



**UEM LAND HOLDINGS BERHAD**  
(830144-W)  
Incorporated in Malaysia

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2009**

**THE FIGURES HAVE BEEN AUDITED**

**I. CONDENSED CONSOLIDATED INCOME STATEMENT**

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current year quarter 31/12/2009 RM'000	Preceding year corresponding quarter 31/12/2008 RM'000	Twelve months to 31/12/2009 RM'000	Twelve months to 31/12/2008 RM'000
<b>Continuing Operations</b>					
1. (a) Revenue		<b>205,096</b>	<b>181,980</b>	<b>403,085</b>	<b>511,647</b>
(b) Cost of sales		(111,042)	(154,783)	(254,321)	(381,159)
(c) Gross profit		94,054	27,197	148,764	130,488
(d) Other income		13,769	581	22,517	2,678
(e) Expenses		(18,900)	(26,394)	(62,737)	(62,307)
(f) Finance costs		(2,804)	668	(7,520)	(6,367)
(g) Share of results of associates		15,441	4,262	19,304	5,741
(h) Share of results of joint ventures		4,698	637	9,254	5,467
(i) Profit before income tax		<b>106,258</b>	<b>6,951</b>	<b>129,582</b>	<b>75,700</b>
(j) Income tax	14	(7,958)	2,566	(13,959)	(631)
(k) Profit for the year from continuing operations		<b>98,300</b>	<b>9,517</b>	<b>115,623</b>	<b>75,069</b>
<b>Discontinued operations</b>					
(l) Profit/(loss) for the year from discontinued operations	11	52	-	(75)	-
(m) Profit for the year		<b>98,352</b>	<b>9,517</b>	<b>115,548</b>	<b>75,069</b>
Attributable to:					
(n) Equity holders of the Company		98,544	8,637	114,622	74,189
(o) Minority interests		(192)	880	926	880
		<b>98,352</b>	<b>9,517</b>	<b>115,548</b>	<b>75,069</b>



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**I. CONDENSED CONSOLIDATED INCOME STATEMENT (CONT'D)**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter <b>31/12/2009</b> RM'000	Preceding year corresponding quarter <b>31/12/2008</b> RM'000	Twelve months to <b>31/12/2009</b> RM'000	Twelve months to <b>31/12/2008</b> RM'000
<b>2. Earnings per share based on 1(n) above (Note 27):</b>				
(a) Basic earnings per share for:				
Profit from continuing operations	4.06 sen	0.36 sen	4.72 sen	3.06 sen
Profit/(loss) from discontinued operations	-*	-	-*	-
Profit for the year	<u>4.06 sen</u>	<u>0.36 sen</u>	<u>4.72 sen</u>	<u>3.06 sen</u>
(b) Diluted earnings per share for:				
Profit from continuing operations	3.44 sen	0.13 sen	3.90 sen	2.36 sen
Profit/(loss) from discontinued operations	-*	-	-*	-
Profit for the year	<u>3.44 sen</u>	<u>0.13 sen</u>	<u>3.90 sen</u>	<u>2.36 sen</u>

\* Amount is negligible

The condensed Consolidated Income Statement should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2008.



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**II. CONDENSED CONSOLIDATED BALANCE SHEET**

	<b>Audited</b> <b>As at current</b> <b>financial year end</b>	<b>Audited</b> <b>As at preceding</b> <b>financial year end</b>
<b>Note</b>	<b>31/12/2009</b>	<b>31/12/2008</b>
	RM'000	RM'000
<b>ASSETS</b>		
1. Non-current assets		
Property, plant and equipment	56,968	12,359
Investment property	28,848	-
Prepaid land lease payments	372	334
Land held for property development	1,840,256	1,544,300
Investment in associates	43,997	15,081
Investment in joint ventures	55,339	25,211
Long term investments	33,636	158
Long term receivables	64,223	64,223
Goodwill	39,223	39,223
Non-current deposits	1,418	1,418
	2,164,280	1,702,307
2. Current assets		
Property development costs	594,867	711,644
Inventories	19,569	35,905
Receivables	499,494	447,472
Amount due from joint ventures	75,292	74,272
Amount due from associates	535	27,022
Short term investments	7	7
Short term deposits	27,444	6,595
Cash, bank balances and deposits	115,546	26,810
	1,332,754	1,329,727
3. Assets of disposal group classified as held for sale	35,978	28,518
<b>Total assets</b>	<b>3,533,012</b>	<b>3,060,552</b>



