

**GRAND CENTRAL ENTERPRISES BHD (131696-V)**  
**(Incorporated in Malaysia)**

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2010**

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current Year Quarter 31.12.2010 RM'000	Preceding Year Corresponding Quarter 31.12.2009 RM'000	Current Year To Date 31.12.2010 RM'000	Preceding Year Corresponding Period 31.12.2009 RM'000
Revenue	11,527	13,705	39,502	49,147
Operating Expenses	(9,309)	(9,653)	(35,308)	(37,490)
Other Operating Income	576	586	1,953	1,870
Finance cost	(48)	(28)	(95)	(61)
Profit before taxation	2,746	4,610	6,052	13,466
Taxation	(526)	(680)	(1,743)	(3,404)
Profit for the period	2,220	3,930	4,309	10,062
Other comprehensive income	-	-	-	-
Total comprehensive income	2,220	3,930	4,309	10,062
Profit attributable to:				
Owners of the parent	2,155	3,836	4,200	9,824
Non-controlling interest	65	94	109	238
Profit for the period	2,220	3,930	4,309	10,062
Earnings per share (sen)	1.09	1.95	2.13	4.99

*The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.*

**GRAND CENTRAL ENTERPRISES BHD (131696-V)**  
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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2010**

	Note	As At End Of Current Quarter 31.12.2010  RM'000	As At End Of Preceding Year End 31.12.2009 (restated)  RM'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	2 (a)	241,393	245,782
Deferred tax assets		9,197	9,623
		<u>250,590</u>	<u>255,405</u>
<b>Current assets</b>			
Inventories		463	509
Trade and other receivables		3,991	4,793
Cash and cash equivalents		45,735	39,877
		<u>50,189</u>	<u>45,179</u>
<b>TOTAL ASSETS</b>		<b><u>300,779</u></b>	<b><u>300,584</u></b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to Owners of the Parent</b>			
Share capital		197,002	197,002
Reserves		59,275	59,508
		<u>256,277</u>	<u>256,510</u>
Non-controlling interests		2,085	2,141
<b>Total equity</b>		<u>258,362</u>	<u>258,651</u>
<b>Non-current liabilities</b>			
Long term borrowings		59	16
Deferred taxation		26,559	26,811
		<u>26,618</u>	<u>26,827</u>
<b>Current liabilities</b>			
Borrowings		8,675	7,854
Trade & other payables		6,840	6,665
Current tax payable		284	587
		<u>15,799</u>	<u>15,106</u>
<b>Total liabilities</b>		<u>42,417</u>	<u>41,933</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b><u>300,779</u></b>	<b><u>300,584</u></b>
Net assets per share (RM)		1.30	1.30

*The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.*

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2010**

	Attributable to Owners of the Parent				Total RM'000	Non-controlling Interest RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Capital Reserve RM'000	Distributable Retained Profits RM'000			
12-month quarter ended 31 December 2010							
<b>At 1 January 2010</b>	197,002	2,395	5,458	51,655	256,510	2,141	258,651
Profit for the period	-	-	-	4,200	4,200	109	4,309
Dividends	-	-	-	(4,433)	(4,433)	-	(4,433)
Dividends paid to minority shareholders	-	-	-	-	-	(165)	(165)
<b>At 31 December 2010</b>	<b>197,002</b>	<b>2,395</b>	<b>5,458</b>	<b>51,422</b>	<b>256,277</b>	<b>2,085</b>	<b>258,362</b>
12-month quarter ended 31 December 2009							
<b>At 1 January 2009</b>	197,002	2,395	5,458	46,264	251,119	2,173	253,292
Profit for the period	-	-	-	9,824	9,824	238	10,062
Dividends	-	-	-	(4,433)	(4,433)	-	(4,433)
Dividends paid to minority shareholders	-	-	-	-	-	(270)	(270)
<b>At 31 December 2009</b>	<b>197,002</b>	<b>2,395</b>	<b>5,458</b>	<b>51,655</b>	<b>256,510</b>	<b>2,141</b>	<b>258,651</b>

*The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.*

**GRAND CENTRAL ENTERPRISES BHD (131696-V)**  
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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**  
**FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2010**

	<b><u>2010</u></b> <b>12 Months</b> <b>Ended</b> <b>31.12.2010</b> <b>RM'000</b>	<b><u>2009</u></b> <b>12 Months</b> <b>Ended</b> <b>31.12.2009</b> <b>RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	6,052	13,466
Adjustments:-		
Bad debts written off	3	4
Depreciation	6,270	6,275
Gain on disposal of property, plant and equipment	(37)	(10)
Inventory written off	5	1
Interest expenses	95	61
Interest income	(625)	(318)
Provision for doubtful debts	78	-
Provision for short term accumulating compensated absences	26	32
Operating profit before changes in working capital	<u>11,867</u>	<u>19,511</u>
Net change in current receivables	878	404
Net change in current payables	149	(600)
Cash generated from operating activities	<u>12,894</u>	<u>19,315</u>
Interest paid	(95)	(61)
Tax paid, net	<u>(1,977)</u>	<u>(2,530)</u>
<b>Net cash generated from operating activities</b>	<u>10,822</u>	<u>16,724</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	614	330
Proceeds from disposal of property, plant and equipment	39	14
Purchase of property, plant and equipment	<u>(1,803)</u>	<u>(1,596)</u>
<b>Net cash used in investing activities</b>	<u>(1,150)</u>	<u>(1,252)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of hire purchase and lease payables	(98)	(199)
Dividends paid to shareholders	(4,433)	(4,433)
Dividends paid to minority shareholders	(165)	(270)
Drawdown of revolving credit	100	-
<b>Net cash used in financing activities</b>	<u>(4,596)</u>	<u>(4,902)</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	5,076	10,570
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<u>32,119</u>	<u>21,549</u>
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD</b>	<u>37,195</u>	<u>32,119</u>

