

IDAMAN UNGGUL BERHAD

(Company No: 279343-W)

(Incorporated in Malaysia)

Interim Report For the Financial Period Ended 31-Mar-09

IDAMAN UNGGUL BERHAD

(Company No.279343-W)

Interim Report for the Financial Period Ended 31 March 2009

The figures have not been audited.

CONDENSED CONSOLIDATED INCOME STATEMENTS

n/a = Not applicable

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31.3.2009 RM'000	31.3.2008 RM'000	31.3.2009 RM'000	31.3.2008 RM'000
Continued Operations				
1(a) Revenue	19,890	18,588	19,890	18,588
(b) Other income	246	803	246	803
2. Other expenses (note 26)	(24,238)	(28,053)	(24,238)	(28,053)
3. Profit/(Loss) from operations	(4,102)	(8,662)	(4,102)	(8,662)
4. Finance cost	(2)	(4)	(2)	(4)
5. Share of profits/(losses) of associated companies	-	-	-	-
6. Profit/(Loss) before taxation	(4,104)	(8,666)	(4,104)	(8,666)
7. Taxation	(4)	(14)	(4)	(14)
8. Profit/(Loss) for the period from continuing operations	(4,108)	(8,680)	(4,108)	(8,680)
Discontinued Operations				
9. Profit/(Loss) for the period from discontinued operations (note 12)	(3,311)	(3,818)	(3,311)	(3,818)
10. Net Profit/(Loss) for the period	(7,419)	(12,498)	(7,419)	(12,498)
Attributable to:				
Equity holders of the parent	(7,412)	(12,480)	(7,412)	(12,480)
Minority interest	(7)	(18)	(7)	(18)
	(7,419)	(12,498)	(7,419)	(12,498)
Earnings/(Loss) per share attributable to equity holders of the parent:				
(1) Basic (note 30)	Sen	Sen	Sen	Sen
(a) Continuing Operations	-0.99	-2.13	-0.99	-2.13
(b) Discontinued Operations	-0.80	-0.94	-0.80	-0.94
(c) Total	-1.79	-3.07	-1.79	-3.07
(2) Diluted (note 30)	Sen	Sen	Sen	Sen
(a) Continuing Operations	n/a	-2.10	n/a	-2.10
(b) Discontinued Operations	n/a	-0.92	n/a	-0.92
(c) Total	n/a	-3.02	n/a	-3.02

(The Condensed Consolidated Income Statements should be read in conjunction with the Unaudited Annual Financial Report for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.)

IDAMAN UNGGUL BERHAD
(Company No.279343-W)

Interim Report for the Financial Period Ended 31 MARCH 2009

The figures have not been audited.

CONDENSED CONSOLIDATED BALANCE SHEET

	AS AT END OF CURRENT QUARTER 31.3.2009 RM'000	<i>Unaudited</i> AS AT PRECEDING FINANCIAL YEAR ENDED 31.12.2008 RM'000
ASSETS		
Property, plant and equipment	26,399	26,815
Prepaid land lease payments	5,554	5,220
Intangible assets	418	446
Other investments	197,382	198,250
Loans receivable	3,358	3,368
Trade, other receivables and prepayments	42,586	46,237
Cash and bank balances	58,334	58,429
	<u>334,030</u>	<u>338,765</u>
Assets of disposal group classified as held for sale (note 12)	293,949	293,614
	<u>627,979</u>	<u>632,379</u>
LIABILITIES		
Trade and other payables	305,077	301,628
Tax liabilities	2,290	2,292
Deferred tax liabilities	1,445	1,445
	<u>308,812</u>	<u>305,365</u>
Liabilities directly associated with the assets classified as held for sale (note 12)	267,674	264,493
	<u>576,486</u>	<u>569,858</u>
INSURANCE RESERVES		
General insurance fund	33,993	26,609
Total insurance reserves	<u>33,993</u>	<u>26,609</u>
FINANCED BY:		
Share capital	412,948	412,948
Reserves	(395,780)	(377,344)
Shareholders' equity	<u>17,168</u>	<u>35,604</u>
Other long term liabilities	32	
Minority interests	301	308
	<u>17,501</u>	<u>35,912</u>
	<u>627,979</u>	<u>632,379</u>
Total liabilities, insurance reserves and shareholders' equity		
	<u>627,979</u>	<u>632,379</u>
Net assets per share (RM)	0.042	0.087

(The Condensed Consolidated Balance Sheets should be read in conjunction
with the Unaudited Financial Report for the year ended 31 December 2008 and
the accompanying explanatory notes attached to the interim financial statements.)

