

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE PERIOD ENDED 28 FEBRUARY 2011**

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	28/02/2011 RM'000	28/02/2010 RM'000	28/02/2011 RM'000	28/02/2010 RM'000
<b>Revenue</b>	<b>2,877</b>	5,328	<b>12,905</b>	18,379
Cost of sales	(1,314)	(4,780)	(9,154)	(15,204)
Loss on revocation of property sales	(20,483)	-	(21,753)	-
Gross (loss)/profit	(18,920)	548	(18,002)	3,175
Other income	32,526	691	35,945	985
Distribution costs	3	(190)	(194)	(643)
Administration expenses	(1,954)	(1,298)	(4,702)	(4,466)
Other expenses	(428)	(9,363)	(1,006)	(11,237)
<b>Profit/(Loss) from operations</b>	<b>11,227</b>	(9,612)	<b>12,041</b>	(12,186)
Finance costs	(3,312)	(2,778)	(9,734)	(8,239)
Share of profit after tax and minority interest of associate	-	12	-	826
<b>Net profit/(loss) before tax</b>	<b>7,915</b>	(12,378)	<b>2,307</b>	(19,599)
Income tax expense	(4)	32	(9)	20
<b>Net profit/(loss) for the period</b>	<b>7,911</b>	(12,346)	<b>2,298</b>	(19,579)
Attributable to:				
Equity holders of the Company	7,956	(12,320)	2,411	(19,510)
Minority interests	(45)	(26)	(113)	(69)
<b>Profit/(Loss) for the period</b>	<b>7,911</b>	(12,346)	<b>2,298</b>	(19,579)
<b>Other comprehensive income, net of tax</b>				
Available-for-sales financial assets				
- fair value gain	2,355	-	5,824	-
Foreign currency translation differences for foreign operations	3	-	5	-
<b>Total comprehensive income for the period</b>	<b>10,269</b>	(12,346)	<b>8,127</b>	(19,579)
Attributable to:				
Equity holders of the Company	10,314	(12,320)	8,240	(19,510)
Minority interests	(45)	(26)	(113)	(69)
	<b>10,269</b>	(12,346)	<b>8,127</b>	(19,579)
Basic earnings/(loss) per ordinary share (sen)	1.22	(1.89)	0.37	(3.00)
Diluted earnings/(loss) per ordinary share (sen)	-	-	-	-

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Statements for the financial year ended 31 May 2010.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 28 FEBRUARY 2011**

	(Unaudited) 28/02/2011 RM'000	(Audited) 31/05/2010 RM'000
<b>Non-current assets</b>		
Property, plant and equipment	3,188	3,296
Investment properties	277,618	263,247
Available-for-sales financial assets	7,563	3,366
Deferred tax assets	812	812
	<u>289,181</u>	<u>270,721</u>
<b>Current assets</b>		
Inventories	350	429
Property development costs	65,387	54,944
Trade receivables	4,466	1,516
Other receivables, deposits and prepayments	9,274	4,676
Tax recoverable	227	227
Fixed deposits with licensed banks	743	22,291
Cash and bank balances	999	3,880
	<u>81,446</u>	<u>87,963</u>
<b>TOTAL ASSETS</b>	<u><b>370,627</b></u>	<u><b>358,684</b></u>
<b>Equity</b>		
Share capital	325,074	325,074
Reserves	(210,651)	(219,861)
<b>Equity attributable to shareholders of the Company</b>	<u>114,423</u>	<u>105,213</u>
<b>Minority interests</b>	14,905	15,018
Total equity	<u>129,328</u>	<u>120,231</u>
<b>Non-current liabilities</b>		
Hire purchase liabilities	325	457
Long-term borrowings	89,499	77,085
	<u>89,824</u>	<u>77,542</u>
<b>Current liabilities</b>		
Trade payables	6,598	6,127
Other payables and accruals	66,090	67,559
Hire purchase liabilities	188	190
Short-term borrowings	44,978	53,413
Tax payable	33,621	33,622
	<u>151,475</u>	<u>160,911</u>
	<u><b>370,627</b></u>	<u><b>358,684</b></u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	0.1760	0.1618

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the financial year ended 31 May 2010.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 28 FEBRUARY 2011**

