

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2007

	Individual quarter ended	Individual quarter ended	Cumulative quarter ended	Cumulative quarter ended
	30/09/2007	30/09/2006	30/09/2007	30/09/2006
	RM'000	RM'000	RM'000	RM'000
		(restated)		(restated)
Continuing operations				
Revenue	83,865	98,203	168,098	168,740
Cost of sales	(60,144)	(64,045)	(118,241)	(110,674)
Gross profit	23,721	34,158	49,857	58,066
Other income	5,122	582	7,734	1,029
Employee benefits expense	(3,438)	(5,348)	(8,089)	(8,826)
Depreciation and amortisation	(1,365)	(1,815)	(2,696)	(2,823)
Other expenses	(7,765)	(8,429)	(14,944)	(12,883)
Profit from operations	16,275	19,148	31,862	34,563
Finance costs	(4,625)	(6,451)	(9,213)	(11,915)
Other investing activities results	(1,237)	18,681	(1,421)	18,800
Share of results of associates and jointly controlled entities	1,682	243	2,409	891
Profit before taxation	12,095	31,621	23,637	42,339
Taxation	(3,789)	(5,883)	(7,190)	(9,490)
Profit for the period from continuing operations	8,306	25,738	16,447	32,849
Discontinued Operation				
Profit for the period from discontinued operation	2,167	313	2,512	318
Profit for the period	10,473	26,051	18,959	33,167
Attributable to :				
Equity holders of the parent		26,340		

9,360 17,428 32,393

Minority interests	1,113	(289)	1,531	774
	<u>10,473</u>	<u>26,051</u>	<u>18,959</u>	<u>33,167</u>
Earnings per share attributable to equity holders of the parent :	sen	sen	sen	sen
Basic, for profit from continuing operations	2.33	8.17	4.82	10.06
Basic, for profit from discontinued operation	<u>0.70</u>	<u>0.10</u>	<u>0.81</u>	<u>0.10</u>
Basic, for profit for the period	<u>3.03</u>	<u>8.27</u>	<u>5.63</u>	<u>10.16</u>

(The Condensed Consolidated Income Statements should be read in conjunction with the audited Financial Statements for the year ended 31 March 2007 and the accompanying notes attached to the interim financial statements)

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

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS

	Unaudited As at 30/09/2007	Audited As at 31/03/2007
	RM'000	RM'000
ASSETS		
Non Current Assets		
Property, Plant and Equipment	80,423	86,114
Investment Properties	52,630	52,878
Land held for property development	85,134	84,639
Investment in associates and jointly controlled entities	106,375	96,483
Other investments	8,763	9,248
Goodwill	2,152	1,852
Prepaid lease payments	5,206	5,236
Deferred tax assets	3,506	3,323
	<u>344,189</u>	<u>339,773</u>
Current Assets		
Development properties	156,782	178,186
Inventories	47,526	58,380
Trade and other receivables		

Short term investments	165,857	178,001
Tax recoverable	4,057	4,433
Cash and cash equivalents	78,691	35,605
	<u>461,210</u>	<u>466,666</u>
Assets of disposal group classified as held for sale	<u>25,295</u>	<u>27,871</u>
	<u>486,505</u>	<u>494,537</u>
TOTAL ASSETS	<u>830,694</u>	<u>834,310</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share Capital	320,815	320,815
Share Premium	244,909	244,909
Other reserves	19,867	19,867
Accumulated Losses	(189,260)	(200,707)
Amounts recognised directly in equity relating to assets classified as held for sale	-	(329)
Shareholders' equity	<u>396,331</u>	<u>384,555</u>
Treasury shares	(11,725)	(8,850)
Shares held by Employees' Trust Scheme	(4,772)	
Minority Interests	9,683	8,152
Total equity	<u>389,517</u>	<u>383,857</u>
Non Current Liabilities		
Long Term Borrowings	128,719	118,901
Long term payables and deferred income	38,425	38,425
	<u>167,144</u>	<u>157,326</u>
Current Liabilities		
Trade and other payables	73,621	83,339
Current tax payable	6,979	12,414
Borrowings	169,847	169,998
	<u>250,447</u>	<u>265,751</u>
Liabilities directly associated with the assets classified as held for sale	<u>23,586</u>	<u>27,376</u>

