



**CONDENSED CONSOLIDATED INCOME STATEMENTS  
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2009 (Unaudited)**

	Individual Quarter		Cumulative Quarter	
	Current quarter ended 31.12.2009 RM'000	Comparative quarter ended 31.12.2008 RM'000	Current year to date 31.12.2009 RM'000	Comparative year to date 31.12.2008 RM'000
Revenue	89,994	70,162	278,668	222,801
Cost of sales	(51,157)	(55,983)	(181,771)	(165,719)
Gross profit	38,837	14,179	96,897	57,082
Other income	4,774	4,278	14,053	22,934
Administrative expenses	(9,432)	(10,058)	(32,138)	(29,406)
Selling and marketing expenses	(1,981)	(1,158)	(3,880)	(4,095)
Other expenses	(5,024)	(5,635)	(11,295)	(14,196)
Operating profit	27,174	1,606	63,637	32,319
Finance costs	(5,218)	(7,531)	(16,216)	(22,137)
Share of loss of associates	(2,267)	(683)	(2,485)	(1,086)
Share of profit of jointly controlled entities	1,659	58	6,409	793
Profit before tax	21,348	(6,550)	51,345	9,889
Income tax expense	(9,500)	2,572	(21,007)	2,098
<b>Profit/(loss) for the period</b>	<b>11,848</b>	<b>(3,978)</b>	<b>30,338</b>	<b>11,987</b>
Attributable to:-				
Equity holders of the Company	10,491	(4,382)	27,052	6,935
Minority interests	1,357	404	3,286	5,052
	<b>11,848</b>	<b>(3,978)</b>	<b>30,338</b>	<b>11,987</b>
Earnings/(loss) per stock units attributable to equity holders of the Company:-				
Basic (sen)	0.98	(0.67)	2.53	1.06
Diluted (sen)	0.98	(0.67)	2.53	1.06

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



**CONDENSED CONSOLIDATED BALANCE SHEETS**  
**AS AT 31 DECEMBER 2009 (Unaudited)**

	<b>AS AT</b> <b>31.12.2009</b> <b>RM'000</b>	<b>AS AT</b> <b>31.03.2009</b> <b>RM'000</b> <b>(Audited)</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	428,183	341,590
Land held for property development	677,384	676,760
Investment properties	14,927	15,048
Prepaid lease payments	942	960
Intangible assets	2,072	2,169
Investments in associates	24,731	27,216
Investments in joint controlled entities	6,541	260
Other investments	11,606	8,937
Deferred tax assets	15,188	18,419
	<u>1,181,574</u>	<u>1,091,359</u>
<b>Current assets</b>		
Property development costs	320,820	420,442
Inventories	53,980	96,191
Receivables	97,688	105,913
Accrued billings in respect of property development costs	33,793	5,799
Cash and cash equivalents	519,193	245,316
	<u>1,025,474</u>	<u>873,661</u>
Non-current assets classified as held for sale	-	6,851
	<u>1,025,474</u>	<u>880,512</u>
<b>TOTAL ASSETS</b>	<u>2,207,048</u>	<u>1,971,871</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	745,487	591,995
8% Irredeemable Convertible Unsecured Loan Stocks 2006/2011	1,699	83,991
8% Irredeemable Convertible Secured Loan Stocks 2009/2019	103,044	-
Treasury Stock Units	(1,436)	(9,954)
Reserves	151,850	148,339
	<u>1,000,644</u>	<u>814,371</u>
Minority interests	25,619	21,537
<b>Total Equity</b>	<u>1,026,263</u>	<u>835,908</u>



**CONDENSED CONSOLIDATED BALANCE SHEETS  
AS AT 31 DECEMBER 2009 (Unaudited)**

	<b>AS AT 31.12.2009 RM'000</b>	<b>AS AT 31.03.2009 RM'000 (Audited)</b>
<b>Non-current liabilities</b>		
8% Irredeemable Convertible Unsecured Loan Stocks 2006/2011	366	26,653
8% Irredeemable Convertible Secured Loan Stocks 2009/2019	119,868	-
Borrowings	560,668	494,289
Provisions	290	290
Deferred tax liabilities	46,908	46,763
	<u>728,100</u>	<u>567,995</u>
<b>Current liabilities</b>		
Payables	110,623	167,747
Provisions	162	179
Borrowings	336,295	397,469
Taxation	5,605	2,573
	<u>452,685</u>	<u>567,968</u>
<b>Total Liabilities</b>	<u>1,180,785</u>	<u>1,135,963</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>2,207,048</u>	<u>1,971,871</u>
<b>Net assets per stock unit attributable to ordinary equity holders of the Company (RM)</b>	<u>1.20</u>	<u>1.25</u>

