



## QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2006

The figures have not been audited

### CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE PERIOD ENDED 30 JUNE 2006

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year-To-Date	Preceding Year Corresponding Period
	30/6/2006 RM'000	30/6/2005 RM'000	30/6/2006 RM'000	30/6/2005 RM'000
Revenue	34,664	37,897	130,964	146,280
Operating expenses	(35,946)	(33,926)	(111,563)	(122,478)
Other operating income/(expense)	71,002	(172)	71,570	(2,145)
Profit from operations	69,720	3,799	90,971	21,657
Finance costs	(2,552)	(4,881)	(16,144)	(19,219)
Interest income	541	370	1,168	965
Share of (loss)/profit of associate and jointly controlled entities	(13,871)	3,362	(12,066)	12,454
Profit before taxation	53,838	2,650	63,929	15,857
Taxation	3,305	1,471	2,823	(1,337)
Profit after taxation	57,143	4,121	66,752	14,520
Minority interests	(13,849)	28	(15,989)	(1,922)
Net profit for the period	43,294	4,149	50,763	12,598
Earnings per share:-				
a) Basic (sen)	6.21	0.59	7.28	1.80
b) Fully diluted (sen)	-	-	-	-

The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the Year Ended 30 June 2005.



**CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2006**

	As at end of current quarter 30/06/2006 RM'000	As at preceding financial year end 30/06/2005 RM'000
<b>Non-Current Assets</b>		
Property, plant and equipment	266,189	278,837
Investment properties	105,018	363,821
Land held for development	762	762
Investment in associate	747	892
Investment in jointly controlled entities	369,968	378,024
Investments	48,015	19,854
Goodwill on consolidation	2,464	2,464
Deferred tax assets	845	764
	<u>794,008</u>	<u>1,045,418</u>
<b>Current Assets</b>		
Inventories	9,064	18,921
Due from contract customers	2,750	252
Development properties	103,322	87,590
Trade and other receivables	43,094	46,332
Tax recoverable	6,368	7,197
Deposits, cash and bank balances	34,802	29,066
	<u>199,400</u>	<u>189,358</u>
<b>Current Liabilities</b>		
Trade and other payables	54,422	60,130
Due to contract customers	2,395	1,046
Short term borrowings	53,383	100,699
Provision for taxation	457	554
	<u>110,657</u>	<u>162,429</u>
<b>Net Current Assets</b>	<u>88,743</u>	<u>26,929</u>
	<u>882,751</u>	<u>1,072,347</u>
<b>Financed by:</b>		
<b>Shareholders' Equities</b>		
Share capital	350,229	350,229
Reserves	445,814	401,768
Equity funds	796,043	751,997
Shares held by ESOS Trust	(23,000)	-
Net equity funds	773,043	751,997
Minority Interest	63,057	47,599
	<u>836,100</u>	<u>799,596</u>
<b>Deferred and Long Term Liabilities</b>		
Borrowings	46,500	271,499
Deferred tax liabilities	151	1,252
	<u>46,651</u>	<u>272,751</u>
	<u>882,751</u>	<u>1,072,347</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	1.15	1.07

The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report for the Year Ended 30 June 2005.



**CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED  
30 JUNE 2006**

	<b>Current Year-To-Date</b>	<b>Preceding Year Corresponding Period</b>
	<b>30/6/2006</b>	<b>30/6/2005</b>
	<b>RM'000</b>	<b>RM'000</b>
Net Profit Before Tax	63,929	15,857
Adjustments for:-		
Non-cash items	27,138	(4,817)
Non-operating items	<u>(65,194)</u>	<u>19,219</u>
Operating profit before changes in working capital	25,873	30,259
Net change in assets	(5,827)	46,354
Net change in liabilities	(3,388)	579
Net income tax refund	<u>1,176</u>	<u>402</u>
Net cash flow generated from operating activities	<u>17,834</u>	<u>77,594</u>
Investing Activities		
Equity Investments	(3,101)	12,228
Dividend received	-	482
Other Investments	<u>307,585</u>	<u>(106,328)</u>
Net cash flow generated from/(used in) investing activities	<u>304,484</u>	<u>(93,618)</u>
Financial Activities		
Interest paid	(16,144)	(19,219)
Dividend paid	(5,043)	(5,043)
Purchase of shares held by ESOS trust	(23,000)	-
Net (repayment) / drawdown of bank borrowings	<u>(270,062)</u>	<u>53,104</u>
Net cash flow (used in)/generated from financing activities	<u>(314,249)</u>	<u>28,842</u>
Net Change in Cash and Cash Equivalents	8,069	12,818
Effects of exchange rate changes	(80)	-
Cash & Cash Equivalent at beginning of year	25,117	12,299
Cash & Cash Equivalent at end of period	<u>33,106</u>	<u>25,117</u>

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Report for the Year Ended 30 June 2005.