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**II. CONDENSED CONSOLIDATED BALANCE SHEET (CONT'D)**

	Audited As at current financial year end 31/12/2009 RM'000	Audited As at preceding financial year end 31/12/2008 RM'000
<b>EQUITY AND LIABILITIES</b>		
4. Equity attributable to equity holders of the Company		
Share capital	1,214,088	1,214,088
Preference shares	1,549	-
Reserves		
Share premium	153,365	-
Merger relief reserves	34,330	34,330
Other reserves	53,242	47,027
Retained earnings/(accumulated losses)	69,332	(45,290)
	1,525,906	1,250,155
5. Minority interests	453,306	452,380
Total equity	1,979,212	1,702,535
6. Non-current liabilities		
Long term borrowings	690,979	590,661
Other payables	24,960	-
Deferred tax liabilities	150,312	144,997
	866,251	735,658
7. Current liabilities		
Provisions	24,315	35,370
Payables	332,620	389,546
Borrowings	9,141	8,633
Amount due to immediate holding company	319,361	187,872
Tax payable	1,195	938
	686,632	622,359
8. Liabilities of disposal group classified as held for sale	917	-
Total liabilities	1,553,800	1,358,017
Total equity and liabilities	3,533,012	3,060,552
9. <b>Net assets per share attributable to ordinary equity holders of the Company</b>	<b>RM0.63</b>	<b>RM0.52</b>

The condensed Consolidated Balance Sheet should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2008.



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**III. CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

	<b>Audited</b>	<b>Audited</b>
	<b>Twelve</b>	<b>Twelve</b>
	<b>months to</b>	<b>months to</b>
<b>Note</b>	<b>31/12/2009</b>	<b>31/12/2008</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Operating activities</b>		
Cash receipts from customers	311,833	265,656
Cash receipts from other related parties	8,737	16,865
Cash receipts from joint ventures	20,145	125,466
Cash payments to suppliers	(41,937)	(26,983)
Cash payments to contractors	(172,412)	(142,867)
Cash payment for land and development related costs	(34,943)	(160,689)
Cash payments to other related parties	(24,263)	(26,771)
Cash payments to employees and for expenses	(53,939)	(71,309)
Cash generated from / (used in) operations	13,221	(20,632)
Net income tax paid	(35,153)	(32,540)
Interest income received	367	1,198
Net cash used in discontinued operations	12	(676)
<b>Net cash used in operating activities</b>	<b>(21,553)</b>	<b>(52,650)</b>
<b>Investing activities</b>		
Dividend received from associates	2,950	2,250
Proceeds from disposal of		
- property, plant and equipment	9	5
- long term investments	391	450
Purchase of property, plant and equipment	(11,245)	(3,816)
Equity contribution to joint venture	-	(50,000)
Investment in land held for property development	(11,621)	(23,285)
Investment in joint ventures	(20,000)	(11,539)
<b>Net cash used in investing activities</b>	<b>(39,516)</b>	<b>(85,935)</b>
<b>Financing activities</b>		
Drawdown of term and bridging loan	66,159	-
Advance from immediate holding company	114,000	117,000
Repayment of bridging loan	(8,938)	-
<b>Net cash generated from financing activities</b>	<b>171,221</b>	<b>117,000</b>
<b>Net change in cash and cash equivalents</b>	<b>110,152</b>	<b>(21,585)</b>
Effects of foreign exchange rate changes	913	(235)
Cash and cash equivalents at beginning of financial year	24,819	46,639
<b>Cash and cash equivalents at end of the financial year</b>	<b>135,884</b>	<b>24,819</b>

(a)



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**III. CONDENSED CONSOLIDATED CASH FLOW STATEMENT (CONT'D)**

		<b>Audited Twelve months to 31/12/2009 RM'000</b>	<b>Audited Twelve months to 31/12/2008 RM'000</b>
(a) <b>Cash and cash equivalents comprise the following amounts:</b>			
Current cash, bank balances and deposits			
Unrestricted		111,258	24,267
Restricted		31,733	9,138
		142,991	33,405
Cash, bank balances and deposits included in assets of disposal group classified as held for sale			
Unrestricted	11	972	47
Bank overdrafts (included in short term borrowings)		(8,079)	(8,633)
Cash and cash equivalents		<b>135,884</b>	<b>24,819</b>

The condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2008.



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IV. CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN TOTAL EQUITY

	← Attributable to equity holders of the Company →					Minority Interests <sup>#</sup>	Total Equity	
	← Non-distributable →							
	Share Capital RM'000	Share Premium RM'000	Merger Relief Reserves RM'000	Other Reserves RM'000	(Acc Losses)/ Retained Earnings RM'000	Total RM'000	RM'000	RM'000
<b>Twelve months to 31 December 2009 (audited)</b>								
Balance as at 1 January 2009	1,214,088	-	34,330	47,027	(45,290)	1,250,155	452,380	1,702,535
Currency translation differences, representing net gain recognised directly in equity	-	-	-	6,215	-	6,215	-	6,215
Profit for the year	-	-	-	-	114,622	114,622	926	115,548
Total recognised income for the year	-	-	-	6,215	114,622	120,837	926	121,763
Issue of mandatory convertible redeemable preference shares ("MCRPS")	1,549	153,365	-	-	-	154,914	-	154,914
Balance as at 31 December 2009	<u>1,215,637</u>	<u>153,365</u>	<u>34,330</u>	<u>53,242</u>	<u>69,332</u>	<u>1,525,905</u>	<u>453,306</u>	<u>1,979,212</u>

<sup>#</sup> Included in the minority interests is the Redeemable Convertible Preference Share of a subsidiary amounting to RM450 million held by the immediate holding company.