acquisition of subsidiary	472	117					589			589	
Treasury shares purchased								(8,002)		(8,002)	
At 31 March 2007	320,815	244,909	19,867	-	(329)	(200,707)	384,555	(8,850)	-	8,152	383,857
Profit for the period						17,428	17,428			1,531	18,959
Dividends						(5,652)	(5,652)				(5,652)
Transfer of reserve					329	(329)	-				-
Treasury shares purchased							-	(2,875)			(2,875)
Purchase of shares held under Employees' Trust Scheme									(4,772)		(4,772)
At 30 September 2007	320,815	244,909	19,867	-	-	(189,260)	396,331	(11,725)	(4,772)	9,683	389,517

(The Condensed Consolidated Income Statements should be read in conjunction with the audited Financial Statements for the year ended 31 March 2007 and the accompanying notes attached to the interim financial statements)

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

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2007

	Period ended 30/09/2007 RM'000	Period ended 30/09/2006 RM'000 (restated)
Profit before tax from:		
Continuing operations	23,637	42,339
Discontinued operation	2,512	318
Adjustment for non-cash flow :-		
Non-cash items	5,382	4,139
Non-operating items (which are investing/financing)	(2,361)	(25,402)
Operating profit before changes in working capital	29,170	21,394
Changes in working capital		
Net change in current assets	40,452	(9,782)
Net change in liabilities		

	(9,720)	(19,770)
Land held for development	(495)	(402)
Taxation (paid)/refund	(9,042)	571
	<u>50,365</u>	<u>(7,989)</u>
Net cash flows from operating activities		
Investing Activities		
- Property, plant and equipment	2,369	1,585
- Jointly controlled entities	(19,875)	-
- Other investments	1,308	63,332
- Dividend from an associated company	1,427	-
- Dividend paid	(5,652)	-
- Net cash from disposal of an associated company	10,428	
- Net cash paid for acquisition of a subsidiary	(300)	(100,573)
- Net cash from sale of a subsidiary company	(39)	-
	<u>(10,334)</u>	<u>(35,656)</u>
Financing Activities		
- Bank borrowings	8,030	29,464
- Equity investments	(7,647)	(145)
	<u>383</u>	<u>29,319</u>
Net Change in Cash and Cash Equivalents	40,414	(14,326)
Cash and Cash Equivalents at beginning of period	28,789	23,328
	<u>69,203</u>	<u>9,002</u>
Cash and Cash Equivalents at end of period		
Analysis of cash and cash equivalents at end of the financial period:		
Cash and bank balances	57,206	16,288
Deposits with licenced financial institutions	21,485	30,036
Bank overdrafts	(9,683)	(37,627)
	<u>69,008</u>	<u>8,697</u>
Cash and bank balances classified as held for sale	195	305
	<u>69,203</u>	<u>9,002</u>

(The Condensed Consolidated Income Statements should be read in conjunction with the audited Financial Statements for the year ended 31 March 2007 and the accompanying notes attached to the interim financial statements)

BOLTON BERHAD (5572-H)

(Incorporated in Malaysia)

Unaudited interim report for the period ended 30 September 2007

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 2007.

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.

