LANDMARKS

LANDMARKS BERHAD

(185202-H)

(Incorporated in Malaysia)

Unaudited Interim Financial Report

For The Fourth Quarter Ended

31 December 2010

LANDMARKS

LANDMARKS BERHAD (185202-H)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2010

	Note	31-Dec-2010 RM' 000	31-Dec-2009 RM' 000 (Audited)
ASSETS			
Property, plant and equipment	A10	**157,435**	139,978
Land held for property development		**1,920,512**	1,918,362
Investments in associates		**43,525**	43,132
Other investments		**1,080**	700
Total Non-Current Assets		**2,122,552**	2,102,172
Receivables, deposits and prepayments		**5,832**	5,764
Inventories		**3,869**	873
Property development costs		**9,989**	27,944
Current tax assets		**599**	12,446
Assets classified as held for sale		**-**	2,530
Other investments		**-**	10,171
Cash and cash equivalents		**220,487**	220,046
Total Current Assets		**240,776**	279,774
TOTAL ASSETS		**2,363,328**	2,381,946
EQUITY			
Share capital		**480,791**	480,682
Reserves		**1,218,017**	1,225,009
Total equity attributable to owners of the Company		**1,698,808**	1,705,691
Minority Interests		**1**	613
Total Equity		**1,698,809**	1,706,304
LIABILITIES			
Borrowings	B10	**78,985**	87,500
Deferred tax liabilities		**562,666**	562,007
Total Non-Current Liabilities		**641,651**	649,507
Payables and accruals		**11,071**	14,291
Borrowings	B10	**9,998**	8,750
Current tax liabilities		**1,799**	3,094
Total Current Liabilities		**22,868**	26,135
Total Liabilities		**664,519**	675,642
TOTAL EQUITY & LIABILITIES		**2,363,328**	2,381,946
Net Assets Per Share (RM)		**3.53**	3.55

The unaudited condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

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LANDMARKS BERHAD (185202-H)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE TWELVE-MONTHS PERIOD ENDED 31 DECEMBER 2010

	Note	INDIVIDUAL PERIOD 3 months ended 31 December		CUMULATIVE PERIOD 12 months ended 31 December	
		2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Revenue		**11,007**	13,226	**41,189**	46,776
(Loss) / profit from operations		**(989)**	832	**(331)**	1,731
Finance cost		**(987)**	(1,045)	**(3,743)**	(4,012)
Operating loss		**(1,976)**	(213)	**(4,074)**	(2,281)
Share of net (loss) / profit of associates	B1	**(167)**	9,900	**393**	9,867
(Loss) / profit before taxation		**(2,143)**	9,687	**(3,681)**	7,586
Income tax expense	B5	**(551)**	1,889	**(739)**	1,929
(Loss) / profit for the period		**(2,694)**	11,576	**(4,420)**	9,515
Other comprehensive income, net of tax					
Foreign currency translation differences for foreign operations		**432**	84	**157**	107
Fair value of available-for-sale financial asset		**0**	-	**(30)**	-
Other comprehensive income for the period, net of tax		**432**	84	**127**	107
Total comprehensive income for the period		**(2,262)**	11,660	**(4,293)**	9,622
Profit / (loss) attributable to:					
Owners of the Company		**(2,692)**	11,577	**(4,425)**	9,791
Minority interest		**(2)**	(1)	**5**	(276)
(Loss) / profit for the period		**(2,694)**	11,576	**(4,420)**	9,515
Total comprehensive income attributable to:					
Owners of the Company		**(2,260)**	11,661	**(4,298)**	9,898
Minority interest		**(2)**	(1)	**5**	(276)
Total comprehensive income for the period		**(2,262)**	11,660	**(4,293)**	9,622

	2010 (3 months)	2009 (3 months)	2010 (12 months)	2009 (12 months)
Earnings per share attributable to owners of the Company (sen)				
Profit / (loss) for the period				
-Basic	**(0.56)**	2.41	**(0.92)**	2.04
-Diluted	**(0.56)**	N/A	**(0.92)**	N/A

