LANDMARKS BERHAD

Company No : 185202-H

(Incorporated in Malaysia)

Unaudited Interim Financial Report

For The Fourth Quarter Ended

31 December 2007

LANDMARKS BERHAD

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET
As At 31 DECEMBER 2007

	Notes	31-Dec-2007 RM' 000	31-Dec-2006 RM' 000 (Audited) (Restated)
ASSETS			
Property, plant and equipment	A2 (I)	134,333	262,647
Prepaid lease payments		21,346	27,447
Land held for development		802,558	-
Development expenditure		6,232	-
Investments in associates		142,408	332,459
Other investments		5,369	5,993
Deferred tax assets		-	6,800
Total Non-Current Assets		1,112,246	635,346
Inventories		6,718	14,455
Current tax assets		20,253	25,487
Assets held for sale		-	270,117
Trade and other receivables		17,796	29,165
Cash and cash equivalents		372,814	57,883
Total Current Assets		417,581	397,107
TOTAL ASSETS		1,529,827	1,032,453
EQUITY			
Share capital		480,682	480,682
Reserves		595,177	(9,638)
Total Equity attributable to shareholders of the Company		1,075,859	471,044
Minority Interests		147,222	7,031
Total Equity		1,223,081	478,075
LIABILITIES			
Borrowings		34,550	233,158
Deferred tax liabilities		218,760	11,809
Retirement benefits		-	352
Total Non-Current Liabilities		253,310	245,319
Trade and other payables		32,046	63,229
Current tax liabilities		5,140	10,059
Liabilities held for sale		-	204,558
Borrowings		16,250	31,213
Total Current Liabilities		53,436	309,059
Total Liabilities		306,746	554,378
TOTAL EQUITY & LIABILITIES		1,529,827	1,032,453
Net Assets per share (RM)		2.24	0.98

The unaudited condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 December 2006 and the accompanying explanatory notes attached to the interim financial statements.

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS
For the Twelve-Month Period Ended 31 December 2007

	Note	Individual Period 3 months ended 31 December		Cumulative Period 12 months ended 31 December	
		2007 RM'000	2006 RM'000 (Restated)	2007 RM'000	2006 RM'000 (Restated)
Continuing Operations					
Revenue		**13,364**	**14,767**	**50,498**	**59,915**
Profit/(loss) from operations		**3,824**	**-2,749**	**5,156**	**7,090**
Exceptional gain		**-**	80,073	**-**	80,073
Finance Cost		-3,266	-4,715	-21,673	-23,135
Operating profit		**558**	**72,609**	**-16,517**	**64,028**
Share of net profit of associates		4,721	4,971	19,781	17,786
Profit before taxation		**5,279**	**77,580**	**3,264**	**81,814**
Income Tax expense		-2,434	-1,135	-4,556	432
Profit for the period from continuing operations		**2,845**	**76,445**	**-1,292**	**82,246**
Discontinued Operations					
Net Profit from discontinued operations		**(1,288)**	**13,646**	**27,087**	**49,462**
Gain/(loss) on the sale of discontinued operations	**B7**	**74,161**	**(180)**	**544,308**	**765**
		72,873	**13,466**	**571,395**	**50,227**
Profit for the period		**75,718**	**89,911**	**570,103**	**132,473**
Attributable to:					
Shareholders of the company		**78,557**	**88,039**	**571,480**	**123,374**
Minority Interest		**-2,839**	**1,872**	**-1,377**	**9,099**
Profit for the period		**75,718**	**89,911**	**570,103**	**132,473**

Basic earnings per share attributable to equity holders of the Company:

Profit/(loss) from continuing operations (sen)	0.59	16.35	-0.27	17.59
Profit from discontinued operations (sen)	15.75	2.48	119.16	8.79
Profit for the period (sen)	16.34	18.82	118.89	26.38
Diluted earnings per ordinary share (sen)	N/A	N/A	N/A	N/A

The unaudited condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2006 and the accompanying explanatory notes attached to the interim financial statements.

