



GuocoLand (Malaysia)

A Member of the Hong Leong Group

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 30 JUNE 2009

The figures have not been audited

CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE YEAR ENDED 30 JUNE 2009

	3 months ended		Year ended	
	30.06.2009	30.06.2008	30.06.2009	30.06.2008
	RM'000	RM'000	RM'000	RM'000
Revenue	28,201	39,520	82,011	120,127
(Loss) / profit from operations	(60,539)	3,924	(66,475)	9,986
Finance costs	(4,798)	(2,911)	(9,040)	(4,859)
Interest income	95	241	563	1,230
Share of (loss) / profit after tax of associates and jointly controlled entities	(10,401)	27,123	7,257	39,859
(Loss) / profit before taxation	(75,643)	28,377	(67,695)	46,216
Taxation	1,126	(489)	(1,207)	(3,139)
(Loss) / profit for the period	(74,517)	27,888	(68,902)	43,077
Attributable to:				
Equity holders of the parent	(71,971)	27,313	(66,045)	41,243
Minority interest	(2,546)	575	(2,857)	1,834
	(74,517)	27,888	(68,902)	43,077
(Loss) / Earnings per share attributable to equity holders of the parent:				
a) Basic (sen)	(10.74)	4.08	(9.86)	6.15
b) Fully diluted (sen)	(10.74)	4.08	(9.86)	6.15

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 30 June 2008 and the accompanying explanatory notes attached to the interim financial statements.



CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2009

	As at 30.06.2009 RM'000	As at 30.06.2008 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	357,510	304,094
Investment properties	107,000	107,000
Land held for development	62,160	59,905
Investment in associate	92,970	84,692
Investment in jointly controlled entities	315,632	321,891
Investments	5,397	6,021
Goodwill on consolidation	17,732	17,732
Deferred tax assets	1,186	1,166
Leasehold land use rights	4,402	4,459
	<u>963,989</u>	<u>906,960</u>
Current assets		
Inventories	520,646	8,568
Due from contract customers	733	1,405
Development properties	223,825	240,700
Trade and other receivables	48,358	429,305
Tax recoverable	4,863	2,010
Deposits, cash and bank balances	25,828	65,427
	<u>824,253</u>	<u>747,415</u>
TOTAL ASSETS	<u>1,788,242</u>	<u>1,654,375</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	350,229	350,229
Share premium	35,089	35,089
Exchange reserve	6,318	6,338
Retained profits	400,929	477,022
Equity funds	<u>792,565</u>	<u>868,678</u>
Shares held by ESOS Trust	(23,883)	(23,658)
Net equity funds	<u>768,682</u>	<u>845,020</u>
Minority Interests	<u>74,604</u>	<u>77,468</u>
Total equity	<u>843,286</u>	<u>922,488</u>



CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2009 (Cont'd)

	As at 30.06.2009 RM'000	As at 30.06.2008 RM'000
Non-current liabilities		
Borrowings	493,414	480,402
Deferred tax liabilities	18,300	18,300
	<u>511,714</u>	<u>498,702</u>
Current liabilities		
Trade and other payables	116,778	88,992
Due to contract customers	-	612
Short term borrowings	315,400	142,904
Provision for taxation	1,064	677
	<u>433,242</u>	<u>233,185</u>
Total liabilities	944,956	731,887
TOTAL EQUITY AND LIABILITIES	<u>1,788,242</u>	<u>1,654,375</u>
Net asset per share attributable to ordinary equity holder of the parent (RM)	1.15	1.26

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 30 June 2008 and the accompanying explanatory notes attached to the interim financial statements.



CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2009

	Year ended	
	30.06.2009	30.06.2008
	RM'000	RM'000
Net (Loss) / Profit Before Tax	(67,695)	46,216
Adjustments for:-		
Non-cash items	52,984	(30,541)
Non-operating items	8,162	4,171
	<u>(6,549)</u>	<u>19,846</u>
Operating (loss) / profit before changes in working capital	(6,549)	19,846
Net change in assets	(138,036)	(187,217)
Net change in liabilities	6,260	(9,976)
Interest paid	(30,204)	(23,948)
Net income tax paid	(3,693)	(33)
	<u>(172,222)</u>	<u>(201,328)</u>
Net cash flow used in operating activities	(172,222)	(201,328)
Investing Activities		
Equity investments	5,554	(18,581)
Other Investments	(48,729)	(160,689)
Interest received	563	1,230
	<u>(42,612)</u>	<u>(178,040)</u>
Net cash flow used in investing activities	(42,612)	(178,040)
Financing Activities		
Dividend paid	(10,048)	(9,917)
Net drawdown of bank borrowings	180,251	413,897
Purchase of shares held by ESOS Trust	(225)	-
	<u>169,978</u>	<u>403,980</u>
Net cash flow generated from financing activities	169,978	403,980
Net Change in Cash & Cash Equivalents	(44,856)	24,612
Cash & Cash Equivalent at beginning of year	65,427	40,815
	<u>20,571</u>	<u>65,427</u>
Cash & Cash Equivalent at end of financial year	20,571	65,427

Cash and Cash Equivalent in the consolidated cash flow statements comprise of the following balance sheet amounts:

	30.06.2009	30.06.2008
	RM'000	RM'000
Deposit, cash and bank balances	25,828	65,427
Bank overdraft	(5,257)	-
	<u>20,571</u>	<u>65,427</u>

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 2008 and the accompanying explanatory notes attached to the interim financial statements.



CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2009

	Attributable to Equity Holders of the Parent					Total RM'000	Minority Interests RM'000	Total Equity RM'000
	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			
Current Year-To-Date								
At 1 July 2008	350,229	35,089	(23,658)	6,338	477,022	845,020	77,468	922,488
- translation of foreign subsidiaries	-	-	-	(20)	-	(20)	(7)	(27)
Loss for the year	-	-	-	-	(66,045)	(66,045)	(2,857)	(68,902)
Purchase during the year	-	-	(225)	-	-	(225)	-	(225)
Dividend paid	-	-	-	-	(10,048)	(10,048)	-	(10,048)
At 30 June 2009	350,229	35,089	(23,883)	6,318	400,929	768,682	74,604	843,286
Preceding Year Corresponding Period								
At 1 July 2007	350,229	35,089	(23,658)	5,285	445,696	812,641	75,184	887,825
- translation of foreign subsidiaries	-	-	-	1,053	-	1,053	450	1,503
Profit for the year	-	-	-	-	41,243	41,243	1,834	43,077
Dividend paid	-	-	-	-	(9,917)	(9,917)	-	(9,917)
At 30 June 2008	350,229	35,089	(23,658)	6,338	477,022	845,020	77,468	922,488

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 30 June 2008 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 2008. 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 2008.

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 2008.

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 year ended 30 June 2009, except as disclosed in Notes 14 and 15 below.

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 additional shares purchased by the trust set up for the Executive Share Option Scheme (“ESOS Trust”) during the current quarter under review. The total number of shares purchased by the ESOS Trust as at 30 June 2009 was 30,578,100 shares.

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the financial year ended 30 June 2009.



8. Dividend paid

The final dividend of 2 sen per share less 25% taxation amounting to RM10.048 million in respect of the previous financial year was paid on 3 November 2008.

9. Segmental reporting

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

	Property Development RM'000	Property Investment RM'000	Hotels RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
Revenue						
External sales	42,810	7,385	24,421	7,395	-	82,011
Inter-segment sales	-	-	-	1,413	(1,413)	-
Total revenue	42,810	7,385	24,421	8,808	(1,413)	82,011
Results						
Segment results	(55,306)	4,225	(10,317)	(3,336)	-	(64,734)
Unallocated corporate expenses						(1,741)
Loss from operations						(66,475)

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

There are no material subsequent events to be disclosed till 14 August 2009 (being the latest practicable date which is not earlier than 7 days from the date of issue of this interim financial statement).

12. Changes in the composition of the Group

On 1 July 2008, the Company had acquired 100% equity interest in Raikon Building Management Co Sdn Bhd ("Raikon") for a cash consideration of RM1.8 million, based on the net assets of Raikon as at 30 June 2008.