The unaudited condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

LANDMARKS BERHAD (185202-H)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE TWELVE -MONTHS PERIOD ENDED 31 DECEMBER 2010

	<-------Attributable to owners of the Company------->									
	<------ *Non-distributable* ------>						*Distributable*			
	Share Capital RM'000	Translation Reserve RM'000	Revaluation Reserve RM'000	Fair Value Reserve RM'000	Share Premium RM'000	Share Option Reserve RM'000	Retained Earnings RM'000	Total RM'000	Minority Interest RM'000	Total Equity RM'000
At 1 January 2009	480,682	3,325	622,336	-	218,209	1,202	370,039	1,695,793	978	1,696,771
Total comprehensive income for the period	-	107	-	-	-	-	9,791	9,898	(276)	9,622
Capital distribution to minority shareholder of a subsidiary	-	-	-	-	-	-	-	-	(89)	(89)
Share options forfeited	-	-	-	-	-	(149)	149	-	-	-
At 31 December 2009	480,682	3,432	622,336	-	218,209	1,053	379,979	1,705,691	613	1,706,304
At 1 January 2010, as previously stated	**480,682**	**3,432**	**622,336**	**-**	**218,209**	**1,053**	**379,979**	**1,705,691**	**613**	**1,706,304**
- Effects of adopting FRS 139	**-**	**-**	**-**	**460**	**-**	**-**	**33**	**493**	**-**	**493**
At 1 January 2010, as restated	**480,682**	**3,432**	**622,336**	**460**	**218,209**	**1,053**	**380,012**	**1,706,184**	**613**	**1,706,797**
Total comprehensive income for the period	**-**	**157**	**-**	**(30)**	**-**	**-**	**(4,425)**	**(4,298)**	**5**	**(4,293)**
De-consolidation of subsidiaries	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(617)**	**(617)**
Equity settled share-based transaction	**-**	**-**	**-**		**-**	**403**	**-**	**403**	**-**	**403**
Share options exercised	**109**	**-**	**-**		**15**		**-**	**124**	**-**	**124**
Transfer to share premium for share options exercised	**-**	**-**			**40**	**(40)**	**-**	**-**	**-**	**-**
Dividends paid to owners of the Company	**-**	**-**	**-**	**-**	**-**	**-**	**(3,605)**	**(3,605)**	**-**	**(3,605)**
At 31 December 2010	**480,791**	**3,589**	**622,336**	**430**	**218,264**	**1,416**	**371,982**	**1,698,808**	**1**	**1,698,809**

The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

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LANDMARKS BERHAD (185202-H)

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT

FOR THE TWELVE-MONTHS PERIOD ENDED 31 DECEMBER 2010

	31-December-2010 RM'000	31-December-2009 RM'000
Cash flows from operating activities		
(Loss) / Profit Before Taxation	**(3,681)**	7,586
Adjustments for non-cash flow:		
Non-cash items	**4,995**	(3,238)
Non-operating items	**(512)**	(888)
Operating profit before changes in working capital	**802**	3,460
Net change in current assets	**(3,871)**	2,302
Net change in current liabilities	**(2,820)**	(4,908)
Cash (used in) / generated from operations	**(5,889)**	854
Income tax paid	**(1,753)**	(1,033)
Income tax refund	**13,237**	14,517
Net cash generated from operating activities	**5,595**	14,338
Cash flows from investing activities		
Interest income received	**3,769**	4,729
Purchase of property, plant and equipment	**(5,259)**	(524)
Proceeds from disposal of investment	**10,322**	-
Acquisition of other investments	**-**	(10,000)
Proceeds from disposal of property, plant and equipment	**530**	-
Net cash generated from / (used in) investing activities	**9,362**	(5,795)
Cash flows from financing activity		
Capital distribution paid to minority shareholders of a subsidiary	**-**	(89)
Proceeds from issuance of share capital	**124**	-
Dividend paid to owners of the company	**(3,605)**	-
Proceeds from bank borrowings	**1,507**	-
Repayment of bank borrowings	**(8,774)**	(8,750)
Finance costs paid	**(3,743)**	(4,202)
Net cash used in financing activity	**(14,491)**	(13,041)
Net increase/ (decrease) in cash and cash equivalents	**466**	(4,498)
Effect of exchange rate fluctuations on cash held	**(25)**	17
Cash and cash equivalents at 1 January	**220,046**	224,527
Cash and cash equivalents at 31 December	**220,487**	220,046

