



(Company No. 47908-K)

INTERIM FINANCIAL STATEMENTS FOR THE QUARTER ENDED 31 MARCH 2011

PART A – EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD (“FRS”) 134

A1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134 Interim Financial Reporting and paragraph 9.22 of the Main Market 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 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 year ended 31 December 2010.

A2. Changes in accounting policies

The significant accounting policies and methods of computation adopted for the interim financial statements are consistent with those of the audited financial statements for the year ended 31 December 2010 except for the adoption of the following new/revised FRSs and Interpretations:

Effective for financial periods beginning on or after 1 January 2011:

Amendments to FRS 1	Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters
Amendments to FRS 1	Additional Exemption to First-Time Adopters
Amendments to FRS 2	Group Cash-settled Share-based Payment Transactions
Amendments to FRS 7	Improving Disclosures about Financial Instruments
IC Interpretation 4	Determining whether an Arrangement contains a Lease
IC Interpretation 18 Improvements to FRS Issued in 2010	Transfer of assets from Customers

A3. Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the year ended 31 December 2010 was not qualified.

A4. Comments about seasonal or cyclical factors

The business operations of the Group were not significantly affected by any seasonal or cyclical factor.



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- A5. Nature and amount of items affecting assets, liabilities, equity, net income or cash flows that is unusual because of their nature, size or incidence**
There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period under review.
- A6. Changes in estimates of amounts reported in prior interim periods of the current financial year or in prior financial years**
There were no changes in estimates of amounts reported in prior interim periods of the current financial year or changes in estimates of amounts reported in prior financial years that have had a material effect in the current quarter.
- A7. Debt and equity securities**
There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the financial period under review.
- A8. Dividends paid**
No dividend was paid during the current quarter under review.

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A9. Segmental information

Segment information is presented in respect of the Group’s business segments which are based on the internal reporting structure presented to the management of the Company.

The Group’s principal business segments are property development and resort operations, property investment and investment holding.

The information by geographical location is not presented as the Group’s activities are carried out predominantly in Malaysia.

Business segment analysis	Property development and resort operations	Property Investment	Investment holding and others	Consolidated
	RM'000	RM'000	RM'000	RM'000
<u>YTD ended 31 March 2011</u>				
Revenue	49,143	8,532	-	57,675
Results from operations	12,637	3,516	3,957	20,110
Finance cost	(708)	(841)	-	(1,549)
Share of results of associates	-	-	1,419	1,419
Profit/ (loss) before tax	11,929	2,675	5,376	19,980

Business segment analysis	Property development and resort operations	Property Investment	Investment holding and others	Consolidated
	RM'000	RM'000	RM'000	RM'000
<u>YTD ended 31 March 2010</u>				
Revenue	47,579	10,793	-	58,372
Results from operations	2,386	4,814	(653)	6,547
Finance cost	(1,185)	(314)	(52)	(1,551)
Share of results of associates	-	-	1,606	1,606
Profit/ (loss) before tax	1,201	4,500	901	6,602

A10. Valuations of property, plant and equipment

The valuations of property, plant and equipment have been brought forward without amendment from the audited financial statements for the year ended 31 December 2010.



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A11. Material events subsequent to the end of interim period

There were no material events subsequent to the end of the current quarter up to the date of this report that have not been reflected in the interim financial statements.

A12. Changes in composition of the Group

There were no changes in composition of the Group during the current quarter under review.

A13. Changes in contingent liabilities or contingent assets

There were no changes in contingent liabilities or contingent assets since the last annual balance sheet date as at 31 December 2010.

A14. Capital commitments

	As at 31/03/11 RM'000	As at 31/12/10 RM'000
Approved and Contracted for :		
- Land held for development	277,621	277,621
- Property, plant and equipment/ property development costs	42,402	46,548
	<hr/> 320,023	<hr/> 324,169



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PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BHD

B1. Performance review

Quarterly and Year to-date Results

The Group registered a profit before taxation of RM19.98 million on the back of revenue of RM57.67 million for the current quarter ended 31 March 2011. In comparison, the profit before taxation for the corresponding quarter last year was RM6.60 million on the back of revenue of RM58.37 million.

The higher profit margin of 34.64% in the current quarter compared to the profit margin in the previous corresponding quarter of 11.31% was mainly due to contributions from new property developments such as Tropicana Grande, Casa Tropicana Block E and Pool Villas. In addition to the profit contribution from new property developments as stated above, the current quarter results included a net gain of fair value adjustment amounting to RM5.16 million arising from marketable securities and recognition of RM4.0 million liquidated and ascertained damages compensated from contractor.

B2. Variation of results against preceding quarter

The current quarter's revenue of RM57.67 million and profit before taxation of RM19.98 million were much lower than RM101.91 and RM31.15 million achieved in the immediate preceding quarter respectively. This is due to the recognition of contribution from completed property developments such as Tropicana Sungai Buloh Commercial Center and Tropics Service Apartment and there was net gain of fair value adjustment amounting to RM11.14 million arising from marketable securities in the immediate preceding quarter.

B3. Prospects

The economic conditions will remain healthy with an accommodating financing environment. The demand for properties in good locations is expected to be sustainable and continue to support the property market.

Barring any unforeseen circumstances, the Group is looking forward to achieve improved performance for the financial year ending 31 December 2011.