IDAMAN UNGGUL BERHAD
(Company No.279343-V)

Interim Report for the Financial Period Ended 31 MARCH 2009
The figures have not been audited.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to Equity Holders of the Parent						Minority Interest	Total Equity
	Share capital	Non-distributable				Total		
		ICULS-A	ICULS-B	Exchange Reserve	Revaluation Reserve			
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
3-month ended 31 MARCH 2009								
Balance at beginning of financial year (1 January 2009)	412,948	-	-	(20)	3,500	(380,824)	308	
Prior - year adjustment	-	-	-	615	-	(11,639)	-	
Currency translation differences	-	-	-	-	-	-	615	
Increase/(decrease) in shareholding of minority interest	-	-	-	-	-	-	-	
Increase/(decrease) in Revaluation Reserve	-	-	-	-	-	-	-	
Net Profit/(Loss) for the reporting period	-	-	-	-	-	(7,412)	(7)	
Balance as at 31 March 2009	412,948	-	-	595	3,500	(399,875)	301	
12-month ended 31 December 2008								
Balance at beginning of financial year (1 January 2008)	406,907	-	6,042	(475)	1,356	(372,626)	377	
Prior - year adjustment	-	-	-	-	-	2,208	-	
Currency translation differences	-	-	-	(13)	-	-	-	
Increase/(decrease) in shareholding of minority interest	-	-	-	-	-	-	4	
Increase/(decrease) in Revaluation Reserve	-	-	-	-	-	-	-	
Net Profit/(Loss) for the reporting period	-	-	-	-	-	(12,480)	(18)	
Balance as at 31 Mar 2008	406,907	-	6,042	(488)	1,356	(382,898)	363	
Conversion of ICULS-B to ordinary shares	6,041	-	(6,042)	-	-	-	(1)	
Currency translation differences	-	-	-	468	-	-	-	
Increase/(decrease) in shareholding of minority interest	-	-	-	-	-	-	1	
Increase/(decrease) in Revaluation Reserve	-	-	-	-	2,144	-	-	
Net Profit/(Loss) for the reporting period	-	-	-	-	-	2,074	(56)	
Balance as at 31 December 2008	412,948	-	-	(20)	3,500	(380,824)	308	

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.)

IDAMAN UNGGUL BERHAD

(Company No.279343-W)

Interim Report for the Financial Period Ended 31 MARCH 2009*The figures have not been audited.***CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

	Unaudited 3 months ended 31.3.2009 RM'000	Unaudited 3 months ended 31.3.2008 RM'000
Operating activities		
Net cash (used in)/generated from operating activities	<u>(1,860)</u>	<u>(12,943)</u>
Investing activities		
Net cash (used in)/generated from investing activities	<u>1,106</u>	<u>7,230</u>
Financing activities		
Net cash (used in)/generated from financing activities	<u>(6)</u>	<u>(361)</u>
Net changes in cash and cash equivalents	(760)	(6,074)
Effects of foreign exchange rate changes	619	(12)
Cash and cash equivalents at beginning of year	<u>60,757</u>	<u>71,400</u>
Cash and cash equivalents at end of reporting period	<u>60,616</u>	<u>65,314</u>
Cash and cash equivalents comprise:		
Cash and bank balances	58,334	62,937
Cash and bank balances classified as held for sale	2,282	2,377
	<u>60,616</u>	<u>65,314</u>

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Unaudited Financial Report for the year ended 31 December 2008 and the accompanying explanatory notes to the interim financial statements.)

IDAMAN UNGGUL BERHAD
(Company No.279343-W)

Notes to Quarterly Report for the period ended 31 MARCH 2009
The figures have not been audited.

1. Accounting Policies and Methods of Computation

1.1 Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statement should be read in conjunction with the unaudited financial statements for the year ended 31 December 2008. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2008.