	Share capital RM'000	Share premium RM'000	Revaluation reserve RM'000	Foreign exchange translation reserve RM'000	Available-for-sale Financial Assets reserve RM'000	Accumulated losses RM'000	Shareholders' equity RM'000	Minority interests RM'000	Total equity RM'000
Balance as at 1 June 2010 (as previously stated)	325,074	295,727	1,436	6	-	(517,030)	105,213	15,018	120,231
Effects of adopting FRS139	-	-	-	-	970	-	970	-	970
Balance as at 1 June 2010 (restated and adjusted)	325,074	295,727	1,436	6	970	(517,030)	106,183	15,018	121,201
Total comprehensive income for the period	-	-	-	5	5,824	2,411	8,240	(113)	8,127
Balance as at 28 February 2011	<u>325,074</u>	<u>295,727</u>	<u>1,436</u>	<u>11</u>	<u>6,794</u>	<u>(514,619)</u>	<u>114,423</u>	<u>14,905</u>	<u>129,328</u>
Balance as at 1 June 2009	325,074	295,727	1,436	(1,319)	-	(475,655)	145,263	15,111	160,374
Exchange differences on translation of financial statements of foreign subsidiaries	-	-	-	(2,061)	-	-	(2,061)	-	(2,061)
Disposal of subsidiary	-	-	-	3,384	-	-	3,384	-	3,384
Net loss for the period	-	-	-	-	-	(19,510)	(19,510)	(69)	(19,579)
Balance as at 28 February 2010	<u>325,074</u>	<u>295,727</u>	<u>1,436</u>	<u>4</u>	<u>-</u>	<u>(495,165)</u>	<u>127,076</u>	<u>15,042</u>	<u>142,118</u>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the financial year ended 31 May 2010.

**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS  
FOR THE PERIOD ENDED 28 FEBRUARY 2011**

	Nine months ended 28/02/2011 RM'000	Nine months ended 28/02/2010 RM'000
<b>Cash flows from/(used in) operating activities</b>		
Profit/(Loss) before taxation	2,307	(19,599)
Adjustments for :		
- Non-cash items	499	721
- Non-operating items	(33,567)	16,271
<b>Operating loss before working capital changes</b>	<b>(30,761)</b>	<b>(2,607)</b>
Changes in working capital	18,786	3,851
<b>Cash (used in)/generated from operations</b>	<b>(11,975)</b>	1,244
Income tax paid	(9)	(23)
<b>Net cash (used in)/generated from operating activities</b>	<b>(11,984)</b>	1,221
<b>Cash flows from/(used in) investing activities</b>		
- Equity investments	-	1,964
- Others	(10,016)	(255)
<b>Net cash (used in)/generated from investing activities</b>	<b>(10,016)</b>	1,709
<b>Cash flows from/(used in) financing activities</b>		
- Bank borrowings	(2,434)	(2,846)
- Others	-	69
<b>Net cash used in financing activities</b>	<b>(2,434)</b>	<b>(2,777)</b>
Net (decrease)/increase in cash and cash equivalents	(24,434)	153
Effects of exchange rate changes	5	298
Cash and cash equivalents at beginning of period	26,171	(2,491)
<b>Cash and cash equivalents at end of period</b>	<b>1,742</b>	<b>(2,040)</b>
Cash and cash equivalents comprise:		
The Condensed Consolidated Statement of Financial Position should be read	RM'000	RM'000
Annual Financial Statements for the financial year ended 31 May 2010.	999	698
Fixed deposits	-	2
Basic earning/(loss) p	743	-
Bank overdrafts	-	(2,740)
	<b>1,742</b>	<b>(2,040)</b>

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Statements for the year ended 31 May 2010.

**NOTES TO THE INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED  
28 FEBRUARY 2011**

**A. DISCLOSURE REQUIREMENTS AS PER FRS 134**

**1. Basis of Preparation**

The interim financial report is unaudited and has been prepared in accordance with requirements of FRS 134: Interim Financial Reporting and the applicable disclosure provisions of the Listing Requirements of the Bursa Malaysia Securities Berhad.

