



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

**QUARTERLY REPORT ON CONSOLIDATED RESULTS**  
**FOR THE FIRST FINANCIAL QUARTER ENDED 31 MARCH 2011**

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**Condensed Consolidated Statement of Comprehensive Income**

	Note	Individual Quarter		Cumulative Quarter	
		Current Year Quarter Ended	Preceding Year Corresponding Quarter Ended	Current Year Period to date Ended	Preceding Year Corresponding Period to date Ended
		31.03.2011 RM'000	31.03.2010 RM'000	31.03.2011 RM'000	31.03.2010 RM'000
Revenue		66,192	58,386	194,436	174,801
Cost of sales		(47,727)	(39,644)	(137,997)	(115,781)
<b>Gross profit</b>		18,465	18,742	56,439	59,020
Other income		422	169	864	1,473
Operating expenses		(3,714)	(4,442)	(12,138)	(11,452)
Net gain / (loss) on financial assets measured at fair value	B7	32	-	(591)	-
Gain on revaluation of investment properties	A11	-	-	22,719	-
<b>Result from operating activities</b>		15,205	14,469	67,293	49,041
Finance income		5	71	383	474
Finance costs		(56)	(193)	(329)	(655)
<b>Net finance income / (expenses)</b>		(51)	(122)	54	(181)
<b>Profit before taxation</b>		15,154	14,347	67,347	48,860
Taxation	B5	(3,959)	(3,330)	(11,546)	(12,427)
<b>Profit for the period</b>		11,195	11,017	55,801	36,433
<b>Other comprehensive income, net of tax</b>					
Gain on Available-for-Sale financial assets	B7	55	-	342	-
<b>Total comprehensive income for the period</b>		11,250	11,017	56,143	36,433
<b>Profit attributable to:</b>					
Equity holders of the parent		11,135	11,077	55,851	36,430
Non-controlling interest		60	(60)	(50)	3
<b>Profit for the period</b>		11,195	11,017	55,801	36,433
<b>Total comprehensive income attributable to:</b>					
Equity holders of the parent		11,190	11,077	56,193	36,430
Non-controlling interest		60	(60)	(50)	3
<b>Total comprehensive income for the period</b>		11,250	11,017	56,143	36,433
Basic earnings per ordinary share (sen)	B15	5.92	6.94	29.66	24.25
Diluted earnings per ordinary share (sen)	B15	5.88	6.82	28.91	22.98

**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 31.03.2011 RM'000	As at Preceding Financial Year Ended 30.06.2010 RM'000 (restated)
<b>Assets</b>			
Property, plant and equipment	A10	10,619	124,775
Investment properties	A11	204,966	22,710
Land held for property development		120,679	119,577
Available-for-Sales investments	B7	2,588	1,870
Held-to-Maturity investments	B7	-	5,017
Long-term receivables	B9	12,077	11,466
Deferred tax assets		1,955	4,223
<b>Total Non-Current Assets</b>		<u>352,884</u>	<u>289,638</u>
Inventories		38,857	65,984
Property development costs		49,492	75,381
Held-to-Maturity investments	B7	-	661
Trade receivables		47,625	46,324
Accrued billings		67,107	33,314
Other receivables and prepaid expenses	A14	25,202	13,845
Current tax assets		3,680	3,548
Deposits with licensed banks	B16	4,462	11,486
Cash and bank balances	B16	16,383	55,883
<b>Total Current Assets</b>		<u>252,808</u>	<u>306,426</u>
<b>TOTAL ASSETS</b>		<u><u>605,692</u></u>	<u><u>596,064</u></u>
<b>EQUITY</b>			
Share capital		187,413	187,385
Reserves		278,144	232,490
Less: Treasury shares, at cost		(10,024)	(8,688)
<b>Total Equity Attributable to Holders of the Company</b>		<u>455,533</u>	<u>411,187</u>
<b>Non-controlling Interest</b>		24,217	24,267
<b>TOTAL EQUITY</b>		<u>479,750</u>	<u>435,454</u>
<b>Liabilities</b>			
Long term borrowings	B10	31,385	42,877
Deferred tax liabilities		1,936	1,925
<b>Total Non-Current Liabilities</b>		<u>33,321</u>	<u>44,802</u>
Trade payables		41,192	23,014
Other payables and accrued expenses		35,230	40,951
Borrowings	B10	11,536	44,043
Current tax liabilities		4,663	7,800
<b>Total Current Liabilities</b>		<u>92,621</u>	<u>115,808</u>
<b>TOTAL LIABILITIES</b>		<u>125,942</u>	<u>160,610</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>605,692</u></u>	<u><u>596,064</u></u>
<b>Net Assets Attributable to Equity Holders Per Share (RM)</b>		2.42	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>387</b>	-	<b>32,755</b>	<b>150,516</b>	<b>326,170</b>	<b>24,295</b>	<b>350,465</b>
Issue of ordinary shares										
pursuant to the rights issue with warrants	43,679	-	-	-	-	4,368	-	48,047	-	48,047
pursuant to the exercise of ESOS	8	-	-	-	-	4	-	12	-	12
Allocation of value to warrant reserve *	(6,989)	-	-	-	11,357	(4,368)	-	-	-	-
Expenses for rights issue with warrants	-	-	-	-	-	(1,199)	-	(1,199)	-	(1,199)
Total comprehensive income for the period	-	-	-	-	-	-	36,430	36,430	3	36,433
Treasury shares acquired	-	(531)	-	-	-	-	-	(531)	-	(531)
Final dividend of RM0.056 per share										
paid to shareholders	-	-	-	-	-	-	(8,153)	(8,153)	-	(8,153)
<b>At 31 March 2010</b>	<b>187,367</b>	<b>(8,688)</b>	-	<b>387</b>	<b>11,357</b>	<b>31,560</b>	<b>178,793</b>	<b>400,776</b>	<b>24,298</b>	<b>425,074</b>
<b>At 1 July 2010</b>	<b>187,385</b>	<b>(8,688)</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	-	-	342	-	-	-	55,851	56,193	(50)	56,143
Treasury shares acquired	-	(1,336)	-	-	-	-	-	(1,336)	-	(1,336)
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 March 2011</b>	<b>187,413</b>	<b>(10,024)</b>	<b>342</b>	<b>994</b>	<b>11,357</b>	<b>31,549</b>	<b>233,902</b>	<b>455,533</b>	<b>24,217</b>	<b>479,750</b>