The interim financial statements have been prepared under the historical cost convention except for the revaluation of freehold land included within property, plant and equipment and investment properties stated at fair values. The financial statements are presented in Ringgit Malaysia (RM).

1.2 Changes in accounting policies

The significant accounting policies and method of computation adopted by the Group in this interim financial statements are consistent with those adopted in the unaudited financial statements for the year ended 31 December 2008 except for the adoption of the following new/revised FRSs, Amendment to FRS and Issue Committee (SC) Interpretations:

FRS 7 - Financial Instruments: Disclosures
FRS 8 - Operating Segments
FRS 139 - Financial Instruments: Recognition and Measurement.
IC Interpretation 9 *Reassessment of Embedded Derivatives*
IC Interpretation 10 *Interim Financial Reporting and Impairment*

The above FRSs, Amendment to FRS and Interpretations are expected to have no significant impact on the financial statements of the Group and the Company upon their initial application except for the changes in disclosures arising from the adoption of FRS 7 and FRS 8.

2. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the annual financial statements for the year ended 31 December 2007 and 31 December 2008 are still pending for finalization and have not been released as at todate. However, the auditors' report on the annual financial statements for the year ended 31 December 2006 was not subject to any qualification.

3. Seasonality or Cyclicity of Interim Operations

There were no significant seasonal or cyclical factors affecting the results in the current quarter under review.

4. Unusual Items Due to their Nature, Size or Incidence

There were no items that are unusual because of their nature, size, or incidence for the current quarter and current financial year to date.

5. Material Changes in Estimates Reported in Prior Interim Periods

There were no material changes in estimates that have had a material effect in the current quarter under review.

6. Issuances, Cancellations, Repurchases, Resale and Repayments of Debt and Equity Securities

There were no issuances and repayment of debt and equity securities, share buy-backs, shares cancellations, shares held as treasury shares and resale of treasury shares for the current financial year to date.

7. Dividends Paid

There were no dividend payments made during the current financial year to date.

8. Segment Reporting

	Current Financial Year To Date	
	Revenue	Segment Results
	RM'000	RM'000
<u>Continuing Operations:</u>		
- Insurance	19,890	(3,566)
- Investment and others	79	(536)
	<u>19,969</u>	<u>(4,102)</u>
- Less inter-segment sales	(79)	
Revenue from Continued Operations	<u>19,890</u>	
Revenue from Discontinued Operations	<u>90</u>	
	<u>19,980</u>	
Profit/(Loss) from operations		(4,102)
Less finance costs		(2)
Profit/(Loss) before taxation		<u>(4,104)</u>
<u>Discontinued Operations:</u>		
Profit/(Loss) from operations		(189)
Less finance costs		(3,122)
Profit/(Loss) before taxation		<u>(3,311)</u>
Total Profit/(Loss) before taxation		<u>(7,415)</u>

9. Valuation of Property, Plant and Equipment

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

10. Material Events Subsequent to the end of the period reported on

There were no material events subsequent to the end of the current quarter 31 March 2009 save as disclosed below:

- 10.1 On 19 May 2009, the Company announced that the Company has received a letter from Rabobank International expressing its interest to be an off-shore consultant to provide off-shore consultancy services in relation to the restructuring of the Company's loan stock via the disposal of Lambang Pertama Sdn Bhd (LPSB) Group and/or its assets, as well as looking into the funding requirement of the Group. Rabobank International will work with a Malaysian advisor in relation to the above exercise. In addition, Daiwa Securities SMBC Singapore Ltd (Daiwa) has expressed that they have identified an investor for LPSB and has requested for further information on LPSB.
- 10.2 On 19 May 2009, the Company also announced that each class of the RSLs-A, RSLs-C and RSLs-D issued by LPSB pursuant to the restructuring exercise of Idris Hydraulic (Malaysia) Bhd (IHMB) matured on 19 May 2009, being the last business date from and including the issue date on 20 November 2003. The Company is in the midst of securing a further extension of time from the RSLs holders subject to the approval of the regulatory authorities (if any) and is in the midst of formulating a plan to redeem the outstanding loan stock, which the principal RSLs outstanding stood at RM211.504 million.
- 10.3 On 22 May 2009, the Company announced that Bank Negara Malaysia (the Bank) has via its letter dated 22 May 2009 appointed Mr Phoon Soon Keong an Executive Director of PricewaterhouseCooper Capital Sdn Bhd to assist the Company in managing the whole of Tahan Insurance Malaysia Berhad's property, business and affairs on behalf of the Bank pursuant to Section 59(4)(1) of the Insurance Acts, 1996. Mr Phoon is now effectively the CEO of Tahan.