13. Contingent liabilities or contingent assets

There are no contingent liabilities or contingent assets as at 30 June 2009.



14. **Review of Performance**

The Group recorded a revenue and loss before tax of RM82.0 million and RM67.7 million respectively for the current financial year as compared to the revenue and profit before tax of RM120.1 million and RM46.2 million respectively in the preceding financial year.

The Group's current financial year loss is attributed to lower contribution from hotel segment as well as losses in the property development segment.

The hotels of the Group in Port Dickson and Johor Bharu were temporarily closed for major refurbishment and rebranding exercise. These hotels were reopened under the Thistle brand in June and July 2009 respectively.

The losses in the property development segment is mainly due to impairment loss and provision for foreseeable loss of RM39.3 million and RM28.2 million respectively made in relation to the Group's development projects in Kuala Lumpur and Selangor.

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

The Group's loss before tax of RM60.5 million for the current quarter as compared to the immediate preceding quarter loss before tax of RM3.2 million was mainly attributed to the lower contribution from hotel segment as well as losses in the property development segment.

16. **Prospects**

The current financial year for the Group has been challenging in view of the deteriorating economic conditions as well as the negative impact of escalating construction costs and the lack of consumer confidence.

However, there have been modest signs of recovery in the market as shown through recent consumer response and subsequent investments in property through homeownership campaigns. The recent liberalisation of the Malaysian property industry will also be a boost to Malaysia's competitiveness both locally and internationally.

Barring any unforeseen circumstances, the prospects for the coming financial year are expected to be satisfactory.

17. **Profit forecast / profit guarantee**

Not applicable.



18. Taxation

Taxation comprises:-

	Current Quarter RM'000	Year- To-Date RM'000
Current taxation		
- Malaysian income tax	(1,199)	1,115
- Deferred taxation	(165)	(134)
	<u>(1,364)</u>	<u>981</u>
Prior year (over)/under provision		
- Malaysian income tax	125	112
- Deferred taxation	113	114
	<u>(1,126)</u>	<u>1,207</u>

The Group's effective tax rate (excluding jointly controlled entities and associate) differs from the statutory tax rate mainly due to expenses not deductible for tax purposes.

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) There was no purchase or disposal of quoted securities for the current quarter and current financial year.

(b) Particulars of investment in quoted securities as at 30 June 2009 are as follows:

Investments:	RM'000
At cost	<u>28,162</u>
At book value	<u>5,397</u>
At market value	<u>5,397</u>

21. Corporate Proposal

There is no corporate proposal as at the date of this report.



22. Group's borrowings and debt securities

Particulars of the Group's borrowings as at 30 June 2009 are as follows:

	RM'000
Long term borrowings	
Secured	489,414
Unsecured	4,000
	<u>493,414</u>
Short term borrowings	
Secured	147,709
Unsecured	167,691
	<u>315,400</u>
Total borrowings	<u>808,814</u>

23. Financial Instruments with Off Balance Sheet Risk

There were no financial instruments with material off balance sheet risk at the date of issue of this quarterly report.

24. Changes in Material Litigation

Not applicable.

25. Dividend

(a) A proposed final dividend of 4% less taxation at 25% has been recommended for the current quarter :-

- (i) Amount per share: 2.0 sen less taxation at 25%
- (ii) Previous corresponding quarter: 2.0 sen less taxation at 25%
- (iii) Entitlement date: will be announced at a date to be determined by the Directors
- (iv) Payment date: will be announced at a date to be determined by the Directors.

(b) A total dividend for the current financial year ended 30 June 2009: 2.0 sen per share less taxation at 25% (Total for the previous corresponding year: 2.0 sen per share less taxation at 25%).



26. Loss Per Share (“LPS”)

Basic loss per share

The calculation of the basic loss per share is based on the net loss attributable to ordinary shareholders of RM66,045,000 by the weighted average number of ordinary shares in issue during the current quarter of 669,895,448.

Diluted loss per share

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

By Order of the Board
GuocoLand (Malaysia) Berhad

LIM YEW YOKE
Secretary

Kuala Lumpur
21 August 2009