JOBSTREET CORPORATION BERHAD ("the Company")
(Company No: 641378-W)
Notes on the quarterly report – 31 March 2008

EXPLANATORY NOTES AND ADDITIONAL INFORMATION

1. Basis of preparation

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

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Company and its subsidiaries ("the Group") subsequent to 31 December 2007.

The significant accounting policies and methods of computation applied in the unaudited condensed interim financial statements are consistent with those adopted in the most recent audited annual financial statements for the financial year ended 31 December 2007.

2. Seasonality or cyclicality 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.

3. Unusual items

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

4. 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.

5. 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 except for the following:-

Employee Share Option Scheme ("ESOS")

On 29 November 2004, the Company offered 14,890,000 ESOS options at an exercise price of RM0.54 per share ("Grant I") to the directors and eligible employees of the Group, of which all the directors and eligible employees accepted the offer.

On 23 February 2006, the Company offered 2,525,000 ESOS options at an exercise price of RM1.35 (being the weighted average market price of the shares for the five (5) market days immediately preceding the date of offer with a discount of approximately 9%) ("Grant II") to eligible employees of the Group. All the eligible employees accepted the offer.

On 28 March 2007, the Company offered 1,475,000 ESOS options at an exercise price of RM1.61 (being the weighted average market price of the shares for the five (5) market days immediately preceding the date of offer with a discount of approximately 10%) ("Grant III") to eligible employees of the Group. All the eligible employees accepted the offer.

On 27 December 2007, following the alteration in the capital structure of the Company as a result of the Bonus Issue and Consolidation, the outstanding 10,986,250 ESOS option have been adjusted in accordance to Paragraph 15 of the provisions of the Company's ESOS Bye-Laws as follows:-

Grant	Adjusted no. of options	Adjusted exercise price
I	12,732,000	RM0.36
II	2,014,875	RM0.90
III	1,732,500	RM1.08
Total	16,479,375	

During the quarter under review, 387,500 options had lapsed, resulting in 16,091,875 options remaining unexercised as at 31 March 2008.

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

6. Dividends paid

The Company had on 27 December 2007 declared a tax-exempt interim dividend of 1.5 sen per share in respect of the financial year ended 31 December 2007 amounting to RM4.608 million. The dividend was paid on 28 January 2008.

7. 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. A secondary format is not presented as the Group's activities in each geographical location is similar.

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 investments and related revenue, corporate assets and head office expenses, tax assets and liabilities.

Segment capital expenditure is the total cost incurred during the period to acquire property and equipment other than goodwill.

Inter-segment pricing is determined on an arm's length basis.

Geographical segments

The Group comprises the following main geographical segments:

Malaysia
Singapore
Philippines
Bangladesh, Indonesia, Japan and British Virgin Islands ("Others")

The Group also has associates with operations in Hong Kong and Singapore and a jointly-controlled entity in India.

Cumulative Quarter Ended 31/3/2008
(The figures have not been audited)

Geographical segments	Malaysia RM'000	Singapore RM'000	Philippines RM'000	Others RM'000	Elimination RM'000	Group RM'000
Revenue from external customers	15,707	3,968	3,945	1,639	-	25,259
Inter-segment revenue	774	-	-	-	(774)	-
Total revenue	16,481	3,968	3,945	1,639	(774)	25,259
Segment result						
Results from operating activities	7,771	1,797	2,301	71	-	11,940
Finance income	229	36	121	(2)	-	384
Share of profit/(loss) after tax and minority interest of associates and a jointly-controlled entity	186	(205)	-	-	-	(19)
Profit before taxation	8,186	1,628	2,422	69	-	12,305
Tax expense	(63)	(321)	(741)	-	-	(1,125)
Profit for the period	8,123	1,307	1,681	69	-	11,180
Segment assets	88,311	17,752	12,429	3,527	-	122,019
Unallocated assets					-	2,870
Total assets					-	124,889
Segment liabilities	11,605	5,279	5,768	1,919	-	24,571
Unallocated liabilities					-	2,848
Total liabilities					-	27,419
Capital expenditure	226	-	32	14	-	272
Depreciation	294	14	16	24	-	348

