



MUTIARA GOODYEAR DEVELOPMENT BERHAD (40282-V)
INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 JULY 2010

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 31-Jul-10 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31-Jul-09 RM'000	CURRENT YEAR TO DATE 31-Jul-10 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31-Jul-09 RM'000
Revenue	1,243	6,853	1,243	6,853
Profit / (loss) from operations	(2,766)	2,840	(2,766)	2,840
Interest expense	(1,324)	(983)	(1,324)	(983)
Interest income	302	138	302	138
Share of loss of associate company	(49)	(85)	(49)	(85)
Profit / (loss) before taxation	(3,837)	1,910	(3,837)	1,910
Tax expense	579	(488)	579	(488)
Profit / (loss) for the period	(3,258)	1,422	(3,258)	1,422
Other comprehensive income	-	0	0	0
Total comprehensive income/(expense) for the period	(3,258)	1,422	(3,258)	1,422
Profit / (loss) for the period attributable to:				
Owners of the company	(3,258)	1,422	(3,258)	1,422
Non-controlling interests	0	0	0	0
	(3,258)	1,422	(3,258)	1,422
Total comprehensive income/(expense) for the period attributable to:				
Owners of the company	(3,258)	1,422	(3,258)	1,422
Non-controlling interests	0	0	0	0
	(3,258)	1,422	(3,258)	1,422
Basic earnings per ordinary share (sen)	(1.41)	0.62	(1.41)	0.62
(based on weighted average of 230,913,200 (2009: 230,913,200) ordinary shares for the quarter and cumulative year to date)				
Diluted earnings per ordinary share (sen)	N/A	N/A	N/A	N/A

The unaudited condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 30 April 2010 and the accompanying explanatory notes attached to the interim financial statements. Attention is drawn to Note 1 on Basis of Preparation showing the comparative results if the Group has not early adopted IC Interpretation 15 "Agreements for the Construction of Real Estate".



MUTIARA GOODYEAR DEVELOPMENT BERHAD (40282-V)
INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 JULY 2010

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	AS AT END OF CURRENT QUARTER 31-Jul-10 RM'000	AS AT FINANCIAL YEAR END 30-Apr-10 RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	2,430	2,531
Goodwill	16,219	16,219
Investment properties	27,056	27,056
Investment in associate	7,471	7,520
Investments (unquoted)	5,500	5,500
Land held for property development	234,731	230,532
Deferred tax asset	11,377	8,905
	<u>304,784</u>	<u>298,263</u>
Current Assets		
Inventories	260,799	237,634
Trade receivables	6,544	10,282
Other receivables, deposits and prepayment	6,061	3,979
Current tax assets	740	737
Assets classified as held for sale	67,459	67,459
Cash and cash equivalents	54,121	56,306
	<u>395,724</u>	<u>376,397</u>
TOTAL ASSETS	<u>700,508</u>	<u>674,660</u>
EQUITY AND LIABILITIES		
Equity Attributable to Owners of the Company		
Share capital	230,914	230,914
Share premium	19,341	19,341
Retained earnings	58,331	61,589
	<u>308,586</u>	<u>311,844</u>
Non-controlling interests	4,494	4,494
Total Equity	<u>313,080</u>	<u>316,338</u>
Non-Current Liabilities		
Loan and borrowings	165,038	160,343
Deferred tax liabilities	27,084	27,126
	<u>192,122</u>	<u>187,469</u>
Current Liabilities		
Trade payables	16,273	15,695
Other payables and accrued expenses	23,716	21,498
Loans and borrowings	38,063	40,467
Current tax liabilities	5,224	4,401
Deferred revenue	112,030	88,792
	<u>195,306</u>	<u>170,853</u>
Total Liabilities	<u>387,428</u>	<u>358,322</u>
TOTAL EQUITY AND LIABILITIES	<u>700,508</u>	<u>674,660</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	1.34	1.35

The unaudited condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 30 April 2010 and the accompanying explanatory notes attached to the interim financial statements. Attention is drawn to Note 1 on Basis of Preparation showing the comparative results if the Group has not early adopted IC Interpretation 15 "Agreements for the Construction of Real Estate".



