



**NAIM CENDERA HOLDINGS BERHAD** (585467-M)

**QUARTERLY REPORT - SECOND QUARTER ENDED 30 JUNE 2008**

<b>CONDENSED CONSOLIDATED INCOME STATEMENT</b>				
For the quarter ended 30 June 2008 (The figures have not been audited)				
	<b>CURRENT QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	<i>3 months ended 30 June</i>		<i>6 months ended 30 June</i>	
	<b>2008 RM' 000</b>	<b>2007 RM'000</b>	<b>2008 RM' 000</b>	<b>2007 RM'000</b>
<b>Revenue</b>	133,943	185,354	250,258	319,779
Cost of sales	(106,772)	(148,074)	(193,207)	(245,367)
<b>Gross profit</b>	27,171	37,280	57,051	74,412
Other income	1,048	2,251	1,943	3,798
Administration expenses	(7,731)	(6,861)	(14,990)	(12,711)
Selling and distribution expenses	(1,486)	(1,068)	(2,720)	(1,839)
Other expenses	(290)	(817)	(785)	(817)
Finance costs	(384)	(51)	(769)	(98)
Share of profit of associates, net of tax	5,480	236	12,400	418
Share of profit of joint ventures, net of tax	165	941	981	1,488
<b>Profit before taxation</b>	23,973	31,911	53,111	64,651
Income tax expense	(5,728)	(8,637)	(12,854)	(17,877)
<b>Profit for the period</b>	18,245	23,274	40,257	46,774
<b>Attributable to:</b>				
Equity holders of the parent	17,651	22,205	38,775	44,879
Minority interests	594	1,069	1,482	1,895
	18,245	23,274	40,257	46,774
<b>Basic earnings per ordinary share attributable to equity holders of the parent (sen)</b>	Note XIII 7.22	9.08	15.87	18.36

The notes set out on pages 5 to 16 form an integral part of, and should be read in conjunction with, this interim financial report. The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2007.



NAIM CENDERA HOLDINGS BERHAD (585467-M)

QUARTERLY REPORT - SECOND QUARTER ENDED 30 JUNE 2008

<b>CONDENSED CONSOLIDATED BALANCE SHEET</b>			
As at 30 June 2008			
(The figures have not been audited)			
	Notes	30 June 2008 RM' 000	31 December 2007 RM' 000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		23,079	24,831
Land held for property development		133,912	133,912
Investment properties	9	470	477
Prepaid lease payments		48,897	49,347
Intangible assets		1,102	1,363
Interest in associates		132,872	97,890
Interest in joint ventures		8,604	10,885
Other investments		435	434
Deferred tax assets		1,193	1,193
		<b>350,564</b>	<b>320,332</b>
<b>Current assets</b>			
Property development costs		160,849	175,149
Inventories		20,434	24,102
Trade and other receivables		276,665	286,266
Current tax assets		11,806	7,982
Deposits, cash and bank balances		72,766	93,087
		<b>542,520</b>	<b>586,586</b>
<b>TOTAL ASSETS</b>		<b>893,084</b>	<b>906,918</b>
<b>EQUITY AND LIABILITIES</b>			
Share capital		250,000	250,000
Share premium		86,092	86,092
Capital reserve		200	200
Retained profits		258,116	219,341
Treasury shares		(17,014)	(16,315)
<b>Equity attributable to equity holders of the company</b>		<b>577,394</b>	<b>539,318</b>
Minority interests		20,425	18,943
<b>TOTAL EQUITY</b>		<b>597,819</b>	<b>558,261</b>
<b>Non-current liabilities</b>			
Borrowings		369	529
Deferred tax liabilities		55,704	57,126
		<b>56,073</b>	<b>57,655</b>
<b>Current Liabilities</b>			
Trade and other payables		200,367	231,985
Borrowings		38,628	49,963
Current tax liabilities		197	9,054
		<b>239,192</b>	<b>291,002</b>
<b>TOTAL LIABILITIES</b>		<b>295,265</b>	<b>348,657</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>893,084</b>	<b>906,918</b>
		<b>2.31</b>	<b>2.16</b>
<b>Net assets per share attributable to equity holders of the parent(RM)</b>			

The notes set out on pages 5 to 16 form an integral part of, and should be read in conjunction with, this interim financial report.  
The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 December 2007.



