



**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2010 (Unaudited)**

	Individual Quarter		Cumulative Quarter	
	Current	Comparative	Current	Comparative
	quarter ended 31.12.2010 RM'000	quarter ended 31.12.2009 RM'000	year to date 31.12.2010 RM'000	year to date 31.12.2009 RM'000
Revenue	41,084	89,994	153,208	278,668
Cost of sales	(28,857)	(51,157)	(89,565)	(181,771)
Gross profit	12,227	38,837	63,643	96,897
Other income	14,923	4,774	25,355	14,053
Administrative expenses	(12,912)	(9,432)	(34,650)	(32,138)
Selling and marketing expenses	(2,150)	(1,981)	(6,041)	(3,880)
Other expenses	(2,003)	(5,024)	(8,979)	(11,295)
Operating profit	10,085	27,174	39,328	63,637
Finance costs	(7,010)	(5,218)	(20,975)	(16,216)
Share of (loss)/profit of associates	(437)	(2,267)	268	(2,485)
Share of profit of jointly controlled entities	2,896	1,659	9,624	6,409
Profit before tax	5,534	21,348	28,245	51,345
Income tax expense	(2,499)	(9,500)	(7,267)	(21,007)
Profit for the period	3,035	11,848	20,978	30,338
Other comprehensive income:				
Foreign currency translation	12	21	5	(103)
Share of other comprehensive income of associates	4	-	2	-
Other comprehensive income for the period	16	21	7	(103)
Total comprehensive income for the period	3,051	11,869	20,985	30,235
Profit attributable to:				
Equity holders of the Company	3,165	10,491	18,478	27,052
Minority interests	(130)	1,357	2,500	3,286
	3,035	11,848	20,978	30,338
Total comprehensive income attributable to:				
Equity holders of the Company	3,181	10,512	18,485	26,949
Minority interests	(130)	1,357	2,500	3,286
	3,051	11,869	20,985	30,235
Earnings per stock unit attributable to equity holders of the Company:				
Basic (sen)	0.30	0.98	1.74	2.53
Diluted (sen)	0.30	0.98	1.74	2.53

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 31 DECEMBER 2010 (Unaudited)

	AS AT 31.12.2010 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	253,323	394,941	394,692
Land held for property development	702,682	680,884	680,884
Investment properties	311,731	18,379	14,887
Prepaid lease payments	678	684	933
Intangible assets	3,060	3,096	3,096
Investments in associates	25,317	25,047	25,047
Investments in joint controlled entities	14,030	10,156	9,793
Other investments	-	-	3,167
Financial assets at fair value	5,494	3,167	-
Deferred tax assets	16,528	15,421	15,421
	<u>1,332,843</u>	<u>1,151,775</u>	<u>1,147,920</u>
Current assets			
Property development costs	287,457	310,916	310,916
Inventories	38,355	55,286	55,286
Receivables	101,363	79,005	79,142
Accrued billings in respect of property development costs	-	24,685	24,685
Cash and bank balances	392,440	559,253	559,253
	<u>819,615</u>	<u>1,029,145</u>	<u>1,029,282</u>
TOTAL ASSETS	<u>2,152,458</u>	<u>2,180,920</u>	<u>2,177,202</u>
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the Company			
Share capital	834,133	761,644	761,644
8% Irredeemable Convertible Unsecured Loan Stocks 2006/2011	1,351	1,695	1,695
8% Irredeemable Convertible Secured Loan Stocks 2009/2019	73,610	96,669	96,669
Treasury Stock Units	(27,073)	(7,356)	(7,356)
Reserves	158,574	191,343	187,903
	<u>1,040,595</u>	<u>1,043,995</u>	<u>1,040,555</u>
Minority interests	23,461	26,214	26,214
Total Equity	<u>1,064,056</u>	<u>1,070,209</u>	<u>1,066,769</u>