Based on number of stock units net of treasury stock units

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the financial year ended 31 March 2009 and accompanying explanatory notes attached to the interim financial statements.



CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2008 (Unaudited)

	Attributable to Equity Holders of the Company							Minority Interests	Total Equity	
	Non-Distributable				Distributable					
	Share Capital	ICULS 2006/2011	Share Premium	Treasury Stock Units	Share Option Reserve	Exchange Reserve	Retained Profits/ (Accumulated Losses)			Total
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
<b>Financial period ended 31 December 2008</b>										
<b>At 1 April 2008</b>	419,061	83,991	76,006	(5,110)	1,294	390	154,054	729,686	357,075	1,086,761
Currency translation differences	-	-	-	-	-	134	-	134	-	134
Profit for the financial period	-	-	-	-	-	-	6,935	6,935	5,052	11,987
Total recognised income and expenses for the financial period	-	-	-	-	-	134	6,935	7,069	5,052	12,121
Issue of ordinary stock units:										
- Pursuant to Members' Scheme	172,899	-	220,053	-	-	-	-	392,952	-	392,952
- Warrants exercised	35	-	-	-	-	-	-	35	-	35
Purchase of treasury stock units	-	-	-	(4,844)	-	-	-	(4,844)	-	(4,844)
Share issue costs pursuant to Members' Scheme	-	-	(1,353)	-	-	-	-	(1,353)	-	(1,353)
Acquisition of remaining equity interest in subsidiary	-	-	-	-	-	-	(264,888)	(264,888)	(340,757)	(605,645)
<b>At 31 December 2008</b>	<b>591,995</b>	<b>83,991</b>	<b>294,706</b>	<b>(9,954)</b>	<b>1,294</b>	<b>524</b>	<b>(103,899)</b>	<b>858,657</b>	<b>21,370</b>	<b>880,027</b>



**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2009 (Unaudited)**

	Attributable to Equity Holders of the Company									Minority Interests	Total Equity
	Non-Distributable					Distributable					
	Share Capital	ICULS 2006/2011	ICSLs 2009/2019	Share Premium	Treasury Stock Units	Share Option Reserve	Exchange Reserve	Retained Profits/ (Accumulated Losses)	Total		
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Financial period ended 31 December 2009</b>											
<b>At 1 April 2009</b>	591,995	83,991	-	294,657	(9,954)	1,292	501	(148,111)	814,371	21,537	835,908
Currency translation differences	-	-	-	-	-	-	(103)	-	(103)	-	(103)
Profit for the financial period	-	-	-	-	-	-	-	27,052	27,052	3,286	30,338
Total recognised income and expenses for the financial period	-	-	-	-	-	-	(103)	27,052	26,949	3,286	30,235
Issue of ordinary stock units:											
- Warrants exercised	3,327	-	-	-	-	-	-	-	3,327	-	3,327
- Conversion of ICULS (equity portion)	82,292	(82,292)	-	-	-	-	-	-	-	-	-
- Conversion of ICULS (liability portion)	38,325	-	-	(20,239)	-	-	-	-	18,086	-	18,086
- Pursuant to ESOS	9,308	-	-	273	-	-	-	-	9,581	-	9,581
Issue of ICSLs	-	-	109,138	-	-	-	-	-	109,138	-	109,138
- Conversion of ICSLs (equity portion)	13,177	-	(6,094)	(7,083)	-	-	-	-	-	-	-
- Conversion of ICSLs (liability portion)	7,063	-	-	44	-	-	-	-	7,107	-	7,107
Additional subscription of equity interest by minority interest	-	-	-	-	-	-	-	-	-	796	796
Purchase of treasury stock units	-	-	-	-	(1,436)	-	-	-	(1,436)	-	(1,436)
Sale of treasury stock units	-	-	-	1,118	9,954	-	-	-	11,072	-	11,072
Share options granted under ESOS	-	-	-	-	-	2,480	-	-	2,480	-	2,480
Share options granted under ESOS lapsed	-	-	-	-	-	(31)	-	-	(31)	-	(31)
Share options granted under ESOS exercised	-	-	-	2,972	-	(2,972)	-	-	-	-	-
<b>At 31 December 2009</b>	<b>745,487</b>	<b>1,699</b>	<b>103,044</b>	<b>271,742</b>	<b>(1,436)</b>	<b>769</b>	<b>398</b>	<b>(121,059)</b>	<b>1,000,644</b>	<b>25,619</b>	<b>1,026,263</b>