**NAIM CENDERA HOLDINGS BERHAD** (585467-M)

**QUARTERLY REPORT - SECOND QUARTER ENDED 30 JUNE 2008**

<b>CONDENSED CONSOLIDATED CASH FLOW STATEMENT</b>		
For the period ended 30 June 2008 (The figures have not been audited)		
	<b>30 June 2008 RM'000</b>	<b>30 June 2007 RM'000</b>
<b>Net cash generated from/(used in) operating activities</b>	13,933	(481)
<b>Net cash (used in) investing activities</b>	(21,982)	(2,238)
<b>Net cash (used in) financing activities</b>	(12,272)	(19,075)
<b>Net (decrease) in cash and cash equivalents</b>	(20,321)	(21,794)
<b>Cash and cash equivalents at beginning of financial period</b>	91,375	120,357
<b>Cash and cash equivalents at end of financial period</b>	<u>71,054</u>	<u>98,563</u>
	<b>RM'000</b>	<b>RM'000</b>
Cash and cash equivalents at end of financial period	71,054	98,563
Add: Fixed Deposits Pledged	1,712	1,652
Deposits, cash and bank balances at end of financial period	<u>72,766</u>	<u>100,215</u>

The notes set out on pages 5 to 16 form an integral part of, and should be read in conjunction with, this interim financial report.

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2007.



NAIM CENDERA HOLDINGS BERHAD (585467-M)

QUARTERLY REPORT - SECOND QUARTER ENDED 30 JUNE 2008

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY								
For the period ended 30 June 2008 (The figures have not been audited)								
	Total equity attributable to shareholders of the Company						Minority Interest	Total Equity
	Non Distributable			Distributable		Sub-total		
	Share capital RM' 000	Share premium RM' 000	Capital reserve RM' 000	Treasury shares RM' 000	Retained profits RM' 000			
<b><u>6 months ended 30 June 2007</u></b>								
<b>At 1 January 2007</b>	250,000	86,092	200	(16,315)	169,839	489,816	39,890	529,706
Profit for the period					44,879	44,879	1,895	46,774
Dividends paid					(12,493)	(12,493)	(6,103)	(18,596)
<b>At 30 June 2007</b>	250,000	86,092	200	(16,315)	202,225	522,202	35,682	557,884
<b><u>6 months ended 30 June 2008</u></b>								
<b>At 1 January 2008</b>	250,000	86,092	200	(16,315)	219,341	539,318	18,943	558,261
Profit for the period				-	38,775	38,775	1,482	40,257
Treasury shares purchased - at cost				(699)	-	(699)	-	(699)
<b>At 30 June 2008</b>	250,000	86,092	200	(17,014)	258,116	577,394	20,425	597,819

The notes set out on pages 5 to 16 form an integral part of, and should be read in conjunction with, this interim financial report.  
The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2007.



## NAIM CENDERA HOLDINGS BERHAD (585467-M)

### QUARTERLY REPORT – SECOND QUARTER ENDED 30 JUNE 2008

#### NOTES TO THE INTERIM FINANCIAL REPORT

##### 1. Basis of preparation

The interim financial report is unaudited and has been prepared in compliance with FRS 134, *Interim Financial Reporting* and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements for the year ended 31 December 2007.

##### 2. Changes in accounting policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2007 except for the adoption of the following revised/amended Financial Reporting Standards (FRSs) :

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 FRS 107, 111, 112, 118, 121, 134 and 137 does not have significant financial impact to the Group.

