

**Interim Financial Report
for the six months ended 30 June 2009**

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Note:

M1 to M12 are explanatory notes in accordance with FRS134.

K1 to K13 are explanatory notes in accordance with paragraph 9.22 of the Bursa Malaysia Securities Berhad Listing Requirements.

Condensed Consolidated Income Statements

(The figures have not been audited)

	Current Year Quarter 30.06.2009 RM' 000	Preceding Year Quarter 30.06.2008 RM' 000	Current Year To Date 30.06.2009 RM' 000	Preceding Year To Date 30.06.2008 RM' 000
Revenue	155,876	211,155	321,438	373,162
Cost of sales	(72,385)	(111,918)	(145,045)	(195,190)
Gross profit	83,491	99,237	176,393	177,972
Other operating income	25,229	6,509	35,828	19,813
Administrative expenses	(36,061)	(29,188)	(71,517)	(64,502)
Other operating expenses	(3,551)	(10,735)	(7,692)	(16,876)
Profit from operations	69,108	65,823	133,012	116,407
Finance costs	(15,960)	(13,273)	(30,577)	(24,375)
Share of after-tax results of associates	5,241	4,643	9,969	13,908
Profit before tax	58,389	57,193	112,404	105,940
Less tax:				
Company and subsidiaries	(9,884)	(8,812)	(24,646)	(17,954)
Profit for the period	48,505	48,381	87,758	87,986
Attributable to:				
Equity holders of the Company	43,320	42,948	77,222	79,649
Minority interests	5,185	5,433	10,536	8,337
	48,505	48,381	87,758	87,986
Earnings per share (sen)				
- basic	2.95	2.91	5.26	5.39
- diluted	na¹	2.91	na¹	5.39
Dividends per ordinary share (sen)	-	2.50	-	2.50

Note 1:

Computation of diluted earnings per share is not applicable as there are no outstanding shares to be issued.

Condensed Consolidated Balance Sheets

(The figures have not been audited)

	30.06.2009 RM '000	31.12.2008 RM '000
Capital and reserves attributable to the Company's equity holders		
Share capital	745,148	745,148
Share premium	427,221	427,221
Treasury shares	(36,427)	(35,005)
Revaluation and other reserves	356,076	332,206
Retained earnings	1,296,033	1,218,811
	2,788,051	2,688,381
Minority interests	102,029	90,616
TOTAL EQUITY	2,890,080	2,778,997
Represented by:		
Non current assets		
Property, plant and equipment	791,349	758,007
Long term prepaid lease	205,749	206,857
Investment property	1,496,792	1,527,263
Land held for property development	257,623	256,641
Associates	557,436	542,348
Other investments	6,512	6,212
Deferred tax assets	10,263	10,522
	3,325,724	3,307,850
Current assets		
Property development costs	90,143	93,565
Inventories	66,765	67,625
Marketable securities	48,632	37,556
Receivables	130,699	158,504
Amount owing by associates	122,210	118,920
Amount owing by a jointly controlled entity	7,170	5,869
Tax recoverable	10,900	4,067
Deposits with licensed banks	577,604	528,954
Cash and bank balances	109,627	127,184
	1,163,750	1,142,244
Less: Current liabilities		
Payables	395,376	473,328
Amount owing to associates	24,386	24,386
Borrowings	121,531	122,781
Tax	24,192	14,751
	565,485	635,246
Net current assets	598,265	506,998
Less: Non current liabilities		
Borrowings	953,531	954,305
Deferred taxation	80,378	81,546
	1,033,909	1,035,851
	2,890,080	2,778,997

Condensed Consolidated Statement of Changes in Equity for the six months ended 30 June 2009

(The figures have not been audited)

	Attributable to equity holders							Minority Interests	
	Issued and fully paid ordinary shares of RM0.50 each		Treasury Shares ordinary shares of RM0.50 each		Non-distributable Distributable				
	Number of shares '000	Nominal value RM '000	Number of shares '000	Nominal value RM '000	Share premium RM '000	Revaluation Share and other reserves RM '000	Retained earnings RM '000		Total RM '000
At 1 January 2009	1,490,296	745,148	(22,257)	(35,005)	427,221	332,206	1,218,811	90,616	2,778,997
Profit for the period	-	-	-	-	-	-	77,222	10,536	87,758
Purchase of treasury shares	-	-	(1,010)	(1,422)	-	-	-	-	(1,422)
Conversion of warrants to ordinary shares	-	-	-	-	-	-	-	8,271	8,271
Issuance of redeemable preference shares in a subsidiary	-	-	-	-	-	-	-	416	416
Currency translation differences from foreign associates	-	-	-	-	-	23,870	-	(122)	23,748
Dilution of shares in a subsidiary	-	-	-	-	-	-	-	(2,461)	(2,461)
Net gain not recognised in income statement	-	-	-	-	-	23,870	-	(2,583)	21,287
Dividends	-	-	-	-	-	-	-	(5,227)	(5,227)
At 30 June 2009	1,490,296	745,148	(23,267)	(36,427)	427,221	356,076	1,296,033	102,029	2,890,080