**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2010 (Unaudited)**

	AS AT 31.12.2010 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	-	372	372
8% Irredeemable Convertible Secured Loan Stocks 2009/2019	82,918	114,825	114,825
Borrowings	410,618	449,172	449,172
Provisions	328	328	328
Deferred tax liabilities	49,346	47,547	46,674
	<u>543,210</u>	<u>612,244</u>	<u>611,371</u>
Current liabilities			
8% Irredeemable Convertible Unsecured Loan Stocks 2006/2011	151	-	-
Borrowings	376,207	381,892	381,892
Provisions	162	162	162
Payables	130,016	111,394	111,989
Accrued billings in respect of property development costs	32,788	-	-
Taxation	5,868	5,019	5,019
	<u>545,192</u>	<u>498,467</u>	<u>499,062</u>
TOTAL LIABILITIES	<u>1,088,402</u>	<u>1,110,711</u>	<u>1,110,433</u>
TOTAL EQUITY AND LIABILITIES	<u>2,152,458</u>	<u>2,180,920</u>	<u>2,177,202</u>
Net assets per stock unit attributable to equity holders of the Company (RM)	<u>1.20</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 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	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
Financial period ended 31 December 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	-	-	-	-	-	-	(103)	27,052	26,949	3,286	30,235
Transactions with owners											
Issue of ordinary stock units:											
- Warrants exercised	3,327	-	-	-	-	-	-	-	3,327	-	3,327
- Pursuant to ESOS	9,308	-	-	273	-	-	-	-	9,581	-	9,581
- Conversion of ICULS	120,617	(82,292)	-	(20,239)	-	-	-	-	18,086	-	18,086
- Conversion of ICSLS	20,240	-	(6,094)	(7,039)	-	-	-	-	7,107	-	7,107
Issue of ICSLS	-	-	109,138	-	-	-	-	-	109,138	-	109,138
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)	-	-	-	-	-
At 31 December 2009	745,487	1,699	103,044	271,742	(1,436)	769	398	(121,059)	1,000,644	25,619	1,026,263

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 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 31 December 2010											
At 1 April 2010 (restated)	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
Effects of adopting FRS 140	-	-	-	-	-	-	-	2,619	2,619	-	2,619
At 1 April 2010, as restated	761,644	1,695	96,669	266,175	(7,356)	734	658	(76,224)	1,043,995	26,214	1,070,209
Total comprehensive income for the period	-	-	-	-	-	-	7	18,478	18,485	2,500	20,985
Transactions with owners											
Issue of ordinary stock units:											
- Pursuant to ESOS	1,966	-	-	1	-	-	-	-	1,967	-	1,967
- Warrants exercised	6,805	-	-	-	-	-	-	-	6,805	-	6,805
- Conversion of ICULS	504	(344)	-	(97)	-	-	-	-	63	-	63
- Conversion of ICSLs	63,214	-	(19,032)	(21,995)	-	-	-	-	22,187	-	22,187
Purchase of treasury stock units	-	-	-	-	(19,717)	-	-	-	(19,717)	-	(19,717)
Repurchase of ICSLs	-	-	(4,027)	-	-	-	-	-	(4,027)	-	(4,027)
Share options granted under ESOS	-	-	-	-	-	1,661	-	-	1,661	-	1,661
Share options granted under ESOS exercised	-	-	-	479	-	(479)	-	-	-	-	-
Share options granted under ESOS lapsed	-	-	-	-	-	(53)	-	-	(53)	-	(53)
Dividends	-	-	-	-	-	-	-	(22,224)	(22,224)	-	(22,224)
Acquisition of additional equity interest in a subsidiary	-	-	-	-	-	-	-	(2,556)	(2,556)	(2,444)	(5,000)
Acquisition of remaining equity interest in subsidiary	-	-	-	-	-	-	-	(5,991)	(5,991)	(2,809)	(8,800)
At 31 December 2010	834,133	1,351	73,610	244,563	(27,073)	1,863	665	(88,517)	1,040,595	23,461	1,064,056

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 31 DECEMBER 2010 (Unaudited)**

