

JOBSTREET CORPORATION BERHAD
(Company No: 641378-W)
Notes on the quarterly report – 30 September 2005

A. EXPLANATORY NOTES AS PER FRS 134

A1. Basis of preparation

The interim unaudited financial statements have been prepared in compliance with Financial Reporting Standard (“FRS”) 134 “Interim Financial Reporting” and Appendix 7A of the Listing Requirements of Bursa Malaysia Securities Berhad for the MESDAQ Market.

The accounting policies and methods of computation adopted by the Group in this quarterly report are consistent with those adopted in the audited financial statements for the period ended 31 December 2004.

A2. Auditors’ report

There were no audit qualifications on the annual financial statements of the Company and its subsidiaries for the financial period/year ended 31 December 2004.

A3. Seasonality or cyclicity of interim operations

In general, recruitment activities tend to slow down towards year-end and during major holidays. Typically, this results in sequentially lower results in the last quarter of the year.

A4. Unusual items

During the quarter under review, there were no items or events that arose, which affected assets, liabilities, equity, net income or cash flows, that are unusual by reason of their nature, size or incidence.

A5. Changes in estimates

There were no changes in the nature and amount of estimates reported that have a material effect in the quarter under review.

A6. Issuances, cancellations, repurchases, resale and repayments of debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities in the Company during the quarter under review.

On 29 November 2004, the Company offered 14,890,000 ESOS options at an exercise price of RM0.54 per share to the directors and eligible employees of the Group, of which all the directors and eligible employees accepted the offer. As at 30 September 2005, 905,000 options had lapsed and 13,985,000 options still remained unexercised.

A7. Dividends paid

No dividend has been declared or paid during the quarter under review.

A8. Segmental reporting

Segment information is presented in respect of the Group's geographical segments. The primary format, geographical segments, is based on the Group's management and internal reporting structure. Inter-segment pricing is determined based on negotiated terms.

Segment results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise interest-earning assets and revenue, interest-bearing loans, borrowings and expenses, and corporate assets and expenses.

Segment capital expenditure is the total cost incurred during the period to acquire segment assets that are expected to be used for more than one period.

Geographical segments

The Group comprises the following main geographical segments:

Malaysia
Singapore
Others

Cumulative Quarter Ended 30/9/2005

Geographical segments	Malaysia RM'000	Singapore RM'000	Others RM'000	Eliminations RM'000	Group RM'000
Revenue from external customers	28,623	6,426	5,608	-	40,657
Inter-segment revenue	274	-	-	(274)	-
Total revenue	28,897	6,426	5,608	(274)	40,657
Segment result					
Operating profit	9,002	1,819	1,886	22	12,729
Interest income	382	13	118	-	513
Dividend income	3,500	3,578	-	(7,078)	-
Profit before taxation	12,884	5,410	2,004	(7,056)	13,242
Tax expense	(109)	(19)	(623)	-	(751)
Minority interests	-	-	(554)	-	(554)
Net profit for the period	12,775	5,391	827	(7,056)	11,937
Segment assets					
Segment assets	32,790	5,331	6,407	-	44,528
Unallocated assets				-	3,600
Total assets				-	48,128
Segment liabilities					
Segment liabilities	4,801	2,015	1,683	-	8,499
Unallocated liabilities				-	437
Total liabilities				-	8,936
Capital expenditure					
Capital expenditure	803	70	202	-	1,075
Depreciation					
Depreciation	360	50	82	-	492

Cumulative Quarter Ended 30/9/2004

Geographical segments	Malaysia RM'000	Singapore RM'000	Others RM'000	Eliminations RM'000	Group RM'000
Revenue from external customers	18,559	2,921	3,908	-	25,388
Inter-segment revenue	237	-	-	(237)	-
Total revenue	18,796	2,921	3,908	(237)	25,388
Segment result					
Operating profit	6,083	546	1,229	39	7,897
Interest income	73	1	78	-	152
Interest expense	-	(624)	-	-	(624)
Profit before taxation	6,156	(77)	1,307	39	7,425
Tax expense	(53)	-	(358)	-	(411)
Minority interests	-	-	(295)	-	(295)
Net profit for the period	6,103	(77)	654	39	6,719
Segment assets					
Segment assets	15,507	3,518	3,699	-	22,724
Unallocated assets				-	3,626
Total assets				-	26,350
Segment liabilities					
Segment liabilities	3,932	1,583	2,009	-	7,524
Unallocated liabilities				-	343
Total liabilities				-	7,867
Capital expenditure	322	15	10	-	347
Depreciation	302	36	64	-	402

A9. Valuation of Property, Plant and Equipment

The Group did not revalue any of its property, plant and equipment.