Cumulative Quarter Ended 31/3/2007

Geographical segments	Malaysia RM'000	Singapore RM'000	Philippines RM'000	Others RM'000	Elimination RM'000	Group RM'000
Revenue from external customers	11,979	2,893	2,799	237	-	17,908
Inter-segment revenue	471	-	-	-	(471)	-
Total revenue	12,450	2,893	2,799	237	(471)	17,908
Segment result						
Results from operating activities	4,410	801	1,796	(175)	-	6,832
Finance income	146	18	58	1	-	223
Dividend income	-	-	-	-	-	-
Share of profit/ (loss) after tax and minority interest of an associate and a jointly-controlled entity	213	(123)	-	-	-	90
Profit before taxation	4,769	696	1,854	(174)	-	7,145
Tax expense	(15)	(148)	(620)	-	-	(783)
Profit for the period	4,754	548	1,234	(174)	-	6,362
Segment assets	57,991	15,085	7,806	678	-	81,560
Unallocated assets					-	3,533
Total assets					-	85,093
Segment liabilities	8,949	3,796	3,975	170	-	16,890
Unallocated liabilities					-	600
Total liabilities					-	17,490
Capital expenditure	282	11	11	26	-	330
Depreciation	307	20	21	18	-	366

8. Subsequent events

On 10 April 2008, the Company announced that it had entered into a Subscription and Share Swap Agreement ("SSSA") to subscribe for 26,250,000 new ordinary shares of HK$0.20 each in the share capital of Recruit Holdings Limited ("RHL") at the issue price of HK$1.00 per share representing approximately 8.64% of the enlarged issued share capital of RHL ("Proposed Subscription") to be satisfied by way of a cash payment of HK$11,250,000.00 to RHL and the transfer of 2,000 ordinary shares of USD1.00 each in the share capital of Recruit Group Limited currently owned legally and beneficially by JCB to RHL or its nominee.

The Proposed Subscription was completed on 25 April 2008. RHL is an investment holding company while its subsidiary companies are principally involved in the media advertising business, including recruitment and inflight magazine, and printing business in Hong Kong and China.

Other than the above, there were no material events subsequent to the end of the current quarter under review that have not been reflected in the financial statements for the current quarter.

9. Changes in the composition of the Group

On 4 March 2008, the Company announced that it had acquired two (2) ordinary shares of RM1.00 each representing the entire issued and paid-up share capital of Autoworld.com.my Sdn Bhd ("Autoworld") from Mr Lim Chao Li and Mr Ng Kay Yip for a total cash consideration of RM2.00 thereby resulting in Autoworld becoming a wholly-owned subsidiary of the Company.

Autoworld is principally involved in the automobile internet advertising business and other internet related businesses.

Other than the above, there were no other changes in the composition of the Group during the quarter under review.

10. Changes in contingent assets and contingent liabilities

There were no contingent assets or contingent liabilities as at 9 May 2008 (being the latest practicable date not earlier than 7 days from the date of issue of this interim financial report).

11. Capital Commitments

	As at 31.3.2008 RM'000
Computer software	
Authorised and contracted for	119,260
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12. Review of performance for the quarter

For the quarter ended 31 March 2008, consolidated revenue amounted to RM25.3 million, approximately RM7.4 million or 41.0% higher than the RM17.9 million revenue for the corresponding quarter in the preceding financial year. This increase was mainly attributed to 54.7% quarter on quarter growth in the demand for the Group's core product of JobStreet ESSENTIAL (online job posting service) and revenue contribution from JobStreet Japan which provides staff contracting services.

In terms of profitability, the Group achieved a profit before taxation ("PBT") of RM12.3 million, compared with RM7.1 million reported in the corresponding quarter in the preceding financial year. The higher sales during the quarter compared to 1st Quarter 2007 also yielded a higher profit margin due to higher revenue contribution from JobStreet ESSENTIAL. However, the higher JobStreet ESSENTIAL sales were partially offset by proportionately higher staff costs. The net effect of these factors is still a higher pre-tax profit margin for the current quarter of 48.7% compared to the pre-tax profit margin of 39.9% in 1st Quarter 2007.

