounts recognised directly in equity relating to assets classified as held for sale	16,403	16,403
Shareholders' equity	<u>404,278</u>	<u>398,425</u>
Minority Interests	21,116	18,933
Total equity	<u>425,394</u>	<u>417,358</u>
<b>Non-current Liabilities</b>		
Borrowings	77,577	31,748
Other payables and deferred income	41,256	42,255
	<u>118,833</u>	<u>74,003</u>
<b>Current Liabilities</b>		
Trade and other payables	108,363	112,235
Borrowings	53,239	134,219
Current tax payable	2,540	3,511
	<u>164,142</u>	<u>249,965</u>
Liabilities directly associated with the assets classified as held for sale	2,228	2,228
	<u>166,370</u>	<u>252,193</u>
Total Liabilities	<u>285,203</u>	<u>326,196</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>710,597</u>	<u>743,554</u>
Net Assets per share attributable to Equity Holders of the Parent (RM)	<u>1.48</u>	<u>1.45</u>

(The Condensed Consolidated Balance Sheets should be read in conjunction with the audited financial statements for the year ended 31 March 2009 and the accompanying notes attached to the interim financial statements)

**BOLTON BERHAD**  
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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
 FOR THE PERIOD ENDED 30 JUNE 2009**

	Attributable to Equity Holders of the Parent						Distributable	Shareholders' Equity	Minority Interests	Total Equity
	Share Capital	Share Premium	Treasury Shares	Capital Reserve	Relating to Assets Held for Sale	Shares held by ESTS Trust				
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>3 months ended 30.06.2008</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
Profit for the period							8,650	8,650	699	9,349
Treasury shares purchased			(377)					(377)		(377)
Balance at 30 June 2008	<u>320,815</u>	<u>24,909</u>	<u>(13,400)</u>	<u>3,464</u>	<u>16,403</u>	<u>(11,418)</u>	<u>68,995</u>	<u>409,768</u>	<u>9,871</u>	<u>419,639</u>
<b>3 months ended 30.06.2009</b>										
Balance at 1 April 2009	320,815	24,909	(23,813)	3,464	16,403	(15,465)	72,112	398,425	18,933	417,358
Profit for the period							5,856	5,856	2,183	8,039
Treasury shares purchased			(3)					(3)		(3)
Balance at 30 June 2009	<u>320,815</u>	<u>24,909</u>	<u>(23,816)</u>	<u>3,464</u>	<u>16,403</u>	<u>(15,465)</u>	<u>77,968</u>	<u>404,278</u>	<u>21,116</u>	<u>425,394</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 2009 and the accompanying notes attached to the interim financial statements)

**BOLTON BERHAD**

(Company No. 5572-H)  
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**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS  
FOR THE PERIOD ENDED 30 JUNE 2009**

	Quarter ended 30/06/2009 RM'000	Quarter ended 30/06/2008 RM'000
Profit before tax from:		
Continuing operations	11,222	14,297
Adjustment for non-cash flow :-		
Non-cash items	149	971
Non-operating items (which are investing/financing)	(3,532)	(878)
Operating profit before changes in working capital	<u>7,839</u>	<u>14,390</u>
Changes in working capital		
Net change in current assets	25,187	913
Net change in current liabilities	2,127	(23,094)
Land held for property development	(816)	2,999
Taxation paid	(3,011)	(4,696)
Net cash flows from operating activities	<u>31,326</u>	<u>(9,488)</u>
Investing Activities		
- Property, plant and equipment	(49)	(72)
- Other investments	649	6,400
- Short term investments	647	2,497
	<u>1,247</u>	<u>8,825</u>
Financing Activities		
- Bank borrowings	(35,260)	(13,750)
- Equity investments	-	(377)
	<u>(35,260)</u>	<u>(14,127)</u>
Net Change in Cash and Cash Equivalents	(2,687)	(14,790)
Cash and Cash Equivalents at beginning of period	42,281	49,914
Cash and Cash Equivalents at end of period	<u>39,594</u>	<u>35,124</u>
Analysis of cash and cash equivalents at end of the financial period:		
Cash and bank balances	42,343	46,587
Deposits with licensed financial institutions	2,224	2,217
Bank overdrafts	(4,973)	(13,680)
	<u>39,594</u>	<u>35,124</u>

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the audited financial statements for the year ended 31 March 2009 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 2009.

**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.

**A3. Audit Qualification**

The audit report of the Group's most recent annual audited financial statements for the year ended 31 March 2009 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 30/06/09 RM'000</b>	<b>Cumulative quarter ended 30/06/09 RM'000</b>
Included in other investing results were :-		
- Gain on disposal of quoted investments	483	483
- Fair value adjustments of quoted investments	3,048	3,048
	<u>3,531</u>	<u>3,531</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 purchased 5,000 units of its issued share capital of RM1.00 each from the open market at an average cost of RM0.63 per share.

As at 30 June 2009, the total number of shares purchased amounted to 31,751,300 ordinary shares at an average price of RM0.75 per share. The shares purchased are retained as treasury shares.