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



**CONDENSED CONSOLIDATED CASH FLOW STATEMENT  
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2009 (Unaudited)**

	<b>9 mths ended 31.12.2009 RM'000</b>	<b>9 mths ended 31.12.2008 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	51,345	9,889
Adjustments for:-		
Depreciation and amortisation	8,429	9,346
Non-cash items	(1,762)	1,343
Non-operation items	10,703	12,718
Operating profit before working capital changes	<u>68,715</u>	<u>33,296</u>
Working capital changes:-		
Non-current asset classified as held for sale	6,851	-
Land held for property development	(1,753)	(15,188)
Investment properties	-	(2,906)
Property development costs	37,929	(18,741)
Inventories	42,208	36
Receivables	(21,651)	(24,189)
Payables	<u>(56,059)</u>	<u>38,228</u>
Cash generated from operations	76,240	10,536
Interest received	3,799	9,256
Interest paid	(37,375)	(39,405)
Income tax refunded	310	8,875
Income tax paid	<u>(13,154)</u>	<u>(37,729)</u>
<b>NET CASH GENERATED FROM/(USED IN) OPERATING ACTIVITIES</b>	<b>29,820</b>	<b>(48,467)</b>
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(19,844)</b>	<b>(222,297)</b>
<b>NET CASH GENERATED FROM FINANCING ACTIVITIES</b>	<b>268,651</b>	<b>38,725</b>
Effects of exchange translation differences	(103)	351
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	<u><b>278,524</b></u>	<u><b>(231,688)</b></u>
<b>CASH AND CASH EQUIVALENTS AT 1 APRIL</b>	<b>234,590</b>	<b>452,495</b>
<b>CASH AND CASH EQUIVALENTS AT 31 DECEMBER</b>	<u><u><b>513,114</b></u></u>	<u><u><b>220,807</b></u></u>

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



**A. Explanatory Notes Pursuant to FRS 134**

**1. Basis of preparation**

This interim report is unaudited and has been prepared in accordance with the requirements of Financial Reporting Standard ("FRS") 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and paragraph 9.22 of the Main Market 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 31 March 2009 and the explanatory notes. These explanatory notes provide an explanation of the 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 March 2009.

**2. Changes in Accounting Policies**

The 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 financial year ended 31 March 2009.

At the date of authorisation of these financial statements, the following new FRSs, Amendments to FRSs and Interpretations were issued but not yet effective and have not been applied by the Group:-

		<b>Effective for financial periods beginning on or after</b>
<b>FRSs, Amendments to FRSs and Interpretations</b>		
FRS 1 (revised)	First-time Adoption of Financial Reporting Standards	1 July 2010
FRS 3 (revised)	Business Combinations	1 July 2010
FRS 4	Insurance Contracts	1 January 2010
FRS 7	Financial Instruments: Disclosures	1 January 2010
FRS 8	Operating Segments	1 July 2009
FRS 101	Presentation of Financial Statements (Revised 2009)	1 January 2010
FRS 123	Borrowing Costs	1 January 2010
FRS 127	Consolidated and Separate Financial Statements	1 July 2010
FRS 139	Financial Instruments: Recognition and Measurement	1 January 2010
Amendment to FRS 1	First-time Adoption of Financial Reporting Standards	1 January 2010
Amendment to FRS 2	Share-based Payment: Vesting Conditions and Cancellations	1 January 2010
Amendment to FRS 2	Share-based Payment	1 July 2010
Amendment to FRS 5	Non-current Assets Held for Sale and Discontinued Operations	1 January 2010 and 1 July 2010
Amendment to FRS 7	Financial Instruments: Disclosures	1 January 2010
Amendment to FRS 8	Operating Segments	1 January 2010
Amendment to FRS 107	Statement of Cash Flows	1 January 2010
Amendment to FRS 108	Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2010
Amendment to FRS 110	Events after the Reporting Period	1 January 2010
Amendment to FRS 116	Property, Plant and Equipment	1 January 2010
Amendment to FRS 117	Leases	1 January 2010
Amendment to FRS 118	Revenue	1 January 2010
Amendment to FRS 119	Employee Benefits	1 January 2010
Amendment to FRS 120	Accounting for Government Grants and Disclosure of Government Assistance	1 January 2010
Amendment to FRS 123	Borrowing Costs	1 January 2010