The interim financial report has been prepared in accordance with the same accounting policies adopted in 2010 annual financial statements, except for the accounting policy changes that are expected to be reflected in the 2011 annual financial statements.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 May 2010. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 May 2010.

**2. Significant Accounting Policies**

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 May 2010, except for the adoption of the following new and revised Financial Reporting Standards (“FRSs”), Amendments to FRSs and IC Interpretations with effect from 1 January 2010:

**FRSs, Amendment to FRSs and IC Interpretations**

FRS 4	Insurance Contracts
FRS 7	Financial Instruments: Disclosures
Revised FRS 101 (2009)	Presentation of Financial Statements
Revised FRS 123 (2009)	Borrowing Costs
Revised FRS 139 (2010)	Financial Instruments: Recognition and Measurement
Amendments to FRS 1 and FRS 127	First-time Adoption of Financial Reporting Standards and 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 7, FRS 139	Financial Instruments : Recognition and Measurement, Disclosures and Reassessment of Embedded Derivatives and IC Interpretation 9

**A. DISCLOSURE REQUIREMENTS AS PER FRS 134**

Amendments to FRS 132	Classification of Rights Issues and the Transitional Provision In Relation To Compound Instruments
IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 10	Interim 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
Annual Improvements to FRSs (2009)	

The adoption of the above standards, amendments and interpretations has resulted in changes of certain accounting policies and classification adopted by the Group as well as presentation of financial statements as described hereunder:-

**(a) FRS 101 (revised): Presentation of Financial Statements (FRS 101)**

The revised standard prohibits the presentation of items of income and expenses (that is 'non-owner changes in equity') in the statement of changes in equity, requiring 'non-owner changes in equity' to be presented separately from owner changes in equity. All 'non-owner changes in equity' are required to be presented as a single statement or two statements (comprising the income statement and statement of comprehensive income). The Group has elected to present the statement of comprehensive income in a single statement.

**(b) FRS 139: Financial Instruments: Recognition and Measurement (FRS 139)**

The Group classifies its financial assets in the following categories: at fair value through profit or loss, receivables, held to maturity and available-for-sale. The classification depends on the nature of the asset and the purpose for which the asset was acquired. Management determines the classification of its financial assets at the initial recognition. Set out below are the major changes in classifications of financial assets of the Group:

**(i) Other receivables**

Non-current receivables, previously measured at invoice amount and subject to impairment, are now classified as other receivables and measured at fair value plus transaction costs initially and subsequently, at amortised cost using the effective interest method.

**A. DISCLOSURE REQUIREMENTS AS PER FRS 134**

**(i) Other receivables (continued)**

When other receivables are impaired, the carrying amount of the asset is reduced and the amount of loss is recognised in profit or loss. Impairment loss is measured as difference between the asset's carrying amount and the present value of the estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the asset's original effective interest rate.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in profit or loss.

**(ii) Available-for-sale financial assets**

Non-current investments, previously measured at cost and subject to impairment, are now classified as available-for-sale financial assets. These are initially measured at fair value plus transaction costs and subsequently, at fair value.

Changes in the fair values of the available-for-sale debt securities denominated in foreign currencies are analysed into currency translation differences on the amortised cost of the securities and other changes; the currency translation differences are recognised in profit or loss and other changes are recognised in other comprehensive income. If there is any objective evidence of impairment, the cumulative loss, measured as the difference between the acquisition cost and the current fair value, less any impairment loss previously recognised in profit or loss, is removed from equity and recognised in profit or loss. If, in a subsequent period, the fair value of a debt instrument increases and the increase can be objectively related to an event occurring after the impairment loss was recognised in profit or loss, the impairment loss is reversed through profit or loss.

Changes in fair values of available-for-sale equity securities are recognised in other comprehensive income, together with the related currency translation differences. A significant or prolonged decline in the fair value of the security below its cost is considered as an indicator that the asset is impaired. If any such evidence exists, the cumulative loss, measured as the difference between the acquisition cost and the current fair value, less any impairment loss previously recognised in profit or loss, is removed from equity and recognised in profit or loss.

**A. DISCLOSURE REQUIREMENTS AS PER FRS 134**

**(iii) Available-for-sale financial assets**

Impairment losses recognised in profit or loss on equity instruments classified as available-for-sale are reversed through other comprehensive income and not through profit or loss.