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**IV. CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN TOTAL EQUITY (CONT'D)**

	← Attributable to equity holders of the Company →					Total	Minority Interest#	Total Equity
	Share Capital		← Non-distributable →					
	Share Capital	Share Premium	Merger relief Reserves	Other Reserves	Accumulated Losses	Total	Minority Interest#	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Twelve months to 31 December 2008 (audited)</b>								
Balance as at 1 January 2008	1,214,088	-	34,330	63,132	(126,915)	1,184,635	451,500	1,636,135
Currency translation differences, representing net expense recognised directly in equity	-	-	-	(9,113)	-	(9,113)	-	(9,113)
Profit for the year	-	-	-	-	74,189	74,189	880	75,069
Total recognised (expense)/income for the year	-	-	-	(9,113)	74,189	65,076	880	65,956
Share option								
- granted	-	-	-	444	-	444	-	444
- transferred	-	-	-	(7,436)	7,436	-	-	-
Balance as at 31 December 2008	<u>1,214,088</u>	<u>-</u>	<u>34,330</u>	<u>47,027</u>	<u>(45,290)</u>	<u>1,250,155</u>	<u>452,380</u>	<u>1,702,535</u>

# Included in the minority interests is the Redeemable Convertible Preference Share of a subsidiary amounting to RM450 million held by the immediate holding company.

The condensed Consolidated Statement of Changes in Total Equity should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2008.





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**V. NOTES TO THE CONDENSED FINANCIAL STATEMENTS**

The notes to the condensed Financial Statements should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2008.

**1. Accounting policies and methods of computation**

The quarterly consolidated financial statements have been prepared in accordance with Financial Reporting Standards 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and Paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The accounting policies and methods of computation adopted by the Group in this interim financial report are in compliance with the new and revised Financial Reporting Standards issued by the MASB.

**2. Audit report in respect of the 2008 financial statements**

The audit report on the Group’s financial statements for the financial year ended 31 December 2008 was not qualified.

**3. Seasonal or cyclical factors**

The Group’s operations are not subject to any significant seasonal or cyclical factors.

**4. Unusual items due to their nature, size or incidence**

There were no items affecting assets, liabilities, equity, net income, or cash flows that were unusual because of their nature, size and incidence in the current year.

**5. Material changes in estimates used**

There were no changes in estimates of amounts reported in prior financial years that have a material effect in the current year.

**6. Debt and equity securities**

The Group did not undertake any other issuance and/or repayment of debt and equity securities, share buy-back, share cancellations, shares held as treasury shares and resale of treasury shares for the current financial year ended 31 December 2009 except as disclosed below:-

On 8 January 2009, the Company issued 154,914,002 Mandatory Convertible Redeemable Preference Shares (“MCRPS”) of RM0.01 each at an issue price of RM1.00 per MCRPS for the acquisition by its wholly-owned subsidiary, UEM Land Berhad (“UEM Land”) of the following:

- (a) 20 parcels of freehold land located in Mukim of Tanjung Kupang, District of Johor Bahru, Johor Darul Takzim from UEM Construction Sdn Bhd, a wholly-owned subsidiary of UEM Builders Berhad which is in turn a wholly-owned subsidiary of UEM Group Berhad (“UEM Group”), for a purchase consideration of RM46,146,000 satisfied via the issuance of MCRPS;
- (b) 100% equity interest in Finwares Sdn Bhd which holds 73.36% share in an undivided freehold land parcel identified as H.S.(D) 297739, Lot PTD 2987 located in Mukim of Tanjung Kupang, District of Johor Bahru, Johor Darul Takzim (“PTD 2987 Parcel”) for a purchase consideration of RM79,796,162 satisfied via the issuance of MCRPS; and



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**6. Debt and equity securities (cont'd)**

- (c) Hartanah Lintasan Kedua Sdn Bhd's (a wholly-owned subsidiary of UEM Group) holding of 26.64% of the PTD 2987 Parcel for a purchase consideration of RM28,971,840 satisfied via the issuance of MCRPS.

**7. Dividend**

No dividend have been paid for the previous financial year ended 31 December 2008. The Directors do not recommend the payment of any dividend for the financial year ended 31 December 2009.

**8. Segment information for the current financial year**

There is no segmental reporting prepared as the Group's activities are carried out within Malaysia and are primarily involved in property development and related activities.

**9. Material events subsequent to the end of the current financial year**

In the opinion of the Directors, there are no items, transactions or events of a material and unusual nature which have arisen since 31 December 2009 to the date of this announcement which would substantially affect the financial results of the Group for the financial year ended 31 December 2009 that have not been reflected in the condensed financial statements.