MUTIARA GOODYEAR DEVELOPMENT BERHAD (40282-V)
INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 JULY 2010

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to Owners of the Company			Total RM'000	Non- controlling Interests RM'000	Total Equity RM'000
	Share capital RM'000	Share premium RM'000	Retained profits RM'000			
At 1 May 2009 (restated)	230,914	19,341	63,544	313,799	4,498	318,297
Total comprehensive income for the period	-	-	1,422	1,422	-	1,422
At 31 July 2009	<u>230,914</u>	<u>19,341</u>	<u>64,966</u>	<u>315,221</u>	<u>4,498</u>	<u>319,719</u>
At 1 May 2010	230,914	19,341	61,589	311,844	4,494	316,338
Total comprehensive income / (expense) for the period	-	-	(3,258)	(3,258)	-	(3,258)
At 31 July 2010	<u>230,914</u>	<u>19,341</u>	<u>58,331</u>	<u>308,586</u>	<u>4,494</u>	<u>313,080</u>

The unaudited condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 30 April 2010 and the accompanying explanatory notes attached to the interim financial statements. Attention is drawn to Note 1 on Basis of Preparation showing the comparative results if the Group has not early adopted IC Interpretation 15 "Agreements for the Construction of Real Estate".



MUTIARA GOODYEAR DEVELOPMENT BERHAD (40282-V)
INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 JULY 2010

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	31-Jul-10 RM'000	31-Jul-09 RM'000
Net cash used in operating activities	(4,451)	(15,790)
Net cash (used in)/generated from investing activities	(193)	299
Net cash generated from financing activities	3,434	16,530
Net (decrease)/increase in cash and cash equivalents	<u>(1,210)</u>	<u>1,039</u>
Cash and cash equivalents at beginning of period	53,895	30,096
Cash and cash equivalents at end of period	<u><u>52,685</u></u>	<u><u>31,135</u></u>

Cash and cash equivalents in the cash flow statement comprise the following balance sheet amounts:

	31-Jul-10 RM'000	31-Jul-09 RM'000
Cash and bank balances (excluding cash and bank balances pledged)	33,402	27,666
Liquid investment	7,529	1,929
Deposits (excluding pledged deposits)	11,754	2,303
Bank overdrafts	-	(763)
	<u><u>52,685</u></u>	<u><u>31,135</u></u>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 30 April 2010 and the accompanying explanatory notes attached to the interim financial statements. Attention is drawn to Note 1 on Basis of Preparation showing the comparative results if the Group has not early adopted IC Interpretation 15 "Agreements for the Construction of Real Estate".



NOTES TO THE INTERIM FINANCIAL REPORT

1 Basis of preparation

The 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 and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 30 April 2010. These 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 30 April 2010 except for the adoption of the following new and revised Financial Reporting Standards ("FRSs"), Issues Committee ("IC") Interpretations and amendments to FRSs and IC Interpretations:-

FRSs, Amendments to FRSs and IC Interpretations	
FRS 7	Financial Instruments : Disclosures
FRS 101	Presentation of Financial Statements
FRS 123	Borrowing Costs
FRS 139	Financial Instruments : Recognition and Measurement
Amendments to FRS 1	First-time Adoption of Financial Reporting Standards
Amendments to FRS 7	Financial Instruments : Disclosures
Amendments to FRS 101	Presentation of Financial Statements - Puttable Financial Instruments and Obligations Arising on Liquidation
Amendments to FRS 127	Consolidated and Separate Financial Statements : Cost of an Investment in Subsidiary, Joint Controlled Entity or Associate
Amendments to FRS 132	Financial Instruments : Presentation
Amendments to FRS 139	Financial Instruments : Recognition and Measurement
IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 10	Interim Financial Reporting and Impairment
Improvements to FRSs (2009)	

The new FRSs, Amendments to FRSs and Interpretations above are expected to have no significant impact on the financial statements of the Group upon their initial application except for the changes in disclosures.