	31-December-2010 RM'000	31-December-2009 RM'000
Cash and bank balances	**5,210**	4,862
Deposits (including deposits pledged)	**215,277**	215,184
	220,487	220,046

The unaudited condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

PART A – EXPLANATORY NOTES IN COMPLIANCE WITH FRS134, INTERIM FINANCIAL REPORTING

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 and Paragraph 9.22 of the Bursa Malaysia Securities Berhad Main Market 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 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 financial year ended 31 December 2009.

A2. Changes in Accounting Policies/Estimates

Except as described below, the accounting policies applied by the Group in this interim financial report are the same as those applied by the Group in the audited financial statements for the year ended 31 December 2009.

The Group has adopted the following accounting standards, amendments and interpretations which are relevant to the Group's operations with effect from 1 January 2010:-

- FRS 8, *Operating Segments*
- FRS 7, *Financial Instruments: Disclosures*
- FRS 101, *Presentation of Financial Statements* (revised)
- FRS 123, *Borrowing Costs* (revised)
- FRS 139, *Financial Instruments: Recognition and Measurement*
- Amendments to FRS 1, *First-time Adoption of Financial Reporting Standards*
- Amendments to FRS 2, *Share-based Payment: Vesting Conditions and Cancellations*
- Amendments to FRS 7, *Financial Instruments: Disclosures*
- Amendments to FRS 101, *Presentation of Financial Statements*
  – Puttable Financial Instruments and Obligations Arising on Liquidation
- Amendments to FRS 127, *Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate*
- Amendments to FRS 132, *Financial Instruments: Presentation*
  – Puttable Financial Instruments and Obligations Arising on Liquidation
  – Separation of Compound Instruments

A2. *Changes in Accounting Policies/Estimates* (continued)

- Amendments to FRS 139, *Financial Instruments: Recognition and Measurement*
  – Reclassification of Financial Assets
  – Collective Assessment of Impairment for Banking Institutions
- Improvements to FRSs (2009)
- IC Interpretation 9, *Reassessment of Embedded Derivatives*
- IC Interpretation 10, *Interim Financial Reporting and Impairment*
- IC Interpretation 11, FRS 2 – *Group and Treasury Share Transactions*
- Amendments to FRS 132, *Financial Instruments: Presentation*
  – Classification of Right Issues

Other than for the application of FRS 8, FRS 101 and FRS 139, the application of the above FRSs, Amendments to FRSs and Interpretations did not result in any significant changes in the accounting policies and presentation of the financial results of the Group.

(a) FRS 8, Operating Segments

FRS 8 requires segment information to be presented on a similar basis to that used for internal reporting purposes. As a result, the Group segmental reporting had been presented based on the internal reporting to the chief operating decision maker who makes decisions on the allocation of resources and assess the performance of the reporting segments. Previously operating segments were determined and presented in accordance with FRS 114_{2004} *Segment Reporting*.

Comparative segment information has been re-presented. Since the change in accounting policy only impacts presentation and disclosure aspects, there is no impact on earnings per ordinary share.

(b) FRS 101, Presentation of Financial Statements (Revised)

FRS 101 separates owner and non-owner changes in equity. The Group has elected to present the statement of comprehensive income in a single statement, and the adoption of this standard does not have any impact on the financial position and results of the Group.