**10. Changes in the composition of the Group**

There were no significant changes in the composition of the Group for the current quarter and financial year including business combinations, acquisitions of subsidiaries and long term investments, restructuring or discontinuing operations except as follows:-

- i) On 2 April 2009, the Company's interest in Nusajaya Consolidated Sdn. Bhd. ("NCSB") was reduced from 100% to 50% as a result of share subscription by United Malayan Land Bhd ("UM Land") pursuant to the Subscription and Joint Venture Agreement dated 14 October 2008 entered between UEM Land, UM Land and NCSB. NCSB ceased to be a subsidiary of the Company and the Company's interest in NCSB is classified as investment in joint ventures.
- ii) On 7 August 2009, the following dormant/inactive subsidiaries and associate companies which were previously held through UEM Land and Bandar Nusajaya Development Sdn Bhd ("BND") ceased as subsidiaries and associate companies following the disposal by UEM Land and BND of its entire equity interest in these companies to unrelated parties:-
  - 1) Equinox Film Production & Distributors Sdn Bhd
  - 2) Nilaimas Sdn Bhd
  - 3) Renong Credit & Leasing Sdn Bhd
  - 4) Renong-India Sdn Bhd
  - 5) Renong Solutions (M) Sdn Bhd
  - 6) Teck Hwa Knitting Industries Sdn Bhd
  - 7) Nusajaya Campus Sdn Bhd
  - 8) Nusajaya Energy Sdn Bhd
  - 9) Nusajaya Equity Sdn Bhd
  - 10) Nusajaya Healthcare Sdn Bhd
  - 11) Nusajaya High-Tech Park Sdn Bhd
  - 12) Nusajaya Infra Sdn Bhd
  - 13) Nusajaya Riverside Sdn Bhd
  - 14) Nusajaya Warehousing Sdn Bhd



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10. **Changes in the composition of the Group (cont'd)**

iii) On 16 November 2009, the Company subscribed 40,000 ordinary shares of RM1.00 each for RM40,000.00 in Malaysian Bio-XCell Sdn. Bhd., pursuant to the joint venture and shareholders' agreement ("JVSA") with Malaysian Biotechnology Corporation Sdn. Bhd., dated 17 September 2009 for the proposed collaboration and co-operation to develop and set-up a biotechnology hub known as "Bio-XCell" in Nusajaya. The Company's 40% interest in Malaysian Bio-XCell is classified as investment in joint ventures.

11. **Discontinued operations and assets of disposal group classified as held for sale**

Renong Overseas Corporation Sdn Bhd ("ROC"), a wholly-owned subsidiary of UEM Land, entered into an agreement to dispose its entire interests in Renong Overseas Corporation S.A. (Proprietary) Limited ("ROCSA"), a foreign subsidiary of ROC, on 8 January 2007 with Bonatla Property Holdings Limited ("Bonatla"). The agreement was later novated to VLC Commercial & Industrial (Pty) Ltd ("VLC"). This agreement is currently in abeyance pending determination of the interlocutory proceedings filed by Vulindlela Holdings (Pty) Limited and Vulindlela Investments (Pty) Limited ("Applicants").

The Applicants are companies incorporated in South Africa and hold direct and indirect interest in ROC-Union Pty Ltd, a subsidiary of ROCSA which in turn is a wholly owned subsidiary of ROC. ROCSA and Vulindlela Investments (Pty) Limited respectively hold 80.4% and 19.6% equity interest in ROC-Union Pty Ltd.

The Applicants are requesting for a relief to injunct ROC from completing its sale of shares in ROCSA to VLC and/or its nominee, pending determination of the court case brought by the Applicants.

At the hearing on 17 October 2008, the Court granted an order which records that the application is adjourned pending Bonatla and/or VLC furnishing the Applicants with further documents. Parties are currently in negotiation to resolve the matter out of court.

The results for the year of the disposal group classified as held for sale were as follows:

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter <b>31/12/2009</b> RM'000	Preceding year corresponding quarter <b>31/12/2008</b> RM'000	Twelve months to <b>31/12/2009</b> RM'000	Twelve months to <b>31/12/2008</b> RM'000
Other income	52	-	52	-
Expenses	-	-	(127)	-
Profit/(loss) for the year from discontinued operations	<u>52</u>	<u>-</u>	<u>(75)</u>	<u>-</u>

There were no cash flow movements for the year of the disposal group classified as held for sale.



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11. **Discontinued operations and assets of disposal group classified as held for sale (cont'd)**

The major classes of assets and liabilities of the disposal group classified as held for sale on the consolidated balance sheet were as follows:

	As at <b>31/12/2009</b> RM'000	As at <b>31/12/2008</b> RM'000
Assets		
Property, plant and equipment	-	6
Investment in associate	34,394	28,359
Receivables	612	106
Cash and bank balances	972	47
Assets of disposal group classified as held for sale	35,978	28,518
Liabilities		
Payables	917	-
Liabilities directly associated with the assets classified as held for sale	917	-
Net assets attributable to discontinued operations	35,061	28,518

12. **Contingent liabilities**

There are no changes in the contingent liabilities as at the date of this announcement since the preceding financial year ended 31 December 2008 except the following:-

The contingent liability for the potential compensation payable to Felcra settlers has been resolved as follows:-

- i) A group of thirty eight (38) Felcra settlers (“the Plaintiffs-1”) has collectively served an originating summons against Felcra Berhad (“Felcra”), District Land Administrator (“DLA”) and the Johor State Government (“State Government”) (collectively the “Defendants”). The Summons pertain to 198 acres of land previously owned by the State Government, developed by Felcra and subsequently alienated to Bandar Nusajaya Development Sdn Bhd (“BND”), for the development of Nusajaya. The Plaintiffs-1 seek, inter-alia, for the Defendants to pay an additional total sum of RM54.0 million for the 198 acres and an acre of land to each Plaintiff-1.