Pursuant to the reclassification of certain non-current assets to assets held for sale, the following comparative amounts have been restated in accordance with FRS 5: Non-current Assets Held for Sale and Discontinued Operations:

	--Individual Quarter ended 30/09/2006--			--Cumulative Quarter ended 30/09/2006--		
	----- Adjustments-----			----- Adjustments-----		
	Previously stated RM'000	FRS 5 RM'000	Restated RM'000	Previously stated RM'000	FRS 5 RM'000	Restated RM'000
Revenue	99,717	(1,514)	98,203	171,474	(2,734)	168,740
Cost of sales	(64,319)	274	(64,045)	(111,210)	536	(110,674)
Gross profit	35,398	(1,240)	34,158	60,264	(2,198)	58,066
Other income	745	(163)	582	1,345	(316)	1,029
Employee benefits expense	(5,751)	403	(5,348)	(9,614)	788	(8,826)
Depreciation and amortisation	(2,056)	241	(1,815)	(3,380)	557	(2,823)
Other expenses	(8,875)	446	(8,429)	(13,734)	851	(12,883)
Profit from operations	19,461	(313)	19,148	34,881	(318)	34,563
Profit before taxation	31,934	(313)	31,621	42,657	(318)	42,339
Profit after taxation	26,051	(313)	25,738	33,167	(318)	32,849
Profit for the period from discontinued operation	-	313	313	-	318	318

A3. Audit Qualification

The audit report of the Group's most recent annual audited financial statements for the year ended 31 March 2007 was not qualified.

A4. Seasonality or Cyclical Factors

There have been no material seasonal or cyclical factors affecting the results of the quarter under review.

A5. Exceptional items

	Individual quarter ended 30/09/07 RM'000	Cumulative quarter ended 30/09/07 RM'000
Included in other investing results is :-		
Loss on disposal of a subsidiary	-	(184)
Loss on disposal of an associated company	<u>(1,237)</u>	<u>(1,237)</u>
	<u>(1,237)</u>	<u>(1,421)</u>

A6. Changes in estimates

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

A7. Debt and Equity Securities

During the current financial quarter, the Company repurchased 2,274,900 of its issued share capital of RM1 each from the open market at an average cost of RM1.02 per share. The shares repurchased were retained as treasury shares. As at 30 September 2007, the Company has 13,376,800 ordinary shares held as treasury shares.

A8. Dividends Paid

A first and final dividend of 2.5 sen less 27% taxation in respect of the financial year ended 31 March 2007, amounting to RM 5,652,267 was paid on 8 August 2007.

A9. Segmental Reporting

	-----Quarter ended 30/09/2007-----					
Business segments	Property Development RM'000	Property Investment RM'000	Quarrying & Premix RM'000	Construction & Engineering RM'000	Investment & others RM'000	Continued Operations RM'000
Revenue	<u>111,667</u>	<u>6,735</u>	<u>47,277</u>	<u>21,541</u>	<u>3,207</u>	<u>190,427</u>
less : eliminations of inter-segment						<u>(22,329)</u>
						168,098
Discontinued operation						<u>3,245</u>
						<u>171,343</u>
Segment results from continuing operations	<u>30,965</u>	<u>1,338</u>	<u>5,289</u>	<u>9</u>	<u>1,571</u>	<u>39,172</u>
Head office expenses						

				(7,310)
Operating profit				31,862
Finance costs				(9,213)
Other investing activities results				(1,421)
Share of results of associates and jointly controlled entities	1,020	100	1,289	2,409
Profit before taxation				23,637
Taxation				(7,190)
Profit for the period from continuing operations				16,447
Profit for the period from discontinued operation				2,512
Profit for the period				<u>18,959</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 2007. The carrying value is 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 and except as disclosed under note B8(vii), there is no material subsequent event since 30 September 2007.

A12. Changes in the Composition of the Group

There were no changes in the composition of the Group, other than the disposal of Menara Ampang Sdn Bhd, an associated company incorporated in Malaysia, as disclosed in Note B8(iv). In addition, as disclosed in Note B8(iii), GLM Property Development Sdn Bhd (formerly known as LCI Housing Development Sdn Bhd) became a wholly-owned subsidiary of the Group.

