



**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 30 JUNE 2010 (Unaudited)**

	Individual Quarter		Cumulative Quarter	
	Current quarter ended 30.6.2010 RM'000	Comparative quarter ended 30.6.2009 RM'000	Current year to date 30.6.2010 RM'000	Comparative year to date 30.6.2009 RM'000
Revenue	46,310	73,915	46,310	73,915
Cost of sales	(16,105)	(51,894)	(16,105)	(51,894)
Gross profit	30,205	22,021	30,205	22,021
Other income	4,830	6,425	4,830	6,425
Administrative expenses	(9,229)	(8,941)	(9,229)	(8,941)
Selling and marketing expenses	(1,492)	(795)	(1,492)	(795)
Other expenses	(2,727)	(3,431)	(2,727)	(3,431)
Operating profit	21,587	15,279	21,587	15,279
Finance costs	(6,663)	(5,745)	(6,663)	(5,745)
Share of profit of associates	726	42	726	42
Share of profit/(loss) of jointly controlled entities	1,911	(78)	1,911	(78)
Profit before tax	17,561	9,498	17,561	9,498
Income tax expense	(5,439)	(3,771)	(5,439)	(3,771)
Profit for the period	12,122	5,727	12,122	5,727
Other comprehensive income:				
Foreign currency translation	3	(219)	3	(219)
Total comprehensive income for the period	12,125	5,508	12,125	5,508
Profit attributable to:				
Equity holders of the Company	10,228	5,050	10,228	5,050
Minority interests	1,894	677	1,894	677
	12,122	5,727	12,122	5,727
Total comprehensive income attributable to:				
Equity holders of the Company	10,231	4,831	10,231	4,831
Minority interests	1,894	677	1,894	677
	12,125	5,508	12,125	5,508
Earnings per stock unit attributable to equity holders of the Company:				
Basic (sen)	0.96	0.71	0.96	0.71
Diluted (sen)	0.96	0.71	0.96	0.71

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 March 2010 and the accompanying explanatory notes attached to the interim financial statements.



**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2010 (Unaudited)**

	AS AT 30.6.2010 RM'000	AS AT 01.04.2010 RM'000 (Unaudited and restated)	AS AT 31.03.2010 RM'000 (Audited and not restated)
ASSETS			
Non-current assets			
Property, plant and equipment	223,717	394,941	394,692
Land held for property development	699,536	680,884	680,884
Investment properties	224,807	14,887	14,887
Prepaid lease payments	682	684	933
Intangible assets	3,066	3,096	3,096
Investments in associates	25,773	25,047	25,047
Investments in joint controlled entities	12,067	10,156	9,793
Other investments	-	-	3,167
Financial assets at fair value	3,709	3,167	-
Deferred tax assets	17,708	15,421	15,421
	<u>1,211,065</u>	<u>1,148,283</u>	<u>1,147,920</u>
Current assets			
Property development costs	278,975	310,916	310,916
Inventories	55,366	55,286	55,286
Receivables	78,439	79,005	79,142
Accrued billings in respect of property development costs	5,681	24,685	24,685
Cash and bank balances	501,461	559,253	559,253
	<u>919,922</u>	<u>1,029,145</u>	<u>1,029,282</u>
TOTAL ASSETS	<u>2,130,987</u>	<u>2,177,428</u>	<u>2,177,202</u>
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the Company			
Share capital	773,334	761,644	761,644
8% Irredeemable Convertible Unsecured Loan Stocks 2006/2011	1,469	1,695	1,695
8% Irredeemable Convertible Secured Loan Stocks 2009/2019	91,027	96,669	96,669
Treasury Stock Units	(26,357)	(7,356)	(7,356)
Reserves	195,049	188,724	187,903
	<u>1,034,522</u>	<u>1,041,376</u>	<u>1,040,555</u>
Minority interests	28,108	26,214	26,214
Total Equity	<u>1,062,630</u>	<u>1,067,590</u>	<u>1,066,769</u>