On 12 January 2010, the High Court of Malaya (“High Court”) has made a decision against Felcra for breach of contract and dismissed the Plaintiffs-1’s action against the DLA and the Johor State Government.

- ii) On 9 June 2003, another group of two hundred (200) Felcra settlers (“the Plaintiffs-2”) has collectively served an originating summons against the Defendants. The summons pertain to 904 acres of land previously owned by the Johor State Government, developed by Felcra and subsequently alienated to BND for the development of Nusajaya. The Plaintiffs-2 seek, inter-alia, for the Defendants to pay to each Plaintiff-2 a sum of RM70,000 per acre, instead of RM29,162 (on average) as awarded by the State Government. The indicative contingent liability to BND is in the region of RM37 million.

On 3 September 2009, consent judgement was recorded whereby Plaintiffs-2 had accepted out-of-court settlement pursuant to which BND has paid RM4.7 million to the Johor State Government.

BND is not directly involved in these litigations, but by virtue of a novation agreement dated 2 December 1994 entered into between BND, UEM and the State Government, is responsible for the additional land cost of land alienated to it, which includes the amounts claimed by the Plaintiffs, in the event their claims are successful.



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13. **Capital commitments**

There are no material capital commitments except as disclosed below:

	RM'mil
Approved and contracted for	7.3
Approved but not contracted for	9.9

14. **Income tax**

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	Current year quarter	Preceding year corresponding quarter	Twelve months to	Twelve months to
	<b>31/12/2009</b>	<b>31/12/2008</b>	<b>31/12/2009</b>	<b>31/12/2008</b>
	RM'000	RM'000	RM'000	RM'000
Malaysian taxation				
- Current taxation	(2,521)	(4,324)	(8,762)	(7,217)
- Over/(under) provision in prior years	228	505	118	(3,204)
- Deferred taxation	(5,665)	6,385	(5,315)	9,790
	(7,958)	2,566	(13,959)	(631)

15. **Disposal of unquoted investments and/or properties**

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	Current year quarter	Preceding year corresponding quarter	Twelve months to	Twelve months to
	<b>31/12/2009</b>	<b>31/12/2008</b>	<b>31/12/2009</b>	<b>31/12/2008</b>
	RM'000	RM'000	RM'000	RM'000
Profit on disposal of unquoted investments	-	-	2,900	450
	-	-	2,900	450

16. **Acquisitions and disposals of quoted securities**

There were no acquisitions and disposals of quoted securities in the current financial year.

17. **Investments in quoted securities**

Details of the total investments in quoted securities held by the Group are as follows:

	As at <b>31/12/2009</b> RM'000	As at <b>31/12/2008</b> RM'000
Total investments at cost	36	36
Total investments at book value net of accumulated impairment loss	7	7
Total investments at market value	9	7



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**18. Status of corporate proposals announced but not completed as at the date of this announcement**

All corporate proposals announced are completed as at the date of this announcement, except as disclosed below:

- (a) A development agreement (“Panoramic Development Agreement”) and an option to purchase agreement (“Panoramic Option Agreement”), both dated 31 May 2004, between BND and Panoramic Industrial Development Sdn Bhd (“Panoramic”), a wholly-owned subsidiary of Crescendo Corporation Berhad, for the proposed development of an industrial park on 8 parcels of land, collectively measuring 341.88 acres in Nusajaya, which was announced on 1 June 2004 by UEM World Berhad (“UEM World”), our previous holding company. Under the Panoramic Option Agreement, the average base price for the said land was agreed at RM7.14 psf (or a total value of RM106,331,810.34), with the price escalating at a rate of 7% p.a. The actual total consideration to be received will depend on the timing of exercise of the purchase option by Panoramic. Up to 30 September 2009, Panoramic had exercised its option to purchase a total of 145.54 acres for a total consideration of RM50,550,843.70. On 30 November 2009, Panoramic exercised its option to acquire all the remaining lands under the Panoramic Option Agreement (“Final Exercise”) at a total exercise price of RM75,000,000.00 of which RM50,000,000.00 has been paid. The Panoramic Development Agreement and Panoramic Option Agreement will be completed upon receipt of the final payment of RM25,000,000.00 from Panoramic pursuant to the Final Exercise, which is due on or before 31 March 2010.
- (b) A development agreement dated 16 June 2005 (“HHDSB Development Agreement”) between Nusajaya Greens Sdn Bhd (“NGSB”) and Horizon Hills Development Sdn Bhd (“HHDSB”), a 50:50 joint venture company between UEM Land and Gamuda Berhad, for the development of approximately 1,227 acres of land in Nusajaya into a mixed development and 18-hole golf course, clubhouse and facilities together with the appropriate primary and secondary infrastructure, and other types of complementary development, which was announced on 16 June 2005 by UEM World. As part of the HHDSB Development Agreement, the said land will be acquired by HHDSB for the development known as Horizon Hills, which is currently ongoing. The total consideration for the said land under the HHDSB Development Agreement is RM391,390,663.00 to be paid as and when HHDSB exercises its purchase option over the land. As 31 December 2009, 699 acres out of the total 1,227 acres with a total value of RM203,268,840.00 have been purchased and paid for by HHDSB.
- (c) An option to purchase agreement dated 14 October 2008 (“NCSB Option Agreement”) between UEM Land, BND and Nusajaya Consolidated Sdn Bhd (“NCSB”), a 50:50 joint venture company between UEM Land and United Malayan Land Bhd, for NCSB to acquire 2 pieces of land in Puteri Harbour, Nusajaya with a total area measuring approximately 8.8 acres at the option price of RM67,154,274.00, which was announced on 14 October 2008. NCSB had on 10 November 2009, exercised the option to purchase the 1<sup>st</sup> piece of land measuring approximately 2.2 acres with a consideration of approximately RM16.3 million. The parties to the NCSB Option Agreement had also agreed on 21 December 2009 to extend the option period for the remaining piece of land to 31 December 2010;
- (d) A sale and purchase agreement dated 31 December 2008 (“Cyberjaya SPA”) between UEM Land, Cyberview Sdn Bhd and Setia Haruman Sdn Bhd (“Setia Haruman”) for UEM Land to acquire approximately 98.037 acres of freehold land identified as Blocks 20, 21, 22, 23 and 24 situated in the Mukim of Dengkil, District of Sepang, Selangor Darul Ehsan for a total cash consideration of RM102,491,801.00. The Cyberjaya SPA has become unconditional on 4 December 2009 and the 1<sup>st</sup> instalment of the purchase consideration amounting to RM65.1 million is due and payable by 31 March 2010, as mutually agreed between UEM Land and Setia Haruman;
- (e) A sale and purchase agreement dated 7 November 2009 between UEM Land, BND and Themed Attractions and Resorts Sdn Bhd (“TAR”), for TAR to acquire 2 parcels of land in Puteri Harbour, Nusajaya, Johor with a total area measuring approximately 4.221 acres for a cash consideration of RM26,661,440.00, which the Company announced on 9 November 2009; and
- (f) On 11 January 2010, the Company announced the proposal to undertake a renounceable rights issue (“Rights Shares”) to the entitled shareholders of the Company (“Entitled Shareholders”) to raise gross proceeds of approximately RM970 million with details as follows:-



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18. **Status of corporate proposals announced but not completed as at the date of this announcement (cont'd)**

- (i) The Proposed Rights Issue is to raise gross proceeds of approximately RM970 million (“Intended Gross Proceeds”). The entitlement basis for the Proposed Rights Issue (“Entitlement Basis”) and the issue price for the Rights Shares (“Issue Price”) have not been fixed at this juncture to provide flexibility in respect of pricing of the Rights Shares and the number of Rights Shares to be issued.
- (ii) Notwithstanding the above, the Intended Gross Proceeds have been determined upfront to provide clarity to the Company’s shareholders with respect to the capital outlay required to fully subscribe for their respective entitlements under the Proposed Rights Issue, which can be approximated by multiplying the Intended Gross Proceeds with their respective percentage shareholding in the Company (i.e. number of the Company’s Shares held by an Entitled Shareholder divided by the existing number of the Company’s Shares in issue).
- (iii) The Issue Price is expected to be fixed at a discount of not less than 30% to the theoretical ex-rights price (“TERP”) of the Company’s shares immediately before the price fixing date, but shall in no event be lower than the par value of Company’s shares of RM0.50 (“Minimum Issue Price”).

The Intended Gross Proceeds are proposed to be used in the following manner:

	<b>RM’million</b>
Repayment of a term loan owing by BND to UEM Group (“UEMG Term Loan”)	633.0
Payment to be made by UEM Land for the 1 <sup>st</sup> instalment of the purchase consideration for the Cyberjaya SPA or any bridging loan taken in relation thereto (“1 <sup>st</sup> Tranche Payment”)	65.1
Estimated expenses in relation to the Proposed Rights Issue	5.7
Property development expenditure, payment of outstanding trade payables and general working capital of the Group (“ULHB Group”)	266.2
<b>Total gross proceeds under the Proposed Rights Issue<sup>(1)</sup></b>	<b>970.0</b>

**Note:**

<sup>(1)</sup> The actual gross proceeds to be raised cannot be determined at this juncture as it would depend on the final Issue Price and Entitlement Basis. However, such proceeds are expected to approximate the Intended Gross Proceeds.

Any difference between the actual gross proceeds to be raised and the Intended Gross Proceeds will be correspondingly adjusted to the amount allocated for property development expenditure, payment of outstanding trade payables and general working capital of the Group.