On an after-tax basis, the Group achieved a profit after taxation ("PAT") of RM11.2 million, a increase of 75.7% compared with the PAT reported in the corresponding quarter in 2007. The higher growth in PAT compared with PBT was mainly due to a lower effective tax rate in a subsidiary for the current quarter compared to the corresponding quarter in the preceding year.

13. Comparison with previous quarter's results

	Q1 2008 Current Quarter RM'000	Q4 2007 Preceding Quarter RM'000
Revenue	25,259	22,509
Profit before taxation	12,305	7,602

For the current quarter under review, the Group recorded revenue of RM25.3 million representing a 12.2% increase compared with RM22.5 million recorded in the preceding quarter. This increase was mainly due to higher sales during the current quarter from JobStreet ESSENTIAL.

In terms of profitability, higher gross profit margin due to higher revenue contribution from JobStreet ESSENTIAL resulted in an increase in PBT by 61.9% to RM12.3 million compared with RM7.6 million in the previous quarter.

14. Prospects for the Year 2008

In 2008, the Group will continue to leverage on its strengths and experience in the Malaysia, Singapore and Philippines markets to build and grow its operations in newer markets such as Indonesia, Bangladesh and Japan. With respect to our India operations, the focus currently is on increasing our jobseeker database which we hope will improve our competitive position. Global financial uncertainties, volatile oil prices, political uncertainties and inflationary pressures may ultimately affect business confidence in the region and consequently result in a slow-down in recruitment activities. While this may negatively impact our performance, the Group believes that the high value propositions and lower cost of online recruitment advertising should appeal to hiring companies in such an environment and this may mitigate the adverse impact somewhat. The Group will also continue on its strategy of investing for the future by strengthening its R&D capabilities, investing into its brand and expanding into selective new markets in the region with potential for the e-recruitment industry while maintaining attractive margins.

Amidst such a backdrop, the performance of the Group is anticipated to be satisfactory for the financial year ending 31 December 2008.

15. Profit Forecast

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

16. Taxation

The taxation charge for the current quarter includes the following:

	Individual and Cumulative Quarter Ended 31.3.2008 RM'000	Individual and Cumulative Quarter Ended 31.3.2007 RM'000
Estimated current tax payable	1,151	649
Deferred taxation	(26)	134
	1,125	783

The effective tax rate is lower than statutory tax rate of 26% 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 have been renewed for another five years up to 27 May 2009; and

(ii) The effects of different tax rates in certain countries.

17. Sale of Unquoted Investments and/or Properties

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

18. Purchase and Disposal of Quoted Securities

The Group's dealings in quoted securities during the current quarter and financial year-to-date are as follows:-

	Individual and Cumulative Quarter Ended 31.3.2008 RM'000
Purchases	3,264
Sales	-

The Group's investments in quoted securities as at 31 March 2008 are summarized below:

	RM'000
At cost	25,412
At carrying value/book value	25,151
At market value	25,229

Other than the above, there was no purchase or disposal of quoted securities during the financial period under review.

19. Status of Corporate Proposals

There were no corporate proposals announced but not completed as at 9 May 2008 (being the latest practicable date not earlier than 7 days from the date of issue of this interim financial report).

20. Group Borrowings and Debt Securities

There are no borrowings or debts securities in the Group.

21. Off Balance Sheet Financial Instruments

(a) Forward contracts

The Group has entered into short-term foreign exchange forward contracts to manage its exposure to currency fluctuations on certain trade receivables denominated in United States Dollar ("USD").

The outstanding contract amount and maturity profile of the foreign exchange forward contracts as at 18 February 2008 (being the latest practicable date not earlier than 7 days from the date of issue of this interim financial report) are as follows:-

	Maturity (months)	Contract Amount (USD'000)	Equivalent to (RM'000)
Foreign exchange forward contracts	1	72	234

This amount represents future cash flows under the contract to sell USD at various maturity dates.