##### 2.1 Change in accounting policies

The Group has not adopted the following FRSs and Interpretations, which are effective for annual reporting periods beginning on or after 1 July 2007 and which are not applicable to the Group.

##### Standard/Interpretation

FRS 120	Accounting for Government Grants and Disclosure of Government Assistance
FRS 121 (Amendments)	The Effects of Changes in Foreign Exchange Rates – Net Investment in a Foreign Operation
IC Int. 1	Changes in Existing Decommissioning, Restoration & Similar Liabilities
IC Int. 2	Members' Shares in Co-operative Entities & Similar Instruments
IC Int. 5	Rights to Interests arising from Decommissioning, Restoration & Environmental Rehabilitation Funds
IC Int. 6	Liabilities arising from Participating in a Specific Market – Waste Electrical & Electronic Equipment
IC Int. 7	Applying the Restatement Approach under IAS 29
IC Int. 8	Financial Reporting in Hyperinflationary Economies
	Scope of FRS 2



## **NAIM CENDERA HOLDINGS BERHAD (585467-M)**

### **QUARTERLY REPORT – SECOND QUARTER ENDED 30 JUNE 2008**

#### **NOTES TO THE INTERIM FINANCIAL REPORT**

##### **3. Seasonality and cyclicity of operations**

The business operations of the Group are not materially affected by any seasonal or cyclical factors during the quarter under review.

##### **4. Unusual items**

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

##### **5. Changes in estimates**

There were no changes in the estimates reported in the prior financial year that have a material effect in the current quarter.

##### **6. Debt and equity securities**

Save as disclosed below, there were no issuances, repurchases and repayments of debt and equity securities for the current period.

During the 1<sup>st</sup> quarter ended 31 March 2008, the Company bought back from the open market, 223,000 ordinary share of RM 1.00 each at an average price of RM3.134 per share. The total consideration paid for the shares brought back including transaction cost, was RM698,882 and was financed by internally generated funds.

The shares bought back mentioned above are held as treasury shares in accordance with Section 67A of the Companies Act, 1965. None of the treasury shares held were resold or cancelled. The number of treasury shares held as at 30 June 2008 was 5,732,400.

##### **7. Dividend paid**

There were no dividends paid during the quarter under review.



## NAIM CENDERA HOLDINGS BERHAD (585467-M)

### QUARTERLY REPORT – SECOND QUARTER ENDED 30 JUNE 2008

#### NOTES TO THE INTERIM FINANCIAL REPORT

#### 8. Segmental reporting

	Segment revenue		Segment results	
	-----6 months ended 30 June -----			
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Property development	100,608	97,276	23,942	29,755
Construction	131,755	201,073	14,884	31,307
Sale of goods/services	39,158	33,770	8,486	5,041
	<u>271,521</u>	<u>332,119</u>	<u>47,312</u>	<u>66,103</u>
Inter Segment	(21,263)	(12,340)	(6,508)	(4,337)
	<u>250,258</u>	<u>319,779</u>	<u>40,804</u>	<u>61,766</u>
Oil and gas – share of profit after tax of associates			12,524	-
			<u>53,328</u>	<u>61,766</u>
Unallocated (expenses)/income			(1,015)	(347)
Income from investments			710	1,424
Finance costs			(769)	(98)
Share of loss after-tax of associates			(124)	418
Share of profit after-tax of joint ventures			981	1,488
Profit before tax			<u>53,111</u>	<u>64,651</u>
Income tax expense			(12,854)	(17,877)
Profit for the period			<u>40,257</u>	<u>46,774</u>
Attributable to:				
Equity holders of the parent			38,775	44,879
Minority Interests			<u>1,482</u>	<u>1,895</u>

#### 9. Investment properties

	As at 30 June	
	2008 RM'000	2007 RM'000
Building, stated at carrying amount	470	483
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Indicative fair value	863	800
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## **NAIM CENDERA HOLDINGS BERHAD (585467-M)**

### **QUARTERLY REPORT – SECOND QUARTER ENDED 30 JUNE 2008**

#### **NOTES TO THE INTERIM FINANCIAL REPORT**

##### **10. Subsequent material events**

There are no material events subsequent to the end of the period reported on, that has not been reflected in the financial statements for the said period, made up to the date of this quarterly report.

