



**GuocoLand (Malaysia)**

A Member of the Hong Leong Group

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED 30 SEPTEMBER 2009**

The figures have not been audited

**CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE QUARTER ENDED 30 SEPTEMBER 2009**

	3 months ended		3 months ended	
	30.09.2009	30.09.2008	30.09.2009	30.09.2008
	RM'000	RM'000	RM'000	RM'000
Revenue	42,754	18,277	42,754	18,277
Profit from operations	10,581	1,412	10,581	1,412
Finance costs	(5,583)	(1,360)	(5,583)	(1,360)
Interest income	50	160	50	160
Share of profit after tax of associates and jointly controlled entities	3,732	4,416	3,732	4,416
Profit before taxation	8,780	4,628	8,780	4,628
Taxation	(2,939)	(831)	(2,939)	(831)
Profit for the period	5,841	3,797	5,841	3,797
Attributable to:				
Equity holders of the parent	6,688	3,418	6,688	3,418
Minority interest	(847)	379	(847)	379
	5,841	3,797	5,841	3,797
Earnings per share attributable to equity holders of the parent:				
a) Basic (sen)	1.00	0.51	1.00	0.51
b) Fully diluted (sen)	1.00	0.51	1.00	0.51

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 30 June 2009 and the accompanying explanatory notes attached to the interim financial statements.



**CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2009**

	<b>As at 30.09.2009 RM'000</b>	<b>As at 30.06.2009 RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	358,671	357,510
Investment properties	107,000	107,000
Land held for development	62,413	62,160
Investment in associate	91,953	92,970
Investment in jointly controlled entities	317,793	315,632
Investments	5,384	5,397
Goodwill on consolidation	17,732	17,732
Deferred tax assets	1,163	1,186
Leasehold land use rights	4,389	4,402
	<u>966,498</u>	<u>963,989</u>
<b>Current assets</b>		
Inventories	520,629	520,646
Due from contract customers	432	733
Development properties	214,081	223,825
Trade and other receivables	74,246	48,358
Tax recoverable	2,715	4,863
Deposits, cash and bank balances	16,921	25,828
	<u>829,024</u>	<u>824,253</u>
<b>TOTAL ASSETS</b>	<u>1,795,522</u>	<u>1,788,242</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	6,318	6,318
Retained profits	407,617	400,929
Equity funds	799,253	792,565
Shares held by ESOS Trust	(23,883)	(23,883)
Net equity funds	775,370	768,682
<b>Minority Interests</b>	73,757	74,604
<b>Total equity</b>	<u>849,127</u>	<u>843,286</u>



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

	<b>As at 30.09.2009 RM'000</b>	<b>As at 30.06.2009 RM'000</b>
<b>Non-current liabilities</b>		
Borrowings	407,986	493,414
Deferred tax liabilities	18,300	18,300
	<u>426,286</u>	<u>511,714</u>
<b>Current liabilities</b>		
Trade and other payables	105,189	116,778
Short term borrowings	413,748	315,400
Provision for taxation	1,172	1,064
	<u>520,109</u>	<u>433,242</u>
<b>Total liabilities</b>	946,395	944,956
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>1,795,522</u>	<u>1,788,242</u>
<b>Net asset per share attributable to ordinary equity holder of the parent (RM)</b>	1.1575	1.1475

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 30 June 2009 and the accompanying explanatory notes attached to the interim financial statements.



**CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE QUARTER ENDED  
30 SEPTEMBER 2009**

	3 months ended	
	30.09.2009	30.09.2008
	RM'000	RM'000
Net Profit Before Tax	8,780	4,628
Adjustments for:-		
Non-cash items	(2,306)	(3,710)
Non-operating items	5,533	955
Operating profit before changes in working capital	12,007	1,873
Net change in assets	(15,961)	(41,599)
Net change in liabilities	(11,542)	(7,721)
Interest paid	(6,346)	(5,719)
Net income tax paid	(661)	136
Net cash flow used in operating activities	(22,503)	(53,030)
Investing Activities		
Equity investments	2,588	3,117
Other Investments	(1,962)	(647)
Interest received	50	89
Net cash flow generated from investing activities	676	2,559
Financing Activities		
Net drawdown of bank borrowings	11,397	4,611
Purchase of shares held by ESOS Trust	-	(225)
Net cash flow generated from financing activities	11,397	4,386
Net Change in Cash & Cash Equivalents	(10,430)	(46,085)
Cash & Cash Equivalent at beginning of year	20,571	65,427
Cash & Cash Equivalent at end of financial year	10,141	19,342

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

	30.09.2009	30.09.2008
	RM'000	RM'000
Deposit, cash and bank balances	16,921	19,342
Bank overdraft	(6,780)	-
	10,141	19,342

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 2009 and the accompanying explanatory notes attached to the interim financial statements.



