



MUTIARA GOODYEAR DEVELOPMENT BERHAD (40282-V)
INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2011

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL PERIOD CURRENT YEAR QUARTER 31-Mar-11 RM'000	CUMULATIVE PERIOD CURRENT YEAR TO DATE 31-Mar-11 RM'000
Revenue	125,624	125,624
Results from operating activities	41,954	41,954
Finance costs	(1,395)	(1,395)
Finance income	244	244
Share of profit / (loss) of equity accounted investee, net of tax	0	0
Profit / (loss) before tax	<u>40,803</u>	<u>40,803</u>
Tax expense	<u>(10,435)</u>	<u>(10,435)</u>
Profit and total comprehensive income / (loss) for the period	<u><u>30,368</u></u>	<u><u>30,368</u></u>
Profit and total comprehensive income/(loss) for the period attributable to:		
Owners of the company	30,381	30,381
Non-controlling interests	<u>(13)</u>	<u>(13)</u>
Profit and total comprehensive income for the period	<u><u>30,368</u></u>	<u><u>30,368</u></u>
Basic earnings per ordinary share (sen)	13.16	13.16
<small>(based on weighted average of 230,913,200 (2010: 230,913,200) ordinary shares for the quarter and cumulative year to date)</small>		
Diluted earnings per ordinary share (sen)	N/A	N/A

The unaudited condensed consolidated income statement should be read in conjunction with the audited financial statements for the period ended 31 December 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 of adopting IC Interpretation 15 "Agreements for the Construction of Real Estate" based on percentage of completion method and completion method.



MUTIARA GOODYEAR DEVELOPMENT BERHAD (40282-V)
INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2011

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	AS AT END OF CURRENT QUARTER 31-Mar-11 RM'000	AS AT FINANCIAL PERIOD END 31-Dec-10 RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	2,278	1,876
Goodwill	16,219	16,219
Investment properties	29,906	27,056
Investment in associate	12,707	7,457
Investments (unquoted)	5,500	5,500
Land held for property development	197,415	186,004
Deferred tax asset	2,291	11,669
	<u>266,316</u>	<u>255,781</u>
Current Assets		
Inventories	296,716	336,185
Trade receivables	7,244	8,349
Other receivables, deposits and prepayment	7,972	12,526
Current tax assets	935	727
Assets classified as held for sale	32,629	32,629
Cash and cash equivalents	62,675	82,362
	<u>408,171</u>	<u>472,778</u>
TOTAL ASSETS	<u>674,487</u>	<u>728,559</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	85,062	54,681
	<u>335,317</u>	<u>304,936</u>
Non-controlling interests	4,436	4,449
Total Equity	<u>339,753</u>	<u>309,385</u>
Non-Current Liabilities		
Loan and borrowings	157,596	126,879
Deferred tax liabilities	24,201	25,762
	<u>181,797</u>	<u>152,641</u>
Current Liabilities		
Trade payables	8,564	17,745
Other payables and accrued expenses	26,447	36,886
Loans and borrowings	79,670	74,179
Current tax liabilities	7,833	7,075
Deferred revenue	30,423	130,648
	<u>152,937</u>	<u>266,533</u>
Total Liabilities	<u>334,734</u>	<u>419,174</u>
TOTAL EQUITY AND LIABILITIES	<u>674,487</u>	<u>728,559</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	1.45	1.32

The unaudited condensed consolidated income statement should be read in conjunction with the audited financial statements for the period ended 31 December 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 of adopting IC Interpretation 15 "Agreements for the Construction of Real Estate" based on percentage of completion method and completion method.



MUTIARA GOODYEAR DEVELOPMENT BERHAD (40282-V)
INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2011

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 2010	230,914	19,341	61,589	311,844	4,494	316,338
Total comprehensive income / (loss) for the period	-	-	1,174	1,174	(45)	1,129
Dividends to the owners of the Company	-	-	(8,082)	(8,082)	-	(8,082)
At 31 December 2010	<u>230,914</u>	<u>19,341</u>	<u>54,681</u>	<u>304,936</u>	<u>4,449</u>	<u>309,385</u>
At 1 Jan 2011	230,914	19,341	54,681	304,936	4,449	309,385
Total comprehensive income / (loss) for the period	-	-	30,381	30,381	(13)	30,368
At 31 March 2011	<u>230,914</u>	<u>19,341</u>	<u>85,062</u>	<u>335,317</u>	<u>4,436</u>	<u>339,753</u>

The unaudited condensed consolidated income statement should be read in conjunction with the audited financial statements for the period ended 31 December 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 of adopting IC Interpretation 15 "Agreements for the Construction of Real Estate" based on percentage of completion method and completion method.