The Group had early adopted IC Interpretation 15 ("IC 15"), Agreements for the Construction of Real Estate from financial year ended 30 April 2010. As a result of the adoption of IC 15, the development revenue and development cost recognised based on the percentage of completion method has now been reclassified to deferred revenue and inventories. As such, the comparative results if the Group has not early adopted IC 15 are as follows:

Income statement	Individual Period Current Year Quarter		Cumulative Period Current Year To date	
	Before the adoption of IC 15 RM'000	After the adoption of IC 15 RM'000	Before the adoption of IC 15 RM'000	After the adoption of IC 15 RM'000
Revenue	25,042	1,243	25,042	1,243
Profit / (loss) from operations	3,911	(2,766)	3,911	(2,766)
Interest expense	(1,324)	(1,324)	(1,324)	(1,324)
Interest income	302	302	302	302
Share of profit / (loss) of associate company	504	(49)	504	(49)
Profit / (loss) before taxation	3,393	(3,837)	3,393	(3,837)
Tax expense	(1,012)	579	(1,012)	579
Profit / (loss) for the period	2,381	(3,258)	2,381	(3,258)
Profit / (loss) for the period attributable to:				
Owners of the company	2,381	(3,258)	2,381	(3,258)
Non-controlling interest	0	0	0	0
	2,381	(3,258)	2,381	(3,258)



NOTES TO THE INTERIM FINANCIAL REPORT

2 Auditor's report on preceding annual financial statements

The auditor's report on the financial statements for the year ended 30 April 2010 was not qualified.

3 Seasonal or cyclical factors

The business of the Group was not affected by any significant seasonal or cyclical factors during the current financial quarter.

4 Unusual items due to their nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the current financial quarter.

5 Changes in estimates

There were no changes in estimates that have had material effect in the current financial quarter.

6 Debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayment of debt and equity securities in the current financial quarter.

7 Dividends paid

No dividends were paid for the current quarter.

8 Segment Information

Segmental information is presented in respect of the Group's main business segment, that are, property development and property investment. Segmental information by geographical segments are not provided as the activities of the Group are located principally in Malaysia. Inter-segment pricing is determined based on negotiated basis.

	Revenue		Profit before tax	
	For the financial period ended 31 July			
	2010	2009	2010	2009
	RM'000	RM'000	RM'000	RM'000
Property development	70	5,645	(4,348)	1,026
Property investment	1,173	1,208	632	894
	1,243	6,853	(3,716)	1,920
Unallocated income			950	920
	1,243	6,853	(2,766)	2,840
Interest income			302	138
Interest expense			(1,324)	(983)
Share of profit/(loss) of associated company			(49)	(85)
	1,243	6,853	(3,837)	1,910

9 Valuations of property, plant and equipment

There are no valuation of property, plant and equipment which have been brought forward from the previous annual report.



NOTES TO THE INTERIM FINANCIAL REPORT

10 Events subsequent to the balance sheet date

There were no material events subsequent to the current financial quarter except for the following:

On 27 August 2010, the Group's wholly-owned subsidiary Regal Form Sdn. Bhd. entered into a Sale and Purchase Agreement with Pusaka Padu Sdn. Bhd. to dispose of all that piece and parcel of vacant freehold land held under Geran 39676 Lot 188, Mukim Ulu Langat, Daerah Ulu Langat, Negeri Selangor measuring approximately 71,123.3888 square meters for a cash consideration of RM18,400,000.

11 Changes in the composition of the Group

There were no changes in the composition of the Group for the current financial quarter.

12 Changes in contingent liabilities and contingent assets

There were no material changes in contingent liabilities or contingent assets since the last annual balance sheet date.