**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2010 (Unaudited)**

	AS AT 30.6.2010 RM'000	AS AT 01.04.2010 RM'000 (Unaudited and restated)	AS AT 31.03.2010 RM'000 (Audited and not restated)
Non-current liabilities			
8% Irredeemable Convertible Unsecured Loan Stocks 2006/2011	328	372	372
8% Irredeemable Convertible Secured Loan Stocks 2009/2019	109,654	114,825	114,825
Borrowings	420,745	449,172	449,172
Provisions	328	328	328
Deferred tax liabilities	46,576	46,674	46,674
	<u>577,631</u>	<u>611,371</u>	<u>611,371</u>
Current liabilities			
Borrowings	381,114	381,892	381,892
Provisions	162	162	162
Payables	98,492	111,394	111,989
Taxation	10,958	5,019	5,019
	<u>490,726</u>	<u>498,467</u>	<u>499,062</u>
TOTAL LIABILITIES	<u>1,068,357</u>	<u>1,109,838</u>	<u>1,110,433</u>
TOTAL EQUITY AND LIABILITIES	<u>2,130,987</u>	<u>2,177,428</u>	<u>2,177,202</u>
Net assets per stock unit attributable to equity holders of the Company (RM)	<u>1.26</u>	<u>1.25</u>	<u>1.25</u>

Based on number of stock units net of treasury stock units

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 March 2010 and the accompanying explanatory notes attached to the interim financial statements.



CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2009 (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	Accumulated Losses	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Financial period ended 30 June 2009										
At 1 April 2009	591,995	83,991	294,657	(9,954)	1,292	501	(148,111)	814,371	21,537	835,908
Total comprehensive income for the period	-	-	-	-	-	(219)	5,050	4,831	677	5,508
Transactions with owners										
Issue of ordinary stock units:										
- Conversion of ICULS	8,712	(5,943)	(853)	-	-	-	-	1,916	-	1,916
At 30 June 2009	600,707	78,048	293,804	(9,954)	1,292	282	(143,061)	821,118	22,214	843,332



**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2010 (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	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	
Financial period ended 30 June 2010												
At 1 April 2010	761,644	1,695	96,669	266,175	(7,356)	734	658	(79,664)	1,040,555	26,214	1,066,769	
Effects of adopting FRS 139	-	-	-	-	-	-	-	821	821	-	821	
At 1 April 2010, as restated	761,644	1,695	96,669	266,175	(7,356)	734	658	(78,843)	1,041,376	26,214	1,067,590	
Total comprehensive income for the period	-	-	-	-	-	-	3	10,228	10,231	1,894	12,125	
Transactions with owners												
Issue of ordinary stock units:												
- Conversion of ICULS	331	(226)	-	(55)	-	-	-	-	50	-	50	
- Conversion of ICSLS	11,359	-	(3,420)	(3,838)	-	-	-	-	4,101	-	4,101	
Purchase of treasury stock units	-	-	-	-	(19,001)	-	-	-	(19,001)	-	(19,001)	
Repurchase of ICSLS	-	-	(2,222)	-	-	-	-	-	(2,222)	-	(2,222)	
Share options granted under ESOS lapsed	-	-	-	-	-	(13)	-	-	(13)	-	(13)	
At 30 June 2010	773,334	1,469	91,027	262,282	(26,357)	721	661	(68,615)	1,034,522	28,108	1,062,630	

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 2010 and the accompanying explanatory notes attached to the interim financial statements.



**CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2010 (Unaudited)**

	3 mths ended 30.6.2010 RM'000	3 mths ended 30.6.2009 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	17,561	9,498
Adjustments for:-		
Depreciation and amortisation	2,831	3,187
Non-cash items	(3,179)	(2,751)
Non-operation items	3,824	4,065
Operating profit before working capital changes	<u>21,037</u>	<u>13,999</u>
Working capital changes:-		
Land held for property development	(309)	5,947
Property development costs	(12,918)	(6,086)
Inventories	1,855	16,519
Receivables	23,761	15,951
Payables	<u>(17,201)</u>	<u>(48,808)</u>
Cash generated from/(used in) operations	16,225	(2,478)
Interest received	2,435	954
Interest paid	(6,394)	(6,992)
Income tax refunded	-	260
Income tax paid	<u>(4,017)</u>	<u>(3,282)</u>
NET CASH GENERATED FROM/(USED IN) OPERATING ACTIVITIES	8,249	(11,538)
NET CASH USED IN INVESTING ACTIVITIES	(12,369)	(2,301)
NET CASH (USED IN)/GENERATED FROM FINANCING ACTIVITIES	(62,927)	30,592
Effects of exchange translation differences	3	(219)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	<u>(67,044)</u>	<u>16,534</u>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD	548,145	234,590
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	<u><u>481,101</u></u>	<u><u>251,124</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 2010 and the 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 2010 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 2010.

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 2010, except for the adoption of the following new Financial Reporting Standards (FRSs), Amendments to FRSs and Interpretations with effect from 1 April 2010.

On 1 April 2010, the Group adopted the following FRSs:

FRSs, Amendment to FRSs and Interpretations

FRS 8	Operating Segments
FRS 4	Insurance Contracts
FRS 7	Financial Instruments: Disclosures
FRS 101	Presentation of Financial Statements (revised)
FRS 123	Borrowing Costs
FRS 139	Financial Instruments: Recognition and Measurement
Amendments to FRS 1 and FRS 127	First-time Adoption of Financial Reporting Standards and Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
Amendments to FRS 2	Share-based Payment – Vesting Conditions and Cancellations
Amendments to FRS 132	Financial Instruments: Presentation
Amendments to FRS 139 and FRS 7 and IC Interpretation 9	Financial Instruments: Recognition and Measurement, Disclosures and Reassessment of Embedded Derivatives
Amendments to FRSs 'Improvements to FRSs (2009)'	Amendments to FRSs '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
IC Interpretation 13	Customer Loyalty Programmes
IC Interpretation 14	FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TR i – 3	Presentation of Financial Statements of Islamic Financial Institutions

Other than for the application of FRS 8, FRS 101, FRS 139, and amendments to FRS 117 and FRS 140, 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. Explanatory Notes Pursuant to FRS 134 (cont'd)

2. Changes in Accounting Policies (cont'd)

FRS 8: Operating Segment

FRS 8 replaces FRS 114₂₀₀₄: Segment Reporting and requires a 'management approach', under which segment information is presented on a similar basis to that used for internal reporting purposes. As a result, the Group's external segmental reporting will be based on the internal reporting to the "chief operating decision maker", who makes decisions on the allocation of resources and assesses the performance of the reportable segments. This standard does not have any impact on the financial position or results of the Group.

FRS 101: Presentation of Financial Statements (revised)

The revised FRS 101 separates owner and non-owner changes in equity. Therefore, the consolidated statement of changes in equity will include only details of transactions with owners. All non-owner changes in equity are presented as a single line labelled as total comprehensive income. The Standard also introduces the statement of comprehensive income: presenting all items of income and expense recognised in the income statement, together with all other items of recognised income and expense, either in one single statement, or in two linked statements. In addition, a statement of financial position is required at the beginning of the earliest comparative period following a change in accounting policy, the correction of an error or the reclassification of items in the financial statements. The Group has elected to present in single statement. This revised FRS does not have any impact on the financial position and results of the Group.