The comparative financial information on the consolidated statement of comprehensive income have been re-presented as summarised below so that it is in conformity with the revised standard:-

A2. Changes in Accounting Policies/Estimates *(continued)*

(b) FRS 101, Presentation of Financial Statements (Revised) *(continued)*

	Consolidated income statement as previously reported RM'000	Effects on adoption of FRS 101 RM'000	Consolidated statement of comprehensive income as restated RM'000
Profit for the period	9,515	-	9,515
Other comprehensive income - Foreign currency translation differences for foreign operations	-	107	107
Total comprehensive income	9,515	107	9,622

(c) FRS 139, Financial Instruments : Recognition and Measurement

FRS 139 sets out the new requirements for the recognition and measurement of the Group's financial instruments. Financial instruments are recorded initially at fair value. Subsequent measurement of the financial instruments at the balance sheet date reflects the designation of the financial instruments.

Financial Assets

Financial assets are classified as financial assets at fair value through profit and loss, loans and receivables, held to maturity investments, available-for-sale ("AFS") financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

The Group's financial assets include cash and short term deposits, loans and receivables, bond funds and other investments.

i) Loans and receivables

Prior to 1 January 2010, loans and receivables were stated at gross receivables less provision for doubtful debts. Under FRS 139, loans and receivables are initially measured at fair value and subsequently at amortised cost using the effective interest rate ("EIR") method. Gains and losses arising from the derecognition of the loans and receivables, EIR amortisation and impairment losses are recognised in the income statement.

***A2. Changes in Accounting Policies/Estimates** (continued)*

ii) Fair value through profit or loss

Fair value through profit or loss category comprises financial assets that are held for trading, including derivatives (except for a derivative that is a designated and effective hedging instrument) or financial assets that are specifically designated into this category upon initial recognition.

Derivatives that are linked to and must be settled by delivery of unquoted equity instruments whose fair values cannot be reliably measured are measured at cost.

Other financial assets categorised as fair value through profit or loss are subsequently measured at their fair values with gains or loss recognised in profit or loss.

Prior to the adoption of FRS 139, current investments were carried at the lower of cost and market value, determined on an aggregate portfolio basis by category of investments. With the adoption of FRS 139, current investments are now categorised and measured as fair value through profit or loss.

iii) Available-for-sale ("AFS")

AFS category comprises investment in equity and debt securities instruments that are not held for trading.

Investment in equity instruments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost. Other financial assets categorised as AFS are subsequently measured at their fair values with the gain or loss recognised in other comprehensive income, except for impairment losses, foreign exchange gains or losses arising from monetary items and gains and losses of hedged items attributable to hedge risks of fair value hedges which are recognised in profit or loss. On derecognition, the cumulative gain or loss recognised in other comprehensive income is reclassified from equity into profit or loss.

Prior to the adoption of FRS 139, non-current investment in equity and debt securities instruments were stated at cost less allowance for diminution in value which was other than temporary in nature. With the adoption of FRS139, such investments are now categorised as AFS financial assets and measured at fair values with the gain or loss recognised in other comprehensive income.

A2. Changes in Accounting Policies/Estimates (continued)

Financial Liabilities

Financial liabilities are classified as financial liabilities at fair value through profit or loss, loans and borrowings or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

The Group's financial liabilities include borrowings, trade and other payables and are carried at amortised cost.

Impact on opening balances

In accordance with the transitional provisions of FRS 139, the above changes are applied prospectively and the comparatives as at 31 December 2009 are not restated. Instead, the changes have been accounted for by restating the following opening balances in the balance sheet as at 1 January 2010.

	Fair value reserve (RM'000)	Retained earnings (RM'000)
At 1 January 2010, previously stated before adoption of FRS 139	-	379,979
Adjustments arising from adoption of FRS139:		
- Fair value of investment classified as fair value through profit or loss	-	8
- Fair value of investment classified as AFS	460	-
- Remeasurement of receivables	-	25
Effects of adoption of FRS 139	460	33
As at 1 January 2010, as restated	460	380,012

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 2009.