13 Capital commitments

There were no material capital commitments for the financial quarter ended 31 July 2010.

14 Related party transactions

There were no material related party transactions for the financial quarter ended 31 July 2010.



**ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA
SECURITIES BERHAD**

1 Performance of the Group

For the current quarter under review, the Group recorded revenue of RM1.2 million which are mainly derived from the Group's property investment activities. As a result of the early adoption of IC Interpretation 15 ("IC 15") revenue recognition from property development activities changes from the percentage of completion method to the completed method. If the Group has not early adopted IC 15, the revenue based on percentage of completion is RM25.0 million.

Accordingly, total deferred revenue from progress billings issued from property development activities stood at RM112.0 million for the current quarter under review.

2 Variation of results against preceding quarter

The Group posted a loss after tax of RM3.3 million for the current quarter. This was mainly due to the deferment of revenue recognition as a result of the adoption of IC 15. If the Group has not early adopted IC 15 and revenue is recognised based on percentage of completion, the Group's profit after tax is RM2.3 million.

Note 1 to the Interim Financial Report shows the comparison of the Group's financial results for the current quarter and the current financial period end had the Group not early adopted IC 15.

3 Prospects for the financial year

In the view of the expectation of improved operating and economic environment, the Board of Directors are optimistic that the Group's performance for this financial year will be satisfactory.

4 Tax expense

Taxation comprises :

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 31-Jul-10 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31-Jul-09 RM'000	CURRENT YEAR TO DATE 31-Jul-10 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31-Jul-09 RM'000
Income tax - current period	1,937	957	1,937	957
- prior period	(1)	1	(1)	1
Deferred tax expense	(2,515)	(470)	(2,515)	(470)
	<u>(579)</u>	<u>488</u>	<u>(579)</u>	<u>488</u>

The Group's effective tax rate for the current quarter and financial year-to-date is lower than the statutory tax rate due to other income which is not taxable for tax purposes.

The reversal of deferred tax for the financial year represent the tax attributable to proportion of Group Cost arising from the property development cost charged out during the year and additional deferred tax recognised arising from deferred revenue recorded as a result of early adoption of IC 15.

5 Unquoted investment and/or properties

There were no sale of unquoted investment and/or properties, other than those carried out in the ordinary course of business as a property developer.

6 Quoted securities

There were no purchase or disposal of quoted securities for the current quarter and financial year-to-date.

7 Status of corporate proposals

There are no corporate proposals announced but not completed at the latest practicable date which shall not be earlier than 7 days from the issuance of this report.



ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA
SECURITIES BERHAD

8 Group borrowings and debt securities

		AS AT END OF CURRENT QUARTER 31-Jul-10	
	RM'000	RM'000	
<u>Borrowings</u>			
<u>Current</u>			
Term loan - secured	10,841		
Revolving Credit - secured	27,125		
Hire Purchase - secured	97		
			38,063
<u>Non-current</u>			
Term loan - secured	132,838		
Term loan - unsecured	32,000		
Hire Purchase - secured	200		
			165,038
			203,101

The above borrowings are denominated in Ringgit Malaysia.

9 Off balance sheet financial instruments

There are no financial instruments with off-balance sheet risk.

10 Changes in material litigation

There are no material litigation for the current quarter and financial year-to-date.

11 Dividends

The Directors have not declared any dividends for the current quarter ended 31 July 2010.

12 Earnings per share

a) Basic earnings per share

The calculations of the basic earnings per share of the Group is based on the net profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding during the quarter.

	CURRENT YEAR QUARTER 31-Jul-10	CURRENT YEAR TO DATE 31-Jul-10
Net profit/(loss) attributable to ordinary shareholders (RM'000)	(3,258)	(3,258)
Weighted average number of ordinary shares ('000)	230,914	230,914
Basic earnings per share (sen)	(1.41)	(1.41)

b) Diluted earnings per share

Not applicable as there was no dilutive potential ordinary shares for the current quarter and financial year-to-date.