

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

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 31 MARCH 2011

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current Year Quarter 31.03.2011 RM'000	Preceding Year Corresponding Quarter 31.03.2010 RM'000	Current Year To Date 31.03.2011 RM'000	Preceding Year Corresponding Period 31.03.2010 RM'000
Revenue	8,315	8,197	8,315	8,197
Operating expenses	(8,390)	(8,213)	(8,390)	(8,213)
Other operating income	535	386	535	386
Finance cost	(132)	(44)	(132)	(44)
Profit before taxation	328	326	328	326
Taxation	(283)	(292)	(283)	(292)
Profit for the period	45	34	45	34
Other comprehensive income	-	-	-	-
Total comprehensive income	45	34	45	34
Profit attributable to:				
Owners of the parent	14	22	14	22
Non-controlling interest	31	12	31	12
Profit for the period	45	34	45	34
Earnings per share (sen)	0.01	0.01	0.01	0.01

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2010 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 MARCH 2011

	As At End Of Current Quarter 31.03.2011 RM'000	As At End Of Preceding Year End 31.12.2010 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	240,164	241,393
Deferred tax assets	9,173	9,198
	<u>249,337</u>	<u>250,591</u>
Current assets		
Inventories	503	463
Trade and other receivables	4,262	3,992
Cash and cash equivalents	42,705	45,735
	<u>47,470</u>	<u>50,190</u>
TOTAL ASSETS	<u>296,807</u>	<u>300,781</u>
EQUITY AND LIABILITIES		
Equity attributable to Owners of the Parent		
Share capital	197,002	197,002
Reserves	59,290	59,276
	<u>256,292</u>	<u>256,278</u>
Non-controlling interests	2,116	2,085
Total equity	<u>258,408</u>	<u>258,363</u>
Non-current liabilities		
Long term borrowings	59	59
Deferred taxation	26,559	26,559
	<u>26,618</u>	<u>26,618</u>
Current liabilities		
Borrowings	6,008	8,675
Trade & other payables	5,511	6,841
Current tax payable	262	284
	<u>11,781</u>	<u>15,800</u>
Total liabilities	<u>38,399</u>	<u>42,418</u>
TOTAL EQUITY AND LIABILITIES	<u>296,807</u>	<u>300,781</u>
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 2010 and the accompanying explanatory notes attached to the interim financial statements.

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 31 MARCH 2011

	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			
3-month quarter ended <u>31 March 2011</u>							
At 1 January 2011	197,002	2,395	5,458	51,423	256,278	2,085	258,363
Profit for the period	-	-	-	14	14	31	45
At 31 March 2011	<u>197,002</u>	<u>2,395</u>	<u>5,458</u>	<u>51,437</u>	<u>256,292</u>	<u>2,116</u>	<u>258,408</u>
3-month quarter ended <u>31 March 2010</u>							
At 1 January 2010	197,002	2,395	5,458	51,655	256,510	2,141	258,651
Profit for the period	-	-	-	22	22	12	34
At 31 March 2010	<u>197,002</u>	<u>2,395</u>	<u>5,458</u>	<u>51,677</u>	<u>256,532</u>	<u>2,153</u>	<u>258,685</u>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

GRAND CENTRAL ENTERPRISES BHD (131696-V)
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CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE FIRST QUARTER ENDED 31 MARCH 2011

	<u>2011</u> 3 Months Ended 31.03.2011 RM'000	<u>2010</u> 3 Months Ended 31.03.2010 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	328	326
Adjustments:-		
Depreciation	1,508	1,573
Gain on disposal of property, plant and equipment	-	(4)
Interest expenses	132	44
Interest income	<u>(279)</u>	<u>(129)</u>
Operating profit before changes in working capital	1,689	1,810
Net change in current receivables	(320)	727
Net change in current payables	<u>(1,330)</u>	<u>(1,280)</u>
Cash generated from operating activities	39	1,257
Interest paid	(133)	(44)
Tax paid, net	<u>(267)</u>	<u>(741)</u>
Net cash (used in)/generated from operating activities	<u>(361)</u>	<u>472</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	277	127
Proceeds from disposal of property, plant and equipment	7	4
Purchase of property, plant and equipment	<u>(286)</u>	<u>(139)</u>
Net cash used in investing activities	<u>(2)</u>	<u>(8)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of hire purchase and lease payables	(9)	(42)
Repayment of revolving credit	<u>(100)</u>	<u>-</u>
Net cash used in financing activities	<u>(109)</u>	<u>(42)</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(472)	422
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	37,195	32,119
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	<u>36,723</u>	<u>32,541</u>