A13. Discontinued Operation

On 16 February 2007, the Company entered into a Share Sale Agreement ("SSA") to dispose of a subsidiary, Noble Accord Sdn Bhd for a total consideration of RM1,000. Pursuant to Clause 6.2 of the SSA, the Extended Completion Period (as defined therein in the SSA) was extended for a period of 2 months to 21 September 2007. As stated in Note B8(i), the sale has been terminated.

On 28 September 2007, the Company entered into a Share Sale Agreement with EMZED Travel & Tours Sdn Bhd to dispose of

Noble Accord Sdn Bhd for a total consideration of RM1,000. Further details of the disposal are disclosed in Note B8(vi).

The results of Noble Accord Sdn Bhd are presented on the consolidated income statements as discontinued operations.

The revenue, results and cashflows of the discontinued operation were as follows:

	Individual quarter ended		Cumulative quarter ended	
	30/09/2007	30/09/2006	30/09/2007	30/09/2006
	RM'000	RM'000	RM'000	RM'000
Revenue	1,804	1,514	3,245	2,734
Profit before taxation	2,167	313	2,512	318
Taxation	-	-	-	-
Profit for the period from discontinued operations	2,167	313	2,512	318
Cashflow from operating activities			125	(42)
Cashflow from investing activities			(14)	(7)
Cashflow from financing activities			-	-
Total cashflows			111	(49)

A14. Changes in contingent liabilities and contingent assets

As at 30 September 2007, there were no material changes in contingent liabilities since the last annual audited balance sheet as at 31 March 2007.

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

B1. Review of Performance

The Property Development and Investment Divisions contributed RM118.402 million representing 62% of the Group's Turnover and the Group's Segmental Results thereof amounting to RM32.3 million.

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

The result of the current quarter is higher than the preceding quarter mainly due to lower overhead costs and an increase in contribution by RM 1.5 million from the quarry and premix division. The contribution from property division decreased by RM 1.7 million. However, the property division remains the main contributor to the Group's results.

B3. Prospects for the financial year ending 31 March 2008

The Group has refocused its business to property development. Barring any unforeseen circumstances, the directors are confident that the performance of the Group for the financial year ending 31 March 2008 will be comparable with that of the previous financial year.

B4. Profit Forecast/Profit Guarantee

Not applicable

B5. Taxation

Taxation comprises the following :-

Individual

Cumulative

	quarter ended 30/09/07 RM'000	quarter ended 30/09/07 RM'000
Current taxation - current year	3,845	7,337
Current taxation - under provision in prior year	35	35
Deferred taxation	<u>(91)</u>	<u>(182)</u>
	<u>3,789</u>	<u>7,190</u>

The effective tax rate of the Group for the period under review is higher than the statutory tax rate principally due to losses of some subsidiaries which cannot be set off against taxable profits made by other subsidiaries, and certain expenses which are not deductible for tax purposes.

B6. Sale of unquoted investments and properties

Sale of unquoted investments during the current financial period are as disclosed in note B8. There are no sales of properties other than the sale of land and buildings in the normal course of business as property developers.

B7. Quoted investments

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

	Individual quarter ended 30/09/07 RM'000	Cumulative quarter ended 30/09/07 RM'000
Total purchases	<u>812</u>	<u>1,199</u>
Total sales proceeds	<u>1,488</u>	<u>2,449</u>
Total profit on disposal	<u>84</u>	<u>415</u>

(b) Investments in quoted securities as at 30 September 2007 are 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			
Associated company	121,042	41,292	44,895
Other investments	<u>5,389</u>	<u>4,524</u>	<u>5,415</u>
Total quoted investments	<u>126,431</u>	<u>45,816</u>	<u>50,310</u>

B8. Corporate Developments

(i) (a) The Company had on 15 February 2007 announced that Noble Accord Sdn Bhd ("NASB"), a wholly-owned subsidiary of the Company has entered into a Sale and Purchase Agreement ("SPA") with Ho Wah Genting Poipet Resorts Sdn Bhd ("HWGP") for the proposed disposal by NASB of all that parcel of freehold land held under H.S.(D) 80171, PT No. 68, Section 69, Bandar Kuala Lumpur, Daerah Wilayah Persekutuan, together with an existing nineteen (19) storey building known as "Hotel Midah" erected thereon together with the fixtures and fittings for a maximum cash consideration of RM29.0 million.