LANDMARKS BERHAD

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
For the Twelve-Month Period Ended 31 December 2007

		<---------------------- Non-distributable --------------------------->							
	Share Capital RM'000	Translation Reserve RM'000	Capital Reserve RM'000	Other Reserve RM'000	Share Premium RM'000	Accumulated (Losses)/Profits RM'000	Total RM'000	Minority Interests RM'000	Total Equity RM'000
At 1 January 2006, restated	***463,831***	***289***	***23,504***	***-***	***218,209***	***(368,324)***	***337,509***	***28,506***	***366,015***
Foreign exchange translation differences	-	(11)	-	-	-	-	(11)	-	**(11)**
Net Profit for the period	-	-	-	-	-	123,374	123,374	9,099	**132,473**
Disposal of subsidiary	-	-	-	-	-	-	-	(26,574)	**(26,574)**
Capital distribution to minority interest of a subsidiary	-	-	-	-	-	-	-	(4,000)	**(4,000)**
Dividends to shareholders of the Company	-	-	-	-	-	(6,679)	(6,679)	-	**(6,679)**
Issue of Ordinary Share pursuant to ESOS	16,851	-	-	-	-	-	16,851	-	**16,851**
At 31 December 2006	**480,682**	**278**	**23,504**	**-**	**218,209**	**(251,629)**	**471,044**	**7,031**	**478,075**
At 1 January 2007	**480,682**	**278**	**23,504**	**-**	**218,209**	**(251,629)**	**471,044**	**7,031**	**478,075**
Revaluation surplus	-	-	-	40,179	-	-	40,179	-	**40,179**
Foreign exchange translation differences	-	174	-		-	-	174	-	**174**
Net Profit for the period	-	-	-		-	27,172	27,172	-	**27,172**
Disposal/acquisition of subsidiaries/associates						544,308	544,308	140,191	**684,499**
Dividends to shareholders of the Company	-	-	-			(7,018)	(7,018)	-	**(7,018)**
Distributable capital reserve (*)	-	-	(23,504)		-	23,504	-	-	**-**
At 31 December 2007	**480,682**	**452**	**-**	**40,179**	**218,209**	**336,337**	**1,075,859**	**147,222**	**1,223,081**

* The Group's capital reserve relates to the share exchange exercise whereby the Group exchanged its investment in UBN Holdings Sdn Bhd ("UBN") and shareholders' loan to UBN for shares in Shangri-La Hotels (Malaysia) Berhad. The capital reserve becomes distributable in the event of the disposal of the quoted investments, which was completed on 5 September 2007

The unaudited condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2006 and the accompanying explanatory notes attached to the interim financial statements.

LANDMARKS BERHAD

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
For the Twelve-Month Period Ended 31 December 2007

	31-Dec-2007 RM'000	31-Dec-2006 RM'000 (Restated)
Profit Before Taxation		
-Continuing operations	**3,264**	**81,814**
-Discontinued operations	**571,395**	**50,227**
Adjustments for non-cash flow:		
Non-cash items	(34,955)	34,964
Non-operating items	(541,111)	(81,440)
Operating (Loss)/ Profit before changes in working capital	**(1,407)**	**85,565**
Net change in current assets	45,238	12,455
Net change in current liabilities	(22,601)	(9,077)
Cash generated from operations	**21,230**	**88,943**
Income tax paid	(2,178)	(4,354)
Retirement benefit paid	(352)	(45)
Net cash inflow from operating activities	**18,700**	**84,544**
Investing activities		
Interest income received	8,328	2,824
Purchase of property, plant and equipment	(10,692)	(22,123)
Proceeds from investing in development expenditure	(6,232)	-
Disposal of subsidiaries/associate/investment	485,321	1,096
Debts repayment from disposal of subsidiaries	391,972	-
Acquisition of investment	(406,334)	-
Dividend received	6,629	6,737
Share redemption	30,000	-
Proceeds from disposal of property, plant and equipment	196	90
Net cash inflow from investing activities	**499,188**	**(11,376)**
Financing activities		
Proceeds from loan and other borrowings	165,730	-
Capital distribution paid to minority shareholders of a subsidiary	**-**	(4,000)
Proceeds from issuance of share capital	**-**	16,851
Dividend paid to shareholders of the company	(7,018)	(6,679)
Repayment of bank borrowings	(379,071)	(50,053)
Interest paid	(56,428)	(27,691)
Net cash outflow from financing activities	**(276,787)**	**(71,572)**
Net increase in cash and cash equivalents	**241,101**	**1,596**
Effects of exchange rate changes	174	(11)
Cash and cash equivalents at 1 January	131,539	129,953
Cash and cash equivalents at 31 December	**372,814**	**131,538**

