



# GuocoLand (Malaysia)

A Member of the Hong Leong Group Malaysia

## QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 31 MARCH 2005

The figures have not been audited

### CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE PERIOD ENDED 31 MARCH 2005

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year-To-Date	Preceding Year Corresponding Period
	31/3/2005 RM'000	31/3/2004 RM'000	31/3/2005 RM'000	31/3/2004 RM'000
Revenue	41,202	91,847	108,383	162,286
Operating expenses	(33,038)	(62,306)	(91,313)	(125,372)
Other operating income	226	135	788	422
Profit from Operations	8,390	29,676	17,858	37,336
Interest expense	(5,002)	(5,536)	(14,338)	(19,240)
Interest income	306	396	595	1,041
Share of Profit of Associated Company and Joint Ventures	2,624	10,084	9,092	19,945
Profit before taxation	6,318	34,620	13,207	39,082
Taxation	(1,791)	(3,490)	(2,808)	(7,479)
Profit after taxation	4,527	31,130	10,399	31,603
Minority Interests	(799)	118	(1,950)	561
Net Profit for the Period	3,728	31,248	8,449	32,164
Earnings / (Loss) per share:-				
a) Basic (sen)	0.53	4.46	1.21	4.59
b) Fully diluted (sen)	-	-	-	-

**CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2005**

	As at end of current quarter 31/3/2005 RM'000	As at preceding financial year end 30/06/2004 RM'000
Property, Plant and Equipment	184,406	186,490
Investment Properties	352,571	255,030
Land held for Development	147,350	146,659
Investment in Associated Company	878	876
Investment in Joint Ventures	375,470	371,485
Other Investments	32,561	25,978
Deferred tax asset	768	-
<b>Current Assets</b>		
Inventories	25,058	66,360
Amount due from contract customers	265	-
Investment	22	9,053
Development Properties	32,004	32,284
Trade and other receivables	70,899	35,931
Tax recoverable	5,632	7,345
Deposits, cash and bank balances	17,480	18,362
	<u>151,360</u>	<u>169,335</u>
<b>Current Liabilities</b>		
Trade and other payables	63,243	40,784
Amount due to contract customers	429	870
Short Term Borrowings	81,375	43,145
Provision for taxation	2,063	812
	<u>147,110</u>	<u>85,611</u>
<b>Net Current Assets</b>	<u>4,250</u>	<u>83,724</u>
	<u>1,098,254</u>	<u>1,070,242</u>
Share Capital	350,229	350,229
Reserves	395,270	394,653
Shareholders' Fund	745,499	744,882
Minority Interest	48,001	46,061
<b>Long Term Liabilities</b>		
Borrowings	303,546	278,063
Other Deferred Liabilities	1,208	1,236
	<u>1,098,254</u>	<u>1,070,242</u>
<b>Net Tangible Assets Per Share (RM)</b>	1.06	1.06



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## CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 MARCH 2005

	<b>Current Year-To-Date</b>	<b>Preceding Year Corresponding Period</b>
	<b>31/03/2005 RM'000</b>	<b>31/03/2004 RM'000</b>
Net Profit Before Tax	13,207	39,082
Adjustments for:-		
Non-cash items	(2,432)	(15,561)
Non-operating items	<u>14,338</u>	<u>(10,165)</u>
Operating profit before changes in working capital	25,113	13,356
Net change in assets	25,777	74,584
Net change in liabilities	(4,833)	(14,668)
Net income tax refund /(paid)	<u>1,410</u>	<u>(864)</u>
Net cash flow generated from operating activities	<u>47,467</u>	<u>72,408</u>
Investing Activities		
Equity Investments	12,711	59,469
Other Investments	<u>(105,394)</u>	<u>(502)</u>
Net cash flow used in investing activities	<u>(92,683)</u>	<u>58,967</u>
Financial Activities		
Interest paid	(14,338)	(19,240)
Dividend paid	(5,043)	(2,522)
Net drawdown / (repayment) of bank borrowings	<u>69,098</u>	<u>(85,501)</u>
Net cash flow generated from / (used in) financing activities	<u>49,717</u>	<u>(107,263)</u>
Net Change in Cash and Cash Equivalents	4,501	24,112
Effects of exchange rate changes	2	40
Cash & Cash Equivalent at beginning of year	<u>7,375</u>	<u>(3,229)</u>
Cash & Cash Equivalent at end of period	<u><u>11,878</u></u>	<u><u>20,923</u></u>

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2005**

	Share Capital RM'000	Share Premium RM'000	Exchange Reserve RM'000	Retained Profit RM'000	Total RM'000
<b>Current Year-To-Date</b>					
At 1 July 2004	350,229	35,089	8,059	351,505	744,882
Foreign currency translation difference	-	-	(25)	-	(25)
Net profit for the period	-	-	-	8,449	8,449
Dividend paid	-	-	-	(5,043)	(5,043)
Goodwill on consolidation arising from acquisition of interest in subsidiary companies written off against retained profit	-	-	-	(2,764)	(2,764)
At 31 March 2005	350,229	35,089	8,034	352,147	745,499

**Preceding Year Corresponding Period**

At 1 July 2003	350,229	35,089	8,343	320,176	713,837
Foreign currency translation difference	-	-	369	-	369
Net profit for the period	-	-	-	32,164	32,164
Dividend paid	-	-	-	(2,522)	(2,522)
At 31 March 2004	350,229	35,089	8,712	349,818	743,848



**NOTES**

**1. Accounting policies and methods of computation**

The interim financial report has been prepared in accordance with MASB 26 “Interim Financial Reporting” and should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2004.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the financial statements for the year ended 30 June 2004.