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

	As At 31.03.2011 RM'000	As At 31.03.2010 RM'000
Cash and bank balances	42,705	32,541
Bank overdrafts	<u>(5,982)</u>	<u>-</u>
	<u>36,723</u>	<u>32,541</u>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2010 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 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.

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 2010 except for the adoption of the following:

FRSs, Amendments to FRSs and Interpretations

Effective for financial periods beginning on or after 1 July 2010:

FRS 1	First-time Adoption of Financial Reporting Standards
FRS 3	Business Combinations
FRS 127	Consolidated and Separate Financial Statements
IC Interpretation 12	Service Concession Arrangements
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17	Distributions of Non-cash Assets to Owners
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives

Effective for financial periods beginning on or after 30 August 2010:

Amendments to IC Interpretation 15 Agreements for the Construction of Real Estate

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

IC Interpretation 4	Determining Whether an Arrangement Contains a Lease
IC Interpretation 18	Transfers of Assets from Customers
Amendments to FRS 1	Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters
Amendments to FRS 1	Additional Exemptions for First-time Adopters
Amendments to FRS 2	Group Cash-settled Share-based Payment Transactions
Amendments to FRS 7	Improving Disclosures about Financial Instruments

The above FRSs, Amendments to FRSs and Interpretations have no significant impact on the financial statements of the Group upon their initial application.

3 AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

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

4 SEGMENTAL REPORTING

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

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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 2010.

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.

13 CHANGES IN CONTINGENT LIABILITIES

	As At End Of Current Quarter 31.03.2011 RM'000
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 March 2011, the Group achieved a revenue of RM8.3 million (2010: RM8.2 million) and profit before taxation of RM0.3 million (2010: profit before taxation of RM0.3 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 flat performance was mainly due to overall lower average room rates, higher operating expenses and finance cost.

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 31.03.2011 RM'000	Preceding Year Quarter 31.03.2010 RM'000	Current Year To Date 31.03.2011 RM'000	Preceding Year Corresponding Period 31.03.2010 RM'000
Current period's provision	258	239	258	239
Deferred taxation	25	53	25	53
	<u>283</u>	<u>292</u>	<u>283</u>	<u>292</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.

22 CORPORATE PROPOSALS

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

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23 BORROWINGS

	As At End Of Current Quarter 31.03.2011 RM'000	As At End Of Preceding Year End 31.12.2010 RM'000
Short Term Borrowings		
Revolving credit	-	100
Secured bank overdrafts	5,982	8,540
Lease and hire purchase creditors	26	35
	6,008	8,675
Long Term Borrowings		
Lease and hire purchase creditors	59	59
	6,067	8,734

24 OFF BALANCE SHEET FINANCIAL INSTRUMENTS

The Group does not have any financial instruments with off balance sheet risk as at 31 March 2011.

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

No interim ordinary dividend has been declared for the financial period ended 31 March 2011 (31 March 2010: Nil).

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 31.03.2011	Preceding Year Quarter 31.03.2010	Current Year To Date 31.03.2011	Preceding Year Corresponding Period 31.03.2010
Profit attributable to ordinary equity holders of the Company (RM'000)	14	22	14	22
Number of ordinary shares in issue ('000)	197,002	197,002	197,002	197,002
Earnings per share (sen)	0.01	0.01	0.01	0.01

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28 REALISED AND UNREALISED PROFITS DISCLOSURE

	As At End Of Current Quarter 31.03.2011 RM'000	As At End Of Preceding Year End 31.12.2010 RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	63,860	63,842
- Unrealised	(14,446)	(14,442)
	<hr/> 49,414	<hr/> 49,400
Add: Consolidated adjustments	2,023	2,023
Retained profits as per financial statements	<hr/> 51,437	<hr/> 51,423

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 11 May 2011.