



**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 30 JUNE 2011 (Unaudited)**

	Individual Quarter		Cumulative Quarter	
	Current	Comparative	Current	Comparative
	quarter ended 30.06.2011 RM'000	quarter ended 30.06.2010 RM'000	year to date 30.06.2011 RM'000	year to date 30.06.2010 RM'000
Revenue	75,883	46,310	75,883	46,310
Cost of sales	(43,227)	(16,105)	(43,227)	(16,105)
Gross profit	32,656	30,205	32,656	30,205
Other income	63,037	4,830	63,037	4,830
Administrative expenses	(15,388)	(9,229)	(15,388)	(9,229)
Selling and marketing expenses	(4,481)	(1,492)	(4,481)	(1,492)
Other expenses	(4,432)	(2,727)	(4,432)	(2,727)
Operating profit	71,392	21,587	71,392	21,587
Finance costs	(7,049)	(6,663)	(7,049)	(6,663)
Share of results of associates	87	726	87	726
Share of results of jointly controlled entities	6,260	1,911	6,260	1,911
Profit before tax	70,690	17,561	70,690	17,561
Income tax expense	(18,077)	(5,439)	(18,077)	(5,439)
Profit for the period	52,613	12,122	52,613	12,122
Other comprehensive income:				
Foreign currency translation	113	3	113	3
Total comprehensive income for the period	52,726	12,125	52,726	12,125
Profit attributable to:				
Owners of the parent	51,892	10,228	51,892	10,228
Minority interests	721	1,894	721	1,894
	52,613	12,122	52,613	12,122
Total comprehensive income attributable to:				
Owners of the parent	52,005	10,231	52,005	10,231
Minority interests	721	1,894	721	1,894
	52,726	12,125	52,726	12,125
Earnings per stock unit attributable to owners of the parent:				
Basic (sen)	4.80	0.96	4.80	0.96
Diluted (sen)	4.77	0.96	4.77	0.96

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 March 2011 and the accompanying explanatory notes attached to the interim financial statements.



**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2011 (Unaudited)**

	AS AT 30.06.2011 RM'000	AS AT 31.03.2011 RM'000 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	267,900	260,634
Land held for property development	666,828	669,906
Investment properties	411,256	325,837
Land use rights	674	676
Intangible assets	3,220	3,227
Investment in associates	16,836	16,749
Investment in jointly controlled entities	24,188	17,822
Investment securities	2,575	3,050
Deferred tax assets	3,478	17,291
	<u>1,396,955</u>	<u>1,315,192</u>
Current assets		
Property development costs	298,982	300,598
Inventories	39,667	38,362
Trade and other receivables	93,241	129,767
Tax recoverable	27,065	23,584
Cash and bank balances	386,851	309,374
	<u>845,806</u>	<u>801,685</u>
TOTAL ASSETS	<u>2,242,761</u>	<u>2,116,877</u>
EQUITY AND LIABILITIES		
Current liabilities		
8% Irredeemable Convertible Unsecured Loan Stocks 2006/2011	156	153
Loans and borrowings	360,386	378,934
Provisions	162	162
Trade and other payables	157,752	130,467
Progress billings in respect of property development costs	20,242	22,940
Income tax payable	11,557	7,356
	<u>550,255</u>	<u>540,012</u>
Net current assets	<u>295,551</u>	<u>261,673</u>



**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2011 (Unaudited)**

	AS AT 30.06.2011 RM'000	AS AT 31.03.2011 RM'000 (Audited)
Non-current liabilities		
8% Irredeemable Convertible Secured Loan Stocks 2009/2019	71,612	81,836
Loans and borrowings	394,501	364,204
Provisions	328	328
Deferred tax liabilities	48,260	48,592
	<u>514,701</u>	<u>494,960</u>
TOTAL LIABILITIES	<u>1,064,956</u>	<u>1,034,972</u>
Net assets	<u>1,177,805</u>	<u>1,081,905</u>
Equity attributable to owners of the parent		
Share capital	908,902	842,592
8% Irredeemable Convertible Unsecured Loan Stocks 2006/2011	1,337	1,345
8% Irredeemable Convertible Secured Loan Stocks 2009/2019	60,664	71,133
Treasury Stock Units	(27,720)	(27,645)
Reserves	209,564	170,143
	<u>1,152,747</u>	<u>1,057,568</u>
Minority interests	25,058	24,337
Total Equity	<u>1,177,805</u>	<u>1,081,905</u>
TOTAL EQUITY AND LIABILITIES	<u>2,242,761</u>	<u>2,116,877</u>
Net assets per stock unit attributable to owners of the parent (RM)	<u>1.24</u>	<u>1.21</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 2011 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 2011 (Unaudited)**