Both parties may by mutual agreement vary the Purchase Price in the event the result of the due diligence discloses any deficiency or damage to the fixtures and fittings provided that any such variations of the purchase price shall not exceed a sum of RM4.5 million.

(b) The Company had on 16 February 2007 announced that it had entered into a Share Sale Agreement ("SSA") with HWGP, for the proposed disposal of its 2,500,000 ordinary shares of RM1.00 each in NASB, representing 100% equity interest in NASB to HWGP for a nominal cash consideration of RM1,000.

On 23 August 2007, the Company announced that the SPA and SSA have been terminated. Pursuant to the termination, RM1,500,100 paid by HWGP was forfeited as liquidated damages pursuant to the terms of the SPA and SSA.

(ii) The Company's proposal to undertake a capital reduction exercise pursuant to Section 64 of the Companies Act, 1965 to reduce the share premium account by up to RM244.792 million and to utilise the credit arising from the reduction to reduce the accumulated losses of the Company was approved by the shareholders on 7 March 2007. The sanction of the High Court of Malaya was issued on 26 September 2007 to reduce the Company's share premium account by RM220.0 million and to utilise the credit arising therefrom to reduce the accumulated losses of the Company. The capital reduction shall become effective as soon as the Sealed Copy of the Court Order is lodged with the Companies Commission of Malaysia.

(iii) Kejora Harta Bhd, a wholly-owned subsidiary of the Company, had on 5 May 2007 entered into the following agreements with North Borneo Cigars Sdn Bhd ("NBCSB") (formerly known as Ritz Energy (Sarawak) Sdn Bhd) :-

(a) A Sale and Purchase Agreement ("SPA") for the proposed acquisition of all that parcel of freehold land held under Geran No. 66312 Lot No. 4189, Bandar Tanjung Bungah, North-East District, Persiaran Tanjung Bungah 1, measuring 3.412 acres located in Pulau Pinang for a total cash consideration of RM24.70 million ("Proposed Property Acquisition"); and

(b) A Share Sale Agreement ("SSA") for the acquisition of the entire 100% equity shareholdings of GLM Property Development Sdn Bhd (formerly known as LCI Housing Sdn Bhd), a wholly owned subsidiary of NBCSB, for a total cash consideration of RM0.30 million ("Proposed Share Acquisition").

The Proposed Property Acquisition and the Proposed Share Acquisition were completed on 10 July 2007 and accordingly, GLM became a wholly-owned subsidiary of the Group.

(iv) The Company had on 30 May 2007 entered into a Sale and Purchase Agreement with Ibu Kota Developments Sdn Bhd for the disposal of 3,342,962 ordinary shares of RM1 each, representing 49% equity interests in Manara Ampang Sdn Bhd for a total cash consideration of RM10,428,017. The disposal was completed on 4 September 2007, resulting in a loss of RM1,237,000.

(v) CIMB Investment Bank Berhad, on behalf of the Company, had on 31 July 2007 announced that the Company proposed to undertake a non-renounceable offer for sale of part of the Company's interest in Symphony House Berhad ("Symphony") to the shareholders of the Company on the basis of 2 Symphony ordinary shares of RM0.10 each for every 5 ordinary shares of RM1.00 each held in the Company. The proposal was approved by the Securities Commissions on 4 October 2007.