**A8. Dividends Paid**

No dividend was paid for the period under review.

**A9. Segmental Reporting**

Business segments	-----Period ended 30/06/2009-----				
	Property Development RM'000	Property Investment RM'000	Quarry & Construction RM'000	Other Operations RM'000	Total RM'000
<b>Revenue</b>	46,965	3,127	23,111	-	73,203
Less : Eliminations of inter-segment					(14,732)
Net revenue					58,471
<b>Segment results</b>					
Segment results from continuing operations	9,942	861	935	7	11,745
Head office expenses					(2,985)
Operating profit					8,760
Finance costs					(1,689)
Other investing activities results					3,531
Share of results of associates and jointly controlled entities					620
Profit before taxation					11,222
Taxation					(3,183)
<b>Profit for the period</b>					<b>8,039</b>

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 2009. 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 30 June 2009.

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

There were no changes in the composition of the Group for the current quarter under review.

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

As at 30 June 2009, there were no material changes in contingent liabilities since the last annual audited balance sheet as at 31 March 2009. There were no contingent assets as at 30 June 2009.

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

**B1. Review of Performance**

For the quarter ended 30 June 2009, the Group achieved a profit before tax of RM11.22 million from a revenue of RM58.47 million. The main contributor to the Group's results continues to be the Property Development business which contributed approximately 85% of the Group's results. Tijani (Bukit Tunku), Kuala Lumpur and Taman Tasik Prima, Puchong continued to be the major contributors to the property development business. Both projects contributed RM 35.0 million in revenue and RM 9.69 million in property segment results.

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

The result of the current quarter was higher than the immediate preceding quarter mainly due to higher contributions from the property development business. The current quarter includes a gain arising from fair value adjustments of RM3.5 million as compared to a provision for impairment loss of RM7.2 million on the quoted investments made in the immediate preceding quarter.

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

The prospect for the financial year ending 31 March 2010 is expected to be challenging in view of the slow down in the global and domestic economy.

However, due to the Group's increased marketing initiatives, coupled with the prevailing low interest rate regime and the government's more liberal guidelines on purchases by foreigners, the demand for the Group's properties is expected to remain steady.

As such, despite the challenging business environment, the directors are expecting the performance of the Group to be satisfactory for the financial year ending 31 March 2010.

**B4. Profit Forecast/Profit Guarantee**

Not applicable

**B5. Taxation**

Taxation comprises the following :-

	Individual quarter ended 30/06/09 RM'000	Cumulative quarter ended 30/06/09 RM'000
Current taxation - current year	3,059	3,059
- underprovision in prior year	124	124
	<u>3,183</u>	<u>3,183</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 companies.

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

There were no sales of unquoted investments and properties other than the sale of land and buildings in the normal course of business as property developers for the current quarter under review.

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

	Individual quarter ended 30/06/09 RM'000	Cumulative quarter ended 30/06/09 RM'000
Total purchases	<u>135</u>	<u>135</u>
Total sales proceeds	<u>1,431</u>	<u>1,431</u>
Total gain on disposal	<u>483</u>	<u>483</u>

(b) Investments in quoted securities as at 30 June 2009 were as follows :-

	<u>At Cost</u> RM'000	<u>At Book Value</u> RM'000	<u>At Market Value</u> RM'000
Quoted in Malaysia			
Other investments	<u>68,944</u>	<u>20,568</u>	<u>20,568</u>

**B8. Corporate Developments**

The Company had on 19 May 2009 announced that its wholly owned subsidiary, Bolton Land Sdn Bhd (BLSB) had subscribed for 3,000,000 Redeemable Preference Shares of RM1.00 each with 8% preferential dividend per annum in the share capital of Zahari 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' shareholdings of Bolton for the financial year ending 31 March 2010.

**B9. Group borrowings**

Particulars of the Group's borrowings as at 30 June 2009 were as follows :-

	RM'000
Short term bank borrowings -	
Secured	53,223
Unsecured	16
Long term bank borrowings	
Secured	77,577
Total Group borrowings	<u>130,816</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.

**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).

At the Annual General Meeting held on 12 August 2009, the shareholders approved the payment of dividend to be paid on 9 September 2009.

**B13. Earnings per share**

	Individual quarter ended		Cumulative quarter ended	
	30/06/09 RM'000	30/06/08 RM'000	30/06/09 RM'000	30/06/08 RM'000
Profit from continuing operations				
Profit for the period attributable to the ordinary equity holders of the parent	<u>5,856</u>	<u>8,650</u>	<u>5,856</u>	<u>8,650</u>
Weighted average number of ordinary shares excluding treasury shares and shares held by Employees' Trust Scheme ('000)	<u>273,664</u>	<u>295,751</u>	<u>273,664</u>	<u>295,751</u>
Basic earnings per share (sen) for :				
Profit for the period	<u>2.14</u>	<u>2.92</u>	<u>2.14</u>	<u>2.92</u>

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

**Kuala Lumpur**  
**25th August 2009**