	Attributable to owners of parent								Minority Interests	Total Equity	
	Non-Distributable				Distributable						
	Share Capital	ICULS 2006/2011	ICSLs 2009/2019	Share Premium	Treasury Stock Units	Share Option Reserve	Foreign Currency Translation 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 30 June 2011											
At 1 April 2011	842,592	1,345	71,133	241,699	(27,645)	1,726	649	(73,931)	1,057,568	24,337	1,081,905
Total comprehensive income for the period	-	-	-	-	-	-	113	51,892	52,005	721	52,726
Transactions with owners											
Issue of ordinary stock units:											
- Pursuant to ESOS	1,695	-	-	36	-	-	-	-	1,731	-	1,731
- Warrants exercised	29,833	-	-	-	-	-	-	-	29,833	-	29,833
- Conversion of ICULS	12	(8)	-	(3)	-	-	-	-	1	-	1
- Conversion of ICSLS	34,770	-	(10,469)	(12,614)	-	-	-	-	11,687	-	11,687
Purchase of treasury stock units	-	-	-	-	(75)	-	-	-	(75)	-	(75)
Share options lapsed under ESOS	-	-	-	-	-	(3)	-	-	(3)	-	(3)
Share options granted under ESOS exercised	-	-	-	431	-	(431)	-	-	-	-	-
Total transactions with owners	66,310	(8)	(10,469)	(12,150)	(75)	(434)	-	-	43,174	-	43,174
At 30 June 2011	908,902	1,337	60,664	229,549	(27,720)	1,292	762	(22,039)	1,152,747	25,058	1,177,805



**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2010 (Unaudited)**

	Attributable to owners of parent								Minority Interests	Total Equity	
	Non-Distributable					Distributable					
	Share Capital	ICULS 2006/2011	ICSLs 2009/2019	Share Premium	Treasury Stock Units	Share Option Reserve	Foreign Currency Translation 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 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 the amendments to 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)
Total transactions with owners	11,690	(226)	(5,642)	(3,893)	(19,001)	(13)	-	-	(17,085)	-	(17,085)
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 2011 and the accompanying explanatory notes attached to the interim financial statements.



**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2011 (Unaudited)**

	3 mths ended 30.06.2011 RM'000	3 mths ended 30.06.2010 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	70,690	17,561
Adjustments for:-		
Depreciation and amortisation	3,161	2,831
Non-cash items	(64,062)	(3,179)
Non-operation items	4,418	3,824
Operating profit before changes in working capital	<u>14,207</u>	<u>21,037</u>
Working capital changes:-		
Land held for property development	(1,201)	(309)
Property development costs	6,386	(12,918)
Inventories	1,089	1,855
Receivables	36,309	23,761
Payables	<u>20,782</u>	<u>(17,201)</u>
Cash flows generated from operations	77,572	16,225
Interest received	2,591	2,435
Interest paid	(7,051)	(6,394)
Income taxes paid	<u>(4,120)</u>	<u>(4,017)</u>
NET CASH GENERATED FROM OPERATING ACTIVITIES	68,992	8,249
NET CASH USED IN INVESTING ACTIVITIES	(34,866)	(12,369)
NET CASH GENERATED FROM/(USED IN) FINANCING ACTIVITIES	56,731	(62,927)
Effects of exchange rate changes on cash and cash equivalents	113	3
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	<u>90,970</u>	<u>(67,044)</u>
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF PERIOD	<u>286,402</u>	<u>548,145</u>
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	<u><u>377,372</u></u>	<u><u>481,101</u></u>

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial Statements for the financial year ended 31 March 2011 and the accompanying explanatory notes attached to the interim financial statements.