B4. Profit forecast or profit guarantee

No profit forecast or profit guarantee was issued for the financial period.

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B5. Taxation

	Individual quarter		Year to date	
	31/03/11 RM'000	31/03/10 RM'000	31/03/11 RM'000	31/03/10 RM'000
Tax expense for the period	1,745	4,424	1,745	4,424
Overprovision of tax for the previous financial year	-	-	-	-
Deferred tax transfers	(309)	(968)	(309)	(968)
	<u>1,436</u>	<u>3,456</u>	<u>1,436</u>	<u>3,456</u>

The effective tax rate was disproportionate to the financial results principally due to losses incurred by certain subsidiaries and certain expenses/gain not deductible/taxable for tax purposes.

B6. Sale of unquoted investments and properties

There was no sale of unquoted investments and properties outside the ordinary course of the Group's business for the financial period under review except as stated in note A12.

B7. Quoted securities

Details of purchases and disposals of quoted securities are as follows:

	Individual quarter		Year to date	
	31/03/11 RM'000	31/03/10 RM'000	31/03/11 RM'000	31/03/10 RM'000
Purchase consideration	-	-	-	-
Sale proceeds	13,538	19,177	13,538	19,177
Gain/(loss) on disposal	284	(1,149)	284	(1,149)

	As at 31/03/11 RM'000	As at 31/12/10 RM'000
Investment securities:		
At cost	90,444	134,081
At carrying value/ book value	85,589	93,686
At market value	<u>85,589</u>	<u>93,686</u>



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B8. Corporate Proposals

Status of corporate proposals

As announced on 2 August 2010, Goldhill Quest Sdn Bhd (“QGSB”), a 60% owned subsidiary of the Company had, on the same date, entered into 2 conditional Sale and Purchase Agreements with Danga Bay Sdn Bhd (“DBSB”) to acquire the following two pieces of land:

- (a) a freehold land held under H.S.(D) 471884, PTB 22902, Bandar Johor Bahru, District of Johor Bahru and State of Johor, measuring approximately 126,550 square meters equivalent to 1,362,171 square feet for a cash consideration of RM258,812,490, representing approximately RM190 per square foot; and
- (b) a freehold land held under H.S.(D) 471883, PTB 22901, Bandar Johor Bahru, District of Johor Bahru and State of Johor, measuring approximately 24,280 square meters equivalent to 261,347 square feet for a cash consideration of RM49,655,930, representing approximately RM190 per square foot.

As at the date of this report, the above mentioned proposed land acquisitions are still pending completion and the completion date is expected to be in the third quarter of year 2011.

B9. Borrowings

	As at 31/03/11 RM'000	As at 31/12/10 RM'000
Secured short term borrowings	24,396	2,711
Secured long term borrowings	220,222	208,650
	244,618	211,361

All of the above borrowings are denominated in Ringgit Malaysia.

B10. Off balance sheet financial instruments

There were no off balance sheet arrangement entered into nor were there any off balance sheet financial instruments issued as at the date of this report.

B11. Material litigation

As at 19 May 2011, being 7 days prior to the date of this report, there has been no material litigation of which the value exceeds 5% of the Group's net tangible assets.

B12. Dividend payable

There was no dividend proposed for the quarter under review.



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B13. Earnings per share

a) Basic earnings per ordinary share

Basic earnings per share amounts were calculated by dividing profit for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	Individual quarter		Year to date	
	31/03/11	31/03/10	31/03/11	31/03/10
Profit attributable to ordinary equity holders of the Company (RM'000)	18,135	464	18,135	464
Weighted average number of ordinary shares in issue ('000)	455,000	454,345	455,000	454,345
Basic earnings per share (sen)	3.99	0.10	3.99	0.10

(b) Diluted earnings per ordinary share

For the purpose of calculating diluted earnings per share, the net profit for the period attributable to ordinary equity holders of the Company and the weighted average number of ordinary shares in issue during the period have been adjusted for the dilutive effects of all potential ordinary shares from the exercise of share options under the ESOS and the Warrants.

	Individual quarter		Year to date	
	31/03/11	31/03/10	31/03/11	31/03/10
Profit attributable to ordinary equity holders of the Company (RM'000)	18,135	464	18,135	464
Weighted average number of ordinary shares in issue ('000) for the purpose of basic earnings per share	455,000	454,345	455,000	454,345
Effects of dilution :				
- ESOS ('000)	-	-	-	-
- Warrants ('000)	-	-	-	-
Adjusted weighted average number of ordinary shares in issue ('000) for the purpose of diluted earnings per share	455,000	454,345	455,000	454,345
Diluted earnings per share (sen)	3.99	0.10	3.99	0.10



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B14. Realised/Unrealised Retained Profits/Losses

	Current quarter RM'000	Immediate preceding quarter RM'000
Total retained profits of DCB, its subsidiaries and associate company:		
- Realised	45,052	(37,149)
- Unrealised	8,285	28,105
	51,170	(9,044)
Total share of retained earnings from associate		
- Realised	21,066	19,646
	72,776	10,602
Consolidation Adjustment	(20,531)	(23,509)
Total retained profits c/f	52,245	34,111

B15. Authorisation for issue

The interim financial statements were authorised for issuance by the Board of Directors in accordance with the Directors' resolution dated 26 May 2011.