	9 mths ended 31.12.2010 RM'000	9 mths ended 31.12.2009 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	28,245	51,345
Adjustments for:-		
Depreciation and amortisation	8,137	8,429
Non-cash items	(11,843)	(1,762)
Non-operation items	12,199	10,703
Operating profit before working capital changes	<u>36,738</u>	<u>68,715</u>
Working capital changes:-		
Non-current asset classified as held for sale	-	6,851
Land held for property development	527	(1,753)
Property development costs	(53,543)	37,929
Inventories	17,891	42,208
Receivables	43,979	(21,651)
Payables	<u>13,221</u>	<u>(56,059)</u>
Cash generated from operations	58,813	76,240
Interest received	8,708	3,799
Interest paid	(40,625)	(37,375)
Income tax refunded	42	310
Income tax paid	<u>(13,807)</u>	<u>(13,154)</u>
NET CASH GENERATED FROM OPERATING ACTIVITIES	13,131	29,820
NET CASH USED IN INVESTING ACTIVITIES	(96,742)	(19,844)
NET CASH (USED IN)/GENERATED FROM FINANCING ACTIVITIES	(89,416)	268,651
Effects of exchange translation differences	7	(103)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	<u>(173,020)</u>	<u>278,524</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>375,125</u></u>	<u><u>513,114</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 116: Property, plant and equipment and FRS 140: Investment property

Prior to 1 April 2010, property being constructed or developed for future use as investment property is classified as property, plant and equipment until the construction or development is completed. Properties held for rental or capital appreciation or both are classified as investment properties were stated at cost.

On 1 April 2010, upon the adoption of the Amendments to FRS 116 and FRS 140, 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.

Investment properties previously stated at cost are now stated at fair value by reference to open market value. In accordance with the transitional provision of FRS 140, this change in accounting policy is applied prospectively and the difference between the carrying amounts of the properties and their fair values less applicable deferred tax liabilities are recognised as an adjustment to the opening retained profits or accumulated losses. The effects of the change of the accounting policy:

	As at 01.04.2010 RM'000
Decrease in Accumulated losses	2,619
Increase in Deferred tax liabilities	873
Increase in Investment properties	<u>3,492</u>



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

2. Changes in Accounting Policies (cont'd)

Amendments to FRSs 'Improvements to FRSs (2009)' - FRS 116: Property, plant and equipment and FRS 140: Investment property (cont'd)

During the financial year, the Group has completed a self-constructed investment property that will be carried at fair value. In accordance with FRS 140, any difference between the fair value of the property on completion and its previous carrying amount shall be recognised in profit or loss. This resulted in a profit after taxation of RM6.649 million in income statement.

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.

5. Material and unusual items

There were no material or unusual items during the current financial period ended 31 December 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) Employees' Share Option Scheme ("ESOS")

During the financial period ended 31 December 2010, the Company issued 1,966,000 ordinary stock units of RM1.00 each for cash pursuant to the Company's ESOS, of which 14,500 ordinary stock units were issued from the exercised of 14,500 ESOS option at an exercise price of RM1.06 per unit and 1,951,500 ordinary stock units were issued from the exercised of 1,951,500 ESOS option at an exercise price of RM1.00 per unit.

b) Warrants 2001/2011

During the financial period ended 31 December 2010, 6,804,796 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 2010 was 30,394,488.

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

During the financial period ended 31 December 2010, a total of 503,848 ICULS at nominal value of RM1.00 each were converted into 503,848 new ordinary stock units of RM1.00 each. The balance of outstanding ICULS in issue as at 31 December 2010 was 1,980,564.



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

7. Debt and equity securities (cont'd)

d) Treasury Stock Units

During the financial period ended 31 December 2010, the Company bought back 21,232,700 of its issued ordinary stock units in the open market for a consideration of RM19,717,446. As at 31 December 2010, the total stock units repurchased and held as treasury stock units amounted to 28,896,800 ordinary stock units of RM1.00 each at a total cost of RM27,073,217.

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

During the financial period ended 31 December 2010, a total of 63,214,261 ICSLS at nominal value of RM0.65 each were converted into 63,214,261 new ordinary stock units of RM1.00 each. The balance of outstanding ICSLS in issue as at 31 December 2010 was 262,889,006.

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.

8. Dividends paid

On 29 September 2010, the stockholders have approved the payment of a first and final dividend of 3.8% less income tax of 25% on the ordinary stock units in issue at book closure date on 18 October 2010 in respect of the financial year ended 31 March 2010. The dividend was paid on 8 November 2010.