A. Explanatory Notes Pursuant to FRS 134

1. Basis of preparation

The interim financial statements have been prepared under the historical cost convention except for investment properties and investment securities which have been stated at fair value.

This interim financial 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 2011 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 2011.

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 2011, except for the adoption of the following new Financial Reporting Standards ("FRS"), Amendments to FRSs and Issues Committee ("IC") Interpretations which are applicable for the Group's financial period beginning 1 April 2011, as disclosed below:

Adoption of FRSs, Amendments to FRSs and IC Interpretations

FRS 1	First-time Adoption of Financial Reporting Standards
FRS 3	Business Combinations (Revised)
Amendments to FRS 2	Share-based Payment
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS 7	Improving Disclosures about Financial Instruments
Amendments to FRS 127	Consolidated and Separate Financial Statements
Amendments to FRS 138	Intangible Assets
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 12	Service Concession Arrangements
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17	Distributions of Non-cash Assets to Owners
Amendments to FRS 132	Classification of Rights Issues
Amendments to FRS 1	Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters
Amendments to FRS 1	Additional Exemptions for First-time Adopters
Amendments to FRS 1, FRS 2, FRS 3, FRS 7, FRS 101, FRS 121, FRS 128, FRS 131, FRS 132, FRS 134, FRS 139 and Amendments	Improvements to FRSs (2010)
IC Interpretation 13	
IC interpretation 4	Determining whether an Arrangement contains a Lease
IC Interpretation 18	Transfers of Assets from Customers



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

2. Changes in Accounting Policies (cont'd)

Except for the changes in accounting policies arising from the adoption of the revised FRS 3 and the amendments to FRS 127, as well as the new disclosures required under the Amendments to FRS 7, the directors expect that the adoption of the other standards and interpretations above will have no material impact on the financial statements in the period of initial application. The nature of the impending changes in accounting policy on adoption of the revised FRS 3 and the amendments to FRS 127 are described below:

Revised FRS 3: Business Combinations and Amendments to FRS 127 : Consolidated and Separate Financial Statements

The revised standards are effective for annual periods beginning on or after 1 July 2010. The revised FRS 3 introduces a number of changes in the accounting for business combinations occurring after 1 July 2010. These changes will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs, and future reported results. The Amendments to FRS 127 require that a change in the ownership interest of a subsidiary (without loss of control) is accounted for as an equity transaction. Therefore, such transactions will no longer give rise to goodwill, nor will they give rise to a gain or loss. Furthermore, the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. Other consequential amendments have been made to FRS 107: Statement of Cash Flows, FRS 112: Income Taxes, FRS 121: The Effects of Changes in Foreign Exchange Rates, FRS 128: Investments in Associates and FRS 131: Interests in Joint Ventures. The changes from revised FRS 3 and Amendments to FRS 127 will affect future acquisitions or loss of control and transactions with minority interests.

Standards issued but not yet effective

Amendments to IC Interpretation 14	Prepayments of a Minimum Funding Requirement
IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments
Amendments to FRS 124	Related Party Disclosure
IC Interpretation 15	Agreements for the Construction of Real Estate

At the date of authorisation of these interim financial report, the following FRSs, IC Interpretations and Amendments to IC Interpretation were issued but not yet effective and have not been applied by the Group for the financial year ending 31 March 2012. These standards will not have material impact on the financial statements in the period of initial application, except as discussed below:

IC Interpretation 15: Agreements for the Construction of Real Estate

This Interpretation clarifies when and how revenue and related expenses from the sale of a real estate unit should be recognised if an agreement between a developer and a buyer is reached before the construction of the real estate is completed. Furthermore, the Interpretation provides guidance on how to determine whether an agreement is within the scope of FRS 111: Construction Contracts or FRS 118: Revenue.

The Group currently recognises revenue arising from property development projects using the stage of completion method. Upon the adoption of IC Interpretation 15, the Group may be required to change its accounting policy to recognise such revenues at completion, or upon or after delivery. The Group is in the process of making an assessment of the impact of this Interpretation.