**A. Explanatory Notes Pursuant to FRS 134 (cont'd)**

**2. Changes in Accounting Policies (cont'd)**

<b>FRSs, Amendments to FRSs and Interpretations</b>		<b>Effective for financial periods beginning on or after</b>
Amendment to FRS 127	Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	1 January 2010
Amendment to FRS 128	Investments in Associates	1 January 2010
Amendment to FRS 129	Financial Reporting in Hyperinflationary Economies	1 January 2010
Amendment to FRS 131	Interest in Joint Ventures	1 January 2010
Amendments to FRS 132	Financial Instruments: Presentation	1 January 2010
Amendment to FRS 134	Interim Financial Reporting	1 January 2010
Amendment to FRS 136	Impairment of Assets	1 January 2010
Amendment to FRS 138	Intangible Assets	1 January 2010 and 1 July 2010
Amendment to FRS 139	Financial Instruments: Recognition and Measurement	1 January 2010
Amendment to FRS 140	Investment Property	1 January 2010
IC Interpretation 9	Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 10	Interim Financial Reporting and Impairment	1 January 2010
IC Interpretation 11	FRS 2 - Group and Treasury Share Transactions	1 January 2010
IC Interpretation 12	Service Concession Arrangements	1 July 2010
IC Interpretation 13	Customer Loyalty Programmes	1 January 2010
IC Interpretation 14	FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	1 January 2010
IC Interpretation 15	Agreements for the Construction of Real Estate	1 July 2010
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation	1 July 2010
IC Interpretation 17	Distributions of Non-cash Assets to Owners	1 July 2010
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives	1 January 2010 and 1 July 2010

The new FRSs, Amendments to FRSs and Interpretations above are expected to have no significant impact on the interim financial statements of the Group upon their initial application, except for the changes in disclosure arising from the adoption of FRS 7 and FRS 8.

The Group is exempted from disclosing the possible impact, if any, to the financial statements upon the initial application of FRS 7 and FRS 139.

**3. Auditors' report on preceding audited financial statements**

The auditors' report for the annual financial statements of the Group for the financial year ended 31 March 2009 was not subject to any qualification.

**4. Seasonality or cyclicity of operations**

The business of the Group is not affected in any material way by seasonal or cyclical factors or influence, apart from the general economic conditions in which it operates.





**A. Explanatory Notes Pursuant to FRS 134 (cont'd)**

**5. Material and unusual items**

There were no material or unusual items during the current financial quarter ended 31 December 2009.

**6. Changes in estimates**

There were no material changes in estimates that have had a material effect in the current financial quarter.

**7. Debt and equity securities**

Save as disclosed below, there were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities in the Company:

**a) Employees' Share Option Scheme ("ESOS")**

During the financial period ended 31 December 2009, the Company, Eastern & Oriental Berhad ("EOB") issued 9,308,375 ordinary stock units of RM1.00 each for cash pursuant to the Company's ESOS, of which 4,753,875 ordinary stock units were issued at an exercise price of RM1.05 per ordinary stock unit and 4,554,500 ordinary stock units were issued at an exercise price of RM1.06 per ordinary stock unit.

**b) Warrants 2001/2011**

During the financial period ended 31 December 2009, 3,326,637 units of warrant were converted into ordinary stock units at the exercise price of RM1.00 per ordinary stock unit. The number of outstanding warrants as at 31 December 2009 was 37,199,284.