Amendments to FRSs 'Improvements to FRSs (2009)' - FRS 117: Leases

FRS 117 Leases: Clarifies on the classification of leases of land and buildings. The resulting effect of this FRS taking effect was the reclassification of prepaid leases on land into property, plant and equipment. The effect of the reclassification in the consolidated statement of financial position is as follows:

	As at 31.3.2010	Reclassification	As at 1.4.2010
	RM'000	RM'000	RM'000
Consolidated statement of financial position			
Non-current assets			
Property, plant and equipment	394,692	249	394,941
Prepaid lease payments	933	(249)	684

FRS 139: Financial Instruments: Recognition and Measurement, FRS 7: Financial Instruments: Disclosures and Amendments to FRS 139: Financial Instruments: Recognition and Measurement, FRS 7: Financial Instruments: Disclosures

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 in the statement of financial position reflects the designation of the financial instruments. The Group determines the classification at initial recognition and for the purpose of the first adoption of the standard, as at transitional date on 1 April 2010.

FRS 7 requires new disclosures in relation to financial instruments. The Standard is considered to result in increased disclosures, both quantitative and qualitative of the Group's exposure to risks, enhanced disclosure regarding components of the Group's financial position and performance, and possible changes to the way of presenting certain items in the financial statements.



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

2. Changes in Accounting Policies (cont'd)

FRS 139: Financial Instruments: Recognition and Measurement, FRS 7: Financial Instruments: Disclosures and Amendments to FRS 139: Financial Instruments: Recognition and Measurement, FRS 7: Financial Instruments: Disclosures (cont'd)

(i) Financial Assets

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

The Group's financial assets include cash and bank balances, loans and receivables, and financial assets at fair value through profit or loss.

(a) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss comprise financial assets that are held for trading, including derivatives (except for a derivative that is a designated and effective hedging instrument) and financial assets that are specifically designated into this category upon initial recognition. Financial assets held for trading are derivatives (including separated embedded derivatives) or financial assets acquired principally for the purpose of selling in the near term.

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.

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with gains or losses recognized in the income statement.

(b) Loans and receivables

Prior to financial periods beginning on or after 1 April 2010, loans and receivables were initially stated at gross receivables less allowance for doubtful debts. Under FRS 139, loans and receivables are initially measured at fair value and subsequently at amortised cost using the effective interest method. Gains and losses arising from the derecognition of the loans and receivables, amortisation under the effective interest method and impairment losses are recognised in the income statement.

(ii) 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 trade and other payables, loans and borrowings.

(a) Trade and other payables

Trade and other payables are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

(b) Loans and borrowings

Loans and borrowings are recognised initially at fair value, net of transaction costs incurred, and subsequently measured at amortised cost using the effective interest method.



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

2. Changes in Accounting Policies (cont'd)

FRS 139: Financial Instruments: Recognition and Measurement, FRS 7: Financial Instruments: Disclosures and Amendments to FRS 139: Financial Instruments: Recognition and Measurement, FRS 7: Financial Instruments: Disclosures (cont'd)

Impact on opening balance

In accordance with the transitional provisions of FRS 139, the above changes are applied prospectively and the comparatives as at 31 March 2010 are not restated. Instead, the changes have been accounted for by restating the following opening balances in the consolidated statement of financial position as at 1 April 2010.

	As at 31.3.2010 RM'000	Effect of FRS 139 RM'000	As at 1.4.2010 RM'000
Consolidated statement of financial position			
Assets			
Investments in joint controlled entities	9,793	363	10,156
Other investments	3,167	(3,167)	-
Financial assets at fair value	-	3,167	3,167
Receivables	79,142	(137)	79,005
Liabilities			
Payables	111,989	(595)	111,394
Equity			
Reserves	187,903	821	188,724

The adoption of FRS 139 does not have any significant impact on the profit for the current financial year-to-date.

Amendments to FRSs 'Improvements to FRSs (2009)' - FRS 140: Investment property

FRS 140 Investment Property: Property under construction or development for future use as an investment property is classified as investment property. The change will be applied prospectively.

During the financial period ended 30 June 2010, the Group has reclassified the property work-in-progress with the intention for investment purposes of RM173,957,000 from property, plant and equipment to investment properties under construction.

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 2010 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 period ended 30 June 2010.