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

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 2011 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. Exceptional or unusual items

There were no unusual items during the current financial period ended 30 June 2011.

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 30 June 2011, the Company issued 1,695,125 ordinary stock units of RM1.00 each for cash pursuant to the Company's ESOS, of which 13,125 ordinary stock units were issued from the exercised of 12,500 ESOS option at an exercise price of RM1.05 per unit; 605,000 ordinary stock units were issued from the exercised of 605,000 ESOS option at an exercise price of RM1.06 per unit and 1,077,000 ordinary stock units were issued from the exercised of 1,077,000 ESOS option at an exercise price of RM1.00 per unit.

b) Warrants 2001/2011

The trading in the Warrants have been suspended on 28 April 2011. During the financial period from 1 April 2011 to 16 May 2011, 29,833,373 units of Warrant were converted into ordinary stock units at the exercise price of RM1.00 per ordinary stock unit. The remaining unexercised Warrants of 495,115 have lapsed and become null and void on 16 May 2011. Accordingly, Warrants have been removed from the Official List of Bursa Malaysia Securities Berhad with effect from 18 May 2011.

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

During the financial period ended 30 June 2011, a total of 11,291 ICULS at nominal value of RM1.00 each were converted into 11,291 new ordinary stock units of RM1.00 each. The balance of outstanding ICULS in issue as at 30 June 2011 was 1,959,273.

d) Treasury Stock Units

During the financial period ended 30 June 2011, the Company bought back 50,000 of its issued ordinary stock units in the open market for a consideration of RM74,540. As at 30 June 2011, the total stock units repurchased and held as treasury stock units amounted to 29,439,400 ordinary stock units of RM1.00 each at a total cost of RM27,719,586.



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")

During the financial period ended 30 June 2011, a total of 34,769,932 ICSLS at nominal value of RM0.65 each were converted into 34,769,932 new ordinary stock units of RM1.00 each. The balance of outstanding ICSLS in issue as at 30 June 2011 was 220,112,704.

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

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 2011</u> RM'000	Properties	Hospitality	Investment Holding and others	Elimination	Total
REVENUE					
External sales	56,096	18,638	1,149	-	75,883
Inter-segment sales	315	-	2,032	(2,347)	-
Total revenue	<u>56,411</u>	<u>18,638</u>	<u>3,181</u>		<u>75,883</u>
RESULTS					
Segment results	78,192	114	(3,566)	(3,348)	71,392
Share of results of associate	-	-	87		87
Share of results of jointly controlled entities	731	-	5,634	(105)	6,260
Finance cost					(7,049)
Profit before tax					<u>70,690</u>



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

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

<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 results of associates	-	-	726	-	726
Share of results of jointly controlled entities	716	-	1,195	-	1,911
Finance cost					(6,663)
Profit before tax					<u>17,561</u>

10. Valuation of investment properties

The Group adopts the fair value model for its investment properties. During the financial period, the Group has completed a self-constructed investment property. The investment property while under construction was measured at cost. Upon completion, the investment property is measured at fair value. This resulted in a net gain of RM58.263 million which is recognised as profit in the statement of comprehensive income. This investment property was subsequently disposed as disclosed in Note A11(ii).

11. Material subsequent event

There were no material event subsequent to the end of the financial period ended 30 June 2011 except for the following:

- (i) The Company had on 3 June 2011, announced that pursuant to the conditions stipulated in the Trust Deed dated 18 May 2006 constituting the ICULS, the ICULS would mature on 25 July 2011 ("Maturity Date").

The ICULS Holders would be entitled to a last interest payment at the rate of 8% per annum for the period from 26 July 2010 to 25 July 2011 which would be paid on the Maturity Date to all ICULS Holders whose names appear in the Company's Record of Depositors of ICULS as at the close of business on 18 July 2011.

On the Maturity Date, a total of 1,944,391 units of ICULS were mandatory converted into 1,944,391 ordinary stock units of RM1.00 each.