**2. Qualification of audit report of the preceding annual financial statements**

There was no qualification on the audit report of the preceding annual financial statements.

**3. Seasonality or cyclicity of interim operations**

The Group’s interim operations were not materially affected by any seasonal or cyclical factors for the quarter under review.

**4. Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence**

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

**5. Changes in estimates of amounts reported in prior interim periods of the current financial year or in prior financial years**

There were no changes in estimates of amounts reported in prior interim periods of the current financial year or in prior financial years.

**6. 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 for the current financial year-to-date.

**7. Dividends paid**

There was no dividend paid during the financial quarter ended 31 March 2005.



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### 8. Segmental Reporting

The Group's segmental report for the financial year-to-date are as follows:-

	Property Investment & Development RM'000	Hotels RM'000	Others RM'000	Elimination RM'000	Total RM'000
<b>Revenue</b>	71,636	35,527	2,222	(1,002)	108,383
<b>Results</b>					
Segment results	13,474	6,971	(1,512)	-	18,933
Unallocated corporate expenses					(1,075)
Profit from operations					17,858
Interest expense					(14,338)
Interest income					595
Share of profit of associated company and joint ventures					9,092
Taxation					(2,808)
Profit after taxation					10,399
Minority interests					(1,950)
Net profit for the year					8,449

Segmental reporting by geographical location has not been prepared as the Group's operations are substantially carried out in Malaysia.

### 9. Valuations of property, plant and equipment

The valuations of property, plant and equipment were brought forward without any amendments from the previous annual financial statements.

### 10. Material events not reflected in the financial statements

There were no material subsequent events to be disclosed as at the date of this report.

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

On 15 February 2005, the Company had completed the previously announced acquisition of the entire 100% equity interest in Hong Leong Property Management Co Sdn Bhd from HLCM Capital Sdn Bhd for a cash consideration of RM1.00.

### 12. Contingent liabilities or contingent assets

There is a contingent liability of RM49,224,000 being credit facility granted to a joint venture company by a financial institution.



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### 13. Review of Performance

The Group recorded a revenue and profit before taxation of RM41.2 million and RM6.3 million respectively for the current quarter under review as compared with RM91.8 million and RM34.6 million respectively in the preceding year's corresponding quarter. The revenue and profit before taxation for the preceding year's corresponding quarter were higher mainly due to a one off gain on disposal of a joint venture company.

### 14. Material changes in profit before taxation

The Group recorded a profit before taxation of RM6.3 million for the current quarter, an increase of RM3.0 million as compared with the immediate preceding quarter mainly due to higher contribution from the property development division.

### 15. Prospects

Barring unforeseen circumstances, the Group is expected to perform satisfactorily in the current financial year.

### 16. Profit forecast / profit guaranteed

Not applicable.

### 17. Taxation

Taxation comprises: -

	Current Quarter RM'000	Year-To-Date RM'000
Current taxation		
- Malaysian	(750)	(1,851)
- Foreign	2	(6)
Deferred taxation	(88)	27
Share of associated company's and joint ventures' Taxation	(1,038)	(1,477)
	<u>(1,874)</u>	<u>(3,307)</u>
Prior year over provision		
- Malaysian	83	499
	<u>(1,791)</u>	<u>(2,808)</u>

The Group's effective tax rate is lower than the statutory tax rate applicable for the financial year to date mainly due to the over provision for tax in prior years and utilisation of the unabsorbed tax losses and capital allowances.

### 18. Sale of unquoted investments and/or properties

There was no sale of unquoted investments and/or properties for the current quarter and financial year-to-date.



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### **19. Quoted securities**

- (a) There were no purchases or disposals of quoted securities for the current quarter and financial year-to-date.
- (b) Particulars of investments in quoted securities as at 31 March 2005 are as follows: -

	RM'000
At cost	<u>53,730</u>
At net book value	<u>32,561</u>
At market value	<u>13,252</u>

### **20. Corporate Proposal**

Not applicable.

### **21. Group's borrowings**

Particulars of the Group's borrowings as at 31 March 2005 are as follows: -

	RM'000
<b>Short term borrowings</b>	
Secured	19,342
Unsecured	<u>62,033</u>
	<u>81,375</u>
<b>Long term borrowings</b>	
Secured	303,546
Unsecured	<u>-</u>
	<u>303,546</u>

### **22. Off Balance Sheet Risk Financial Instruments**

There is no off-balance sheet risk envisaged as at the date of this report that might materially affect the Group's business position.

### **23. Changes in Material Litigation**

Not applicable.

### **24. Dividend**

The Board does not recommend any interim dividend for the financial quarter ended 31 March 2005.





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### **25. Earnings Per Share**

#### **Basic earnings per share**

The calculation of basic earnings per ordinary share is based on the net profit attributable to ordinary shareholders of RM8,449,000 and the weighted average number of ordinary shares outstanding during the quarter of 700,458,418.

#### **Diluted earnings per share**

No diluted earnings per share are disclosed due to the anti-dilutive effect of share options and warrants.

By Order of the Board  
GuocoLand (Malaysia) Berhad  
(formerly known as Hong Leong Properties Berhad)

LIM YEW YOKE  
Secretary

Kuala Lumpur  
22 April 2005