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

During the financial period ended 30 June 2010, a total of 330,600 ICULS at nominal value of RM1.00 each were converted into 330,600 new ordinary stock units of RM1.00 each. The balance of outstanding ICULS in issue as at 30 June 2010 was 2,153,812.

b) Treasury Stock Units

During the financial period ended 30 June 2010, the Company bought back 20,431,700 of its issued ordinary stock units in the open market for a consideration of RM19,001,398. As at 30 June 2010, the total stock units repurchased and held as treasury stock units amounted to 28,095,800 ordinary stock units of RM1.00 each at a total cost of RM26,357,170.

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

During the financial period ended 30 June 2010, a total of 11,359,200 ICSLS at nominal value of RM0.65 each were converted into 11,359,200 new ordinary stock units of RM1.00 each. The balance of outstanding ICSLS in issue as at 30 June 2010 was 314,744,067.

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

To facilitate the conversion of outstanding ICSLS into new E&O Stock Units, E&O 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 E&O 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.



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

8. Dividends paid

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

9. Segmental information by business segment

<u>3-month ended</u> <u>30 June 2010</u> RM'000	Properties	Hospitality	Investment Holding and others	Elimination	Total
REVENUE					
External sales	29,668	15,798	844	-	46,310
Inter-segment sales	239	-	618	(857)	-
Total revenue	<u>29,907</u>	<u>15,798</u>	<u>1,462</u>		<u>46,310</u>
RESULTS					
Segment results	22,969	1,065	(86)	(2,361)	21,587
Share of profit of associates					726
Share of profit of jointly controlled entities					1,911
Finance cost					(6,663)
Profit before tax					<u>17,561</u>

<u>3-month ended</u> <u>30 June 2009</u> RM'000	Properties	Hospitality	Investment Holding and others	Elimination	Total
REVENUE					
External sales	58,874	12,688	2,353	-	73,915
Inter-segment sales	182	-	163	(345)	-
Total revenue	<u>59,056</u>	<u>12,688</u>	<u>2,516</u>		<u>73,915</u>
RESULTS					
Segment results	16,033	140	(38)	(856)	15,279
Share of profit of associates					42
Share of loss of jointly controlled entities					(78)
Finance cost					(5,745)
Profit before tax					<u>9,498</u>

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

10. Material subsequent event

There were no material event subsequent to the end of the financial period ended 30 June 2010.



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

11. Changes in composition of the Group

The Company had on 21 April 2010 incorporated two new wholly-owned subsidiaries, Eastern & Oriental Properties (Guernsey) Limited ("EOPG") and Oriental Light (Guernsey) Limited ("OLG") in Guernsey.

The issued and paid-up share capital of both EOPG and OLG are £1 divided into one ordinary share. OLG is a wholly-owned subsidiary of EOPG.

12. Contingent Liabilities

Details of contingent liabilities as at 17 August 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>189,046</u>

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

1. Review of performance

The Group achieved a revenue of RM46.31 million for the financial period ended 30 June 2010 as compared to RM73.915 million recorded in the previous corresponding period ended 30 June 2009. In the previous corresponding period, the higher revenue generated were mainly contributed by the property division from the sale of a piece of land held for property development and sale of completed units in Dua Residency. The jointly controlled projects namely the St. Mary Residences and the on-going Villas by-the-sea bungalows in Penang have achieved revenue totaling RM24.979 million (last year comparative quarter: RM3.863 million) which was not included in the group consolidated revenue.

The Group posted a pre-tax profit of RM17.561 million compared to the pre-tax profit of RM9.498 million in the previous corresponding period representing an increase of RM8.063 million or 85%. The better results were mainly due to the improved budget control in certain development projects near completion and increase in the group's share of profit in its jointly controlled entities and associates.

2. Variation of results against preceding quarter

The Group recorded a revenue of RM46.310 million and a profit before tax of RM17.561 million for the current quarter as compared to the immediate preceding quarter where the Group revenue was RM73.707 million and a profit before tax of RM42.324 million. The higher pre-tax profit in the immediate preceding quarter was mainly due to the gain of RM35.105 million on disposal of an investment property asset.