- (ii) E & O-Pie Sdn. Bhd., a wholly-owned subsidiary of Matrix Promenade Sdn. Bhd., which in turn is a wholly-owned subsidiary of the Company had on 11 July 2011 entered into a sale and purchase agreement to dispose an investment property held under HS(D) 15926, PT 1214, Seksyen 1, Bandar Tanjung Pinang Sek. 1, Daerah Timor Laut, Pulau Pinang, measuring approximately 27,743.7 square metres together with the building erected thereon to Soaring Profit Sdn. Bhd. for a cash consideration of RM134,000,000.
- (iii) The Company had on 11 August 2011, announced that it proposes to increase the authorised share capital from the existing RM1,200,000,000 comprising 1,200,000,000 ordinary stock units of RM1.00 each in E&O ("E&O Stock Units") to RM2,000,000,000 comprising 2,000,000,000 E&O Stock Units by the creation of an additional 800,000,000 E&O Stock Units.



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

11. Material subsequent event (cont'd)

- (iv) The Company had on 11 August 2011, proposed to establish a new employees' stock option scheme of up to 15% of the issued and paid-up ordinary stock units of the Company (excluding treasury stock units) for the eligible employees, executive directors and non-executive directors of the Company and its subsidiaries (excluding subsidiaries which are dormant) ("Proposed New ESOS") to subscribe for new E&O Stock Units in accordance with the by-laws of the Proposed New ESOS.

The new employees' stock option scheme is expected to be implemented after the existing ESOS expires on 28 April 2012.

12. Changes in composition of the Group

Galaxy Prestige Sdn. Bhd., an indirect wholly-owned subsidiary of the Company had on 28 June 2011, entered into a Shareholders' Agreement for Joint Venture Company with Pulau Indah Ventures Sdn. Bhd. to establish a 50:50 joint venture company named Nuri Merdu Sdn. Bhd. to undertake the development of an iconic wellness township project in Iskandar Malaysia.

13. Contingent Liabilities

Details of contingent liabilities as at 18 August 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>330,023</u>

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

1. Review of performance

The Group achieved a revenue of RM75.883 million for the financial period ended 30 June 2011 as compared to RM46.310 million recorded in the previous year corresponding period ended 30 June 2010. In the current quarter under review, the higher revenue generated were mainly contributed by the property division from the higher revenue recognition for Seri Tanjung Pinang projects and higher revenue achieved from the hospitality and restaurants division. The jointly controlled projects namely the St. Mary Residences and the on-going Villas by-the-sea bungalows in Penang have achieved revenue totaling RM62.323 million (last year comparative quarter: RM24.979 million) which was not included in the group consolidated revenue.

The Group posted a pre-tax profit of RM70.690 million compared to the pre-tax profit of RM17.561 million in the previous year corresponding period. This represents an increase in pre-tax profit of RM53.129 million or 303%. The increase in pre-tax profit reflects higher contribution from the property division on the back of higher revenue recognised, higher share of profits in jointly controlled entities and the fair value gain on an investment property as disclosed in Note A10.

2. Variation of results against preceding quarter

The Group recorded a revenue of RM75.883 million and a profit before tax of RM70.690 million for the current quarter as compared to the immediate preceding quarter where the Group revenue was RM116.583 million and a profit before tax of RM19.792 million. The higher pre-tax profit in the current quarter were mainly due to the fair value gain on an investment property of RM58.236 million as disclosed in Note A10 and higher share of profits in jointly controlled entities.



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

3. Current year prospects

We expect the existing property development projects such as St. Mary Residences in Kuala Lumpur, Quayside condominiums at Seri Tanjung Pinang and new launches in Penang 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 year under review.

5. Taxation

	Individual Quarter Ended		Cumulative Quarter Ended	
	30.06.2011	30.06.2010	30.06.2011	30.06.2010
	RM'000	RM'000	RM'000	RM'000
Malaysian income tax				
- current	9,529	9,431	9,529	9,431
- in respect of prior years	(4,932)	(1,607)	(4,932)	(1,607)
Deferred tax	13,480	(2,385)	13,480	(2,385)
	<u>18,077</u>	<u>5,439</u>	<u>18,077</u>	<u>5,439</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. Accumulated losses