##### **11. Changes in the composition of the Group**

The conditional share sale agreements entered into between the Company and Dayang Enterprise Holdings Berhad (“DEHB”) on 28 December 2007, pursuant to which the Company was to inject its equity interest in Dayang Enterprise Sdn Bhd, DESB Marine Services Sdn Bhd and Fortune Triumph Sdn Bhd into DEHB, were completed on 29 February 2008.

Concurrent with the completion of the above disposals, DEHB issued a special renounceable rights issue of 20,300,000 new ordinary shares of RM0.50 each at an issue price of RM1.00 per share, out of which 9,135,000 shares were subscribed by the Company. Upon the completion of the disposals and the rights issue on 29 February 2008, DEHB became a 45% owned associate of the Company.

On 19 March 2008, Naim Cendera Holdings Bhd’s (“NCHB”) wholly owned subsidiary, Naim Cendera Sdn Bhd (“NCSB”) entered into a Joint Venture Agreement with Sebiro Holdings Sdn Bhd for the purpose of jointly formulating a proposal and if successful, to enter into a contract with the Ministry of Education to undertake the project known as “Cadangan Projek Pembinaan, Penaiktarafan Dan Pembaikpulihah Sekolah-Sekolah Dan Asrama Di Negeri Sarawak”.

On 23 May 2008, NCHB’s wholly owned subsidiary, NCSB Engineering Sdn Bhd (“NCSBE”) subscribed for a total of 7,000 ordinary shares of RM1.00 each in Aktif Majusama Sdn Bhd (“AMSB”). AMSB became a 70% owned subsidiary company of NCSBE following the acquisition and subscription.

On 12 June 2008, NCHB’s wholly owned subsidiary, NCSBE entered into a Joint Venture Agreement with Chiaw Kee Engineering (“CKE”) to jointly set up a joint venture company called Plus Viable Sdn Bhd for the purpose of establishing and operating an asphalt plant in Sarawak.

##### **12. Contingent liabilities**

There were no contingent liabilities in respect of the Group that had arisen since 31 December 2007 till the date of this quarterly report.





## NAIM CENDERA HOLDINGS BERHAD (585467-M)

### QUARTERLY REPORT – SECOND QUARTER ENDED 30 JUNE 2008

#### NOTES TO THE INTERIM FINANCIAL REPORT

#### 13. Capital commitments

	As at 30 June	
	2008	2007
	RM'000	RM'000
<b>Authorised and contracted for</b>		
Purchase of computer software	-	190
<b>Authorised but not contracted for</b>		
Acquisition of land bank	190,810*	201,000*
Investment property	61,354	79
Buildings	-	183
Motor Vehicles	1,989	1,631
Furniture, Fittings & Equipments	2,906	1,395
Plant and Machinery	5,696	1,934
Office Renovation	577	1,298
Information Technology Systems	2,089	2,631
	<u>265,421</u>	<u>210,151</u>
	<u>265,421</u>	<u>210,341</u>

\* Proposed to be financed by cash/debt/ equity or a combination thereof.