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW (CONT'D.)**  
**FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2010**

Cash and cash equivalents at the end of the financial period comprise the following:

	<b>As At</b> <b>31.12.2010</b> <b>RM'000</b>	<b>As At</b> <b>31.12.2009</b> <b>RM'000</b>
Cash and bank balances	45,735	39,877
Bank overdrafts	<u>(8,540)</u>	<u>(7,758)</u>
	<u>37,195</u>	<u>32,119</u>

*The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.*

**PART A - EXPLANATORY NOTES PURSUANT TO FRS 134**

**1 BASIS OF PREPARATION**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Financial Reporting Standard ("FRS") 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia").

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2009. 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 2009.

**2 CHANGES IN ACCOUNTING POLICIES**

The significant accounting policies applied in the interim financial statements are consistent with those adopted in the most recent audited financial statements for the year ended 31 December 2009 except for the adoption of the following:

**FRSs, Amendments to FRSs and Interpretations**

**Effective for financial periods beginning on or after 1 January 2010:**

FRS 4	Insurance Contracts
FRS 7	Financial Instruments: Disclosures
FRS 8	Operating Segments
FRS 101	Presentation of Financial Statements (as revised in 2010)
FRS 123	Borrowing Costs
FRS 139	Financial Instruments: Recognition and Measurement
Amendments to FRS 1 and FRS 127	First-time Adoption of Financial Reporting Standard and Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
Amendment to FRS 2	Share-based Payment: Vesting Conditions and Cancellations
Amendment to FRS 132	Financial Instruments: Presentation
Amendment to FRS 139, FRS 7 and IC Interpretation 9	Financial Instruments: Recognition and Measurement, Disclosures and Reassessment of Embedded Derivatives
Improvements to FRS issued in 2009	
IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 10	Interim Financial Reporting and Impairment
IC Interpretation 11	FRS 2 - Group and Treasury Share Transactions
IC Interpretation 13	Customer Loyalty Programmes
IC Interpretation 14	FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

Adoption of the above standards and interpretations did not have any effect on the financial performance or position of the Group except as discussed below:

**(a) Amendments to FRS 117 Leases**

Prior to 1 January 2010, for all leases of land and buildings, if title is not expected to pass to the lessee by the end of the lease term, the lessee normally does not receive substantially all of the risks and rewards incidental to ownership. Hence, all leasehold land held for own use was classified by the group as operating lease. The up-front payment represented prepaid land lease payments and were amortised on a straight-line basis over the lease term.

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**2 CHANGES IN ACCOUNTING POLICIES (CONT'D.)**

**(a) Amendments to FRS 117 Leases (Cont'd.)**

The amendments to FRS 117 Leases clarify that leases of land and buildings are classified as operating or finance leases in the same way as leases of other assets. They also clarify that the present value of the residual value of the property in a lease with a term of several decades would be negligible and accounting for the land element as a finance lease in such circumstances would be consistent with economic position of the lessee. Hence, the adoption of the amendments to FRS 117 has resulted in unexpired land lease to be reclassified as finance lease.

The Group has applied this change in accounting policy retrospectively and certain comparatives have been restated.

The following are effects to the consolidated statement of financial positions as at 31 December 2010 arising from the above change in accounting policy:

	<b>As at 31.12.2010 RM'000</b>
Increase/(decrease) in:	
Property, plant and equipment	3,880
Prepaid land lease payments	<u>(3,880)</u>

The following comparatives have been restated:

	<b>As previously stated RM'000</b>	<b>Adjustments RM'000</b>	<b>As restated RM'000</b>
<b>Consolidated statement of financial position</b>			
<b>31 December 2009</b>			
Property, plant and equipment	241,897	3,885	245,782
Prepaid land lease payments	<u>3,885</u>	<u>(3,885)</u>	<u>-</u>

**3 AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS**

The auditors' report on the financial statements for the year ended 31 December 2009 was not qualified.

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**4 SEGMENTAL REPORTING**

There is no segmental reporting as the Group's activities are in the hotel business conducted within Malaysia.

**5 UNUSUAL ITEMS**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period under review because of their nature, size or incidence.

**6 CHANGES IN ESTIMATES**

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

**7 SEASONAL OR CYCLICAL FACTORS**

The operations of the Group are not subject to seasonality/cyclicality of operations.

