

MALTON BERHAD (Company No. 320888-T)
**UNAUDITED CONSOLIDATED RESULTS FOR THE THIRD QUARTER
AND FINANCIAL PERIOD ENDED 31 MARCH 2009**

PART A: EXPLANATORY NOTES PURSUANT TO FRS 134

1 Accounting Policies and Method of Computation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of 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 30 June 2008.

The same accounting policies and methods of computation are followed in the interim financial statements as compared with the annual audited financial statements for the financial year ended 30 June 2008.

As at the date of this report, the Group has not applied FRS 139 Financial Instruments: Recognition and Measurement which is effective for accounting periods beginning on or after 1 January 2010. This new standard establishes principles for recognising and measuring financial assets, financial liabilities and some contracts to buy and sell non-financial items. The Group will apply this standard when it becomes effective.

2 Audit Report

The auditors’ report on preceding year’s annual financial statements of the Company and of the Group was not qualified.

3 Seasonal or Cyclical Factors

The business operations of the Group are not significantly affected by any seasonal or cyclical factors.

4 Unusual Items

There were no material items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size or incidence.

5 Changes in Estimates

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

6 Debt and Equity Securities

There were no issuance, cancellations, repurchases, resale and repayments of debt and equity securities during the quarter.

7 Dividend Paid

There were no dividends paid during the quarter under review.

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8 Segmental Reporting

a) Analysis by business segments for the nine months ended 31 March 2009:

	Property Development	Property Investment	Construction & Project Management	Investment Holding	Others	Elimination	Group
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue							
External Sales	82,978	371	227,166	211	2,817		313,543
Internal Sales	-	270	95,819	3,639	-	(99,728)	-
	<u>82,978</u>	<u>641</u>	<u>322,985</u>	<u>3,850</u>	<u>2,817</u>	<u>(99,728)</u>	<u>313,543</u>
Results							
Segmental operating profit/(loss)	3,875	569	12,233	564	363	(6,494)	11,110
Profit before tax							7,799
Income tax expense							(3,279)
Net profit for the period							<u>4,520</u>

b) Analysis by business segments for the nine months ended 31 March 2008:

	Property Development	Property Investment	Construction & Project Management	Investment Holding	Others	Elimination	Group
	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)	(RM'000)
Revenue							
External Sales	80,010	735	196,998	-	63		277,806
Internal Sales	-	480	22,684	4,515	-	(27,679)	-
	<u>80,010</u>	<u>1,215</u>	<u>219,682</u>	<u>4,515</u>	<u>63</u>	<u>(27,679)</u>	<u>277,806</u>
Results							
Segmental operating profit/(loss)	1,111	273	12,102	479	(136)	(2,510)	11,319
Profit before tax							4,789
Income tax expense							(2,974)
Net profit for the period							<u>1,815</u>

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9 Revaluation of Property, Plant and Equipment

The valuation of property, plant and equipment has been brought forward without any amendments from the annual financial statements for the financial year ended 30 June 2008.

10. Material Events Subsequent to the end of the Reporting Period

There were no material events subsequent to the current quarter ended 31 March 2009 up to the date of this report, which is likely to substantially affect the results of the operations of the Group.

11 Changes in the Composition of the Group

On 31 December 2008, Malton Berhad completed the disposal of its entire 100% equity interest in Kuala Lumpur Pavilion Sdn Bhd for final cash consideration of RM2,290,666.

On 27 March 2009, Domain Resources Sdn Bhd (“DRSB”), a wholly-owned subsidiary of Malton Berhad, acquired 49 ordinary shares of RM1.00 each representing the remaining 49% equity interest in Domain Stable Construction Sdn Bhd (“DSC”) for a total cash consideration of RM150,000. Following the acquisition, DSC became a wholly-owned subsidiary of DRSB.

12 Contingent Liabilities

As at this reporting date, the Group does not have any contingent liabilities, other than:-

- a) Corporate guarantee and indemnity not exceeding RM5.0 million given to financial institutions for credit facilities granted to joint venture partners of certain subsidiary companies.
- b) A bank guarantee of up to RM2.8 million for the due performance and completion of the proposed construction work at Lutheran Bible Institute.
- c) Legal claim of RM1.3 million filed by a third party against a subsidiary company for disputed outstanding sum in respect of work done as a sub-contractor, and the subsidiary has filed its defense together with a counter claim.