When securities classified as available-for-sale are sold, the accumulated fair value adjustments recognised in other comprehensive income are included in profit or loss.

**Impact on opening balances**

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

	As previously reported RM'000	Effect of FRS 139 RM'000	As restated RM'000
Non-Current Assets			
- Available-for-sale financial assets	3,366	970	4,336
Equity			
- Available-for-sale financial reserve	-	970	970

**3. Qualification of Audit Report**

The audit report of the financial statement of the Group for the financial year ended 31 May 2010 was not qualified.

**4. Seasonal or Cyclical Factors**

There are no seasonal factors affecting the Group performance.

**5. Material Changes in Estimates**

There were no material changes in estimates that have had a material effect in the financial period to-date results.



**A. DISCLOSURE REQUIREMENTS AS PER FRS 134**

**6. Debt and Equity Securities**

There were no cancellation, repurchases, resale and repayments of debts and equity securities during the financial period to-date.

**7. Dividends Paid**

There were no dividends paid during the financial period to-date.

**8. Segmental Reporting**

	Gross Operating Revenue RM'000	Profit/(Loss) Before Taxation RM'000
Construction	5,835	(86)
Property	6,776	14,362 (a)
Network Marketing	390	(1,000)
Investment & Others	824	(1,235)
	<u>13,825</u>	<u>12,041</u>
Elimination	(920)	-
Financing Costs	-	(9,734)
	<u>12,905</u>	<u>2,307</u>

(a) Profit before tax of RM14.362 million includes the net effect of RM34.17 million write back of doubtful debts provisions less revocation of property sales of RM21.8 million for the financial period to date.

**9. Valuation of Property, Plant & Equipment**

The valuation of land and building has been brought forward, without amendments from the previous annual report.

**A. DISCLOSURE REQUIREMENTS AS PER FRS 134**

**10. Material Subsequent Events**

On 11 March 2011, the Company entered into a Sale and Purchase Agreement (“the SPA”) with Mr Teoh Seng Aun (“the Vendor”), the registered and/or beneficial owner of the entire issued and paid-up share capital of Curah Bahagia Sdn. Bhd. (742983-T) (“CBSB”) comprising of 500,000 ordinary shares of RM1.00 each, for the acquisition of the entire shareholding in CBSB for a total cash consideration of RM4,500,000.00 subject to the terms and conditions of the SPA (“the Proposed Acquisition”).

CBSB is the developer of a commercial property project in Mukim of Hulu Kinta, Daerah Kinta, Perak, with a gross development value of approximately RM85 million (“the Project”). The purchase consideration was arrived at on a “willing buyer-willing seller” basis after taking into consideration the earnings potential of CBSB and guarantee by the Vendor that CBSB will achieve a gross profit of at least RM15,000,000.00 for the Project.

Upon completion of the Proposed Acquisition which is expected to be before the end of this financial year, CBSB will become a wholly-owned subsidiary of ECB.

The acquisition has not been reflected in the financial statements for the financial period ended 28 February 2011.

**11. Effect of Changes in the Composition of the Group**

There were no changes in the composition of the Group during the current interim period.

**12. Changes in Contingent Liabilities/Contingent Assets**

The contingent liabilities as at financial period ended 28 February 2011 are as follows:

	RM'000
Guarantees and Contingencies Relating to:	
- An affiliated company	<u>592</u>

**B. ADDITIONAL DISCLOSURE PURSUANT TO CHAPTER 9, PART K OF THE LISTING REQUIREMENTS OF THE BURSA MALAYSIA SECURITIES BERHAD**

**1. Review of Performance**

The Group recorded a revenue of RM12.9 million and profit before tax of RM2.3 million for the financial period ended 28 February 2011 with the construction and property divisions being the main contributors.

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

The current quarter's result of RM7.9 million profit before tax as against a loss before tax of RM3.4 million in the preceding quarter was mainly due to the net effect of RM32.4 million write back of doubtful debt provisions less losses on revocation of properties of RM20.5 million.