	31-Dec-2007 RM'000	31-Dec-2006 RM'000
<u>Continuing Operations</u>		
Cash and bank balances	12,828	29,006
Deposits (including deposits pledge)	359,986	28,877
	372,814	57,883
<u>Discontinued Operations</u>		
Cash and bank balances	-	7,944
Deposits (including deposits pledge)	-	65,711
	-	73,655
	372,814	**131,538**

The unaudited condensed cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2006 and the accompanying explanatory notes attached to the interim financial statements.

A. Notes to the unaudited interim financial report for the period ended 31 December 2007

A1. Basis of preparation

The interim financial report is unaudited and has been prepared in compliance with Financial Reporting Standards (FRS) 134_{2004}, Interim Financial Reporting issued by Malaysian Accounting Standards Board (MASB) and Paragraph 9.22 of the Bursa Malaysia Securities Berhad Listing Requirements.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2006. 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 financial year ended 31 December 2006.

A2. Changes in Accounting Policies/Estimates

The significant accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements for the year ended 31 December 2006 except for the adoption of two (2) new and revised FRS effective for the financial period beginning 1 January 2007.

The principal effects of the changes in accounting policies to the Group resulting from the adoption of the said new FRS are set out below: -

i) FRS 117 Leases

FRS 117 requires the unamortized revalued amount of leasehold land held for own use to be accounted for as Prepaid Lease Payments and to be amortised on a straight line basis over the lease term. The Group has reclassified such properties which were previously presented as part of Property, Plant and Equipment and were stated at cost less accumulated depreciation. Other than the reclassification from Property, Plant and Equipment to Prepaid Lease Payments of RM27,446,684, the changes in accounting policy does not affect the results of the Company and of the Group for the financial period. The re-statement of the comparative amount as at 31 December 2006 is as follows:

Restatement of comparative amounts

	As previously reported RM'000	Effects of restatement RM'000	As restated RM'000
Non current assets			
Property, Plant and Equipment	290,094	(27,447)	262,647
Prepaid Lease Payments (Leasehold Land)	-	27,447	27,447

ii) FRS 124 Related Party Disclosures

The adoption of FRS 124 has no material effect on the results of the Company and of the Group for the current financial period.

A3. Auditors' Report on the Group's latest Annual Financial Statements

There were no audit qualifications on the Group's financial statements for the year ended 31 December 2006.

A4. Exceptional items of a non-recurring nature

There were no exceptional items of a non-recurring nature during the financial period under review.

A5. Inventories

During the financial period under review, there was no write-down of inventories.

A6. Changes in composition of the Group

There were no changes in the composition of the Group arising from business combinations, acquisitions or disposal of subsidiary companies and long-term investment, restructuring, or discontinued operations for the current interim period, except for the following:

i) Divestment of Sungei Wang Plaza Sdn Bhd ("SWPSB") a wholly-owned subsidiary of Landmarks Berhad to Kencana Property Management Sdn Bhd which was completed on 11 April 2007.

ii) Acquisition of 64.5% equity interest in Bintan Treasure Bay Pte Ltd ("BTB") by Primary Gateway Sdn Bhd ("PGSB"), a wholly-owned subsidiary of Landmarks Berhad from Complete Win Group Ltd ("CWG") and Bold Impact Enterprises Ltd ("BIE") which was completed on 31 May 2007.

iii) Disposal of equity interest in Shangri-La Hotels (Malaysia) Berhad ("SHMB") comprising 117,124,000 ordinary shares of RM1.00 each, representing about 26.6% equity interest in SHMB which was completed on 5 September 2007.

iv) Disposal of 100% equity interest in Archipelago Resorts Sdn Bhd ("ARSB"), a wholly owned subsidiary of Landmarks Berhad to Citra Emas Hotels and Resorts Sdn Bhd (formerly known as Suasana Suriajaya Sdn Bhd) ("Citra Emas") which was announced on 28 September 2007. The disposal was completed on 20 November 2007.