#### 14. Key Management Personnel compensation

Total compensations to directors of the company and other members of key management during the quarter under review are as follows:

	6 months ended	
	30 June	
	2008	2007
	RM'000	RM'000
Directors of NCHB	3,403	3,411
Other key management personnel	<u>3,564</u>	<u>4,481</u>
	<u>6,967</u>	<u>7,892</u>



## NAIM CENDERA HOLDINGS BERHAD (585467-M)

### QUARTERLY REPORT – SECOND QUARTER ENDED 30 JUNE 2008

#### NOTES TO THE INTERIM FINANCIAL REPORT

#### 15. Significant related party transactions

	Transaction value 6 months ended 30 June		Balance outstanding as at 30 June	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
<b>Transactions with associates</b>				
Sale of construction materials	(2,166)	(1,481)	855	914
Purchase of raw materials	618	576	415	(257)
Construction costs paid	6,220	11,189	(4,592)	(5,216)
Machinery rental income	(42)	(317)	(4,916)	1,217
<b>Transactions with unincorporated joint venture</b>				
Construction contract revenue	9,752	19,538	4,740	8,942
<b>Transactions with Directors of the Company and its subsidiaries and with companies connected to them</b>				
Procurement of IT services	289	-	(87)	(47)
Procurement of equipment	-	6,025	-	(4,915)
Sales of properties	-	-	13	(74)
Donation to Tabung Amanah Naim	-	-	393	88
Rental expenses on premises	32	24	5	2
Advertisement charges	-	19	(11)	1
Construction costs paid	348	4,158	(778)	(1,860)
Sales of construction materials	-	(350)	-	263
Advisory fee paid	60	60	10	-



## **NAIM CENDERA HOLDINGS BERHAD (585467-M)**

### **QUARTERLY REPORT – SECOND QUARTER ENDED 30 JUNE 2008**

#### **ADDITIONAL REQUIREMENT REQUIRED BY APPENDIX 9(B) OF THE BURSA MALAYSIA LISTING REQUIREMENTS**

##### **(I) Review of performance**

The Group recorded revenue of RM250 million in the period under review as against RM320 million recorded in the corresponding period in 2007.

Profit before tax for the period was RM53 million against RM65 million achieved in the same period in 2007.

Notwithstanding the significant increase in prices of major building and construction materials such as diesel and steel bar in the previous 12 months, the Group has managed to maintain its overall gross profit margin at 22.80% for the half year ended 30 June 2008. The overall gross profit margin achieved in the corresponding period in 2007 was 23.27%, while it was only 21.64% for FY07.

The measures undertaken by the Group to control escalating costs, such as improving operating efficiency, reducing wastage, improving building designs and construction methods, impacted on the performance of its construction and property divisions during the period under review.

In addition, the newly acquired associate, Dayang Enterprise Holdings Bhd, contributed positively to the performance of the Group for the period.

##### **(II) Comparison with preceding quarter's results**

The revenue and profit before tax for the current quarter were RM134 million and RM24 million respectively compared to RM116 million and RM29 million respectively in the immediate preceding quarter.

##### **(III) Prospect for 2008**

The Group is encouraged by the results achieved in 1H08 with earnings per share of 15.87 sen and, barring any unforeseen circumstances, is confident of achieving another positive result for 2008.

In order to achieve this year's targets, the Group is actively seeking expansion into project management, further expanding its oil and gas related activities, streamlining operational efficiency and developing new products to capture a niche market. The Group is also continuously sourcing for new land banks to ensure sustainable growth in earnings in the future.



## NAIM CENDERA HOLDINGS BERHAD (585467-M)

### QUARTERLY REPORT – SECOND QUARTER ENDED 30 JUNE 2008

#### ADDITIONAL REQUIREMENT REQUIRED BY APPENDIX 9(B) OF THE BURSA MALAYSIA LISTING REQUIREMENTS

**(IV) Profit guarantee**

The Group did not issue any profit guarantee.

**(V) Tax expense**

	6 months ended 30 June	
	2008 RM'000	2007 RM'000
Current tax expense Malaysian - current	14,276	19,275
Deferred tax expense Malaysian - current	(1,422)	(1,398)
Total	12,854	17,877

**(VI) Unquoted investments and/or properties**

There was no sale of unquoted investments and/or properties included in the properties, plant and equipment during the current quarter under review.