The Group views forward contracts as a risk management tool and does not intend to use them for trading or speculative purposes. Transactions under the foreign exchange forward contracts are booked in at their contracted rates. Any exchange gain or loss relating to foreign exchange forward contracts are recognised in the income statement upon expiry of the contracts.

The Group is of the opinion that the exposures to credit risk and market risk are minimal because these contracts are executed with established and credit worthy financial institutions in Malaysia.

(b) Call option granted to E-18 Limited ("E-18")

Pursuant to the Subscription and Shareholders' Agreement dated 10 July 2006, JobStreet.com Pte Ltd ("JobStreet Singapore") has granted an option to E-18 to require JobStreet Singapore (along with its affiliates), to sell to E-18 (or any of its affiliates) such number of ordinary shares of JobStreet.com India Pvt Limited ("JobStreet India") corresponding to 20% of the enlarged equity share capital of JobStreet India ("Option Shares") ("E-18 Call Option"). The E-18 Call Option is exercisable by E-18 at any time during the Option Period (being 3 years from the date falling 3 months after the completion of the subscription by E-18 of new ordinary shares of JobStreet India corresponding to 50% of the enlarged equity capital of the company ("the Subscription")) and may only be exercised in full.

The price payable for the Option Shares shall be:

(i) USD3.25 million, subject to applicable taxes and statutory levies (if any), if the Call Option is exercised prior to the lapsing of 2 years from the date falling 3 months after the completion of the Subscription ("First Period"); and

(ii) USD4 million, subject to applicable taxes and statutory levies (if any), if the Call Option is exercised after the First Period but prior to the last date of the Option Period.

(c) Call option granted to Recruit Holdings Limited ("RHL")

Pursuant to the Agreement for the Subscription and Sale and Purchase of Certain Shares in Recruit Group Limited dated 7 February 2007, the Company has granted an option to RHL ("RHL Call Option") to require the Company to sell 2,000 shares in Recruit Group Limited ("Resale Shares") to RHL (or any of its affiliates) ("Resale"). The RHL Call Option is exercisable by RHL at any time during the period of 6 months commencing from the first anniversary of the Completion Date (i.e. 6 months from 15 February 2008).

The consideration for the Resale shall be the higher of :

(i) HK$15,000,000; and

(ii) such sum as may be agreed between the Company and RHL within 21 days of the date of RHL's notice exercising the option or (in default of agreement between them) such sum as the Specified Experts (being the auditors of RGL or such other firm of accountants as is nominated by the President of the Hong Kong Institute of Certified Public Accountants) may certify to be, in their opinion, the fair value of the Resale Shares.

The entry into a Subscription and Share Swap Agreement dated 10 April 2008 with RHL as mentioned in Note 8, pursuant to which the 2,000 shares in Recruit Group Limited was transferred to RHL, has resulted in the RHL Call Option to be redundant.

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

22. 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.

23. Dividend

No dividend has been proposed or declared during the current quarter.

24. 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 of the Company by the weighted average number of ordinary shares in issue during the period.

	Individual and Cumulative Quarter Ended	
	31.3.2008	**31.3.2007**
Net profit attributable to shareholders of the Company (RM'000)	10,454	5,960
Weighted average number of shares in issue ('000)	307,210	304,598*
Basic earnings per share (sen)	3.40	1.96*

(b) Fully diluted earnings per share

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

	Individual and Cumulative Quarter Ended	
	31.3.2008	**31.3.2007**
Net profit attributable to shareholders of the Company (RM'000)	10,454	5,960
Weighted average number of shares in issue ('000)	307,210	304,598*
Adjustments for share options ('000)	11,350	11,561*
	318,560	316,159*
Diluted earnings per share (sen)	3.28	1.89*

* Pursuant to FRS 133, Earnings Per Share, the comparative earnings per share for the quarter ended 31 March 2007 have been adjusted for the bonus issue of two new shares for every one ordinary share of RM0.10 each held, and the share consolidation of two ordinary shares of RM0.10 each held after the bonus issue into one new ordinary share of RM0.20 each in the Company completed on 28 December 2007, as if these events had occurred since 1 January 2007.

25. Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors on 16 May 2008.