The Proposed Rights Issue is subject to approvals being obtained from the following:

- (i) Bursa Securities for the listing of and quotation for the Rights Shares to be issued pursuant to the Proposed Rights Issue; and
- (ii) Shareholders for the Proposed Rights Issue at an extraordinary general meeting to be convened on 25 February 2010

Bursa Securities had, through its letter dated 9 February 2010, granted its approval for the listing of and quotation for the Rights Shares as well as the additional Conversion Shares pursuant to the MCRPS Adjustment, subject to, amongst others, a confirmation from CIMB that our Company’s public shareholding spread after the Proposed Rights Issue is in compliance with Paragraph 8.02 of the Main Market Listing Requirements of Bursa Securities

Barring any unforeseen circumstances and subject to all approvals being obtained, the Proposed Rights Issue is expected to be completed by 30 April 2010.



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19. **Borrowings and debt securities**

Details of Group borrowings and debt securities as at 31 December 2009 are as follows:

RM'000	Long term borrowings			Short term borrowings		
	Secured	Unsecured	Total	Secured	Unsecured	Total
Domestic						
- Banks	58,000	-	58,000	1,062	-	1,062
- UEMG Term Loan	632,979	-	632,979	-	-	-
- Overdrafts	-	-	-	8,079	-	8,079
<b>TOTAL</b>	<b>690,979</b>	<b>-</b>	<b>690,979</b>	<b>9,141</b>	<b>-</b>	<b>9,141</b>

20. **Off Balance Sheet financial instruments**

There are no financial instruments with off-balance sheet risks as at the date of this announcement.

21. **Material litigation**

Since the preceding financial year ended 31 December 2008, there are no further developments in the material litigations previously reported.

22. **Comparison between the current quarter and the immediate preceding quarter**

	Current quarter <b>31/12/2009</b> RM'000	Immediate preceding quarter <b>30/9/2009</b> RM'000
<b>Continuing Operations</b>		
Revenue	205,096	72,792
Profit from operations after finance costs	86,119	5,460
Share of results of associates/joint ventures	20,139	4,333
Profit before income tax	106,258	9,793

The Group recorded higher revenue in the current quarter compared to immediate preceding quarter mainly due to higher revenue from strategic land sales, which is contributed mainly from Panoramic's acquisition of all the remaining lands under the Panoramic Option Agreement (as explained in Note 18(a) above). The higher revenue was also contributed from higher developed land sales in Puteri Harbour and Southern Industrial and Logistics Clusters ("SiLC") and higher sale of development properties in our East Ledang and Nusa Idaman developments.

The Group recorded higher profit before income tax in the current quarter in line with higher revenue as well as write-back of impairment loss on investment in an associate of RM12.9 million and adjustments in the carrying value of investment in the same associate resulting in additional recognition of RM14.4 million.





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23. **Review of performance for the current quarter and year-to-date**

	Current year quarter <b>31/12/2009</b> RM'000	Preceding year corresponding quarter <b>31/12/2008</b> RM'000	Twelve months to <b>31/12/2009</b> RM'000	Twelve months to <b>31/12/2008</b> RM'000
<b>Continuing Operations</b>				
Revenue	205,096	181,980	403,085	511,647
Profit from operations after finance costs	86,119	2,052	101,024	64,492
Share of results of associates/joint ventures	20,139	4,899	28,558	11,208
Profit before income tax	106,258	6,951	129,582	75,700

The Group recorded higher revenue and profit before income tax in the current quarter as compared to the preceding year corresponding quarter due to higher strategic land sales, which is contributed mainly from Panoramic Option Agreement. Lower revenue from property development was recorded in the current year as compared to the preceding year, as the revenue in 2008 include the amount recognized pursuant to the Development Agreement with Haute Property Sdn Bhd, a 40:60 joint venture company with Limitless Holdings Pty Ltd.

Higher profit before income tax was recorded in the current year as compared to the preceding year mainly due to higher strategic land sales which yield a higher margin as compared to property development sales, an improvement in the East Ledang and SiLC gross profit margins as well as write-back of impairment loss on investment in an associate of RM12.9 million and adjustments in the carrying value of investment in the same associate resulting in additional recognition of RM14.4 million.

24. **Economic profit ("EP") statement**

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current year quarter	Preceding year corresponding quarter	Twelve months to	Twelve months to
Note	31/12/2009	31/12/2008	31/12/2009	31/12/2008	
		RM'000	RM'000	RM'000	RM'000
<u>Net operating profit after tax ("NOPAT") computation:</u>					
	Earnings before interest and tax ("EBIT")	75,281	803	86,027	68,181
	Adjusted tax	(18,820)	(209)	(21,507)	(17,727)
	<b>NOPAT</b>	<b>56,461</b>	<b>594</b>	<b>64,520</b>	<b>50,454</b>
<u>Economic charge computation:</u>					
	Average invested capital	2,661,036	2,335,136	2,661,036	2,335,136
	Weighted average cost of capital ("WACC") (%)	8.9	9.1	8.9	9.1
	<b>Economic charge</b>	<b>(59,208)</b>	<b>(53,183)</b>	<b>(236,832)</b>	<b>(212,731)</b>
	<b>Economic Loss</b>	<b>(2,747)</b>	<b>(52,589)</b>	<b>(172,312)</b>	<b>(162,277)</b>



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**24. Economic profit (“EP”) statement (cont’d)**

The EP statement is as prescribed under the Government Linked Companies (“GLC”) Transformation program, and is disclosed on a voluntary basis. EP measures the value created by a business during a period reflecting how much return a business makes over its cost of capital.