**3. Current year prospects**

The Group is undertaking a management revamp for its retail mall in Seri Kembangan. With a new team that is more focused on marketing strategies, the Group hopes to improve the mall's performance. The development of two tower blocks of service apartments on top of the existing mall which is expected to commence by middle of this year, is also expected to augment improvement of the mall's performance.

The completion of the construction of the Group's other retail mall in Segamat is expected to be in the first quarter of the next financial year. We have so far received encouraging response on the leasing of retail space at the mall and are optimistic of achieving more than 85% occupancy by the time the mall is opened for business in the second quarter of the next financial year.

The production of iron ore via the Group's investment in South Kalimantan, Indonesia originally expected to be in the second half of this financial year is expected to be delayed to the next financial year. The causes of delay are mainly due to relocation of processing site arising from local requirements and also rainy conditions which delayed the installation and commissioning of the machinery and processing equipment.

**B. ADDITIONAL DISCLOSURE PURSUANT TO CHAPTER 9, PART K OF THE LISTING REQUIREMENTS OF THE BURSA MALAYSIA SECURITIES BERHAD**

**4. Variance of Profit Forecast / Profit Guarantee**

Not applicable

**5. Income Tax Expense**

	Current Quarter Ended 28 February 2011 RM'000	Cumulative Year To-Date 28 February 2011 RM'000
Current year provision	<u>4</u>	<u>9</u>

**6. Unquoted Investments and Properties**

There were no sales of unquoted investments and properties during the current quarter.

**7. Purchase or Disposal of Quoted Investments**

- (a) There was no acquisition or disposal of quoted investments during the current quarter.
- (b) The investments in quoted securities have been reclassified from other investments to available-for-sale financial assets upon adoption of FRS139 on 1 June 2010.

	RM'000
<b>Cost</b>	22,429
<b>Carrying value</b>	
Opening balance as at 1 June 2010	2,228
Fair value adjustment upon the adoption of FRS139	970
Fair value gain recognised in other comprehensive income	3,223
Foreign exchange loss recognised to profit or loss	<u>(56)</u>
Balance as at 30 November 2010	<u>6,365</u>
<b>Market value as at 28 February 2011</b>	<u>6,365</u>

**B. ADDITIONAL DISCLOSURE PURSUANT TO CHAPTER 9, PART K OF THE LISTING REQUIREMENTS OF THE BURSA MALAYSIA SECURITIES BERHAD**

**8. Status of Corporate Proposals Announced**

There are no corporate proposals which has been announced by the Company but not completed as at 20 April 2011 (being the last practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

**9. Group Borrowings and Debt Securities**

Total Group borrowings as at 28 February 2011 are as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
<b>Long-Term Borrowings</b>			
Amount repayable after twelve months	88,499	-	88,499
Non-Convertible Redeemable Preference Shares	-	1,000	1,000
	<u>88,499</u>	<u>1,000</u>	<u>89,499</u>
<b>Short-Term Borrowings</b>			
Current portion of long term loans	44,978	-	44,978
	<u>44,978</u>	<u>-</u>	<u>44,978</u>

**10. Off Balance Sheet Financial Instruments**

The Group does not have any financial instruments with off balance sheet risk as at 20 April 2011 (being the last practicable date which is not earlier than 7 days from the date of issue of this quarterly report).

**B. ADDITIONAL DISCLOSURE PURSUANT TO CHAPTER 9, PART K OF THE LISTING REQUIREMENTS OF THE BURSA MALAYSIA SECURITIES BERHAD**

**11. Changes in Material Litigation**

Further to the disclosure in the previous quarter's report on material litigation, the changes in material litigation as at 20 April 2011 (being the last practicable date which is not earlier than 7 days from the date of issue of this quarterly report) are as follows:

- (i) *The Company v Individual (1st defendant) and Astounding Holdings Sdn Bhd (2nd defendant) for RM15 million*

The case is now consolidated with another suit between Pica (M) Corporation Berhad Vs Individual (1<sup>st</sup> defendant). The company has obtained judgement in default against both defendants on 10 December 2009. The draft order was approved on 19 July 2010 and the fair order has yet to be extracted from the Court.

