

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 31 MARCH 2008**

The figures have not been audited

**CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE NINE-MONTH PERIOD ENDED 31 MARCH 2008**

	3 months ended		9 months ended	
	31.3.2008	31.3.2007	31.3.2008	31.3.2007
	RM'000	RM'000	RM'000	RM'000
Revenue	22,356	38,714	80,607	102,254
Profit from operations	(47)	10,582	6,015	20,736
Finance costs	(1,947)	(1,126)	(3,592)	(3,498)
Interest income	321	292	989	589
Share of profit after tax of associate and jointly controlled entities	5,362	1,084	12,737	4,886
Profit before taxation	3,689	10,832	16,149	22,713
Taxation	(1,401)	(1,156)	(2,649)	(1,865)
Profit for the period	2,288	9,676	13,500	20,848
Attributable to:				
Equity holders of the parent	2,471	9,045	12,239	18,515
Minority interest	(183)	631	1,261	2,333
	2,288	9,676	13,500	20,848
Earnings per share attributable to equity holders of the parent:				
a) Basic (sen)	0.37	1.35	1.83	2.76
b) Fully diluted (sen)	0.37	1.35	1.83	2.76

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 30 June 2007 and the accompanying explanatory notes attached to the interim financial statements.



**CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2008**

	<b>As at 31.03.2008 RM'000</b>	<b>As at 30.06.2007 RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	285,005	257,547
Investment properties	107,000	107,000
Land held for development	762	762
Investment in associate	716	724
Investment in jointly controlled entities	319,167	306,420
Investments	44,649	57,147
Goodwill on consolidation	46	2,464
Deferred tax assets	1,486	1,243
Prepaid land lease payments	4,473	4,516
	<u>763,304</u>	<u>737,823</u>
<b>Current assets</b>		
Inventories	309,214	6,384
Due from contract customers	1,888	1,883
Development properties	216,228	197,426
Trade and other receivables	33,695	54,860
Tax recoverable	1,549	4,993
Marketable securities	6,323	7,201
Deposits, cash and bank balances	39,775	41,985
	<u>608,672</u>	<u>314,732</u>
<b>TOTAL ASSETS</b>	<u>1,371,976</u>	<u>1,052,555</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	350,229	350,229
Share premium	35,089	35,089
Exchange reserve	5,155	5,285
Retained profits	448,018	445,696
Equity funds	<u>838,491</u>	<u>836,299</u>
Shares held by ESOS Trust	(23,658)	(23,658)
Net equity funds	814,833	812,641
<b>Minority Interests</b>	76,388	75,184
<b>Total equity</b>	<u>891,221</u>	<u>887,825</u>



**CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2008 (CONT'D)**

	<b>As at 31.03.2008 RM'000</b>	<b>As at 30.06.2007 RM'000</b>
<b>Non-current liabilities</b>		
Borrowings	230,455	98,000
Deferred tax liabilities	704	566
	<u>231,159</u>	<u>98,566</u>
<b>Current liabilities</b>		
Trade and other payables	82,310	61,052
Due to contract customers	487	810
Short term borrowings	164,373	3,670
Provision for taxation	2,426	632
	<u>249,596</u>	<u>66,164</u>
<b>Total liabilities</b>	<u>480,755</u>	<u>164,730</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>1,371,976</u>	<u>1,052,555</u>

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 30 June 2007 and the accompanying explanatory notes attached to the interim financial statements.



**CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 MARCH 2008**

	9 months ended	
	31.03.2008 RM'000	31.03.2007 RM'000
Net Profit Before Tax	16,149	22,713
Adjustments for:-		
Non-cash items	(5,878)	(6,818)
Non-operating items	3,427	851
Operating profit before changes in working capital	13,698	16,746
Net change in assets	(108,319)	(77,075)
Net change in liabilities	(22,998)	(8,983)
Interest paid	(3,592)	(3,498)
Net income tax refund	2,483	732
Net cash flow used in operating activities	(118,728)	(72,078)
Investing Activities		
Equity investments	(3,094)	(5,880)
Other Investments	(55,709)	47,739
Interest received	989	589
Net cash flow (used in)/generated from investing activities	(57,814)	42,448
Financial Activities		
Dividend paid	(9,917)	(9,789)
Net drawdown of bank borrowings	185,419	23,313
Net cash flow generated from financing activities	175,502	13,524
Net Change in Cash and Cash Equivalents	(1,040)	(16,106)
Effects of exchange rate changes	-	(217)
Cash & Cash Equivalent at beginning of year	40,815	33,106
Cash & Cash Equivalent at end of period	39,775	16,783

Cash and cash equivalents consist of cash in hand, demand deposits and short term, highly liquid investments readily convertible to known amounts of cash and subject to insignificant risk of changes in value, against which the bank overdraft balances, if any, are deducted.

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 30 June 2007 and the accompanying explanatory notes attached to the interim financial statements.