MUTIARA GOODYEAR DEVELOPMENT BERHAD (40282-V)
INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2011

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	31-Mar-11 RM'000	31-Dec-10 RM'000
Net cash (used in) / generated from operating activities	(47,276)	25,857
Net cash used in investing activities	(8,539)	(4,243)
Net cash generated from financing activities	33,911	1,401
Net (decrease) / increase in cash and cash equivalents	<u>(21,904)</u>	<u>23,015</u>
Cash and cash equivalents at beginning of period	76,910	53,895
Cash and cash equivalents at end of period	<u><u>55,006</u></u>	<u><u>76,910</u></u>

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

	31-Mar-11 RM'000	31-Dec-10 RM'000
<i>Cash and bank balances (excluding cash and bank balances pledged)</i>	15,989	41,280
<i>Liquid investment</i>	8,816	31,807
<i>Deposits (excluding pledged deposits)</i>	32,237	3,823
<i>Bank overdrafts</i>	(2,036)	-
	<u><u>55,006</u></u>	<u><u>76,910</u></u>

The unaudited condensed consolidated income statement should be read in conjunction with the audited financial statements for the period ended 31 December 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 of adopting IC Interpretation 15 "Agreements for the Construction of Real Estate" based on percentage of completion method and completion method.



MUTIARA GOODYEAR DEVELOPMENT BERHAD (40282-V)
INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2011

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 period ended 31 December 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 period ended 31 December 2010 except for those standards, amendments or interpretations which are effective from the annual period beginning 1 July 2010 and 1 January 2011.

The adoption of these standards, amendments or interpretations have no significant impact on the financial statements of the Group upon their initial application.

The Group had early adopted IC Interpretation 15 ("IC 15"), Agreements for the Construction of Real Estate since financial year ended 30 April 2010. Pursuant to the adoption of IC 15, revenue recognition for property development activities should be recognised in accordance with the conditions for the sale of goods of para 14 of *FRS 118, Revenue* and the Group has recognised revenue from property development activities based on completion method. The Group has also prepared the comparative results if the Group have recognised revenue from property development based on percentage of completion method as shown below:

Income statement	Individual Period Current Year Quarter		Cumulative Period Current Year To date	
	Completion Method RM'000	Percentage Completion Method RM'000	Completion Method RM'000	Percentage Completion Method RM'000
Revenue	125,624	25,935	125,624	25,935
Results from operating activities	41,954	7,617	41,954	7,617
Finance costs	(1,395)	(1,395)	(1,395)	(1,395)
Finance income	244	244	244	244
Share of profit / (loss) of equity accounted investee, net of tax	0	834	0	834
Profit / (loss) before tax	40,803	7,300	40,803	7,300
Tax expense	(10,435)	(1,979)	(10,435)	(1,979)
Profit and total comprehensive income / (loss) for the period	30,368	5,321	30,368	5,321
Profit / (loss) for the period attributable to:				
Owners of the company	30,381	5,334	30,381	5,334
Non-controlling interest	(13)	(13)	(13)	(13)
	30,368	5,321	30,368	5,321

2 Auditor's report on preceding annual financial statements

The auditor's report on the financial statements for the period ended 31 December 2010 was not qualified



MUTIARA GOODYEAR DEVELOPMENT BERHAD (40282-V)
INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2011

NOTES TO THE INTERIM FINANCIAL REPORT

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

A first and final single-tier tax exempt dividend of 3.5 sen per ordinary share in respect of the financial year ended 30 April 2010 amounting to RM8,081,962 was paid on 26 January 2011.

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 March	
	2011	2011
	RM'000	RM'000
Property development	124,935	41,421
Property investment	689	497
	<hr/>	<hr/>
	125,624	41,918
Unallocated income/(expenses)		36
	<hr/>	<hr/>
	125,624	41,954
Finance costs		244
Finance income		(1,395)
Share of profit / (loss) of equity accounted investee, net of tax		0
	<hr/>	<hr/>
	125,624	40,803