The Group recorded an economic loss of RM2.7 million for the current quarter as compared to the economic loss of RM52.6 million in the preceding year corresponding quarter mainly due to higher profits from operations as explained in Note 23 above.

Note 1:

Average invested capital consists of average operating working capital, average net property, plant and equipment and average net other operating assets.

Note 2:

WACC is calculated as weighted average cost of debts and equity taking into account the market capitalisation as at end of the period.

**25. Headline key performance indicators (“KPI”)**

For the financial year ended 31 December 2009, the Group recorded a total revenue of RM403.1 million and a profit attributable to the equity holders (“PATAMI”) of RM114.6 million. The PATAMI of RM114.6 million is achieved after incorporating write-back of impairment loss on investment in an associate of RM12.9 million and adjustment in the carrying value of investment in the same associate resulting in additional recognition of RM14.4 million. If the effects of these adjustments are excluded, the Group's PATAMI would have been RM87.4 million, giving a ROE of 6.4%.

Due to the sluggish property market conditions, especially in the first half of 2009, the Group was unable to achieve its KPI target for revenue growth of 20%. Despite the lower revenue, the Group has managed to mitigate the negative effects of the global economic uncertainties by focusing on higher margin products resulting in achieving the KPI set for ROE, surpassing the target of 6%.

**26. Prospects for the current financial year**

Based on the improved market sentiment in the fourth quarter of 2009, the Group expects that the property market will recover in 2010. Should the widely anticipated economic recovery take place, the Group will be well placed to capture the opportunities presented. Additionally, the Group will continue to evaluate opportunities to acquire strategic land parcels outside Nusajaya to further expand and grow our business to create sustainable returns for our shareholders.

**27. Profit forecast**

No commentary is made on any variance between actual profits from forecast profit, as it does not apply to the Group.



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28. **Earnings per share**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter <b>31/12/2009</b> RM'000	Preceding year corresponding quarter <b>31/12/2008</b> RM'000	Twelve months to <b>31/12/2009</b> RM'000	Twelve months to <b>31/12/2008</b> RM'000
(a) Basic earnings per share				
Profit from continuing operations attributable to equity holders of the Company	98,492	8,637	114,697	74,189
Profit/(loss) from discontinued operations attributable to equity holders of the Company	52	-	(75)	-
Profit attributable to equity holders of the Company	98,544	8,637	114,622	74,189
Weighted average number of ordinary shares in issue ('000)	2,428,177	2,428,177	2,428,177	2,428,177
Basic earnings per share for:				
Profit from continuing operations	4.06 sen	0.36 sen	4.72 sen	3.06 sen
Profit/(loss) from discontinued operations	-*	-	-*	-
Profit for the year	<u>4.06 sen</u>	<u>0.36 sen</u>	<u>4.72 sen</u>	<u>3.06 sen</u>

\* Amount is negligible



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29. **Earnings per share (cont'd)**

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	Current year quarter <b>31/12/2009</b> RM'000	Preceding year corresponding quarter <b>31/12/2008</b> RM'000	Twelve months to <b>31/12/2009</b> RM'000	Twelve months to <b>31/12/2008</b> RM'000
(b) Diluted earnings per share				
Profit from continuing operations attributable to equity holders of the Company	98,492	8,637	114,697	74,189
Profit of subsidiaries from continuing operations attributable to minority interest arising from dilutive impact of unexercised options	(12,524)	(5,429)	(17,181)	(16,718)
Diluted profit from continuing operations attributable to equity holders of the Company	85,968	3,208	97,516	57,471
Profit/(loss) from discontinued operations attributable to equity holders of the Company	52	-	(75)	-
Diluted profit attributable to equity holders of the Company	86,020	3,208	97,441	57,471
Diluted weighted average number of ordinary shares in issue ('000)	2,498,274	2,462,463	2,498,274	2,436,795
Diluted earnings per share for:				
Profit from continuing operations	3.44 sen	0.13 sen	3.90 sen	2.36 sen
Profit/(loss) from discontinued operations	-*	-	-*	-
Profit for the year	3.44 sen	0.13 sen	3.90 sen	2.36 sen

\* Amount is negligible

**Kuala Lumpur**  
**22 February 2010**

**By Order of the Board**  
**TAN HWEE THIAN** (MIA 1904)  
**MOHD NOR AZAM MOHD SALLEH**  
(MAICSA 7028137)  
Company Secretaries