- (ii) *Jiddi Joned Enterprises Sdn Bhd and 3 other subsidiary companies v Yeng Chong Realty Sdn Bhd (1st defendant)/ Louis KH Wong (2nd defendant)*

The Court of Appeal has on 25 February 2008 allowed the plaintiffs' appeal against the striking out of the plaintiffs' suit by the 1<sup>st</sup> defendant. The matter was reinstated in the High Court and fixed for full trial. However, as a winding up order was made against the 1<sup>st</sup> defendant, the suit has been stayed until the sanction to proceed is obtained from the winding up court.

- (iii) *56 purchasers of South City Condominiums v Pujian Development Sdn Bhd ("Pujian"), a subsidiary company, and seven others.*

Matter is fixed for further case management on 22 February 2011 and for trial on 11 and 12 May 2011.

- (iv) *24 purchasers of South City Plaza v Pujian.*

The Court has awarded the plaintiffs' claims and Pujian has filed for appeal.

**B. ADDITIONAL DISCLOSURE PURSUANT TO CHAPTER 9, PART K OF THE LISTING REQUIREMENTS OF THE BURSA MALAYSIA SECURITIES BERHAD**

- (v) *The Government of Malaysia (Inland Revenue Board) ("IRB") v 4 Subsidiary companies, Mudek Sdn Bhd ("Mudek"), Seri Jasin Sdn Bhd ("Seri Jasin"), Berembang Sdn Bhd ("Berembang") and Jiddi Joned Sdn Bhd ("Jiddi Joned") in individual cases.*

Mudek was successful in its application to set aside the judgement in default obtained earlier by IRB. The court has dismissed IRB's application to renew the summons with costs on 3 October 2007. IRB has since filed and served a fresh writ of summons of which the defence has been filed by Mudek on 22 May 2008. IRB applied for summary judgement and was allowed by the court on 14 January 2011. We have filed our Notice of Appeal on 8 February 2011.

In respect of Seri Jasin's suit, IRB has obtained summary judgement on 1 April 2010. Our appeal was dismissed by the Court with costs on 15 March 2011.

Jiddi Joned and Berembang have both filed their defences. In respect of Jiddi Joned's suit, the plaintiff has filed an application for summary judgement which was allowed on 1 April 2010. Our application for stay of execution was dismissed and we have filed a Notice of Motion at the Court of Appeal. The appeal was heard on 21 April 2011 and the Court dismissed the appeal with costs.

In respect of Berembang's suit, the Plaintiff's application for summary judgement was heard on 12 July 2010 whereby the application was dismissed on the basis that there are triable issues. The plaintiff has filed an appeal to the Court of Appeal and the Court has fixed 29 April 2011 for case management.

The said subsidiary companies have initiated another legal proceeding against Yeng Chong Realty Bhd similar to (ii) above, for part of the said real property gains tax withheld from the purchase consideration for the disposal of the properties concerned. The defendant has again filed an application to strike out the action which was dismissed. The defendant's further appeal was also dismissed on 12 July 2007 as our writ of summons was struck off. Appeal is pending fixture of hearing date.

**B. ADDITIONAL DISCLOSURE PURSUANT TO CHAPTER 9, PART K OF THE LISTING REQUIREMENTS OF THE BURSA MALAYSIA SECURITIES BERHAD**

(vi) *Yeng Chong Realty Bhd (“Yeng Chong”) v Tenaga Nasional Bhd (“TNB”), Mudek and Berembang*

Yeng Chong has also applied for an injunction against TNB to prevent TNB from entering into the property and making compensation to Mudek and Berembang, the injunction of which was refused on 27 September 2006. Yeng Chong has since filed an appeal against the decision but has withdrawn it on 12 April 2010. The High Court matter is pending. Both our applications to transfer proceedings to Kuala Lumpur and for leave to file Rejoinder were dismissed by the Court with costs. Notice of pre-trial case management was filed by Yeng Chong but pending extraction. The Court has fixed 3 May 2011 for further Case Management.