v) BTB had incorporated a private limited company, BTB Management Services Pte Ltd ("BTBMS") in the Republic of Singapore on 15 November 2007. The intended principal activity of BTBMS is the provision of management services. BTB has subscribed for one (1) ordinary share of SGD1.00 each at par value in BTBMS representing 100% of the paid up capital of BTBMS.

vi) Acquisition of an additional 9.5% equity interest in BTB by PGSB from BIE which was completed on 12 December 2007. Arising from this acquisition, PGSB increased its shareholding in BTB to 74.0%.

vii) The Company has on 28 January 2008 announced that the following inactive subsidiaries have been placed under Member's Voluntary Winding-up pursuant to Section 254(1)(b) of the Companies Act, 1965 :-

a. Legacy Acres Sdn Bhd;
b. Makin Murni Sdn Bhd;
c. Puncak Teguh Sdn Bhd;
d. Sikap Damai Sdn Bhd; and
e. Wasmanis Sdn Bhd.

viii) BTB has incorporated the following subsidiaries in the Republic of Seychelles on 28 January 2008:

a. Bintan Beach Resorts Investments Pte Ltd;
b. Bintan Land Pte Ltd;
c. Bintan Leisure Resort Ventures Pte Ltd;
d. Bintan Resorts Enterprise Pte Ltd; and
e. Bintan Resorts Holdings Pte Ltd.

The intended principal activity of each of the subsidiaries is investment holding. Each of the subsidiaries has an authorised capital of USD1,000,000.00 comprising 1,000,000 shares of USD1.00 each, of which USD1.00 is issued and fully paid up.

ix) BTB, through its five subsidiaries named in (viii) above, has on 5 February 2008 incorporated the following subsidiaries in the Republic of Singapore:

a. Bintan Beach Resorts Investments Pte Ltd has incorporated Bintan Beach Resorts Investments (Singapore) Pte Ltd;
b. Bintan Land Pte Ltd has incorporated Bintan Land (Singapore) Pte Ltd;
c. Bintan Leisure Resort Ventures Pte Ltd has incorporated Bintan Leisure Resort Ventures (Singapore) Pte Ltd;
d. Bintan Resorts Enterprise Pte Ltd has incorporated Bintan Resorts Enterprise (Singapore) Pte Ltd; and
e. Bintan Resorts Holdings Pte Ltd has incorporated Bintan Resorts Holdings (Singapore) Pte Ltd.

The intended principal activity of each of the subsidiaries is investment holding. Each of the subsidiaries has a paid-up capital of SGD1.00 comprising one ordinary share of SGD1.00 each.

A7. Dividends paid

	2007 (RM'000)	**2006** (RM'000)
Ordinary		
Final paid		
2006 – 2.00% less tax	7,018	-
2005 – 2.00% less tax	-	6,679
Total	7,018	6,679

A8. Seasonal or cyclical factors

The Group's hotel businesses are generally affected by seasonal or cyclical factors. The high season for the Group's hotels generally lies in the first and last quarters of the financial year.

A9. Segmental information

	Revenue		Profit before tax	
	For the period ended 31 December			
	2007	2006	2007	2006
	RM'000	RM'000	RM'000	RM'000
		(Restated)		(Restated)
Results from Continuing Operations				
Hotel and Resort Development	50,258	50,904	13,393	14,650
Engineering	-	9,011	408	4,717
Others	240	-	(8,645)	(12,277)
Profit from Operations			5,156	7,090
Interest Expense			(21,673)	(23,135)
Exceptional gain			-	80,073
Share of net profits of Associates			19,781	17,786
Net profit from discontinued operations			27,087	49,462
Net gain on sale of discontinued operations			544,308	765
Profit Before Tax	**50,498**	**59,915**	**574,659**	**132,041**

A10. Capital commitments

	31 December 2007 RM'000
Property, plant and equipment	
Authorised but not contracted for	-
Contracted but not provided for in the financial statements	-
Total	**-**

A11. Contingent liabilities

There were no contingent liabilities for the financial period under review.

