



**HUNZA PROPERTIES BERHAD**  
**Company No: 461624 - X**  
**(Incorporated in Malaysia)**

**QUARTERLY REPORT ON CONSOLIDATED RESULTS**  
**FOR THE FIRST FINANCIAL QUARTER ENDED 31 DECEMBER 2010**

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Condensed Consolidated Statement of Comprehensive Income

	Note	Individual Quarter		Cumulative Quarter	
		Current Year Quarter Ended 31.12.2010 RM'000	Preceding Year Corresponding Quarter Ended 31.12.2009 RM'000	Current Year Period to date Ended 31.12.2010 RM'000	Preceding Year Corresponding Period to date Ended 31.12.2009 RM'000
Revenue		63,718	59,306	128,244	116,415
Cost of sales		(46,625)	(39,475)	(90,270)	(76,137)
<b>Gross profit</b>		17,093	19,831	37,974	40,278
Other income		218	843	442	1,334
Operating expenses		(4,143)	(3,386)	(8,424)	(7,010)
Net loss on financial assets measured at fair value	B7	-	-	(623)	-
Gain on revaluation of investment properties	A11	-	-	22,719	-
<b>Result from operating activities</b>		13,168	17,288	52,088	34,602
Finance income		127	378	378	725
Finance costs		(53)	(194)	(273)	(462)
<b>Net finance income</b>		74	184	105	263
<b>Profit before taxation</b>		13,242	17,472	52,193	34,865
Taxation	B5	(3,273)	(4,527)	(7,587)	(9,097)
<b>Profit for the period</b>		9,969	12,945	44,606	25,768
<b>Other comprehensive income, net of tax</b>					
Gain on Available-for-Sale financial assets	B7	68	-	287	-
<b>Total comprehensive income for the period</b>		10,037	12,945	44,893	25,768
<b>Profit attributable to:</b>					
Equity holders of the parent		10,022	13,006	44,716	25,705
Non-controlling interest		(53)	(61)	(110)	63
<b>Profit for the period</b>		9,969	12,945	44,606	25,768
<b>Total comprehensive income attributable to:</b>					
Equity holders of the parent		10,090	13,006	45,003	25,705
Non-controlling interest		(53)	(61)	(110)	63
<b>Total comprehensive income for the period</b>		10,037	12,945	44,893	25,768
Basic earnings per ordinary share (sen)	B15	5.32	8.93	23.73	17.65
Diluted earnings per ordinary share (sen)	B15	5.29	8.93	23.07	17.65

Certain figures have been restated to conform to the audited financial statements for financial year ended 30 June 2010

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the financial year ended 30 June 2010 and the accompanying explanatory notes attached to the interim financial statements.

**HUNZA PROPERTIES BERHAD**  
[Company No. 461624-X]

**Condensed Consolidated Statement of Financial Position**

	Note	As at Current Period Ended 31.12.2010 RM'000	As at Preceding Financial Year Ended 30.06.2010 RM'000 (restated)
<b>Assets</b>			
Property, plant and equipment	A10	10,357	124,775
Investment properties	A11	186,148	22,710
Land held for property development		120,334	119,577
Available-for-Sales investments	B7	2,452	1,870
Held-to-Maturity investments	B7	-	5,017
Long-term receivables	B9	12,052	11,466
Deferred tax assets		4,139	4,223
<b>Total Non-Current Assets</b>		<u>335,482</u>	<u>289,638</u>
Inventories		47,941	65,984
Property development costs		61,062	75,381
Held-to-Maturity investments	B7	-	661
Trade receivables		28,110	46,324
Accrued billings		63,070	33,314
Other receivables and prepaid expenses	A14	18,027	13,845
Current tax assets		2,674	3,548
Deposits with licensed banks	B16	14,510	11,486
Cash and bank balances	B16	30,323	55,883
<b>Total Current Assets</b>		<u>265,717</u>	<u>306,426</u>
<b>TOTAL ASSETS</b>		<u><u>601,199</u></u>	<u><u>596,064</u></u>
<b>EQUITY</b>			
Share capital		187,413	187,385
Reserves		266,954	232,490
Less: Treasury shares, at cost		(9,721)	(8,688)
<b>Total Equity Attributable to Holders of the Company</b>		<u>444,646</u>	<u>411,187</u>
<b>Non-controlling Interest</b>		<u>24,157</u>	<u>24,267</u>
<b>TOTAL EQUITY</b>		<u><u>468,803</u></u>	<u><u>435,454</u></u>
<b>Liabilities</b>			
Long term borrowings	B10	35,513	42,877
Deferred tax liabilities		1,925	1,925
<b>Total Non-Current Liabilities</b>		<u>37,438</u>	<u>44,802</u>
Trade payables		29,500	23,014
Other payables and accrued expenses		46,911	40,951
Borrowings	B10	9,849	44,043
Current tax liabilities		8,698	7,800
<b>Total Current Liabilities</b>		<u>94,958</u>	<u>115,808</u>
<b>TOTAL LIABILITIES</b>		<u>132,396</u>	<u>160,610</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>601,199</u></u>	<u><u>596,064</u></u>
<b>Net Assets Attributable to Equity Holders Per Share (RM)</b>		2.37	2.18

Certain figures have been restated to conform to the audited financial statements for financial year ended 30 June 2010

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the financial year ended 30 June 2010 and the accompanying explanatory notes attached to the interim financial statements.