9. Segmental information by business segment

<u>9-month ended</u> <u>31 December 2010</u> RM'000	Properties	Hospitality	Investment Holding and others	Elimination	Total
REVENUE					
External sales	100,161	50,215	2,832	-	153,208
Inter-segment sales	749	-	23,854	(24,603)	-
Total revenue	<u>100,910</u>	<u>50,215</u>	<u>26,686</u>		<u>153,208</u>
RESULTS					
Segment results	45,720	2,507	21,093	(29,992)	39,328
Share of profit of associates					268
Share of profit of jointly controlled entities					9,624
Finance cost					(20,975)
Profit before tax					<u>28,245</u>



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

9. Segmental information by business segment (cont'd)

<u>9-month ended</u> <u>31 December 2009</u> RM'000	Properties	Hospitality	Investment Holding and others	Elimination	Total
REVENUE					
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>
RESULTS					
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>

10. Valuation of investment properties

The Group adopts the fair value model for its investment properties as stated in Note A2.

11. Material subsequent event

There were no material event subsequent to the end of the financial period ended 31 December 2010.

12. Changes in composition of the Group

- (i) 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.

- (ii) On 24 August 2010, E&O Restaurants Sdn Bhd, a wholly-owned subsidiary of the Company, entered into a share sale agreement with Mr. Benjamin Yong Kwet Yue for the acquisition of 1,433,250 ordinary shares of RM1.00 each representing the remaining 49% equity interest in The Delicious Group Sdn Bhd ("TDG") for a cash consideration of RM8,800,000 ("Proposed Acquisition"). The Proposed Acquisition was completed on 19 November 2010 and accordingly, TDG has become a wholly-owned subsidiary of the Company.

- (iii) Kamunting Management Services Sdn Bhd, a wholly-owned subsidiary of the Company had on 12 November 2010, entered into a Share Sale Agreement with North Zest Sdn Bhd for the acquisition of 1,600 ordinary shares of RM1.00 each representing 1.6% equity interest in Bridgecrest Resources Sdn Bhd ("BRSB") for the purchase consideration of RM5,000,000. Following the full settlement of the purchase consideration on 24 November 2010, the equity interest in BRSB held by the Company has increased from 94% to 95.6%.



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

13. Contingent Liabilities

Details of contingent liabilities as at 18 February 2011 (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>272,026</u>

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

1. Review of performance

The Group achieved a revenue of RM153.208 million for the financial period ended 31 December 2010 as compared to RM278.668 million recorded in the previous corresponding period ended 31 December 2009. In the previous corresponding period, the higher revenue generated were mainly contributed by the property division from the sale of land held for property development, sale of completed units in Dua Residency and higher revenue recognition for Seri Tanjung Pinang projects. The jointly controlled projects namely the St. Mary Residences and the on-going Villas by-the-sea bungalows in Penang have achieved revenue totaling RM87.912 million (last year comparative quarter: RM106.165 million) which was not included in the group consolidated revenue.

The Group posted a pre-tax profit of RM28.245 million compared to the pre-tax profit of RM51.345 million in the previous corresponding period. This represents a decrease in pre-tax profit of RM23.100 million or 45%. The decrease in pre-tax profit reflects lower contribution from the property division on the back of lower revenue recognised, higher finance costs coupled with pre-opening expenses totaling RM4.3 million for Lone Pine Hotel and Straits Quay Retail.

2. Variation of results against preceding quarter

The Group recorded a revenue of RM41.084 million and a profit before tax of RM5.534 million for the current quarter as compared to the immediate preceding quarter where the Group revenue was RM65.814 million and a profit before tax of RM5.150 million. The higher pre-tax profit in the current quarter was mainly due to the fair value gain of investment properties of RM8.865 million, mitigated by the lower contribution from the property division and lower share of profits in jointly controlled entities.

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 and other developments in Seri Tanjung Pinang to contribute positively to the group's earnings.

4. Variance in profit forecast/profit guarantee

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



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

5. Taxation

	Individual Quarter Ended		Cumulative Quarter Ended	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
	RM'000	RM'000	RM'000	RM'000
Malaysian income tax				
- current	(1,361)	4,526	13,151	15,748
- in respect of prior years	45	1,882	(6,576)	1,882
Deferred tax	3,815	3,092	692	3,377
	<u>2,499</u>	<u>9,500</u>	<u>7,267</u>	<u>21,007</u>

The effective tax rate of the Group for the financial period under review is higher than the statutory tax rate of 25% mainly due to certain expenses of the group which was not deductible for tax purposes.