It is to be noted that Landmarks Engineering & Development Sdn Bhd ("LED"), a wholly owned subsidiary of Landmarks, and Ikatan Cekap Sdn Bhd ("ICSB"), a 70% subsidiary of TDR Engineering Sdn Bhd which is 55% owned by LED, have filed a suit in the Kuala Lumpur High Court against Perbadanan Kemajuan Ekonomi Negeri Perlis ("PKENP") and PENS Holdings Sdn Bhd ("PENS"), a wholly owned subsidiary of PKENP, for, inter alia, breach of contract in relation to the development of land in Kuala Perlis. The Board of Landmarks have at all times been inclined to amicably resolve this matter without commencing legal proceedings but eventually had to file the suit in order to preserve its rights. In the said suit, LED has claimed general damages while ICSB has claimed contractual damages amounting to RM20,611,585.60 and also general damages. In response to the said suit, PENS has counter-claimed against ICSB for approximately RM2.4 million and general damages being claims under the same contract.

On the advice of its lawyers, the Company is of the view that the counter claim is without merit and hence, no provision is made by the Company. Notwithstanding the same, Landmarks continues to pursue an amicable settlement of this matter.

A12. Debt and equity securities

Landmarks Hotels & Realty Sdn Bhd ("LHR"), a wholly owned subsidiary of Landmarks Berhad, had on December 2007 repaid its RM67.43 million term loan (Note B9).

There were no other issuance or repayment of debt, share buy backs, share cancellations, shares held as treasury shares and resale of treasury shares for the financial period under review other than as disclosed under Note B9.

A13. Related party transactions

There were no related party transactions for the financial period under review.

A14. Events subsequent to the balance sheet date

There were no material events subsequent to the end of the financial period under review that have not been reflected in the financial statements as at the date of this report except for the following:

1) LHR has on 21 January 2008 received a letter from the Board of Teknologi Tenaga Perlis Consortium Sdn Bhd ("TTPC") that it has been served a Notice of Offer by AmInvestment Bank Berhad on behalf of Jati Cakerawala Sdn Bhd ("JCSB") under the Malaysian Code on Take-Overs and Mergers 1998 to undertake a mandatory offer to acquire the remaining voting shares not already held by JCSB from the remaining shareholders of TTPC ("Offer"), including LHR.

   The Company had on 5 February 2008 announced that TTPC had received a notice from AmInvestment Bank Berhad on the revision of the offer price for the ordinary shares in TTPC held by LHR.

   LHR has not made a decision whether to accept or reject the Offer and would consider the same upon receipt of the Offer Document.

2) Resorts Equities Sdn Bhd, a wholly-owned subsidiary of LHR, had on 24 January 2008 completed the sale of 210 class "B" ordinary shares in Saujana Resorts (M) Berhad for a total cash consideration of RM5.25 million.

3) BTB has on 24 January 2008, signed an agreement for the zoning ("Zoning") of the land owned by its subsidiary, PT Pelangi Bintan Indah on Bintan Island ("Treasure Bay, Bintan") with PT Wisata Hiburia ("PTWH"), a company incorporated in the Republic of Indonesia. The Zoning would involve the designation of Treasure Bay, Bintan as an Exclusive Integrated Tourism Zone ("EITZ") for the conduct of certain licensed activities as elaborated below.

   PTWH has been granted a Surat Izin Tetap Usaha Wisata Internasional Terpadu Eksklusif (Decree for Permanent Licence of International Exclusive Integrated Tourism) by the Bupati of Kabupaten Kepulauan Riau (now re-designated as Kebupaten Bintan) which allows PTWH to zone land in Bintan Island where the following activities can be conducted:

   i. Wisata Medis or medical tourism;
   ii. Teknologi Multimedia dan Informatika Wisata or multimedia and information technology hosting; and
   iii. Permainan dan Hiburan or games and entertainment, including gaming.

4) PGSB has on 5 February 2008 signed a sale and purchase agreement for the proposed acquisition of the balance 26% equity interest in BTB from Castle Knight Investments Ltd ("CKI") and CWG for a cash consideration of SGD156.881 million (or RM360.826 million). The proposed acquisition is pending the approval of the shareholders of the Company and the Controller of Foreign Exchange for the remittance of the purchase consideration.