**HUNZA PROPERTIES BERHAD**

[Company No. 461624-X]

**Condensed Consolidated Statement of Changes in Equity**

	Attributable to shareholders of the Company						Non-controlling Interest	Total Equity		
	Non-Distributable			Distributable						
	Share Capital RM'000	Treasury Shares RM'000	AFS Reserve RM'000	Revaluation Reserves RM'000	Warrant Reserves RM'000	Share Premium RM'000	Retained Earnings RM'000	Total RM'000	RM'000	RM'000
<b>At 1 July 2009</b>	<b>150,669</b>	<b>(8,157)</b>	<b>-</b>	<b>387</b>	<b>-</b>	<b>32,755</b>	<b>150,516</b>	<b>326,170</b>	<b>24,295</b>	<b>350,465</b>
Total comprehensive income for the period	-	-	-	-	-	-	25,705	25,705	63	25,768
Treasury shares acquired	-	(153)	-	-	-	-	-	(153)	-	(153)
Final dividend of RM0.056 per share paid to shareholders	-	-	-	-	-	-	(8,153)	(8,153)	-	(8,153)
<b>At 31 December 2009</b>	<b>150,669</b>	<b>(8,310)</b>	<b>-</b>	<b>387</b>	<b>-</b>	<b>32,755</b>	<b>168,068</b>	<b>343,569</b>	<b>24,358</b>	<b>367,927</b>
<b>At 1 July 2010</b>	<b>187,385</b>	<b>(8,688)</b>	<b>-</b>	<b>994</b>	<b>11,357</b>	<b>31,546</b>	<b>188,593</b>	<b>411,187</b>	<b>24,267</b>	<b>435,454</b>
Total comprehensive income for the period	-	-	287	-	-	-	44,716	45,003	(110)	44,893
Treasury shares acquired	-	(1,033)	-	-	-	-	-	(1,033)	-	(1,033)
Issue of ordinary shares pursuant to the exercise of warrants	28	-	-	-	-	3	-	31	-	31
Final dividend of RM0.056 per share paid to shareholders	-	-	-	-	-	-	(10,542)	(10,542)	-	(10,542)
<b>At 31 December 2010</b>	<b>187,413</b>	<b>(9,721)</b>	<b>287</b>	<b>994</b>	<b>11,357</b>	<b>31,549</b>	<b>222,767</b>	<b>444,646</b>	<b>24,157</b>	<b>468,803</b>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 June 2010 and the accompanying explanatory notes attached to the interim financial statements.

**HUNZA PROPERTIES BERHAD**

[Company No. 461624-X]

**Condensed Consolidated Statement of Cash Flows**

	Note	6 Months Ended	
		31.12.2010 RM'000	31.12.2009 RM'000
<b>Cash flows from operating activities</b>			
Profit before taxation		52,193	34,865
Adjustment for non-cash flow items:			
Depreciation		484	1,021
Property, plant and equipment written off		22	30
Fair value loss of financial instruments measured at fair value		623	1,169
Fair value gain on investment property		(22,719)	-
Gain on disposal property, plant and equipment		(6)	(6)
Gross dividend income from other investments		(71)	(11)
Net interest income		(105)	(292)
<b>Operating profit before working capital changes</b>		<b>30,421</b>	<b>36,776</b>
Changes in Working Capital			
Net change in inventories, receivables, accrued billings, prepaid expenses		2,318	(25,243)
Net change in payables and accruals		1,903	2,796
Changes in property development costs		15,350	9,771
<b>Cash from operating activities</b>		<b>49,992</b>	<b>24,100</b>
Interest received		378	725
Tax paid		(5,731)	(4,188)
<b>Net Cash from operating activities</b>		<b>44,639</b>	<b>20,637</b>
<b>Cash flows from investing activities</b>			
Acquisition of subsidiary, net of cash and cash equivalents acquired		-	1,944
Increase in development cost of investment properties		(25,888)	-
Proceeds from disposal of investment		5,080	27
Proceeds from disposal of property, plant and equipment		55	10
Dividends received from other investments		71	11
Payments for investment in quoted investments		(320)	-
Payments for purchase of property, plant and equipment		(913)	(3,744)
Additions to land held for property development		(756)	-
Increase in long term receivables		(586)	(1,588)
<b>Net cash used in investing activities</b>		<b>(23,257)</b>	<b>(3,340)</b>
<b>Cash flows from financing activities</b>			
Interest paid		(1,358)	(2,046)
Repayment of long term borrowings		(35,196)	(5,350)
Payments for shares buy-back		(1,033)	(154)
Proceeds from long term borrowings		-	3,968
Proceeds from issue of shares pursuant to the exercise of warrants		31	-
Decrease in short term borrowings		(7,915)	(4,017)
Decrease in short-term deposit placed as security		191	(682)
<b>Net cash used in financing activities</b>		<b>(45,280)</b>	<b>(8,281)</b>
Net (decrease)/increase in cash and cash equivalents for the period		(23,898)	9,016
Cash and cash equivalent at 1 July		63,933	19,536
<b>Cash and cash equivalents as at 31 December</b>	B16	<b>40,035</b>	<b>28,552</b>

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