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 combination, acquisition or disposal of subsidiary companies and long-term investment, restructuring, or discontinued operations for the current interim period.

A7. Dividends paid

The first and final dividend of 1.00% per share less tax at 25% amounting to RM3,605,117 in respect of the financial year ended 31 December 2009 was paid on 29 July 2010.

A8. Seasonal or cyclical factors

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

A9. Segmental information

Business segments

12 months ended 31 December	Hotels and Resort development		Property development		Others		Consolidated	
	2010	**2009**	**2010**	**2009**	**2010**	**2009**	**2010**	**2009**
	RM'000	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
Segment Results								
Revenue	**41,110**	46,605	**-**	-	**79**	171	**41,189**	46,776
(Loss) / profit before tax	**(9,685)**	(1,169)	**393**	9,867	**5,611**	(1,112)	**(3,681)**	7,586
Total assets	**2,103,555**	2,099,464	**43,525**	43,132	**216,248**	239,350	**2,363,328**	2,381,946

A10. Property, plant and equipment

There were no amendments to the valuation of property, plant and equipment brought forward.

A11. Capital commitments

	31 December 2010
	RM'000
Property, plant and equipment	
Authorised but not contracted for	2,818
Contracted but not provided for	4,183
Total	**7,001**

A12. Contingent liabilities

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

A13. Issuances, repayments of debt and equity securities

The issued and paid-up capital of the Company increased by 108,700 ordinary shares from 480,682,200 to 480,790,900 ordinary shares of RM1.00 each as a result of the exercise of options under the Landmarks Employees' Share Option Scheme ("ESOS") at the exercise price of RM1.14 per share.

Save for the above, there were no issuance or repayment of debt, share buy back, share cancellation, shares held as treasury shares and resale of treasury shares for the financial year ended 31 December 2010.

A14. Related party transactions

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

A15. 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.

PART B – ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA UNDER PART A OF APPENDIX 9B

B1. Review of performance for Twelve Months to 31 December 2010 compared to Twelve Months to 31 December 2009

For the financial period ended 31 December 2010, the Group recorded revenue of RM41.19 million compared with RM46.78 million in 2009. The decrease in revenue was mainly due to the cessation of operations of Carcosa Seri Negara ("CSN") upon expiry of the Management Agreement with the Government of Malaysia on 31 December 2009. The Group recorded a loss from operations of RM0.33 million for the twelve months period ended 31 December 2010 compared with a profit of RM1.73 million for the corresponding period in 2009 mainly due to the lower contribution from our hotel and resort development operations.

Associated companies

The Group recorded a share of net profit from the associated company, MSL Properties Sdn. Bhd. ("MSL") of RM0.39 million for the twelve months ended 31 December 2010 compared with a share of net profit of RM9.87 million in the corresponding period in 2009 mainly due to the recognition of the revaluation gain from investment property in 2009.

Overall

The Group registered a net loss attributable to owners of the Company of RM4.43 million for the twelve months ended 31 December 2010 compared with a net profit of RM9.79 million for the corresponding period in 2009 mainly due to the higher contribution from our associate, MSL.

B2. Comments on current quarter against preceding quarter performance

	2010 4th Qtr RM'000	2010 3rd Qtr RM'000
Revenue	**11,007**	11,056
(Loss)/ profit from operations	**(989)**	949
Interest expense	**(987)**	(945)
Operating (loss) / profit	**(1,976)**	4
Share of net (loss) / profit of associate	**(167)**	124
(Loss) / profit before tax	**(2,143)**	128

PART B – ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA UNDER PART A OF APPENDIX 9B

B2. Comments on current quarter against preceding quarter performance (continued)

Revenue for the 4thquarter 2010 was RM0.05 million lower compare with the previous quarter. The Group recorded a higher loss before tax of RM2.14 million compared with a profit before tax of RM0.13 million in the previous quarter mainly due to the lower contribution from our hotel and resort development division.