11. Changes in the Composition of the Group

During the current financial year to date, there were no changes in the composition of the Group arising from business combination, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operations.

12. Discontinued Operations

The Company has classified the following as a disposal group held for sale:

- 12.1 As disclosed in annual financial statements of the Company in previous years, the Board is of the opinion that the control in Lambang Pertama Sdn Bhd ("LPSB") Group is temporary as the investments and/or assets of the subsidiaries will be disposed / liquidated for the purposes of the redemption of the Redeemable Secured Loan Stocks ("RSLs") issued by LPSB as part of the restructuring exercise of Idris Hydraulic (Malaysia) Bhd which the Company participated in 2003.

On 16 November 2005, the Company announced that the RSLs holders had conditionally agreed to an extension of the RSLs tenure from two (2) years to four (4) years. The Extension of RSLs expired on 19 November 2007. On 17 December 2007, the Company vide its appointed Merchant Banker had wrote to Securities Commission ("SC") to sought for an approval for a second extension period of eighteen (18) months of the RSLs tenure period which majority of the RSLs holders had conditionally agreed and the second extension of RSLs expired on 19 May 2009.

On 19 May 2009, the Company announced that the Company is in the midst of securing a further extension of time from the RSLs holders subject to the approval of the regulatory authorities (if any) and is in the midst of formulating a plan to redeem the outstanding loan stock.

The RSLs coupon was initially zero for the first two (2) years tenure period, followed by a coupon rate of 4% per annum from year three (3) and year four (4) and now bear a coupon rate of 6% per annum from year five (5) onwards until the relevant redemption date or maturity date and is payable in cash before the loan stocks are redeemed or annually at the third (3rd), fourth (4th), fifth (5th) and six (6) months after the fifth (5th) anniversary date of issue.

The revenue, results and cash flows of the disposal group held for sale were as follows:

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<u>Current Quarter</u>	<u>Preceding Year Quarter</u>	<u>Current Quarter</u>	<u>Preceding Year Quarter</u>
	31.3.2009	31.3.2008	31.3.2009	31.3.2008
	RM'000	RM'000	RM'000	RM'000
Revenue	90	90	90	90
Profit/(Loss) from operations	(189)	(663)	(189)	(663)
Less finance costs	(3,122)	(3,155)	(3,122)	(3,155)
Loss before taxation	(3,311)	(3,818)	(3,311)	(3,818)
Income tax expense	-	-	-	-
Loss for the period from discontinued operations	(3,311)	(3,818)	(3,311)	(3,818)
Cash flows from operating activities			(680)	49
Cash flows from investing activities			1	32
Cash flows from financing activities			(4)	(137)
Total cash flows			(683)	(56)

The major classes of assets and liabilities of the above disposal group classified as held for sale as at 31 March 2009 are as follows:

	RM'000
Assets:	
Property, plant and equipment	11,821
Timber concession rights	243,100
Other investments	600
Property development costs	20,024
Trade, other receivables and prepayments	16,122
Cash and bank balances	2,282
Assets of disposal group classified as held for sale	293,949
Liabilities:	
Borrowings - Redeemable Secured Loan Stocks ("RSLs")	211,504
Trade and other payables	48,724
Tax liabilities	7,446
Liabilities directly associated with the assets classified as held for sale	267,674
Net assets attributable to discontinued operations	26,275

13. Contingent Liabilities

There were no changes in contingent liabilities since the last annual balance sheet.

14. Provision for Incurred But Not Reported Claim

The estimated provision for Incurred But Not Reported Claim (IBNR) figure as at 31 March 2009 has not been finalised by the external Actuary of our insurance subsidiary.