13 Capital Commitments

The outstanding capital commitment as at the end of the current quarter is as follows:

	RM'000
Approved and contracted for:	
Proprietor's entitlement	<u>64,482</u>

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

1 Review of Performance

The Group's revenue increased by 3.5% to RM83.9 million for the current quarter as compared to RM81.1 million reported in the previous corresponding quarter (Q3-2008) while the pre-tax profit increased by 166.7% to RM2.4 million for the current quarter from RM0.9 million reported in the previous corresponding quarter. Revenue from both property development and construction and project management divisions improved marginally as compared to the previous corresponding quarter due to higher billings. The overall improved Group's results were due largely to effective cost control measures undertaken by the Group.

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2 Material Changes in the Quarterly Results Compared to the Results of the Preceding Quarter

The Group's revenue decreased 37.2% to RM83.9 million for the current quarter as compared to RM133.6 million for the immediate preceding quarter. The decrease was attributed to lower billings from construction and project management division while revenue from property development division increased marginally. The Group recorded a pre-tax profit of RM2.4 million for the current quarter as compared to the pre-tax profit of RM3.4 million for the immediate preceding quarter. The lower profit achieved for the current quarter was due to lower contribution from the construction and project management division due to certain projects nearing completion.

3 Prospects for the current Financial Year Ending 30 June 2009

The on-going development projects of the Group namely, Amaya Saujana, V Square, Pearl Villas and Bayu Villas, together with the on-going and new construction & project management contracts are expected to contribute positively to the earnings of the Group for the financial year ending 30 June 2009. During the quarter, the government unveiled the second stimulus package of RM60 billion to mitigate the impact of global contraction on the domestic economy. While financial credit may be restrictive, the various measures undertaken by the government are expected to boost the construction and property sectors. However in the near term, the markets are expected to remain challenging. Barring any unforeseen circumstances, the Board of Directors envisages the Group to achieve satisfactory results for the current financial year ending 30 June 2009.

4 Profit Forecast or Profit Guarantee

The Group has not issued any profit forecast or profit guarantee for the financial year under review.

5 Taxation

Details of taxation are as follows: -

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.03.2009 RM'000	Preceding Year Corresponding Quarter 31.03.2008 RM,000	Current Year To-Date 31.03.2009 RM'000	Preceding Year Corresponding Year To-Date 31.03.2008 RM'000
Current taxation	319	1,371	2,256	4,164
Under/(Over) provision in prior year	423	(658)	423	(232)
Deferred taxation	600	(232)	600	(958)
	<u>1,342</u>	<u>481</u>	<u>3,279</u>	<u>2,974</u>

The effective tax rate for the current quarter is higher than the statutory tax rate due to the incurrence of certain expenses that are not deductible for tax purposes and losses incurred by certain subsidiary companies which do not qualify for group relief.

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6 Profits /(Loss) on Sale of Unquoted Investments and/or Properties

There was no disposal of unquoted investment and/or properties for the quarter under review.

7 Purchases or Disposals of Quoted Securities

There were no purchases and/or disposals of quoted securities during the quarter under review.

8 Status of Corporate Proposals

- a) On 8 October 2008, Malton Berhad entered into a Shares Sale Agreement (“SSA”) with Southcon Builders Sdn Bhd (“SBSB”) for the acquisition of the entire issued and paid-up share capital of Austin Heights Sdn Bhd (“AHSB”) comprising 5,000,000 ordinary shares of RM1.00 each for cash consideration of RM103,000,000.

The SSA of AHSB is conditional upon the approval of the Foreign Investment Committee for the acquisition which was obtained on 24 November 2008. The completion of the acquisition scheduled on 7th February 2009, has been mutually extended to 30 June 2009.

- b) On 20 March 2009 and 30 March 2009, Silver Setup Sdn Bhd (“SSSB”), a wholly-owned subsidiary of Malton Berhad, entered in two agreements with the existing shareholders of Perak Fruits & Development Corporation Sdn Bhd (“PFDC”) to acquire 1,274,000 ordinary shares of RM1.00 each representing the remaining 49% equity interest in PFDC for a total cash consideration of RM6,306,300. The acquisition is pending the final payment of purchase consideration by SSSB.