B3. Prospects

The Group will be commencing the development of Phase One of Treasure Bay ("Phase One") in first quarter 2011. Phase One will cover a land area of about 222 acres and will have the following:

- An iconic luxury resort and serviced villas
- A lagoon with crystal clear water which will be the largest in the region
- A world class marina
- A dedicated multi-modal transportation terminal
- Amenities for entertainment, night-life, retail and F&B

The President of Indonesia will be launching Phase One in a ceremony at end February 2011. The water resort city will be positioned as a world class tourism destination which will set a new benchmark in the region.

The Andaman has achieved a credible performance for the first two months of 2011. The upgrading and refurbishment programme at The Andaman is on-going. Barring any unforeseen circumstances, the Group expects The Andaman to continue performing with expectation for the year of 2011.

Our strong balance sheet with positive net cash position augurs well for the Group as it embarks on the Phase One development.

B4. Profit forecast

Not applicable as no profit forecast was announced or disclosed.

PART B – ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA UNDER PART A OF APPENDIX 9B

B5. Tax expense

	Current quarter RM'000	Current Year-to-date RM'000
Current taxation		
Malaysia income tax charge	(108)	80
Deferred taxation	659	659
Taxation charge	551	739

The effective tax rate is higher than the statutory tax rate, mainly due to the losses of certain subsidiaries which cannot be set off against taxable profits made by other subsidiaries, and certain expenses which are not deductible for tax purposes.

B6. Unquoted investments and properties

There were no sales of unquoted investments and/or properties for the current quarter and year-to-date except for the following:-

(i) Disposal of two (2) units of Saujana Resort (M) Berhad Class B Ordinary Share with a gain of RM0.01 million.

(ii) Disposal of one (1) unit residential property at net book value with no gain or loss from the disposal.

(iii) Disposal of the investment in a bond fund with a gain of RM0.08 million.

(iv) Gain of RM3.0 million from the disposal of the business and assets in relation to the management and operations of CSN by Landmarks Hotel & Realty Sdn Bhd to Peremba Sejagat Sdn Bhd on 6 April 2010.

B7. Quoted investments

There was no purchase or disposal of quoted securities for the financial period under review.

B8. Status of corporate proposals announced

On 23 February 2010, Landmarks Engineering & Development Sdn. Bhd. ("LED") and Ikatan Cekap Sdn. Bhd. ("ICSB"), both subsidiaries of the Company, entered into a Settlement Agreement with Perbadanan Kemajuan Ekonomi Negeri Perlis ("PKENP") and Pens Holdings Sdn. Bhd. ("PENS") for the settlement of the suit filed by LED and ICSB against PKENP and PENS, for breach of contract in relation to the reclamation and development of land in Kuala Perlis, Perlis ("the Suit"). In the Suit, LED claimed general damages while ICSB claimed contractual damages amounting to RM20,611,585.60 and also general damages. In response to the Suit, PKENP counter-claimed against ICSB for approximately RM2.4 million and general damages being claims under the same contract.

In the Settlement Agreement, LED, ICSB, PKENP and PENS have agreed to amicably settle the Suit by payment of RM1.00 to ICSB and a further sum of RM7.7 million to LED ("Agreed Sum") by PKENP. Upon full payment of the Agreed Sum, and subject to a satisfactory due diligence on TDR Engineering Sdn. Bhd. ("TDRE"), a 55%-owned subsidiary of LED, LED irrevocably grants to PKENP or its nominee, an option to purchase LED's 55,000 ordinary shares of RM1.00 each in TDRE for a cash consideration of RM1.00 ("Call Option"). TDRE is the registered beneficial owner of 350,000 ordinary shares of RM1.00 each, representing 70% of the issued and paid-up share capital of ICSB. ICSB is the registered beneficial owner of two ordinary shares of RM1.00 each, representing 100% of the issued and paid-up share capital of IC Kemajuan Sdn. Bhd ("ICK"). The Call Option will end on the day falling two years from the date of full payment of the Agreed Sum.