Condensed Consolidated Statement of Changes in Equity for the six months ended 30 June 2008

(The figures have not been audited)

	Attributable to equity holders										Minority Interests
	Issued and fully paid ordinary shares of RM0.50 each		Treasury Shares ordinary shares of RM0.50 each		Non-distributable		Distributable		Total		
	Number of shares '000	Nominal value RM '000	Number of shares '000	Nominal value RM '000	Share premium RM '000	Revaluation Share and other reserves RM '000	Retained earnings RM '000	RM '000	RM '000	RM '000	
At 1 January 2008	1,489,724	744,862	(8,909)	(17,094)	426,974	266,233	1,218,626	89,384	2,728,985		
Profit for the period	-	-	-	-	-	-	79,649	8,337	87,986		
Acquisition of additional shares in subsidiary	-	-	-	-	-	-	-	(200)	(200)		
Purchase of treasury shares	-	-	(5,297)	(7,906)	-	-	-	-	(7,906)		
Issue of shares:											
Employees' Share Options	572	286	-	-	247	-	-	-	533		
Currency translation differences	-	-	-	-	-	179	-	93	272		
Dilution of shares in a subsidiary	-	-	-	-	-	295	(295)	128	128		
Creation of capital redemption reserve in a subsidiary	-	-	-	-	-	23,025	(23,025)	-	-		
Net gain not recognised in income statement	-	-	-	-	-	23,499	(23,320)	221	400		
Dividends	-	-	-	-	-	-	(32,200)	(9,198)	(41,398)		
At 30 June 2008	1,490,296	745,148	(14,206)	(25,000)	427,221	289,732	1,242,755	88,544	2,768,400		

Condensed Consolidated Cash Flow Statements
(The figures have not been audited)

	30.06.2009 RM '000	30.06.2008 RM '000
Operating activities		
Receipts from customers	368,660	345,967
Payments to contractors, suppliers and employees	(250,528)	(341,943)
Cash flow from operations	118,132	4,024
Interest paid	(29,719)	(22,392)
Income taxes paid	(21,633)	(22,557)
Net cash generated from operating activities	66,780	(40,925)
Investing activities		
Dividends received from associates	18,449	12,261
Dividends received from investments	231	-
Interest received	4,738	5,826
Proceeds from sale of investments	-	17,941
Proceeds from disposal of property, plant and equipment	114	1,363
Purchase of property, plant and equipment	(54,057)	(104,088)
Repayments/(advances) from/(to) associates	(4,591)	2,961
Net cash used in investing activities	(35,116)	(63,736)
Financing activities		
Proceeds from shares issued by the Company	-	533
Purchase of treasury shares	(1,422)	(7,906)
Dividends paid	-	(32,199)
Repayment of bank borrowings, net of receipts	(2,646)	144,475
Net cash generated from/(used in) financing activities	(4,068)	104,903
Foreign currencies exchange difference	3,497	(1,256)
Net decrease in cash and cash equivalents	31,093	(1,014)
Cash and cash equivalents at beginning of financial year	656,138	453,234
Cash and cash equivalents at end of period	687,231	452,220

**Explanatory notes to the Interim Financial Statements
for the six months ended 30 June 2009**

M1 Basis of preparation

This Interim Report is unaudited and has been prepared in accordance with the requirements of Financial Reporting Standard 134 – “Interim Financial Reporting” issued by the Malaysian Accounting Standards Board and paragraph 9.22 together with Part A, Appendix 9B of Bursa Malaysia Securities Berhad (“Bursa Malaysia”) Listing Requirements, and should be read in conjunction with the Group’s audited financial statements for the financial year ended 31 December 2008.

This interim financial report has been prepared based on accounting policies and methods of computation which are consistent with those adopted for the annual audited financial statements for the year financial ended 31 December 2008.

M2 Qualification

The Audit Report of the Group’s annual financial statements for the financial year ended 31 December 2008 was not subject to any audit qualification.