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

	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 2009</b>	350,229	35,089	(23,883)	6,318	400,929	768,682	74,604	843,286
Net gain not recognised in the income statement								
- translation of foreign subsidiaries	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	6,688	6,688	(847)	5,841
<b>At 30 Sept 2009</b>	<b>350,229</b>	<b>35,089</b>	<b>(23,883)</b>	<b>6,318</b>	<b>407,617</b>	<b>775,370</b>	<b>73,757</b>	<b>849,127</b>
<b>At 1 July 2008</b>	350,229	35,089	(23,658)	6,338	477,022	845,020	77,468	922,488
Net loss not recognised in the income statement								
- 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)
<b>At 30 June 2009</b>	<b>350,229</b>	<b>35,089</b>	<b>(23,883)</b>	<b>6,318</b>	<b>400,929</b>	<b>768,682</b>	<b>74,604</b>	<b>843,286</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 2009 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 2009. 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 2009.

### 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 2009

### 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 30 September 2009.

### 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 September 2009 was 30,578,100 shares.

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



## 8. Dividend paid

There was no dividend paid during the current quarter ended 30 September 2009.

## 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
<b>Revenue</b>						
External sales	31,157	1,764	8,068	1,765	-	42,754
Inter-segment sales	-	-	-	376	(376)	-
<b>Total revenue</b>	<b>31,157</b>	<b>1,764</b>	<b>8,068</b>	<b>2,141</b>	<b>(376)</b>	<b>42,754</b>
<b>Results</b>						
Segment results	13,700	1,014	(2,701)	(1,187)	-	10,826
Unallocated corporate expenses						(245)
<b>Profit from operations</b>						<b>10,581</b>

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 7 October 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

There were no material 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 30 September 2009.



#### 14. Review of Performance

The Group recorded a revenue and profit before tax of RM42.8 million and RM8.8 million respectively for the current financial period as compared to RM18.3 million and RM4.6 million respectively in the preceding year's corresponding period.

The increases in revenue and profit before tax were mainly due to the higher revenue and profit contribution from the property development division as compared to preceding year's comparative quarter.

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

The Group's profit before tax of RM8.8 million for the current quarter as compared to the immediate preceding quarter loss before tax of RM75.6 million was mainly due to the provision for foreseeable loss and impairment loss in the preceding quarter.

#### 16. Prospects

The current economic and business environment remain challenging. However, barring any unforeseen circumstances, the Group expects the performance for the current financial year to be satisfactory.

#### 17. Profit forecast / profit guarantee

Not applicable.

#### 18. Taxation

Taxation comprises:-

	Current Quarter RM'000
Current taxation	
- Malaysian income tax	(2,842)
- Deferred taxation	(14)
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	(2,856)
Prior year under provision	
- Malaysian income tax	(75)
- Deferred taxation	(8)
	<hr style="border-top: 1px solid black;"/>
	(2,939)

The Group's effective tax rate (excluding jointly controlled entities and associate) is higher than the statutory tax rate for the current quarter. This was mainly due to loss incurred by certain subsidiary companies and 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 September 2009 are as follows:

<b>Investments:</b>	RM'000
At cost	28,162
At book value	5,384
At market value	5,384

## 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 September 2009 are as follows:

	RM'000
<b>Long term borrowings</b>	
Secured	403,986
Unsecured	4,000
	<u>407,986</u>
<b>Short term borrowings</b>	
Secured	225,668
Unsecured	188,080
	<u>413,748</u>
<b>Total borrowings</b>	<u>821,734</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**

The Board does not recommend any interim dividend for the financial period ended 30 September 2009.

**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 RM6,688,000 by the weighted average number of ordinary shares in issue during the current quarter of 669,880,418.

**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  
14 October 2009