**(VII) Other investments**

**Investments in quoted shares and unit trusts:**

	As at 30 June					
	Quoted shares		Unit trusts		Total	
	2008	2007	2008	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Cost</b>	594	637	217	199	811	836
<b>Carrying Value</b>	280	324	155	137	435	461
<b>Market Value</b>	665	953	310	304	975	1,257



## NAIM CENDERA HOLDINGS BERHAD (585467-M)

### QUARTERLY REPORT – SECOND QUARTER ENDED 30 JUNE 2008

#### ADDITIONAL REQUIREMENT REQUIRED BY APPENDIX 9(B) OF THE BURSA MALAYSIA LISTING REQUIREMENTS

##### (VII) Other investments (continued)

###### Movement in quoted shares and unit trusts:

	Current quarter 6 months ended 30 June 2008 RM'000	Cumulative quarter 6 months ended 30 June 2008 RM'000
Total purchases	1	1

##### (VIII) (a) Status of corporate proposals

As stated in Note 11, the restructuring of Dayang Enterprise Holdings BErhad ("DEHB") was completed on 29 February 2008, thereupon it became a 45% owned associate of the Company. Having obtained approval from the Securities Commission for its proposed listing on 30 January 2008 and having completed a public issue of 85,874,000 new ordinary shares of RM0.50 each at an issue price of RM1.45 per share on 17 April 2008, DEHB, in which the Company's shareholdings were reduced to 34.02% following the public issue, was listed on the Main Board of Bursa Malaysia Securities Berhad on 24 April 2008.

Save for the above, there are no other corporate proposals announced but not completed at the date of this quarterly report.



## NAIM CENDERA HOLDINGS BERHAD (585467-M)

### QUARTERLY REPORT – SECOND QUARTER ENDED 30 JUNE 2008

#### ADDITIONAL REQUIREMENT REQUIRED BY APPENDIX 9(B) OF THE BURSA MALAYSIA LISTING REQUIREMENTS

(b) **Status of utilisation of proceeds**

As at the date of this report, the proceeds raised from the Public Issue pursuant to the listing of the Company on the Main Board of Bursa Malaysia in 2003 amounting to RM60.547 million were utilised as follows:

	<b>As approved by Securities Commission RM'000</b>	<b>Utilised as at date of report RM'000</b>	<b>+ /(-) RM'000</b>	<b>Unutilised as at date of report RM'000</b>
Acquisition of land for property development and property investment	25,000	( 6,039)	(15,000)	3,961
Purchase of machinery	7,400	( 2,216)	-	5,184
Purchase of information technology systems	3,082	( 3,082)	-	-
Repayment of bank borrowings	7,430	( 7,430)	-	-
Listing expenses	4,600	( 4,523)	(77)	-
Working capital	13,035	(28,112)	15,077	-
	<b>60,547</b>	<b>(51,402)</b>	<b>-</b>	<b>9,145</b>

\* Unutilised listing expenses of RM77,000 are re-allocated to working capital during the first quarter of 2005.

\*\* Unutilised acquisition of land for property development and property investment of RM15 million was re-allocated to working capital during the final quarter of 2007.

(IX) **Group borrowings and debt securities**

Group borrowings at the end of this quarter were as follows:

		<b>As at 30 June</b>	
		<b>2008 RM'000</b>	<b>2007 RM'000</b>
Current			
Secured	- Hire Purchase	453	599
Unsecured	- Revolving Credits	38,175	-
		<b>38,628</b>	<b>599</b>
Non-Current			
Secured	- Hire Purchase	369	822
		<b>38,997</b>	<b>1,421</b>

All borrowings are denominated in Ringgit Malaysia.



## **NAIM CENDERA HOLDINGS BERHAD (585467-M)**

### **QUARTERLY REPORT – SECOND QUARTER ENDED 30 JUNE 2008**

#### **ADDITIONAL REQUIREMENT REQUIRED BY APPENDIX 9(B) OF THE BURSA MALAYSIA LISTING REQUIREMENTS**

**(X) Off balance sheet financial instruments**

The Group did not enter into any financial instruments with off balance sheet risk during the quarter.