A10. Subsequent events

As disclosed in the notes to the audited financial statements of the Company for the year ended 31 December 2004, a subsidiary company had on 7 March 2005, submitted a tender for the proposed acquisition of an eight (8) storey freehold office building at a purchase price of RM10,000,000. On 12 May 2005, the subsidiary company received a letter dated 10 May 2005 from the vendor's solicitor indicating that the tender has been accepted by the vendor's tender committee. During the current quarter, the Sale and Purchase Agreement relating to the proposed acquisition had been duly executed on 9 August 2005. An announcement detailing the transaction was made upon signing of the Sale and Purchase Agreement. On 5 September 2005, the proposed acquisition was approved by the Foreign Investment Committee ("FIC").

Subsequent to the end of the current quarter, the proposed acquisition was approved by shareholders of the Company at an extraordinary general meeting held on 15 November 2005.

There were no other material events subsequent to the end of current quarter under review that have not been reflected in the financial statements for the current quarter.

A11. Changes in the composition of the Group

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

The Company had on 29 June 2005 entered into a Heads of Agreement with PT Sinarmas Multiartha Tbk., a company incorporated in Indonesia to establish a joint venture company ("JVCO") in Indonesia to carry out the business of an online portal and related activities or such other activities to be agreed by the Parties. On 29 August 2005, the Company entered into a Shareholders' Agreement with PT Sinarmas Multiartha Tbk. to formally establish JVCO under the name PT JobStreet Indonesia and to subscribe for 60 new shares with a nominal value of USD1,000 each in PT JobStreet Indonesia or 60% of the issued and paid-up share capital of PT JobStreet Indonesia, paid by way of cash consideration of USD60,000.

A12. Changes in contingent assets and contingent liabilities

There were no contingent assets or contingent liabilities as at 15 November 2005 (the latest practicable date not earlier than 7 days from date of issue of this financial results).

A13. Capital Commitments

	As at 30.09.2005 RM'000
Property, plant and equipment	
Authorised and contracted for	10,000
	=====

JOBSTREET CORPORATION BERHAD
(Company No: 641378-W)
Notes on the quarterly report – 30 September 2005

B. EXPLANATORY NOTES PURSUANT TO APPENDIX 7A OF THE LISTING REQUIREMENTS OF BURSA SECURITIES FOR THE MESDAQ MARKET

B1. Review of performance for the quarter

For the quarter ended 30 September 2005, the Group achieved an unaudited revenue of RM15.1 million, a growth of approximately RM5.9 million or 63.9% as compared to the RM9.2 million revenue for the corresponding quarter in the preceeding financial year. The increase in revenue is mainly attributed to growth in the Group's core products of JobStreet ESSENTIAL (online job posting service) and JobStreet RESOURCE (outsourcing staff service).

In terms of profitability, the Group achieved an unaudited profit before taxation of RM4.8 million, an increase of RM1.9 million or 64.9% as compared to RM2.9 million reported in the corresponding quarter in the preceeding financial year. The increase in profit before taxation is proportionate to the increase in revenue.

For the 9-month period ended 30 September 2005, the Group's unaudited revenue and profit before taxation amounted to RM40.7 million and RM13.2 million respectively, or an increase of 60.1% and 78.3% respectively compared to the corresponding period of the last financial year. In general, the strong performance during the quarter and 9-month period ended 30 September 2005 is a reflection of a general improvement in the regional economic conditions and an increased level of acceptance of the Group's products and services.

B2. Comparison with previous quarter's results

	Q3 2005 <u>Current Quarter</u> RM'000	Q2 2005 <u>Preceding Quarter</u> RM'000
Revenue	15,105	13,731
Profit before taxation	4,833	4,489

For the current quarter under review, the Group recorded revenue of RM15.1 million representing a 10.0% increase compared to RM13.7 million recorded in the preceding quarter. The increase in revenue was mainly attributable to growth in sales of JobStreet ESSENTIAL and JobStreet RESOURCE. In terms of profitability, the increase in profit before taxation by 7.7% to RM4.8 million as compared to RM4.5 million in the previous quarter was directly attributable to the higher revenue. The Group's pre-tax profit margin remains in the range of 32% to 33%.

B3. Current Year Prospects

Growth in the Group's existing regional operations is expected to contribute to the Group's profitability in the year 2005. The depegging of the Ringgit in July 2005 would impact the Group's earnings because of the translation of the overseas subsidiaries' results into Ringgit. Since the appreciation has not been significant, the impact is not expected to be material.