**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2008**

	← Attributable to Equity Holders of the Parent →						Minority Interests	Total Equity
	← Non-Distributable →			Distributable				
	Share Capital RM'000	Share Premium RM'000	Shares held by ESOS Trust RM'000	Exchange Reserve RM'000	Retained Profit RM'000	Total RM'000		
<b>Current Year-To-Date</b>								
<b>At 1 July 2007</b>	350,229	35,089	(23,658)	5,285	445,696	812,641	75,184	887,825
Net loss not recognised in the income statement								
- translation of foreign subsidiaries	-	-	-	(130)	-	(130)	(57)	(187)
Profit for the year	-	-	-	-	12,239	12,239	1,261	13,500
Dividend paid	-	-	-	-	(9,917)	(9,917)	-	(9,917)
<b>At 31 March 2008</b>	<b>350,229</b>	<b>35,089</b>	<b>(23,658)</b>	<b>5,155</b>	<b>448,018</b>	<b>814,833</b>	<b>76,388</b>	<b>891,221</b>
<b>Preceding Year Corresponding Period</b>								
<b>At 1 July 2006</b>	350,229	35,089	(23,000)	5,945	404,780	773,043	63,057	836,100
Effects of adopting: FRS 140	-	-	-	-	1,216	1,216	-	1,216
<b>At 1 July 2006 (restated)</b>	<b>350,229</b>	<b>35,089</b>	<b>(23,000)</b>	<b>5,945</b>	<b>405,996</b>	<b>774,259</b>	<b>63,057</b>	<b>837,316</b>
Net gain not recognised in the income statement								
- translation of foreign subsidiaries	-	-	-	2,414	-	2,414	1,039	3,453
Realised exchange recognised directly in equity								
- disposal of subsidiaries	-	-	-	(3,074)	-	(3,074)	(1,321)	(4,395)
Profit for the year	-	-	-	-	49,489	49,489	12,409	61,898
Purchase during the year	-	-	(658)	-	-	(658)	-	(658)
Dividend paid	-	-	-	-	(9,789)	(9,789)	-	(9,789)
<b>At 30 June 2007</b>	<b>350,229</b>	<b>35,089</b>	<b>(23,658)</b>	<b>5,285</b>	<b>445,696</b>	<b>812,641</b>	<b>75,184</b>	<b>887,825</b>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 30 June 2007 and the accompanying explanatory notes attached to the interim financial statements.



## NOTES

### 1. Basis of Preparation

The interim financial report has been prepared in accordance with the Financial Reporting Standard (“FRS”) 134 “Interim Financial Reporting” and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2007. The explanatory notes attached to the interim financial report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 30 June 2007.

### 2. Changes in Accounting Policies

The significant accounting policies adopted are consistent with those adopted in the annual financial statements for the financial year ended 30 June 2007 except for the adoption of the following new/revised FRSs effective for financial period beginning 1 July 2007:

FRS 117	Leases
FRS 124	Related Party Disclosure
FRS 107	Cash Flow Statements
FRS 111	Construction Contracts
FRS 112	Income Taxes
FRS 118	Revenue
FRS 134	Interim Financial Reporting
FRS 137	Provisions, Contingent Liabilities and Contingent Assets

The adoption of FRSs 124, 107, 111, 112, 118, 134 and 137 does not have significant financial impact on the Group. The principal effects of the changes in accounting policies resulting from the adoption of the other new/revised FRSs are disclosed below.

#### FRS 117: Lease

In line with the revised FRS 117, the Group changed its accounting policy with respect to the classification of its leasehold land. This change in accounting policy was applied retrospectively and has no financial impact on the Group.

FRS 117 requires a leasehold land to be accounted for as an operating lease. The upfront payment for leasehold land represents a prepaid lease payment and is amortised on a straight-line basis over the remaining lease period. Prior to 1 January 2007, the Group’s leasehold land was classified as part of property, plant and equipment and was stated at cost less accumulated depreciation and impairment losses.

With the adoption of FRS 117, the carrying amount of the Hyatt Johor Bahru’s leasehold land as at 30 June 2007 of RM4.516 million was reclassified as prepaid land lease payments on the face of the balance sheet. Consequently, the Group’s property, plant and equipment was restated from RM262.063 million to RM257.547 million as at 30 June 2007, a reduction of RM4.516 million.



### 3. Qualification of audit report of the preceding annual financial statements

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

### 4. Seasonality or cyclicity of interim operations

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

### 5. 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 current financial period ended 31 March 2008 except for the changes in accounting policies as disclosed in Note 2.

### 6. 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 period or in prior financial periods.

### 7. Issuance and repayment of debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the financial period ended 31 March 2008.

### 8. Dividend paid

The final dividend of 2 sen per share less 26% taxation amounting to RM9.917 million in respect of previous financial year was paid on 30 November 2007.