**c) 8% Irredeemable Convertible Unsecured Loan Stocks 2006/2011 ("ICULS")**

During the financial period ended 31 December 2009, a total of 120,616,642 ICULS at nominal value of RM1.00 each were converted into 120,616,642 new ordinary stock units of RM1.00 each. The balance of outstanding ICULS in issue as at 31 December 2009 was 2,490,708.

**d) Treasury Shares**

During the financial period ended 31 December 2009, the Company disposed 7,930,200 and bought back 1,459,100 of its issued ordinary stock units in the open market for a consideration of RM11,072,237 and RM1,436,601 respectively.

**e) 8% Irredeemable Convertible Secured Loan Stocks 2009/2019 ("ICSLS")**

On 20 November 2009, the Company had completed the Renounceable Rights Issue of up to RM246,892,234 nominal value of Ten (10)-Year 8% Irredeemable Convertible Secured Loan Stocks 2009/2019 at an issue price of RM0.65 per ICSLS on the basis of one (1) new ICSLS for every two (2) existing EOB stock units held ("Rights Issue").

Pursuant to the Rights Issue, the Company allotted and issued 362,493,569 ICSLS (nominal value of RM235,620,820) which were granted listing on the Main Market of Bursa Malaysia Securities Berhad on 20 November 2009.

As of 31 December 2009, a total of 20,239,582 ICSLS at nominal value of RM0.65 each were converted into 20,239,582 new ordinary stock units of RM1.00 each. The balance of outstanding ICSLS in issue as at 31 December 2009 was 342,253,987.



A. Explanatory Notes Pursuant to FRS 134 (cont'd)

7. Debt and equity securities (cont'd)

e) 8% Irredeemable Convertible Secured Loan Stocks 2009/2019 ("ICSLS") (cont'd)

The holders of the ICSLS will be able to convert one (1) ICSLS into one (1) ordinary stock unit of RM1.00 each in EOB ("EOB Stock Unit"). The nominal value of RM0.65 comprised in one (1) ICSLS will be insufficient to pay in full for one (1) new EOB Stock Unit, which has a RM1.00 par value. Notwithstanding, upon conversion, new EOB Stock Units will be issued and subsequently, the balance unpaid of RM0.35 on each of such new EOB Stock Units issued will be paid from and debited against the share premium account of EOB.

To facilitate the conversion of outstanding ICSLS into new EOB Stock Units, EOB has allocated in its share premium account a sufficient amount equivalent to RM0.35 for each outstanding ICSLS, which is sufficient to be applied towards fully paying up the new EOB Stock Units to be issued pursuant to such conversion and, such allocation shall not be available for or be applied towards any other purpose, other than to fully satisfy the conversion of the outstanding ICSLS.

8. Dividends paid

No dividend was paid during the current financial period under review.

9. Segmental information by business segment

<u>9-month ended</u> <u>31 December 2009</u> RM'000	Properties	Hospitality	Investment Holding and others	Elimination	Total
<b>REVENUE</b>					
External sales	228,214	42,829	7,625	-	278,668
Inter-segment sales	648	-	1,552	(2,200)	-
Total revenue	<u>228,862</u>	<u>42,829</u>	<u>9,177</u>		<u>278,668</u>
<b>RESULTS</b>					
Segment results	70,218	3,533	(7,008)	(3,106)	63,637
Share of loss of associates					(2,485)
Share of profit of jointly controlled entities					6,409
Finance cost					(16,216)
Profit before tax					<u>51,345</u>

<u>9-month ended</u> <u>31 December 2008</u> RM'000	Properties	Hospitality	Investment Holding and others	Elimination	Total
<b>REVENUE</b>					
External sales	183,722	37,577	1,502	-	222,801
Inter-segment sales	122	-	1,171	(1,293)	-
Total revenue	<u>183,844</u>	<u>37,577</u>	<u>2,673</u>		<u>222,801</u>
<b>RESULTS</b>					
Segment results	42,772	(164)	(11,146)	857	32,319
Share of loss of associates					(1,086)
Share of profit of jointly controlled entities					793
Finance cost					(22,137)
Profit before tax					<u>9,889</u>

Analysis of geographical location is not applicable as the Group operates principally within Malaysia.