**8 DIVIDENDS PAID**

There were no dividends paid during the current quarter.

**9 CARRYING AMOUNT OF REVALUED ASSETS**

The valuation of land and buildings of the Group which represent hotel properties have been brought forward without amendment from the most recent annual audited financial statements for the year ended 31 December 2009.

**10 DEBT AND EQUITY SECURITIES**

There were no issuances and repayment of debts and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the current quarter under review.

**11 CHANGES IN COMPOSITION OF THE GROUP**

There were no changes in the composition of the Group for the current financial period to date.

**12 CAPITAL COMMITMENTS**

There are no authorised capital expenditure that has been provided for in the financial statements.



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**13 CHANGES IN CONTINGENT LIABILITIES**

	<b>As At End Of Current Quarter 31.12.2010 RM'000</b>
Guarantees by the Company extended to financial institutions for facilities granted to the subsidiaries	<u>13,800</u>

**14 SUBSEQUENT EVENTS**

There are no material events subsequent to the end of the period under review that have not been reflected in the quarterly financial statements.

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**PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**15 PERFORMANCE REVIEW**

During the period ended 31 December 2010, the Group achieved a revenue of RM39.5 million (2009: RM49.1 million) and profit before taxation of RM6.1 million (2009: RM13.5 million).

In the opinion of the Directors, the results for the financial period under review have not been affected by any transaction or event of a material or unusual nature.

**16 COMMENTS ON MATERIAL CHANGES IN PROFIT BEFORE TAXATION**

The Group's weak performance was mainly due to lower spending by the Government, particularly as less events and meetings being held at hotels during the year and overall lower occupancy rate.

**17 PROSPECTS**

Barring any unforeseen circumstances, the Directors anticipate the performance of the Group to remain difficult.

**18 PROFIT FORECAST**

The Group has not provided any profit forecast in a public document.

**19 INCOME TAX EXPENSE**

Taxation includes:

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current Year Quarter 31.12.2010 RM'000	Preceding Year Quarter 31.12.2009 RM'000	Current Year To Date 31.12.2010 RM'000	Preceding Year Corresponding Period 31.12.2009 RM'000
Current period's provision	709	1,044	1,723	2,758
Deferred taxation	(183)	(384)	174	652
Overprovision in respect of previous year	-	20	(154)	(6)
	<u>526</u>	<u>680</u>	<u>1,743</u>	<u>3,404</u>

**20 UNQUOTED INVESTMENTS AND PROPERTIES**

There were no purchases or sales of unquoted investments and properties for the current financial period to date.

**21 QUOTED INVESTMENTS**

There were no purchase or disposal of quoted investments for the current financial period to date.

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**22 CORPORATE PROPOSALS**

There were no corporate proposals announced during the financial period to date.

**23 BORROWINGS**

	<b>As At End Of Current Quarter 31.12.2010 RM'000</b>	<b>As At End Of Preceding Year End 31.12.2009 RM'000</b>
<b>Short Term Borrowings</b>		
Revolving credit	100	-
Secured bank overdrafts	8,540	7,758
Lease and hire purchase creditors	35	96
	<u>8,675</u>	<u>7,854</u>
<b>Long Term Borrowings</b>		
Lease and hire purchase creditors	59	16
	<u>8,734</u>	<u>7,870</u>

**24 OFF BALANCE SHEET FINANCIAL INSTRUMENTS**

The Group does not have any financial instruments with off balance sheet risk as at 31 December 2010.

**25 CHANGES IN MATERIAL LITIGATION**

There are no changes in material litigation, including the status of pending material litigation as at the date of this report.

**26 DIVIDEND PAYABLE**

A first and final dividend of 3% (i.e. 3 sen per share) less 25% taxation has been recommended for year ended 31 December 2010. The first and final dividend is subject to shareholder's approval at the forthcoming Annual General Meeting.

A first and final dividend of 3% (i.e. 3 sen per share) less 25% taxation totalling RM4,432,547 was paid in year 2010 for year ended 31 December 2009.

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**27 EARNINGS PER SHARE**

Earnings per share is calculated by dividing profit for the period attributable to ordinary equity holders of the Company by the number of ordinary shares in issue during the financial period.

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current Year Quarter 31.12.2010	Preceding Year Quarter 31.12.2009	Current Year To Date 31.12.2010	Preceding Year Corresponding Period 31.12.2009
Profit attributable to ordinary equity holders of the Company (RM'000)	2,155	3,836	4,200	9,824
Number of ordinary shares in issue ('000)	197,002	197,002	197,002	197,002
Earnings per share (sen)	1.09	1.95	2.13	4.99

**28 REALISED AND UNREALISED PROFITS/LOSSES DISCLOSURE**

	CUMULATIVE PERIOD	
	Current Year To Date 31.12.2010 RM'000	Current Year To Date 30.09.2010 RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	63,841	62,034
- Unrealised	(14,442)	(14,605)
Add: Consolidated adjustments	2,023	1,838
Retained profits as per financial statements	51,422	49,267

**29 AUTHORISATION FOR ISSUE**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 23 February 2011.