**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2006**

	Shares held					
	Share Capital RM'000	Share Premium RM'000	by ESOS Trust RM'000	Exchange Reserve RM'000	Retained Profit RM'000	Total RM'000
<b>Current Year-To-Date</b>						
At 1 July 2005	350,229	35,089	-	7,619	359,060	751,997
Foreign currency translation difference	-	-	-	(1,674)	-	(1,674)
Net profit for the period	-	-	-	-	50,763	50,763
Purchase during the year	-	-	(23,000)	-	-	(23,000)
Dividend paid	-	-	-	-	(5,043)	(5,043)
At 30 June 2006	<u>350,229</u>	<u>35,089</u>	<u>(23,000)</u>	<u>5,945</u>	<u>404,780</u>	<u>773,043</u>

**Preceding Year Corresponding Period**

At 1 July 2004	350,229	35,089	-	8,059	351,505	744,882
Foreign currency translation difference	-	-	-	(440)	-	(440)
Net profit for the period	-	-	-	-	12,598	12,598
Dividend paid	-	-	-	-	(5,043)	(5,043)
At 30 June 2005	<u>350,229</u>	<u>35,089</u>	<u>-</u>	<u>7,619</u>	<u>359,060</u>	<u>751,997</u>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the Year Ended 30 June 2005.



## NOTES

### 1. Accounting policies and methods of computation

The interim financial report has been prepared in accordance with the Financial Reporting Standard (“FRS”) 134 “Interim Financial reporting” and should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2005.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the annual financial statements for the financial year ended 30 June 2005.

### 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 unusual items affecting assets, liabilities, equity, net income, or cash flows during the financial period ended 30 June 2006 except for disposal of investment properties that resulted in a gain of approximately of RM67 million.

### 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 the 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 are no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the financial period ended 30 June 2006 except for the following:

- a) The Company had issued 100 new ordinary shares of RM0.50 each pursuant to the exercise of 100 warrants.
- b) The Company had, on 25 October 2005, announced that the shareholders of the Company had approved the establishment of an Executive Share Option Scheme (“Scheme”) of up to 15% of the issued and paid-up ordinary share capital of the Company.

Approval from Bursa Malaysia Securities Berhad for the listing of and quotation for the new ordinary shares of the Company to be issued pursuant to the exercise of options under the Scheme was obtained on 17 January 2006.



6. **Issuances, cancellations, repurchases, resale and repayments of debt and equity securities**  
**Dividends paid (cont'd)**

During the financial year, the Company established a trust for its employees pursuant to a new ESOS ("ESOS Trust"). The ESOS Trust is administered by an appointed trustee. The trustee will be entitled from time to time to accept financial assistance from the Company upon such terms and conditions as the Company and the trustee may agree to purchase shares in the Company from the open market for the purpose of this trust. The shares purchased for the benefit of the ESOS holders are recorded as "Shares held by ESOS Trust" in the Group and the Company's Balance Sheet as deduction in arriving at the shareholders' equity. Total shares held by ESOS Trust comprise 30,000,000 shares in the Company costing RM23,000,203 exclusive of transaction costs, as at 30 June 2006.

7. **Dividends paid**

There was no dividend paid during the financial quarter ended 30 June 2006.

8. **Segmental reporting**

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

	Property Investment & Development RM'000	Hotels RM'000	Others RM'000	Elimination RM'000	Total RM'000
<b>Revenue</b>	76,400	51,717	5,622	(2,775)	130,964
<b>Results</b>					
Segment results	89,488	9,940	(5,898)	-	93,530
Unallocated corporate expense					(2,559)
Profit from operations					90,971
Finance costs					(16,144)
Interest income					1,168
Share of loss of associate and jointly controlled entities					(12,066)
Profit before taxation					63,929
Taxation					2,823
Profit after taxation					66,752
Minority interest					(15,989)
Net profit for the year					50,763

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 are no material subsequent events to be disclosed as at the date of this report except for the acquisition by a wholly-owned subsidiary of the Company, Bedford Development Sdn Bhd, of two (2) ordinary shares of RM1.00 each, representing the entire issued and paid-up share capital of Ace Acres Sdn Bhd for a cash consideration of RM2.00.