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 launched property development projects 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.

Further, the proceeds from the issuance of ICSSLs will position the Group on a strong footing to consolidate its earning prospects.

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	
	30.6.2010	30.6.2009	30.6.2010	30.6.2009
	RM'000	RM'000	RM'000	RM'000
Malaysian income tax				
- current	9,431	3,940	9,431	3,940
- in respect of prior years	(1,607)	-	(1,607)	-
Deferred tax	(2,385)	(169)	(2,385)	(169)
	<u>5,439</u>	<u>3,771</u>	<u>5,439</u>	<u>3,771</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

There were no disposals of unquoted investments and properties during the financial period ended 30 June 2010.

7. Investment in quoted securities

Particulars of investment in quoted securities:

(a) Purchases / disposals

**Current financial
quarter to date
30.6.2010
RM'000**

Total sale proceeds

-

Total profit/(loss) on disposal

-

(b) Balances as at 30 June 2010

Total investments at cost

10,542

Total investments at carrying value/book value

3,646

Total investment at market value at end of reporting period

3,646



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 17 August 2010.
- b) Utilisation of proceeds from corporate proposals
 - (i) 8% Irredeemable Convertible Secured Loan Stocks 2009/2019

As at 17 August 2010, cash proceeds amounting to approximately RM235.62 million arising from issuance of Irredeemable Convertible Secured Loan Stocks was partially utilised as follows:

	Utilised todate
	RM'000
Repayment of bank borrowings	30,230
ICSLS issue costs	2,067
	<u>32,297</u>

9. Group Borrowings

- a) The Group borrowings were as follows:-

	As at
	30.6.2010
	RM'000
Short Term - Secured	381,114
Long Term - Secured	420,745

- 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 17 August 2010.

11. Material Litigation

There was no material litigation which affects the financial position or business of the Group as at 17 August 2010.

12. Dividend

The Board of Directors do not recommend any interim dividend for the financial quarter ended 30 June 2010.

At the forthcoming Annual General Meeting, a first and final dividend in respect of financial year ended 31 March 2010, of 3.8% less 25% income tax on the ordinary stock units in issue will be proposed for stockholders' approval.



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 30.6.2010	Comparative quarter ended 30.6.2009	Current year to date 30.6.2010	Comparative year to date 30.6.2009
a) Basic earnings per stock unit				
Profit attributable to equity holders of the Company (RM'000)	10,228	5,050	10,228	5,050
Weighted average number of ordinary stock units in issue (unit '000)	753,981	591,174	753,981	591,174
Weighted average number of ordinary stock units which will be issued upon conversion of ICULS 2006/2011 (unit '000)	2,154	115,998	2,154	115,998
Weighted average number of ordinary stock units which will be issued upon conversion of ICCLS 2009/2019 (unit '000)	309,420	-	309,420	-
Adjusted weighted average number of ordinary stock units (unit '000)	1,065,555	707,172	1,065,555	707,172
Basic earnings per stock unit for the period (sen)	0.96	0.71	0.96	0.71



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 30.6.2010	Comparative quarter ended 30.6.2009	Current year to date 30.6.2010	Comparative year to date 30.6.2009
b) Diluted earnings per stock unit				
Profit attributable to equity holders of the Company (RM'000)	10,228	5,050	10,228	5,050
Weighted average number of ordinary stock units in issue (unit '000)	753,981	591,174	753,981	591,174
Weighted average number of ordinary stock units which will be issued upon conversion of ICULS 2006/2011 (unit '000)	2,154	115,998	2,154	115,998
Weighted average number of ordinary stock units which will be issued upon conversion of ICMLS 2009/2019 (unit '000)	309,420	-	309,420	-
Effect of dilution of ESOS (unit '000)	-	-	-	-
Effect of dilution of Warrants (unit '000)	-	-	-	-
	1,065,555	707,172	1,065,555	707,172
Diluted earnings per stock unit for the period (sen)	0.96	0.71	0.96	0.71

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
24 August 2010