**A. Explanatory Notes Pursuant to FRS 134 (cont'd)**

**10. Material subsequent event**

There were no material event subsequent to the end of the financial period ended 31 December 2009.

**11. Changes in composition of the Group**

There were no changes to the composition of the Group during the financial period under review.

**12. Contingent Liabilities**

Details of contingent liabilities as at 16 February 2010 (the latest practicable date which is not earlier than 7 days from the issue of this quarterly report) are as follows:-

	RM'000
i) Corporate guarantees issued by the Company for banking facilities granted to subsidiaries: - Secured	<u>201,254</u>
ii) Contingent liability arising from investment in a subsidiary in respect of balance of purchase consideration subject to the subsidiary attaining certain profit target within three financial years immediately following the completion of the acquisition - Unsecured	<u>1,060</u>

**B. Explanatory Notes required by the Bursa Malaysia's Listing Requirements**

**1. Review of performance**

The Group achieved a revenue of RM278.668 million for the financial period ended 31 December 2009 as compared to RM222.801 million recorded in the previous year corresponding period ended 31 December 2008. The increase in revenue by RM55.867 million were mainly due to higher revenue generated from the properties division during the current period from the sale of completed units in Dua Residency and Idamansara and from its on-going property development projects in Seri Tanjung Pinang.

The Group posted a profit before tax of RM51.345 million compared to the pre-tax profit of RM9.889 million in the previous year corresponding period representing an increase of RM41.456 million or 419%. The improved results reflected the higher contribution from the properties and hospitality divisions on the back of higher revenue, cost savings in certain development project which is near completion, lower finance costs and increase in the group's share of profit in its jointly controlled entities.

The jointly controlled ("JV") projects of the Group, namely the St. Mary Residences which was launched in July 2009 and the on-going Villas by-the-sea bungalows in Penang have achieved a total revenue of RM106.165 million and profit after tax of RM13.205 million for the nine months ended 31 December 2009 compared to the revenue of RM13.426 million and profit after tax of RM1.586 million in the previous year corresponding period. In the current financial period, the Group has equity its share of net profit of RM6.409 million from the JV projects.

**2. Variation of results against preceding quarter**

The Group recorded a revenue of RM89.994 million and a profit before tax of RM21.348 million for the current quarter as compared to the immediate preceding quarter where the Group revenue was RM114.759 million and a profit before tax of RM20.499 million. Despite lower revenue recorded during the current quarter, the pretax profit has increased slightly, reflecting better gross profit arising from cost savings in certain development project which is near completion.



**B. Explanatory Notes required by the Bursa Malaysia's Listing Requirements (cont'd)**

**3. Current year prospects**

The Group expects an improved environment with the return of positive sentiments in the property market. We expect the property development projects which are in their launch and near launch phases such as St. Mary Residences in Kuala Lumpur, Quayside condominiums at Seri Tanjung Pinang and existing developments in Penang to contribute positively to the group's earnings.

The Rights Issue which has now been completed as disclosed in Note A7e will position the Group on a strong footing to consolidate its earning drivers.

**4. Variance in profit forecast/profit guarantee**

The Group did not issue any profit forecast/profit guarantee for the financial period under review.

**5. Taxation**

	Individual Quarter Ended		Cumulative Quarter Ended	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
	RM'000	RM'000	RM'000	RM'000
Malaysian income tax				
- current	4,526	1,557	15,748	8,353
- in respect of prior years	1,882	(3,550)	1,882	(3,548)
Deferred tax	3,092	(579)	3,377	(6,903)
	<u>9,500</u>	<u>(2,572)</u>	<u>21,007</u>	<u>(2,098)</u>

The effective tax rate for the current quarter was higher than the statutory rate of 25% mainly due to certain expenses which was not deductible for tax purposes.

**6. Sale of unquoted investments and or properties**

During the financial period ended 31 December 2009, the Group has disposed of an unquoted investment with net carrying amount of RM29,000 for a cash consideration of RM29,000, which has no gain and no loss at group level.