	As at	As at
	30.06.2011	31.03.2011
	RM'000	RM'000
Total accumulated losses of the Company and its subsidiaries		
Realised	(104,041)	(115,189)
Unrealised	11,735	(1,808)
	<u>(92,306)</u>	<u>(116,997)</u>
Share of accumulated losses from associated companies		
Realised	(148)	(61)
Share of retained profits from jointly controlled entities		
Realised	22,692	16,553
Unrealised	1,265	1,144
	<u>(68,497)</u>	<u>(99,361)</u>
Add: Consolidated adjustments	46,458	25,430
Total Group accumulated losses as per consolidated accounts	<u>(22,039)</u>	<u>(73,931)</u>

7. Sale of unquoted investments and/ or properties

There were no disposals of unquoted investments and properties during the financial period ended 30 June 2011.



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

8. Investment in quoted securities

Particulars of investment in quoted securities:	Current financial quarter to date 30.06.2011 RM'000
(a) Purchases / disposals	
Total purchases	-
Total sale proceeds	-
Total profit/(loss) on disposal	-
(b) Balances as at 30 June 2011	
Total investments at cost	10,447
Total investments at carrying value/market value	<u>2,512</u>

9. Status of Corporate Proposals

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

As at 18 August 2011, cash proceeds amounting to approximately RM235.62 million arising from issuance of Irredeemable Convertible Secured Loan Stocks was partially utilised as follows:

	Utilised to date RM'000
Repayment of bank borrowings	97,068
Acquisition of a property	27,754
ICSLS issue costs	2,500
	<u>127,322</u>

10. Group Borrowings

- a) The Group borrowings were as follows:-

	As at 30.06.2011 RM'000
Short Term - Secured	360,386
Long Term - Secured	394,501
- 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 August 2011.

12. Material Litigation

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



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

13. Dividend

The Board of Directors do not recommend any interim dividend for the financial period ended 30 June 2011.

At the forthcoming Annual General Meeting, a first and final dividend in respect of financial year ended 31 March 2011, of 2.0% less 25% income tax on the ordinary stock units in issue will be proposed for stockholders' approval.

14. Earnings Per Stock Unit

	Individual Quarter		Cumulative Quarter	
	Current quarter ended 30.06.2011	Comparative quarter ended 30.06.2010	Current year to date 30.06.2011	Comparative year to date 30.06.2010
a) Basic earnings per stock unit				
Profit attributable to owners of the parent (RM'000)	51,892	10,228	51,892	10,228
Weighted average number of ordinary stock units in issue (unit '000)	865,482	753,981	865,482	753,981
Weighted average number of ordinary stock units which will be issued upon conversion of ICULS 2006/2011 (unit '000)	1,965	2,154	1,965	2,154
Weighted average number of ordinary stock units which will be issued upon conversion of ICCLS 2009/2019 (unit '000)	214,166	309,420	214,166	309,420
Adjusted weighted average number of ordinary stock units (unit '000)	1,081,613	1,065,555	1,081,613	1,065,555
Basic earnings per stock unit for the period (sen)	4.80	0.96	4.80	0.96



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 30.06.2011	Comparative quarter ended 30.06.2010	Current year to date 30.06.2011	Comparative year to date 30.06.2010
b) Diluted earnings per stock unit				
Profit attributable to owners of the parent (RM'000)	51,892	10,228	51,892	10,228
Weighted average number of ordinary stock units in issue (unit '000)	865,482	753,981	865,482	753,981
Weighted average number of ordinary stock units which will be issued upon conversion of ICULS 2006/2011 (unit '000)	1,965	2,154	1,965	2,154
Weighted average number of ordinary stock units which will be issued upon conversion of ICCLS 2009/2019 (unit '000)	214,166	309,420	214,166	309,420
Effect of dilution of ESOS (unit '000)	1,599	-	1,599	-
Effect of dilution of Warrants (unit '000)	4,654	-	4,654	-
	1,087,866	1,065,555	1,087,866	1,065,555
Diluted earnings per stock unit for the period (sen)	4.77	0.96	4.77	0.96

BY ORDER OF THE BOARD

Ang Hong Mai
Company Secretary

Kuala Lumpur
25 August 2011