Save as mentioned above, there is no other outstanding corporate proposal for the Group.

9 Borrowings and Debt Securities

The Group’s borrowings and debt securities as at the end of the quarter are as follows:

	Total RM’000
Revolving Credits	17,080
Bank Overdrafts	42,200
Term Loans	121,615
Bridging Loans	9,906
Hire Purchase Payables	3,119
Total	<u>193,920</u>
Repayment due within next 12 months	<u>65,694</u>
Repayment due after 12 months	<u>128,226</u>

All borrowings are denominated in Ringgit Malaysia and are fully secured except for RM30,000,000 term loan which is unsecured.

10 Off Balance Sheet Financial Instruments

There were no off balance sheet arrangements entered into nor were there any off balance sheet financial instruments issued as at the date of this report.

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11 Material Litigation

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

12 Financial Assistance

a) Details of financial assistance

Pursuant to Paragraphs 8.23(1)(ii) of the Bursa Malaysia Securities Berhad Listing Requirements, the financial assistance provided by the Group during the year is set out as follows:

Type of financial assistance	Involved parties	Nature of relationship	Balance as at 30 June 2008 RM	Net movement for the period RM	Balance as at 31 March 2009 RM
Malton Berhad - Corporate Guarantee	Malton Berhad issued Corporate Guarantee ("CG") in favour of Malayan Banking Berhad in consideration of the Bank granting a Term Loan Facility of RM28,000,000 to Darul Omni Sdn. Bhd. ("DOSB"). The CG was provided pursuant to the Joint Venture to develop the land.	Ehsan Armada Sdn Bhd a wholly owned subsidiary company of Malton Bhd, entered into a Joint Venture Agreement with DOSB, the land owner of a piece of leasehold land, to jointly develop the said piece of land in Puchong.	28,000,000	-	28,000,000
Malton Berhad - Corporate Guarantee	Malton Berhad issued Corporate Guarantee ("CG") in favour of Alliance Bank Malaysia Berhad in consideration of the Bank granting Loan Facilities totalling RM16,699,510 to Altiara Capital Sdn. Bhd. ("ACSB"). The CG was provided pursuant to the Joint Venture to develop the land.	Asia-Condo Corporation Sdn Bhd an indirect wholly owned subsidiary company of Malton Bhd, entered into a Joint Venture Agreement with ACSB, the land owner of a piece of freehold land, to jointly develop the said piece of land in Section 16, Petaling Jaya.	16,699,510	(15,417,710)	1,281,800
		TOTAL	44,699,510	(15,417,710)	29,281,800

The Board of Directors is of the opinion that the abovementioned financial assistance transactions are fair and reasonable and are in the best interests of the Group.

b) Financial Effects

The financial assistance provided during the quarter will not have any material effect on the earnings, net tangible assets and the liquidity of the Group for the financial year ending 30 June 2009.

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13 Dividend

No interim dividend has been recommended for the financial period ended 31 March 2009.

14 Earnings per Share

Basic

The basic earnings per ordinary share of the Group for the current quarter and current year-to-date has been calculated based on the Group's loss attributable to equity holders of the parent of RM1.0 million and RM4.7 million respectively and on the number of ordinary shares in issue and ranking for dividend of 348,352,928 during the quarter.

Fully Diluted

Under FRS 133 on Earnings Per Share, the options pursuant to the Employee Shares Option Scheme has no dilutive effect as the exercise price of the options is above the average market value of the Company's shares during the quarter ended 31 March 2009.

	Current Quarter 31/03/09	Preceding Year Corresponding Qtr 31/03/08	Current Year To Date 31/03/09	Preceding Year to Date 31/03/08
Profit attributable to equity holders of the Company (RM'000)	1,048	171	4,657	1,575
Weighted average number of shares in issue ('000)				
- basic	348,353	348,353	348,353	348,353
- fully diluted	N/A	N/A	N/A	N/A
Basic earnings per share (sen)	0.30	0.05	1.34	0.45
Diluted earnings per share (sen)	N/A	N/A	N/A	N/A