B. Additional Information – BMSB's listing requirement

B1. Review of performance for Twelve Months to 31 December 2007 compared to Twelve Months to 31 December 2006

For the financial period ended 31 December 2007, the Group recorded reduced revenue of RM50.49 million compared with RM59.92 million in 2006. At the operating level, profit from operations decreased from RM7.09 million in 2006 to RM5.16 million in 2007. The decrease in revenue and profit from operations were mainly due to the engineering division which had no new contracts and lower contribution from The Andaman in Langkawi.

Associated Companies

The share of net profit of the Group's associated companies of RM19.78 million in 2007 was higher compared with 2006 which was recorded at RM17.78 million. This was due to higher contribution from TTPC.

Overall

The Group registered net profit attributable to shareholders of the Company of RM571.48 million for the period ended 31 December 2007 compared with RM123.37 million in 2006, an increase of RM448.11 million mainly due to exceptional gains from the divestment of SWPSB, disposal of equity interest in SHMB and ARSB.

B2. Comments on 4th quarter against preceding quarter performance

(RM'000)	**2007 4th Qtr**	**2007 3rd Qtr** (Restated)
Revenue	**13,364**	**11,760**
Profit/(Loss) from Operations	**3,824**	**(2,198)**
Interest Expense	(3,266)	(4,195)
Operating Profit/(Loss)	**558**	**(6,393)**
Share of net profit of Associates	4,721	5,891
Net (loss)/profit from discontinued operations	(1,288)	11,038
Net gain on sale of discontinued operations (Note B7)	74,161	94,867
Profit Before Tax	**78,152**	**105,403**

Revenue for the 4th quarter was higher than the previous quarter mainly due to higher revenue recorded by The Andaman in Langkawi. The Group recorded an operating profit of RM0.558 million compared with an operating loss of RM6.393 million in the previous quarter mainly due to Treasure Bay, Bintan's ground breaking expenses incurred in the previous quarter. Profit before tax for the 4th quarter was lower compared with the previous quarter due to higher exceptional gain from the disposal of SHMB in the previous quarter.

B3. Prospects

Subsidiary Companies

The Group expects The Andaman, Langkawi to continue to perform credibly despite facing increased competition from new and refurbished products in the market. The Group has embarked on improvements to The Andaman since 2006 and the refurbishment programme is ongoing.

The Group's investment in BTB is expected to contribute positively to the Group's results in 2008.

Associated Companies

Profit contribution from the Group's associated companies is expected to be lower for the year 2008 due to the disposal of equity interest in SHMB.

Overall

As mentioned in the Chairman's Statement in the Annual Report 2006, the new focused vision for the Group is "To be a leading player in the lifestyle sector focusing on resorts, hospitality and wellness in the South East Asia region". In this regard, the Group has realigned its resources by disposing off non-core and /or non-strategic assets. In 2007, the Group deployed its resources in the acquisition of 74% equity in BTB and a further 26% acquisition is now subject to shareholders approval at an Extraordinary General Meeting to be convened. The Treasure Bay, Bintan project to be developed by BTB is now zoned as an EITZ. The zoning will enable the Group to accelerate the development potential of Treasure Bay, Bintan into a preferred tourist destination offering integrated resort facilities and lifestyle products which we believe will meet the market demands. Barring any unforeseen circumstances, the Board believes that Treasure Bay, Bintan will enhance the Group's earnings going forward.

B4. Profit forecast

Not applicable as no profit forecast was announced or disclosed.

B5. Tax expense

(RM'000)	2007	
	Individual period 3 months ended 31 December	**Cumulative period 12 months ended 31 December**
Current tax :		
Malaysian – current	2,434	4,556
– prior period	-	-
	2,434	**4,556**
Deferred tax expense		
Malaysian	**-**	**-**
	2,434	**4,556**

The effective tax rate was higher than the statutory tax rate principally due to certain finance cost and expense which are restricted and not tax allowable.

B6. Unquoted investments and properties

There were no profits or losses on sale of unquoted investments and/or properties for the financial period under review except for the disposal of SWPSB and ARSB which resulted in a total gain of RM441.68 million.