(vi) (a) The Company had on 28 September 2007 announced that NASB has entered into a Sale and Purchase Agreement with EMZED Travel & Tours Sdn Bhd ("EMZED") for the proposed disposal by NASB, all that parcel of freehold land held under H.S.(D) 80171, PT No. 68, Section 69, Bandar Kuala Lumpur, Daerah Wilayah Persekutuan, together with an existing nineteen (19) storey building known as "Hotel Midah" erected thereon together with the fixtures and fittings for a total cash consideration of RM26.0 million.

(b) The Company had on 28 September 2007 announced that it had entered into a Share Sale Agreement with EMZED for the proposed disposal of its 2,500,000 ordinary shares of RM1.00 each in NASB, representing 100% equity interest in NASB to EMZED for a nominal cash consideration of RM1,000.

(vii) (a) Kenneison Quarries Sdn Bhd ("KQSB"), an indirect subsidiary of the Company, had on 12 October 2007 entered into the following agreements with Batu Tiga Quarry Sdn Bhd ("BTQ"), a wholly-owned subsidiary of YTL Industries Berhad:

(i) Sale and Purchase Agreement for the proposed disposal of its quarry equipment and other assets for a total cash consideration of RM6.5 million

(ii) Share Sale Agreement for the proposed disposal of its 2,000,000 ordinary shares of RM1 each in Kenneison Construction Materials Sdn Bhd ("KCM"), representing 100% equity interest in KCM for a total cash consideration of RM17.0 million.

(iii) Share Sale Agreement for the proposed disposal of its 1,201,000 ordinary shares of RM1 each in Kenneison Northern Quarry Sdn Bhd ("KNQ"), representing 100% equity interest in KNQ for a total cash consideration of RM0.5 million.

(b) Simultaneous with the execution of (vii)(a) above, Kenneison Brothers Sdn Bhd, an indirect subsidiary of the Company, had

also entered into a Quarry Agreement with BTQ granting it the right to occupy and operate on all that parcel of 625 acres of leasehold land held under Lot 6668, Pajakan Negeri 7957 and Lot 6669, Pajakan Negeri 7958, both in Mukim and District of Ulu Langat, State of Selangor Darul Ehsan for a period of 12 years with a minimum annual guaranteed payment of RM3 million. The agreement also provides for the lease of all immovable assets on the land based on similar terms for a nominal consideration of RM10.

The above proposals were completed on 31 October 2007.

B9. Group borrowings

Particulars of the Group's borrowings as at 30 September 2007 are as follows :-

	RM'000
Short term bank borrowings -	
Secured	110,818
Unsecured	59,029
Long term bank borrowings	
Secured	68,719
Unsecured	60,000
	<hr/>
Total Group borrowings	<u>298,566</u>

All borrowings are denominated in Ringgit Malaysia.

B10. Off Balance Sheet Financial Instruments

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

B11. Material Litigation

There has been no material litigation pending as at the date of this report.

B12. Dividends Proposed

No interim dividend has been declared during the quarter under review.

B13. Earnings per share

	Individual quarter ended		Cumulative quarter ended	
	30/09/07	30/09/06	30/09/07	30/09/06
	RM'000	RM'000	RM'000	RM'000
Profit from continuing operations	7,193	26,027	14,916	32,075
Profit from discontinued operation	2,167	313	2,512	318
Profit for the period attributable to the ordinary equity				
holders of the parent	<hr/>	<hr/>	<hr/>	<hr/>
	9,360	26,340	17,428	32,393

Weighted average number of ordinary shares

excluding treasury shares ('000)

308,901	318,627	309,494	318,707
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Basic earnings per share (sen) for :

Profit from continuing operations
Profit from discontinued operation

2.33	8.17	4.82	10.06
<u>0.70</u>	<u>0.10</u>	<u>0.81</u>	<u>0.10</u>

Profit for the period

<u>3.03</u>	<u>8.27</u>	<u>5.63</u>	<u>10.16</u>
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BY ORDER OF THE BOARD

LIM SENG YON
WONG WAI FONG
Secretaries

Kuala Lumpur