15. Para 2.1 (1), Practice Note No. 17/2005

On 29 February 2008, the Company announced that the Company is an Affected Listed Issuer as it has triggered Paragraph 2.1 of the Amended PN17 as the consolidated shareholders' fund has dropped below RM103.23 million (ie: 25% of RM412.95 million) and the minimum issued and paid-up capital of RM60 million required under paragraph 8.16A(1) of the Listing Requirements. The Company is in the midst of formulating a regularization plan to resolve the PN17 issue and has applied to Bursa Malaysia for a further extension of time until end of December 2009.

16. Capital Commitments

Save as disclosed below, there were no material capital commitments as at end of the reporting period:

	RM'000
Approved and contracted for <i>Investment commitments</i>	<u>4,000</u>

17. Taxation

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<u>Current Quarter</u> 31.3.2009 RM'000	<u>Preceding Year Quarter</u> 31.3.2008 RM'000	<u>Current Quarter</u> 31.3.2009 RM'000	<u>Preceding Year Quarter</u> 31.3.2008 RM'000
In respect of current period:				
- income tax provision/(write back)	4	14	4	14
In respect of prior years:				
- Under/(Over) provision of income tax	-	-	-	-
	<u>4</u>	<u>14</u>	<u>4</u>	<u>14</u>

18. Profits/(losses) on sale of Unquoted Investments and/or Properties

There were no profits/(losses) on sale of unquoted investments and/or properties for the current quarter under review.

19. Purchase and/or Disposal of Quoted Securities

The particulars of purchase or disposal of quoted securities by the Group except insurance subsidiary were as follows:

(a) A summary of dealings in quoted securities for the current quarter and financial year to date:

	RM'000
Total Purchases	<i>Nil</i>
Total Disposals	<i>Nil</i>
Total Profit/(Loss) on Disposal	<i>Nil</i>

(b) A summary details of all investments in quoted securities at the end of the reporting period:

	RM'000
Total investments at cost	<i>Nil</i>
Total investments at carrying value/book value (after provision for diminution in value)	<i>Nil</i>
Total investment at market value at end of reporting period	<i>Nil</i>

20. Status of Corporate Proposals Announced

The status of corporate proposals announced but not completed at the latest practicable date being a date not earlier than 7 days from the date of issuance of the quarterly report are as follows:

- 20.1 In respect to the Share Subscription Agreement between Monarch Insurance Company Inc. ("Monarch") and the Company dated 29 July 2003 for the subscription by the Company of 147,510 shares in Monarch for a sum of RM5,000,000 ("Subscription Sum") allotted and payable in five (5) tranches. As at todate, only RM1,000,000 has been paid representing the agreed 16,098 shares in Monarch.
- 20.2 On 6 August 2004, the Company announced that Klinker Investments Ltd ("KIL"), a wholly owned subsidiary of Idris Hydraulic (Malaysia) Bhd ("IHMB"), which in turn is a wholly-owned subsidiary of the Company via an intermediate holding company, Lambang Pertama Sdn Bhd, had on 30 July 2004 entered into a Share Sale & Purchase Agreement with O'Keeffe and/or Nominees (the "Purchaser") to dispose of its entire 2,750,001 shares, representing 50% + 1 share in Anscan International Limited free from all encumbrances for a total sale consideration of RM 7 million upon terms and conditions as stipulated in the Agreement.
- All the parties to the Agreement had mutually agreed to terminate the Agreement on 19 June 2008, following the expiry of the extensions date for completion. All the parties concern had earlier agreed to extend the completion date from 19 May 2005, to various other dates, ie 19 August 2005, 19 November 2005, 19 February 2006, 19 May 2006, 19 August 2006, 19 November 2006, 19 February 2007, 19 May 2007, 19 August 2007, 19 September 2007, 19 December 2007, 19 March 2008 and 19 June 2008.
- 20.3 On 26 June 2008, the Company announced that the Company has received an offer from Intan Kuala Lumpur Sdn Bhd (IKLSB) indicating its interest to acquire the land and building ("Property") and 60% share in the plant and machinery ("Machinery") of Wiragain Sdn Bhd, a wholly-owned subsidiary of Idris Hydraulic (Malaysia) Bhd, ("IHMB"), which in turn is a wholly-owned subsidiary of the Company via an intermediate holding company, Lambang Pertama Sdn Bhd ("Proposed Wiragain Disposal") for a total consideration of RM6 million free from encumbrances and subject to the satisfaction of the due diligence results.