B7. Quoted investments

On 5 September 2007, the Group disposed its equity interest in SHMB comprising 117,124,000 ordinary shares of RM1.00 each, representing about 26.6% equity interest in SHMB. The disposal was transacted at RM2.45 per SHMB share, which was at a premium of approximately 2.08% to the five (5) days volume weighted average market price of SHMB of RM2.40 up to 4 September 2007.

	RM'000
Sales proceeds	286,954
Gain on sale of quoted investments	94,867
	======

B. Additional Information – BMSB's listing requirement

B8(i). Status of corporate proposals announced

1. The Company had on 20 September 2007 announced the proposed establishment of a New Employees' Share Option Scheme ("Scheme") for eligible employees and directors of Landmarks and/or its subsidiaries. The Company had obtained the approval from its shareholders at the Extraordinary General Meeting held on 2 November 2007. In principle approval for the listing of the additional shares to be issued under the Scheme was obtained from Bursa Malaysia Securities Berhad on 28 November 2007. The Board of Directors approved the commencement of the Scheme from 2 January 2008 and the first allocation of options under the Scheme was made to the eligible employees and directors on 22 January 2008.

2. The Company had on 28 September 2007 announced the proposed disposal of its 100% equity interest in ARSB to Citra Emas. The disposal was completed on 20 November 2007.

3. The Company had on 1 November 2007 announced the proposed acquisition by PGSB of 9.5% equity interest in BTB from BIE for cash consideration of SGD23.175 million (or RM53.302 million). The acquisition was completed on 12 December 2007.

4. The Company had on 5 February 2008 announced the proposed acquisition by PGSB from CKI and CWG of 26.0% equity interest in BTB for cash consideration of SGD156.881 million (or RM360.826 million). The proposed acquisition is pending the approval from the shareholders of Landmarks and the Controller of Foreign Exchange for the remittance of the purchase consideration.

B8(ii). Utilisation of proceeds from corporate proposals

1. The divestment of SWPSB to Kencana Property Management Sdn Bhd was completed on 11 April 2007. The cash proceeds from the disposal were principally utilised for the acquisition of 64.5% equity interest in BTB and working capital purposes.

2. The Company had on 5 September 2007, disposed its equity interest in SHMB comprising 117,124,000 ordinary shares of RM1.00 each, representing about 26.6% equity interest in SHMB. Of the total cash proceeds of RM286.954 million, RM130 million was used to reduce bank borrowings and the balance was for working capital.

3. The Company had on 20 November 2007 disposed off its 100% equity interest in ARSB to Citra Emas. The cash proceeds from the disposal were used to fund the working capital requirement of Landmarks and its subsidiaries.

B. Additional Information – BMSB's listing requirement

B9. *Borrowings and debt securities*

The Group's borrowings, all of which are secured, were as follows:

	As at 31 December 2007 (RM'000)	As at 31 December 2006 (RM'000)
Short term borrowings		
Secured	16,250	31,213
Unsecured	-	-
	16,250	**31,213**
Long term borrowings		
Secured	34,550	233,158
Unsecured	-	-
	34,550	**233,158**
Total borrowings	**50,800**	**264,371**

LHR had repaid its RM67.43 million term loan in December 2007.

B10. Off balance sheet financial instruments

There are no financial instruments with off balance sheet risk as at the date of this report.

B11. Changes in material litigation

Save as disclosed herein, there is no material litigation pending as at the date of this report.

B12. Dividends

The Board of Directors recommends the payment of a first and final dividend of 2% less tax and a special dividend of 2% less tax for the financial year ended 31 December 2007 (2006: first and final dividend of 2% less tax) which will be paid on a date to be determined, subject to shareholders' approval at the forthcoming Annual General Meeting.

B. Additional Information – BMSB's listing requirement

B13. Basic earnings per share

The calculation of basic earnings per share is based on the net profit attributable to ordinary shareholders of RM571,480,321 million and the weighted average number of ordinary shares outstanding of 480,682,200.

By Order of The Board

IRENE LOW YUET CHUN
Company Secretary

Kuala Lumpur
27 February 2008

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