M3 Seasonality or cyclicity

The Group’s operations were not materially affected by seasonal or cyclical factors.

M4 Significant unusual items

There were no significant unusual items that affect the assets, liabilities, equity, net income or cash flows other than those disclosed elsewhere in these notes.

M5 Material changes in estimates

Not applicable.

M6 Debt and equity securities

Shares repurchased during the current financial year to-date were as follows:

Date	No. of shares	Lowest Price RM	Highest Price RM	Cost RM
27.03.09	1,000,000	1.40	1.40	1,404,820.00
02.06.09	10,000	1.67	1.67	16,822.21

The number of treasury shares held as at 30 June 2009 was 23,266,100 ordinary shares of RM0.50 each.

Other than the above, there were no issuances, cancellations, resale or repayments of debt and equity securities for the current financial year to-date.

M7 Dividends paid

No dividends have been paid during the current financial year to-date.

M8 Segment Reporting

Business segments	Property development RM '000	Property investment RM '000	Hotel RM '000	Construction RM '000	Others RM '000	Group RM '000
6 months ended 30 June 2009						
Revenue						
Total revenue	46,154	206,420	69,404	34,895	15,661	372,534
Intersegment revenue	-	(3,847)	(1,679)	(34,895)	(10,675)	(51,096)
External revenue	<u>46,154</u>	<u>202,573</u>	<u>67,725</u>	<u>-</u>	<u>4,986</u>	<u>321,438</u>
Results						
Segment results (external)	19,276	91,607	17,419	(144)	13,051	141,209
Unallocated income						4,738
Unallocated expense						(12,935)
Profit from operations						<u>133,012</u>
Finance costs						(30,577)
Share of after-tax results of associates	<u>2,378</u>	<u>363</u>	<u>7,100</u>	<u>-</u>	<u>128</u>	<u>9,969</u>
Profit from ordinary activities before tax						112,404
Tax-Company and subsidiaries						(24,646)
Profit for the period						<u><u>87,758</u></u>
Attributable to:						
Equity holders of the Company						77,222
Minority interests						<u>10,536</u>
						<u><u>87,758</u></u>

Unallocated income represents interest income while unallocated expenses relates to head-office general administrative expenses that arise at the Group level and relate to the Group as a whole.

M8 Segment Reporting (continued..)

Business segments	Property development RM '000	Property investment and holding RM '000	Hotel RM '000	Construction RM '000	Others RM '000	Group RM '000
6 months ended 30 June 2008						
Revenue						
Total revenue	172,955	179,825	71,997	81,667	11,573	518,017
Intersegment revenue	(39,717)	(2,164)	(12,457)	(81,667)	(8,850)	(144,855)
External revenue	<u>133,238</u>	<u>177,661</u>	<u>59,540</u>	<u>-</u>	<u>2,723</u>	<u>373,162</u>
Results						
Segment results (external)	19,097	86,120	12,943	(11)	3,914	122,063
Unallocated income						5,826
Unallocated expense						(11,482)
Profit from operations						116,407
Finance costs						(24,375)
Share of after-tax results of associates	<u>1,219</u>	<u>(972)</u>	<u>13,727</u>	<u>-</u>	<u>(66)</u>	<u>13,908</u>
Profit from ordinary activities before tax						105,940
Tax-Company and subsidiaries						(17,954)
Profit for the period						<u>87,986</u>
Attributable to:						
Equity holders of the Company						79,649
Minority interests						<u>8,337</u>
						<u>87,986</u>

Unallocated income represents interest income while unallocated expenses relates to head-office general administrative expenses that arise at the Group level and relate to the Group as a whole.

M9 Valuations

Valuations of property, plant and equipment have been brought forward without amendment from the previous annual financial statements.

M10 Material events subsequent to the end of the interim period

There were no material events subsequent to the end of the interim period up to the date of this report other than as disclosed elsewhere in this report.

M11 Changes in the composition of the Group

On 21 May 2009, the Company announced to Bursa Malaysia that Mid Valley City Developments Sdn Bhd, a wholly-owned subsidiary of the Company had acquired 100% of the issued and paid-up share capital of Original Advisory Sdn Bhd comprising two ordinary shares of RM1.00 each fully paid at par.

On 27 July 2009, the Company announced to Bursa Malaysia that the Company had acquired 100% of the issued and paid-up share capital of Crest Corridor Sdn Bhd comprising two ordinary shares of RM1.00 each fully paid at par.