As at todate, the Company still in the midst of negotiating the terms and conditions of the Proposed Wiragain Disposal.

20.4 On 29 February 2008, the Company announces that the Company has received a Letter of Intent from The Datestone Group, LLC ("TDG") to acquire the entire equity interest in Lambang Pertama Sdn Bhd ("Proposed Disposal"). On 6 March 2008, the Company has received a letter from TDG giving an indicative offer of USD108M for the Proposed Disposal. The Company announced that the indicative offer is still subject to further negotiation upon agreement on the terms and conditions of the Proposed Disposal, due diligence and the approval from the Board of Directors of both parties.

20.5 On 2 January 2009, RHB Investment Bank Berhad ("RHB Investment") on behalf of the Board of Directors of the Company announced that the Company had on, after the close of business on 31 December 2008, entered into a Share Purchase Agreement ("SPA") with Satin Court Sdn. Bhd., for a proposed disposal of its entire equity interest in Lambang Pertama Sdn. Bhd. ("LPSB"), comprising 2 ordinary shares of RM1.00 each for total sale consideration of RM400.00 million.

21. Status of Utilisation of Proceeds

Pursuant to the Restructuring Exercise, the total proceeds arising from the Shares Subscription, Rights Share Issue and Rights Issue of ICULS-B amounting to RM213.073 million have been utilised as follows:

	Approved Utilisation RM'000	Utilised as at 31.3.2009 RM'000
Repayment to Scheme Creditors	188,394	188,394
Repayment of bank borrowings	139	139
Defray expenses of the Restructuring Exercise	8,000	7,016
Working capital	16,540	16,540
	<u>213,073</u>	<u>212,089</u>

22. Financial Instruments with Off Balance Sheet risk

There were no financial instruments with off balance sheet risk at the latest practicable date being a date not more than 7 days prior to the date of issue of this quarterly report.

23. Material Litigation

24.1 A copy of the Writ of Summons together with the statement of claims dated 26 July 2007 was served to Idaman and its subsidiary, Tahan Insurance Malaysia Berhad ("Tahan") by MRCB Selborn Corporation Sdn Bhd (MRCB).

(a) Summary of Claims

- (i) Total claims made by MRCB against the Company amounted to RM7.65 million.
- (ii) Total claims made by MRCB against Tahan amounted to RM15.25 million.

(b) Financial Impact on the Group

Since the above mentioned claims have not been adjudicated by the Court, there is no immediate loss at this point of time except for the legal fees to be incurred in defending the case.

(c) Steps taken or proposed to be taken

The Company and Tahan are seeking legal advice to defend the case.

25. Material Changes in the Quarterly Results compared to Preceding Quarter's Results

The performance of the Group for current quarter under review had recorded a loss of RM4.7 million against a profit of RM12 million in the preceeding quarter ended 31 December 2008. The result for the current quarter deteriorated due to an increased in net claim incurred by the insurance division by more than 240% to RM12.6 million compared to RM9million, in credit balance as a result of reversing in the provision of case reserve and IBNR claim made in the preceeding quarter.

26. Review of Performance

- (a) The performance of the Group for current quarter under review had shown an improvement by about 40% compared to the same corresponding quarter of the preceeding year by recording a lower group loss of about RM7.4million compared to RM12.5 million mainly contributed from the Group subsidiaries under the continued operation, despite the reduction in group revenue of about 6% (Q12009:RM8.2million; Q12008-RM8.7 million)

The improvement contributed by a reduction in management expenses in addition to low operating expenses, and reversal of provision accounts. However, the Group net claim and net commission incurred by the insurance subsidiary had shown an increased in the current quarter under review compared to the same corresponding quarter of the preceeding year. Net claim incurred increased by about 46.5% to RM12.6 million (Q12008-RM8.6 million) whilst the net commission paid increased by about 25% to RM1.5million (Q12008-RM1.2 million).