**7. Investment in quoted securities**

Particulars of investment in quoted securities:

	Current financial period to date 31.12.2009 RM'000
(a) Purchases / disposals	
Total sale proceeds	35
Total profit/(loss) on disposal	(79)
(b) Balances as at 31 December 2009	
Total investments at cost	<u>26,571</u>
Total investments at carrying value/book value (after impairment loss)	<u>11,276</u>
Total investment at market value at end of reporting period	<u>14,581</u>



**B. Explanatory Notes required by the Bursa Malaysia's Listing Requirements (cont'd)**

**8. Status of Corporate Proposals**

- a) There was no corporate proposal announced but not completed as at 16 February 2010.
- b) Utilisation of proceeds from corporate proposals
  - (i) 8% Irredeemable Convertible Secured Loan Stocks 2009/2019

As at 16 February 2010, cash proceeds amounting to approximately RM235.62 million arising from completion of the Rights Issue as disclosed in Note A7e, was partially utilised as follows:

	<b>RM'000</b>
Repayment of bank borrowings	<u>14,055</u>

**9. Group Borrowings**

- a) The Group borrowings were as follows:-

	<b>As at</b>
	<b>31.12.2009</b>
	<b>RM'000</b>
Short Term - Secured	336,295
Long Term - Secured	560,668

- b) All the borrowings were denominated in Ringgit Malaysia.

**10. Off Balance Sheet Financial Instruments**

There were no financial instruments with off balance sheet risk as at 16 February 2010.

**11. Material Litigation**

There was no material litigation which affects the financial position or business of the Group as at 16 February 2010.

**12. Dividend**

The Board of Directors do not recommend any dividend for the financial period ended 31 December 2009.



B. Explanatory Notes required by the Bursa Malaysia's Listing Requirements (cont'd)

13. Earnings Per Stock Unit

	Individual Quarter		Cumulative Quarter	
	Current quarter ended 31.12.2009	Comparative quarter ended 31.12.2008	Current year to date 31.12.2009	Comparative year to date 31.12.2008
<b>a) Basic earnings per stock unit</b>				
Profit attributable to equity holders of the Company (RM'000)	10,491	(4,382)	27,052	6,935
Weighted average number of ordinary stock units in issue (unit '000)	646,462	529,482	646,462	529,482
Weighted average number of ordinary stock units which will be issued upon conversion of ICULS 2006/2011 (unit '000)	70,611	123,107	70,611	123,107
Weighted average number of ordinary stock units which will be issued upon conversion of ICCLS 2009/2019 (unit '000)	351,785	-	351,785	-
Adjusted weighted average number of ordinary stock units (unit '000)	1,068,858	652,589	1,068,858	652,589
Basic earnings per stock unit for the period (sen)	0.98	(0.67)	2.53	1.06



B. Explanatory Notes required by the Bursa Malaysia's Listing Requirements (cont'd)

13. Earnings Per Stock Unit (cont'd)

	Individual Quarter		Cumulative Quarter	
	Current quarter ended 31.12.2009	Comparative quarter ended 31.12.2008	Current year to date 31.12.2009	Comparative year to date 31.12.2008
<b>b) Diluted earnings per stock unit</b>				
Profit attributable to equity holders of the Company (RM'000)	10,491	(4,382)	27,052	6,935
Weighted average number of ordinary stock units in issue (unit '000)	646,462	529,482	646,462	529,482
Weighted average number of ordinary stock units which will be issued upon conversion of ICULS 2006/2011 (unit '000)	70,611	123,107	70,611	123,107
Weighted average number of ordinary stock units which will be issued upon conversion of ICMLS 2009/2019 (unit '000)	351,785	-	351,785	-
Effect of dilution of ESOS (unit '000)	-	-	-	-
Effect of dilution of Warrants (unit '000)	-	-	-	-
	1,068,858	652,589	1,068,858	652,589
Diluted earnings per stock unit for the period (sen)	0.98	(0.67)	2.53	1.06

The fully diluted earnings per stock unit is the same as the basic earnings per stock unit for current financial period under review, as the effects of ESOS and Warrants are ignored as they are anti-dilutive in calculating the diluted earnings per stock unit in accordance with FRS 133 on Earnings per share.

BY ORDER OF THE BOARD

Ang Hong Mai  
Company Secretary

Kuala Lumpur  
23 February 2010