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

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

**12. Contingent liabilities or contingent assets**

There is no contingent liability or contingent assets as at the date of this report.

**13. Review of Performance**

The Group recorded a revenue and profit before taxation ("PBT") of RM34.7 million and RM53.8 million respectively for the current quarter under review as compared to RM37.9 million and RM2.7 million respectively in the preceding year's corresponding quarter.

The Group recorded a revenue and PBT of RM131.0 million and RM63.9 million respectively for the current year-to-date as compared to RM146.3 million and RM15.9 million respectively in the preceding year's corresponding period.

The higher revenue from the preceding year's corresponding quarter and period was due to the encouraging sales from 3 KiaPeng service apartments. The increase in PBT during the quarter under review and year-to-date was mainly due to the gain on disposal of investment properties.

**14. Material changes in profit before taxation**

The Group recorded a PBT of RM53.8 million for the current quarter under review as compared to RM4.2 million in the preceding quarter. The increase of RM49.6 million was mainly due to the gain on disposal of investment properties.

**15. Prospects**

Barring unforeseen circumstances, the Group is expected to perform satisfactorily in the coming 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 income tax	115	1,055
Deferred taxation	(1,552)	(1,182)
Share of taxation of associate and jointly controlled entities	(1,862)	(1,069)
	<u>(3,299)</u>	<u>(1,196)</u>
Prior year over provision		
- Malaysian income tax	(6)	(1,618)
- Foreign tax	-	(9)
	<u>(3,305)</u>	<u>(2,823)</u>

The Group effective tax rate is lower than the statutory tax rate applicable for the quarter and the financial year-to-date mainly due to over provision for tax in prior years, utilisation of the unabsorbed tax losses and capital allowances and the gain on disposal of investment properties which is not subject to Real Property Gains Tax under the Real Property Gains Tax (Exemption) (No.4) Order 2003.

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

There were no sales of unquoted investments and/or properties for the current quarter and year-to-date.

## 19. Quoted securities

(a) There were no purchases or disposals of quoted securities for the current quarter and year-to-date.

(b) Particulars of investments in quoted securities as at 30 June 2006:-

	RM'000
Long term investments:	
At cost	<u>89,355</u>
At book value	<u>48,015</u>
At market value	<u>44,418</u>





## 20. Corporate Proposals

Not applicable.

## 21. Group's borrowings and debt securities

Particulars of the Group's borrowings as at 30 June 2006 are as follows:-

	RM'000
<b>Short term borrowings</b>	
Secured	13,326
Unsecured	40,057
	<u>53,383</u>
<b>Long term borrowings</b>	
Secured	36,500
Unsecured	10,000
	<u>46,500</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

As reported in previous financial years, a creditor of a subsidiary company initiated legal proceedings to claim RM7.3 million from the said subsidiary company for breach of contract and related finance charges. The said case had been settled on 28 July 2006 and has no financial impact to the Group as the amount had been provided for in previous financial years.

## 24. Dividend

- (a) A proposed final dividend of 4% less taxation at 28% has been recommended for the Quarter.
- (i) Amount per share: 2.0 sen less taxation at 28%.
  - (ii) Previous corresponding quarter: 1.0 sen less taxation at 28%.
  - (iii) Entitlement date: 31 October 2006.
  - (iv) Payment date: 15 November 2006.
- (b) Total dividend for the financial year ended 30 June 2006: 1.0 sen per share less taxation at 28% (Total for the previous corresponding year: 1.0 sen per share less taxation at 28%).



## 25. Earnings Per Share

### **Basic earnings per share**

The calculation of the basic earnings per share is based on the net profit attributable to ordinary shareholders of RM50,763,000 by the weighted average number of ordinary shares in issue during the quarter of 700,458,518 shares excluding the weighted average shares held by ESOS Trust of 3,456,515 shares.

### **Diluted earnings per share**

Not applicable.

By Order of the Board  
GuocoLand (Malaysia) Berhad

LIM YEW YOKE  
Secretary

Kuala Lumpur  
18 August 2006