- (b) A breakdown of Other expenses is as follows:

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<u>Current Quarter</u> 31.3.2009 RM'000	<u>Preceding Year Quarter</u> 31.3.2008 RM'000	<u>Current Quarter</u> 31.3.2009 RM'000	<u>Preceding Year Quarter</u> 31.3.2008 RM'000
Net claims payable plus net commissions	14,172	9,809	14,172	9,809
(Decrease)/Increase in premium reserve	567	362	567	362
Loss on disposal of investments	-	-	-	-
Other operating expenses	9,499	17,882	9,499	17,882
	<u>24,238</u>	<u>28,053</u>	<u>24,238</u>	<u>28,053</u>

27. Current Year Prospects

In the past, the Group Revenue depended mainly on the Revenue contributed from its insurance subsidiary, Tahan Insurance Malaysia Berhad (Tahan). Following the announcement made by the Company and Bank Negara Malaysia on 22 May 2009, Tahan's revenue, assets and liabilities will no longer be consolidated as part of the Group operation. The Group earning in the next quarter will therefore be significantly affected.

The Group is currently formulating a plan which will include amongst other things an acquisition of a new core business. The ability of the Group to secure the new business, however will be dependent on our financial condition. This will be greatly influenced on how successfully we are in our effort to dispose off Lambang Pertama Sdn Bhd, Tahan and all other residual assets of Idris Hydraulic (Malaysia) Bhd.

28. Statement of Revenue or Profit Estimate, Forecast, Projection or Internal Targets previously announced or disclosed in a public document.

Not applicable.

29. Dividend

The directors do not recommend any dividend to be paid for the period under review.

30. Earnings/(Loss) Per Share ("EPS")

	3 months ended		Year To-date	
	31.3.2009	31.3.2008	31.3.2009	31.3.2008
(a) Basic EPS				
	RM'000	RM'000	RM'000	RM'000
Net profit/(loss) for the period from continuing operations	(4,101)	(8,662)	(4,101)	(8,662)
Net profit/(loss) for the period from discontinued operations	(3,311)	(3,818)	(3,311)	(3,818)
Net profit/(loss) attributable to equity holders of the parent	<u>(7,412)</u>	<u>(12,480)</u>	<u>(7,412)</u>	<u>(12,480)</u>
	'000	'000	'000	'000
Weighted average number of ordinary shares in issue	<u>412,948</u>	<u>406,907</u>	<u>412,948</u>	<u>406,907</u>
Basic EPS for:	Sen	Sen	Sen	Sen
Net profit/(loss) for the period from continuing operations	-0.99	-2.13	-0.99	-2.13
Net profit/(loss) for the period from discontinued operations	-0.80	-0.94	-0.80	-0.94
Net profit/(loss) for the period	<u>-1.79</u>	<u>-3.07</u>	<u>-1.79</u>	<u>-3.07</u>
(b) Diluted EPS				
	RM'000	RM'000	RM'000	RM'000
Net profit/(loss) for the period from continuing operations	(4,101)	(8,662)	(4,101)	(8,662)
Net profit/(loss) for the period from discontinued operations	(3,311)	(3,818)	(3,311)	(3,818)
Net profit/(loss) attributable to equity holders of the parent	<u>(7,412)</u>	<u>(12,480)</u>	<u>(7,412)</u>	<u>(12,480)</u>
	'000	'000	'000	'000
Weighted average number of ordinary shares in issue	412,948	406,907	412,948	406,907
Adjustment for assumed conversion of ICULS-A	n/a	n/a	n/a	n/a
Adjustment for assumed conversion of ICULS-B	n/a	6,042	n/a	6,042
Adjusted weighted average number of ordinary shares	<u>412,948</u>	<u>412,949</u>	<u>412,948</u>	<u>412,949</u>
Diluted EPS for:	Sen	Sen	Sen	Sen
Net profit/(loss) for the period from continuing operations	-0.99	-2.10	-0.99	-2.10
Net profit/(loss) for the period from discontinued operations	-0.80	-0.92	-0.80	-0.92
Net profit/(loss) for the period	<u>-1.79</u>	<u>-3.02</u>	<u>-1.79</u>	<u>-3.02</u>

ON BEHALF OF THE BOARD

Quah Khian Khoon

Company Secretary

Date: 29 May 2009