6. Accumulated losses

	As at	As at
	31.12.2010	30.09.2010
	RM'000	RM'000
Total accumulated losses of the Company and its subsidiaries		
Realised	(135,886)	(102,709)
Unrealised	9,757	(644)
	<u>(126,129)</u>	<u>(103,353)</u>
Share of accumulated losses from associated companies		
Realised	(18,867)	(18,430)
Share of retained profits from jointly controlled entities		
Realised	19,292	16,396
	<u>(125,704)</u>	<u>(105,387)</u>
Consolidated adjustments	37,187	41,857
Total Group accumulated losses as per consolidated accounts	<u>(88,517)</u>	<u>(63,530)</u>

7. Sale of unquoted investments and/ or properties

There were no disposals of unquoted investments and properties during the financial period ended 31 December 2010.

8. Investment in quoted securities

Particulars of investment in quoted securities:	Current financial period to date
(a) Purchases / disposals	31.12.2010
	RM'000
Total Purchases	-
Total sale proceeds	10
Total profit/(loss) on disposal	(88)
(b) Balances as at 31 December 2010	
Total investments at cost	10,447
Total investments at carrying value/book value	<u>5,431</u>
Total investment at market value at end of reporting period	<u>5,431</u>



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

9. Status of Corporate Proposals

- a) There was no corporate proposal announced but not completed as at 18 February 2011.
- b) Utilisation of proceeds from corporate proposals
 - (i) 8% Irredeemable Convertible Secured Loan Stocks 2009/2019

As at 18 February 2011, 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	67,958
Acquisition of a property	27,754
ICSLS issue costs	2,067
	<u>97,779</u>

10. Group Borrowings

- a) The Group borrowings were as follows:-

	As at
	31.12.2010
	RM'000
Short Term - Secured	376,207
Long Term - Secured	410,618

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

11. Off Balance Sheet Financial Instruments

There were no financial instruments with off balance sheet risk as at 18 February 2011.

12. Material Litigation

There was no material litigation which affects the financial position or business of the Group as at 18 February 2011.

13. Dividend

The Board of Directors do not recommend any dividend for the financial quarter ended 31 December 2010.



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

14. Earnings Per Stock Unit

	Individual Quarter		Cumulative Quarter	
	Current quarter ended 31.12.2010	Comparative quarter ended 31.12.2009	Current year to date 31.12.2010	Comparative year to date 31.12.2009
a) Basic earnings per stock unit				
Profit attributable to equity holders of the Company (RM'000)	3,165	10,491	18,478	27,052
Weighted average number of ordinary stock units in issue (unit '000)	768,930	646,462	768,930	646,462
Weighted average number of ordinary stock units which will be issued upon conversion of ICULS 2006/2011 (unit '000)	2,093	70,611	2,093	70,611
Weighted average number of ordinary stock units which will be issued upon conversion of ICCLS 2009/2019 (unit '000)	288,558	351,785	288,558	351,785
Adjusted weighted average number of ordinary stock units (unit '000)	1,059,581	1,068,858	1,059,581	1,068,858
Basic earnings per stock unit for the period (sen)	0.30	0.98	1.74	2.53



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

14. Earnings Per Stock Unit (cont'd)

	Individual Quarter		Cumulative Quarter	
	Current quarter ended 31.12.2010	Comparative quarter ended 31.12.2009	Current year to date 31.12.2010	Comparative year to date 31.12.2009
b) Diluted earnings per stock unit				
Profit attributable to equity holders of the Company (RM'000)	3,165	10,491	18,478	27,052
Weighted average number of ordinary stock units in issue (unit '000)	768,930	646,462	768,930	646,462
Weighted average number of ordinary stock units which will be issued upon conversion of ICULS 2006/2011 (unit '000)	2,093	70,611	2,093	70,611
Weighted average number of ordinary stock units which will be issued upon conversion of ICSLS 2009/2019 (unit '000)	288,558	351,785	288,558	351,785
Effect of dilution of ESOS (unit '000)	674	-	674	-
Effect of dilution of Warrants (unit '000)	3,479	-	3,479	-
	1,063,734	1,068,858	1,063,734	1,068,858
Diluted earnings per stock unit for the period (sen)	0.30	0.98	1.74	2.53

BY ORDER OF THE BOARD

Ang Hong Mai
Company Secretary

Kuala Lumpur
25 February 2011