**(XI) Changes in material litigations**

In March 2005, Naim Cendera Tujuh Sdn. Bhd. (“NC7”), the Company’s wholly owned subsidiary, received a Writ of Summons from 5 persons suing on behalf of themselves and 79 others, claiming to have Native Customary Rights over part of NC7’s leasehold land known as Lot 23, Block 34, Kemena Land District, Bintulu. Approximately 100 acres out of a total of 1,000 acres of the land are claimed by the Plaintiffs. The said land was previously alienated by the Government of Sarawak and due land premium had been settled in prior years. Should the matter not be satisfactorily resolved or should the Court rule in favour of the Plaintiffs, NC7 will approach the State authorities for substitution of the land.

On 24 June 2008, the Company’s wholly owned subsidiary, Khidmat Mantap Sdn Bhd (“KMSB”), received a Writ of Summons and Statement of Claim from 2 persons claiming to have Native Customary Rights over a parcel of land described as Lot 533, Block 14, Muara Tuang Land District situated at Merdang Limau, Samarahan, Sarawak of which KMSB is the registered proprietor. KMSB’s solicitors have filed an Appearance on 2 July 2008 and Statement of Defence on 28 July 2008 for KMSB. KMSB’s solicitors are preparing an application to strike out the action.

On 27 June 2008, the Company’s wholly owned subsidiary, Naim Cendera Lapan Sdn Bhd (“NC8”) was served with an Order of Interim Injunction by the Court upon application made by 7 persons claiming that NC8 had encroached into parcels of land known locally as Derod Mawah and Tana Spunged Sarawak over which they claimed to have Native Customary Rights. The relevant authorities had issued to NC8 a licence to operate a quarry on and remove stones from all the parcel of land situated at Gunung Rumbang, Padawan which is adjacent to the earlier-mentioned land.

On 11 July 2008, the Interim Injunction has been discharged by mutual agreement and upon an undertaking given by NC8 to the Court. NC8 is allowed to enter and work in the undisputed area but is not permitted to commence blasting until the next inter-partite hearing, set for 9 September 2008. NC8 has filed its defence on 22 July 2008 stating, inter alia, that NC8 had lawfully entered the quarry area with the consent of the affected residents and that the licensed area is substantially outside the area claimed by the Plaintiffs.



## NAIM CENDERA HOLDINGS BERHAD (585467-M)

### QUARTERLY REPORT – SECOND QUARTER ENDED 30 JUNE 2008

#### ADDITIONAL REQUIREMENT REQUIRED BY APPENDIX 9(B) OF THE BURSA MALAYSIA LISTING REQUIREMENTS

##### (XII) Dividend

The Board had declared an interim dividend, in respect of financial year ending 31 December 2008, of 8 sen per share less tax at 26% totaling RM14.38 million, payable to shareholders on 16 September 2008. The dividend entitlement date shall be 25 August 2008.

##### (XIII) Earnings per share

###### Basic earnings per share (“EPS”)

The calculation of the basic EPS was based on the Group profit for the period divided by the weighted average number of ordinary shares in issue.

	6 months ended 30 June	
	2008	2007
Net profit attributable to shareholders of the Company (RM'000)	38,775	44,879
	-----	-----
Weighted average number of ordinary shares in issue (‘000)	244,341	244,491
	-----	-----
Basic earnings per ordinary shares (sen)	15.87	18.36
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##### (XIV) Auditors’ report on preceding annual financial statements

The auditors’ report on the financial statements for the financial year ended 31 December 2007 was unqualified.

##### (XV) Authorisation for issue

The interim financial statements were authorized for issue by the Board of Directors in accordance with a resolution of the Directors on 6 August 2008.