M12 Contingent liabilities and contingent assets

There were no contingent liabilities or contingent assets since 31 December 2008.

K1 Review of performance

For the three months ended 30 June 2009, Group revenue achieved decreased by 26% to RM155.9 million when compared to the corresponding period in 2008 of RM211.2 million due mainly to lower contribution from the Property Development division.

However, Group pre-tax profit increased marginally by 2% to RM58.4 million when compared to pre-tax profit of RM57.2 million achieved in the corresponding period in 2008 mainly attributable to write-backs in provision for diminution in investments in the current quarter.

K2 Comparison with immediate preceding quarter

Group revenue achieved for the three months ended 30 June 2009 decreased by 6% to RM155.9 million when compared to RM165.6 million achieved for the three months ended 31 March 2009 due mainly to lower contribution from the Property Development division.

However, Group pre-tax profit achieved increased by 8% to RM58.4 million when compared to the RM54.0 million reported in the immediate preceding quarter mainly due to improved contribution from the Hotel division as well as higher write-backs in provision for diminution in investments in the current quarter.

K3 Prospects for 2009

As the global economic situation seems to be improving, the Board is cautiously optimistic that the Group's operational results for the current financial year will be satisfactory.

K4 Profit forecast/profit guarantee

The Group did not issue any profit forecast or profit guarantee.

K5 Tax

	Current quarter ended 30.06.2009 RM '000	Cumulative current Year-To-Date ended 30.06.2009 RM '000
Malaysian income tax		
- Company and subsidiaries	10,726	24,194
Transferred to deferred tax	<u>(864)</u>	<u>405</u>
	9,862	24,599
Overseas tax		
- Company and subsidiaries	22	47
	<u>9,884</u>	<u>24,646</u>

The effective tax rate of the Group for the current quarter and for the financial year to-date was lower than the statutory tax rate as certain income were not subjected to tax.

K6 Unquoted investments

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

K7 Marketable securities

Total investments in marketable securities as at 30 June 2009 were as follows:

	RM '000
Total investments at cost	<u>61,382</u>
Total investments at carrying value/book value (after provision for diminution in value)	<u>48,630</u>
Total investments at market value at 30 June 2009	<u>48,848</u>

K8 Corporate proposals

No corporate proposals have been announced during the financial quarter under review up to the date of this report.

K9 Group borrowings and debt securities

Group borrowings as at 30 June 2009 were as follows:

	RM '000
Long term borrowings:	
Secured	
Term Loan	300,000
Redeemable Bonds	448,144
Unsecured	
Term Loan	205,387
	<u>953,531</u>
Short term borrowings:	
Secured	
Current portion of Redeemable Bonds	40,000
Unsecured	
Current portion of term loan	52,781
Short term loan	28,750
	<u>121,531</u>
TOTAL	<u>1,075,062</u>
Total equity as at 30 June 2009	<u>2,890,080</u>

K10 Financial instruments

The Group does not have any financial instruments with off balance sheet risk.

K11 Material litigation

There was no pending material litigation as at the date of this report which exceeds 5% of the net assets of the Group.

K12 Proposed dividends

No interim dividend is declared or proposed in respect of the financial year ending 31 December 2009.

K13 Earnings per share

		Current Quarter ended 30.06.2009	Preceding Year Quarter ended 30.06.2008	Current Year To Date ended 30.06.2009	Preceding Year To Date ended 30.06.2008
Profit for the period	RM '000	<u>43,320</u>	42,948	<u>77,222</u>	79,649
Weighted average number of ordinary shares in issue	'000	<u>1,467,508</u>	1,478,282	<u>1,467,508</u>	1,478,282
Basic earnings per share	sen	<u>2.95</u>	2.91	<u>5.26</u>	5.39
Profit for the period	RM '000	<u>43,320</u>	42,948	<u>43,320</u>	79,649
Weighted average number of ordinary shares in issue	'000	<u>1,467,508</u>	1,478,282	<u>1,467,508</u>	1,478,282
Adjustments for share options	'000	<u>-</u>	88	<u>-</u>	88
Weighted average number of ordinary shares for diluted earnings per share	'000	<u>1,467,508</u>	1,478,370	<u>1,467,508</u>	1,478,370
Diluted earnings per share	sen	<u>na</u>	2.91	<u>na</u>	5.39

Computation of diluted earnings per share is not applicable as there are no outstanding shares to be issued.

BY ORDER OF THE BOARD
TINA CHAN LAI YIN
Secretary

Kuala Lumpur
26 August 2009