(vii) *IRB v Pujian*

The Government of Malaysia is claiming for tax assessment for the year 1998, 1999, 2000 in one action and for year 1999 (Tambahan) in another action, and for year 2001 in another action, and for year 2004 in another action. For the first action, Pujian succeeded in setting aside the judgement in default of appearance. IRB has appealed and it was allowed on 8 June 2010. We have filed to the Court of Appeal and it is pending hearing. In relation to the second action, Pujian’s defence was filed on 29 August 2007. IRB has filed an application for summary judgement which is fixed for hearing on 29 April 2011. In relation to the third action, Pujian succeeded in striking out the action in 2006. IRB has since filed and served a fresh suit for the same subject matter and Pujian’s defence was filed on 29 August 2007. IRB has filed an application for summary judgement which was allowed. We have filed an appeal which is pending hearing date. As for the fourth action, the plaintiff’s application for summary judgement was allowed with costs on 6 August 2008. Pujian has since filed an appeal against the decision. Pujian’s application for a stay application was dismissed on 25 November 2010. We have filed an appeal.



**B. ADDITIONAL DISCLOSURE PURSUANT TO CHAPTER 9, PART K OF THE LISTING REQUIREMENTS OF THE BURSA MALAYSIA SECURITIES BERHAD**

*(viii) IRB v Tashima Development Sdn Bhd ("Tashima")*

IRB commenced two actions against Tashima for income tax outstanding for assessment years 2000 in one action, and 2001 and 2002 in another action. In the first action, Tashima has filed its statement of defence on 10 April 2007. IRB has filed an application for summary judgement which was allowed. We are in the midst of filing an appeal. In respect of the second action, the court has allowed the plaintiff's summary judgement application on 12 February 2008. Tashima has since filed its appeal against the said decision which is pending fixture of date. Our stay of execution application was dismissed on 17 June 2010 and Tashima's appeal in relation to the stay application has been dismissed. Our appeal against Order 14 decision is pending before the Court and yet to be fixed for hearing.

*(ix) IRB v Sawitani Sdn Bhd ("Sawitani")*

IRB filed a suit against Sawitani for real property gains tax outstanding for assessment year 2000. Sawitani has filed its statement of defence on 9 September 2008. IRB has filed an application for summary judgement which is fixed for hearing on 24 May 2011.

**12. Dividend**

No dividend has been declared for the current financial period to-date.

**13. Earnings/(Loss) Per Share**

The basic earnings/(loss) per share have been calculated based on the consolidated net earnings/(loss) attributable to ordinary shareholders for the period and the weighted average number of ordinary shares in issue during the period.

<b>Basic earnings/(loss) per share</b>	Current Quarter Ended	Comparative Quarter Ended	Cumulative Period To-Date	
	28/02/2011	28/02/2010	28/02/2011	28/02/2010
	(RM'000)	(RM'000)	(RM'000)	(RM'000)
<b>Earnings/(Loss)</b> Net earnings/(loss) attributable to ordinary shareholders	7,956	(12,320)	2,411	(19,510)
	('000)	('000)	('000)	('000)
<b>Weighted average number of ordinary shares</b>	650,148	650,148	650,148	650,148

**B. ADDITIONAL DISCLOSURE PURSUANT TO CHAPTER 9, PART K OF THE LISTING REQUIREMENTS OF THE BURSA MALAYSIA SECURITIES BERHAD**

**14. Realised and Unrealised Profit/(Loss)**

On 25 March 2010, Bursa Malaysia Securities Berhad ("Bursa Malaysia") issued a directive to all listed issuers pursuant to Paragraphs 2.06 and 2.23 of Bursa Malaysia Main Market Listing Requirements. The directive requires all listed issuers to disclose the breakdown of the unappropriated profits or accumulated losses as at the end of the reporting period, into realised and unrealised profits or losses.

On 20 December 2010, Bursa Malaysia further issued guidance on the disclosure and the format required.

The breakdown of retained earnings of the Group as at the reporting date, into realised and unrealised profits, pursuant to the directive, is as follows:

	Group 28 February 2011 RM'000	Group 30 November 2010 RM'000
Total accumulated losses of the Company and its subsidiaries		
- Realised	(572,112)	(580,103)
- Unrealised	(1,205)	(1,171)
Add : Consolidation adjustments	58,698	58,698
Total Group accumulated losses as per consolidated accounts	<u>(514,619)</u>	<u>(522,576)</u>

The determination of realised and unrealised profits is based on the Guidance of Special Matter No. 1, *Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements*, issued by the Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Malaysia and should not be applied for any other purposes.