\* Fair values from the issuance of Warrants are credited to warrant reserves which is non-distributable. In arriving at the related fair values, the fair values of the Rights Shares and Warrants (which was computed based on ex-rights price as at 8 March 2010 when Hunza Shares was quoted at RM1.20 and Warrant at RM0.37) were proportionately adjusted to the issue price of RM1.10 per Rights Share. When the Warrants are exercised or expires, the warrant reserve will be reversed, to the extent that such exercise of warrants is of significant quantity.

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	<u>9 Months Ended</u>	
		31.03.2011 RM'000	31.03.2010 RM'000
<b>Cash flows from operating activities</b>			
Profit before taxation		67,347	48,860
Adjustment for non-cash flow items:			
Depreciation		1,727	1,561
Property, plant and equipment written off		24	40
Fair value loss of financial instruments measured at fair value		661	1,746
Fair value gain on investment property		(22,719)	-
(Gain) / Loss on disposal of investment in other investments		(70)	72
Gain on disposal property, plant and equipment		(78)	(19)
Gross dividend income from other investments		(88)	(24)
Net interest (income) / expenses		(54)	181
<b>Operating profit before working capital changes</b>		<b>46,750</b>	<b>52,417</b>
Changes in Working Capital			
Net change in inventories, receivables, accrued billings, prepaid expenses		(19,324)	(24,043)
Net change in payables and accruals		12,457	10,904
Changes in property development costs		26,541	6,508
<b>Cash from operating activities</b>		<b>66,424</b>	<b>45,786</b>
Interest received		383	474
Tax paid		(12,536)	(8,304)
<b>Net Cash from operating activities</b>		<b>54,271</b>	<b>37,956</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		(44,511)	(8,133)
Proceeds from disposal of investment		5,229	124
Proceeds from disposal of property, plant and equipment		1,496	20
Dividends received from other investments		88	24
Payments for investment in quoted investments		(517)	(97)
Payments for purchase of property, plant and equipment		(3,118)	(1,547)
Additions to land held for property development		(448)	-
Increase in long term receivables		(611)	(2,062)
<b>Net cash used in investing activities</b>		<b>(42,392)</b>	<b>(9,727)</b>
<b>Cash flows from financing activities</b>			
Interest paid		(2,557)	(2,538)
Dividend paid to equity holders of the parent		(10,542)	(8,128)
Repayment of long term borrowings		(35,443)	(8,978)
Payments for shares buy-back		(1,336)	(531)
Proceeds from long term borrowings		-	11,042
Proceeds from issue of shares pursuant to the exercise of warrants		31	-
Proceeds from issue of shares pursuant to the rights issue with warrant (*)		-	46,747
Proceeds from issue of shares pursuant to the exercise of ESOS		-	12
Decrease in short term borrowings		(10,315)	(9,625)
Increase /(decrease) in short-term deposit placed as security		980	(686)
<b>Net cash (used in) / from financing activities</b>		<b>(59,182)</b>	<b>27,315</b>
Net (decrease)/increase in cash and cash equivalents for the period		(47,303)	55,544
Cash and cash equivalent at 1 July		63,933	19,536
<b>Cash and cash equivalents as at 31 March</b>	B16	<b>16,630</b>	<b>75,080</b>

\* Rights Issue expenses of RM1.3 million had been off-set from the gross fund raised from Rights Issue of RM48.047 million.

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