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 14 April 2011, the Group's wholly-owned subsidiary Pembangunan Bandar Mutiara Sdn. Bhd. subscribed for 3 million new redeemable preferred shares of USD0.01 par value, issued at USD1.00 each in Agathis One Ltd at a total cash consideration of USD3 million, equivalent to about RM9,126,086.
- On 4 May 2011, the Group's wholly-owned subsidiary Pembangunan Bandar Mutiara Sdn. Bhd. subscribed for 2,302,400 ordinary shares of RM1.00 each in Palmington Sdn Bhd ('Palmington') for a cash consideration of RM2,340,000, representing 40% of the equity interest in Palmington. Palmington is a private company incorporated in Malaysia with a paid-up share capital of RM5,756,000 comprising of 5,756,000 ordinary shares of RM1.00 each. Palmington is principally involved in property development.
- On 4 May 2011, the Group's wholly-owned subsidiary Pembangunan Bandar Mutiara Sdn. Bhd. ('PBM') entered into a Shareholders' Agreement with Tambun Indah Land Berhad, the remaining shareholder of Palmington Sdn. Bhd. ('Palmington') with an equity interest of 60%, to facilitate the arrangement between Pembangunan Bandar Mutiara Sdn. Bhd. and Tambun Indah Land Berhad to jointly develop land identified as 'Parcel R1', 'Parcel R2', 'Parcel R3', 'Parcel C' and 'Amenities Land' measuring approximately 526.7531 acres, situated in an ongoing township development known as Bandar Tasek Mutiara, Seberang Perai, Penang (Project Lands). In connection with the said joint development, PBM also had on even date entered into a Master Agreement and five separate Sale and Purchase Agreements with Palmington for the proposed disposal by PBM of the Project Lands to Palmington for an aggregate cash consideration of RM233,223,021. PBM will in accordance to the terms of Shareholders' Agreement be obliged to provide advances to Palmington and corporate guarantee in respect of banking facilities to be obtained to finance the payment of the balance of the disposal consideration, proportionate to its shareholding in Palmington.

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 March 2011

14 Related party transactions

There were no material related party transactions for the financial quarter ended 31 March 2011



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

1 Performance of the Group

The Group adopted IC Interpretation 15 ("IC 15") in April 2010, where the revenue recognition for property development activities are based on completion method. Based on the completion method, the Group recorded revenue of RM125.6 million upon the completion of the Group's shops/offices development known as Prima Avenue as compared to RM25.9 million if the Group had recognised the revenue from property development activities based on percentage of completion method.

In addition to the above, total deferred revenue from progress billings issued from property development activities stood at RM30.4 million as at 31 March 2011.

2 Variation of results against preceding quarter

With the completion of the Prima Avenue shops/offices development, the Group posted a profit after tax of RM30.3 million for the current quarter as compared to a profit after tax of RM5.3 million if the Group had recognised property development activities based on percentage of completion method.

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 based on percentage of completion method and completion method.

3 Prospects for the financial year

In view of the expected improvement in 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 CURRENT YEAR PERIOD 31-Mar-11 RM'000	CUMULATIVE PERIOD CURRENT YEAR TO DATE 31-Mar-11 RM'000
Income tax - current period	2,618	2,618
- prior period	0	0
Deferred tax expense	7,817	7,817
	<u>10,435</u>	<u>10,435</u>

The Group's effective tax rate for the current quarter and financial year-to-date is higher than the statutory tax rate due to expenses which are not deductible for tax purposes.

Deferred tax expense reflects the reversal of deferred tax for the financial year, being 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 PERIOD 31-Mar-11 RM'000
	RM'000	RM'000
<u>Borrowings</u>		
<u>Current</u>		
Bank Overdrafts - secured	2,036	
Term loan - secured	18,352	
Term loan - unsecured	32,000	
Revolving Credit - secured	27,135	
Hire Purchase - secured	147	
		79,670
<u>Non-current</u>		
Term loan - secured	153,268	
Bridging loan - secured	3,984	
Hire Purchase - secured	344	
		157,596
		<u>237,266</u>

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 March 2011.

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 period.

	CURRENT YEAR PERIOD 31-Mar-11	CURRENT YEAR TO DATE 31-Mar-11
Net profit/(loss) attributable to ordinary shareholders (RM'000)	30,381	30,381
Weighted average number of ordinary shares ('000)	230,914	230,914
Basic earnings per share (sen)	13.16	13.16

b) Diluted earnings per share

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



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

13 Realised and Unrealised Profits/Losses

	As at 31-Mar-11 RM'000	As at 31-Dec-10 RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	192,633	146,943
- Unrealised	4,742	14,174
Total share of retained profits from associated company:		
- Realised	(890)	(890)
- Unrealised	590	590
Less: Consolidation adjustments	(112,013)	(106,136)
Total group retained profits as per consolidated accounts	<u>85,062</u>	<u>54,681</u>