With the Settlement Agreement to amicably settle the Suit, LED, ICSB, PKENP and PENS have withdrawn their respective claims on 24 February 2010.

On 11 May 2010, LED has received the final installment payment of the Agreed Sum of RM7.7 million from PKENP. Consequently, the Call Option is effective from 11 May 2010 and will expire on 10 May 2012.

B9. Realised and Unrealised Profits

The following analysis of realised and unrealised retained profits is prepared pursuant to Paragraphs 2.06 and 2.23 of Bursa Malaysia Main Market Listing Requirements and in accordance with the Guidance on Special Matter No. 1 – Determination of Realised and Unrealised Profits or Losses as issued by the Malaysian Institute of Accountants. This disclosure is based on the format prescribed by Bursa Malaysia Securities Berhad and is solely for complying with the disclosure requirements stipulated in the directive of Bursa Malaysia and should not be applied for any other purposes.

	Group 31 December 2010 RM'000	**Group 30 September 2010 RM'000**
Total retained profits of Landmarks Berhad and it's subsidiaries :		
- Realised	**310,395**	311,801
- Unrealised	**18,062**	19,181
	328,457	330,982
Total share of retained profits from associates	**43,525**	43,692
Total group retained profits as per consolidated financial statements	**371,982**	374,674

The Group is unable to provide the Realised and Unrealised Profits Disclosure for the associated company, MSL, as the Group has no control over its financial and operating policies.

B10. Borrowings and debt securities

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

	As at 31 December 2010 RM'000	**As at 31 December 2009 RM'000**
Short term borrowings		
Secured	9,998	8,750
Long term borrowings		
Secured	78,985	87,500
Total borrowings	88,983	96,250

B11. Off balance sheet financial instruments

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

B12. Changes in material litigation

There is no material litigation pending at the date of this report.

B13. Dividends

The Board of Directors does not recommend the payment of any interim dividend for the financial period ended 31 December 2010.

B14. Basic earnings per share

Basic earnings per share was calculated by dividing the net profit attributable to ordinary shareholders of the Company by the weighted average number of issued and paid-up ordinary shares during the financial period.

	Individual Period 3 months ended 31 December		Cumulative Period 12 months ended 31 December	
	2010	**2009**	**2010**	**2009**
a) Basic earnings per share				
(Loss)/ profit attributable to equity holders of the Company (RM'000)	**(2,692)**	11,577	**(4,425)**	9,791
Weighted average number of ordinary shares ('000)	**480,715**	480,682	**480,715**	480,682
Basic earnings per share (sen) attributable to equity holders of the Company	**(0.56)**	2.41	**(0.92)**	2.04

Diluted earnings per share for the current financial period was calculated by dividing the net profit attributable to ordinary shareholders of the Company by the weighted average number of shares in issue during the financial period, adjusted to assume the conversion of all dilutive potential ordinary shares from share options granted to employees and directors under the ESOS.

	Individual Period 3 months ended 31 December		Cumulative Period 12 months ended 31 December	
	2010	**2009**	**2010**	**2009**
b) Diluted earnings per share				
(Loss) / profit attributable to equity holders of the Company (RM'000)	**(2,692)**	11,577	**(4,425)**	9,791
Weighted average number of ordinary shares ('000)	**480,715**	480,682	**480,715**	480,682
Adjustment for dilutive effect of ESOS	**52**	-	**52**	-
Weighted average number of ordinary shares ('000)	**480,767**	480,682	**480,767**	480,682
Basic earnings per share (sen) attributable to equity holders of the Company	**(0.56)**	2.41	**(0.92)**	2.04

PART B – ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA UNDER PART A OF APPENDIX 9B

By Order of The Board

IRENE LOW YUET CHUN
Company Secretary

Kuala Lumpur
23 February 2011

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