The performance of the Group is anticipated to be satisfactory for the financial year ending 31 December 2005. The proposed acquisition of an eight (8) storey freehold office building as explained in Note A10 is not likely to have a material impact on the financial performance of the Group.

B4. Profit Forecast

No profit forecast was announced hence there is no comparison between actual results and forecast.

B5. Taxation

The taxation charge for the current quarter includes the following:

	Individual Quarter Ended		Cumulative Quarter Ended	
	30.9.2005	30.9.2004	30.9.2005	30.9.2004
	RM'000	RM'000	RM'000	RM'000
Estimated current tax payable	295	163	750	436
Deferred taxation	(3)	-	(18)	(25)
Withholding tax	-	-	19	-
	<u>292</u>	<u>163</u>	<u>751</u>	<u>411</u>

The effective tax rate is lower than statutory tax rate of 28% mainly due to the following:-

- (i) Tax exempt income of a subsidiary company which has been granted the Multimedia Super Corridor ("MSC") status and pioneer status for a period of 5 years commencing from 28 May 1999. The MSC status along with the pioneer status has been renewed for another five years up to 27 May 2009;
- (ii) Utilisation of previously unrecognized tax losses; and
- (iii) The effects of different tax rates in certain countries.

B6. Sale of Investments and/or Properties

There was no disposal of investment or properties during the financial period under review.

B7. Purchase and Disposal of Quoted Securities

There was no purchase or disposal of quoted securities during the financial period under review.

B8. Status of Corporate Proposals

There were no corporate proposals announced but not completed as at the date of this announcement except for the proposed acquisition by a subsidiary company of three contiguous parcels of freehold commercial lots in Kuala Lumpur together with an eight storey office block from Mayban General Assurance Berhad for a cash consideration of RM10,000,000.00.

Subsequent to the end of the current quarter, the Company had obtained shareholders' approval for the proposed acquisition at an extraordinary general meeting held on 15 November 2005. Based on prevailing circumstances, the proposed acquisition is expected to be completed by year end.

B9. Status of Utilisation of Listing Proceeds

The Company raised RM9.72 million during its Initial Public Offering exercise in November 2004 and the details of the utilization of proceeds up to 30 September 2005 are as follows:-

Description	Proposed Utilisation RM'000	Actual Utilisation RM'000	Balance RM'000
(i) Capital Expenditure	1,000	-	1,000
(ii) Working Capital	7,220	227	6,993*
(iii) Listing Expenses	1,500	1,768	(268)*
Total	9,720	1,995	7,725

* *The excess expense will be adjusted against working capital.*

B10. Group Borrowings and Debt Securities

There are no other borrowings or debts securities in the Group.

B11. Off Balance Sheet Financial Instruments

The Group does not have any financial instrument with off balance sheet risk as at the date of this report.

B12. Material Litigation

The Group is not engaged in any material litigation either as plaintiff or defendant and the directors do not have any knowledge of any proceedings pending or threatened against the Group as at the date of this report.

B13. Dividend

No dividend has been declared or paid during the quarter under review.

B14. Earnings Per Share**(a) Basic earnings per share**

The basic earnings per share is calculated by dividing the Group's net profit attributable to shareholders by the weighted average number of ordinary shares of RM0.10 each (2004 – RM1.00 each) in issue during the period.

	Individual Quarter Ended		Cumulative Quarter Ended	
	30.09.2005	30.09.2004	30.09.2005	30.09.2004
Net profit attributable to shareholders (RM'000)	4,322	N/A	11,937	(44)*
Weighted average number of shares in issue ('000)	201,000	N/A	201,000	77
Basic earnings per share (sen)	2.15	N/A	5.94	(56.98)*

* After deducting pre-acquisition profit

(b) Fully diluted earnings per share

The fully diluted earnings per share is calculated by dividing the net profit attributable to shareholders by the weighted average number of shares in issue adjusted for dilutive potential shares issueable in respect of share options pursuant to ESOS.

	Individual Quarter Ended		Cumulative Quarter Ended	
	30.09.2005	30.09.2004	30.09.2005	30.09.2004
Net profit attributable to shareholders (RM'000)	4,322	-	11,937	(44)*
Weighted average number of shares in issue ('000)	201,000	N/A	201,000	N/A
Adjustments for share options ('000)	7,744		7,991	
	208,744	N/A	208,991	N/A
Diluted earnings per share (sen)	2.07	N/A	5.71	N/A

* After deducting pre-acquisition profit