### 9. Segmental reporting

The Group's segmental report for the current financial period is as follows:-

	Property Development RM'000	Property Investment RM'000	Hotels RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
<b>Revenue</b>						
External sales	27,119	17,424	32,988	3,076	-	80,607
Inter-segment sales	-	-	-	2,201	(2,201)	-
Total revenue	27,119	17,424	32,988	5,277	(2,201)	80,607
<b>Results</b>						
Segment results	2,420	3,913	7,172	(4,720)	-	8,785
Unallocated corporate expenses						(2,770)
Profit from Operations						6,015

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



**10. 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.

**11. Material events not reflected in the financial statements**

On 14 January 2008, the Group had via its wholly-owned subsidiary, Sabna Development Sdn Bhd, entered into a conditional Sale and Purchase Agreement with Lana Wong Yi (Yu Yi), Yew Sow Wah, Wong Yit Poh, Elizabeth Kiang Whee Fang and Wong Lin Chooi to acquire a piece of land measuring in area approximately 3,029.985 square meter (32,624 square feet) together with two separate residential buildings erected thereon, all situated at Changkat Kia Peng, Kuala Lumpur, for a total consideration of RM55,460,800 ("Proposed Acquisition"). The Proposed Acquisition is expected to be completed by June 2008.

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

On 1 April 2008, the Company announced that its indirect wholly-owned subsidiary, Evergreen Direction Sdn Bhd which was placed under member's voluntary liquidation pursuant to Section 254(1) of the Companies Act, 1965, had been dissolved on 2 April 2008. Save for this, there were no changes in the composition of the Group for the current quarter under review.

**13. Contingent liabilities or contingent assets**

There are no contingent liabilities or contingent assets as at 31 March 2008.

**14. Review of Performance**

The Group recorded a revenue and profit before tax of RM80.6 million and RM16.1 million respectively for the current financial period as compared to RM102.3 million and RM22.7 million respectively in the preceding year's corresponding period.

The decrease in revenue and profit before tax were mainly due to the disposal of Guoman (Hanoi) Limited which is engaged in hotel operations in Hanoi, Vietnam, in May 2007; lower profit recorded by property development division; and provision for diminution in value for quoted shares.

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

The Group profit before tax of RM3.7 million for the current quarter is lower compared to RM7.0 million in the immediate preceding quarter was mainly due to the increase of provision for diminution in value for quoted shares and in finance cost.

**16. Prospects**

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





**17. Profit forecast / profit guarantee**

Not applicable.

**18. Taxation**

Taxation comprises:-

	Current Quarter RM'000	Period- To-Date RM'000
Current taxation		
- Malaysian income tax	1,936	3,260
- Deferred taxation	(539)	(608)
	<u>1,397</u>	<u>2,652</u>
Prior year (over)/under provision		
- Malaysian income tax	4	(134)
- Deferred taxation	-	131
	<u>1,401</u>	<u>2,649</u>

The Group's effective tax rate (excluding jointly controlled entities and associate) is higher than the statutory tax rate applicable for the current quarter and period to-date. This was mainly due to losses incurred by certain subsidiary companies and expenses not deductible for tax purpose.

**19. Sale of unquoted investments and/or properties**

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

**20. Quoted securities**

- (a) The dealings in quoted securities for the current quarter and current financial year ended 31 March 2008 are as follows:

	Current Quarter RM'000	Period- To-Date RM'000
Total purchases at cost	<u>131</u>	<u>3,088</u>
Total sales proceeds	<u>-</u>	<u>12,439</u>
Total loss on disposal	<u>-</u>	<u>865</u>



## 20. Quoted securities (cont'd)

(b) Particulars of investments in quoted securities as at 31 March 2008:	RM'000
<b>Investments:</b>	
At cost	<u>56,939</u>
At book value	<u>44,614</u>
At market value	<u>57,881</u>
(c) Particulars of investments in quoted securities as at 31 March 2008:	RM'000
<b>Marketable securities:</b>	
At cost	<u>15,806</u>
At book value	<u>6,323</u>
At market value	<u>6,323</u>

## 21. Corporate Proposal

Save as disclosed in Note 11 above, there is no other corporate proposal as at the date of this report.

## 22. Group's borrowings and debt securities

Particulars of the Group's borrowings as at 31 March 2008 are as follows:

	RM'000
<b>Long term borrowings</b>	
Secured	220,455
Unsecured	<u>10,000</u>
	<u>230,455</u>
<b>Short term borrowings</b>	
Secured	77,469
Unsecured	<u>86,904</u>
	<u>164,373</u>
<b>Total borrowings</b>	<u>394,828</u>

## 23. 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.



**24. Changes in Material Litigation**

Not applicable.

**25. Dividend**

The Board does not recommend any payment of interim dividend for the financial quarter ended 31 March 2008.

**26. Earnings Per Share (“EPS”)**

**Basic earnings per share**

The calculation of the basic earnings per share is based on the net profit attributable to ordinary shareholders of 12,239,000 by the weighted average number of ordinary shares in issue during the current quarter of 670,070,818.

**Diluted earnings per share**

There were no dilutive elements to the share capital and hence, EPS (fully diluted) was the same.

By Order of the Board  
GuocoLand (Malaysia) Berhad

LIM YEW YOKE  
Secretary

Kuala Lumpur  
18 April 2008