



There's Only One...

SUNRISE BERHAD (Co. No. 7685-V)
(Incorporated in Malaysia)

QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 30 JUNE 2006

The Board of Directors of Sunrise Berhad is pleased to announce the following unaudited condensed consolidated results for the fourth quarter and financial year ended 30 June 2006.

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Yr Quarter <u>30.6.2006</u> RM'000	Preceding Yr Corresponding Quarter <u>30.6.2005</u> RM'000	Current Yr To Date <u>30.6.2006</u> RM'000	Preceding Yr Corresponding Yr To Date <u>30.6.2005</u> RM'000
Revenue	118,253	130,266	359,185	367,723
Operating expenses	(83,973)	(84,470)	(236,524)	(220,394)
Provision for impairment loss	(87,444)	-	(87,444)	-
Other operating income	<u>6,265</u>	<u>1,916</u>	<u>15,604</u>	<u>12,145</u>
(Loss)/Profit from operations	(46,899)	47,712	50,821	159,474
Finance costs	(2,468)	(2,423)	(8,482)	(9,051)
Share of results of associates	(10)	89	(55)	(23)
Share of results of a jointly controlled entity	<u>(206)</u>	<u>(185)</u>	<u>(537)</u>	<u>(185)</u>
(Loss)/Profit before tax	(49,583)	45,193	41,747	150,215
Tax - group	<u>(9,113)</u>	<u>(14,886)</u>	<u>(37,214)</u>	<u>(45,862)</u>
(Loss)/Profit after tax	(58,696)	30,307	4,533	104,353
Minority interests	<u>2,576</u>	<u>231</u>	<u>2,576</u>	<u>339</u>
Net (loss)/profit for the year	<u>(56,120)</u>	<u>30,538</u>	<u>7,109</u>	<u>104,692</u>
	sen	sen	sen	sen
(Loss)/Earnings per share :				
- basic	(13.35)	7.23	1.71	24.80
- diluted	(13.32)	7.20	1.70	24.60

The Condensed Consolidated Income Statement should be read in conjunction with the Annual Audited Financial Report for the financial year ended 30 June 2005 and the accompanying explanatory notes attached to the interim financial statements.



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**QUARTERLY REPORT ON CONSOLIDATED RESULTS
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UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET

<u>Note</u>	As at <u>30.6.2006</u> RM'000	As at <u>30.6.2005</u> RM'000
NON-CURRENT ASSETS		
Property, plant and equipment	144,164	213,040
Land held for development	362,438	50,675
Investments in associates	32	86
Investment in a jointly controlled entity	-	537
Deferred taxation	2,440	795
	<u>509,074</u>	<u>265,133</u>
CURRENT ASSETS		
Development property	196,179	403,271
Inventories	19,366	15,331
Receivables	180,844	179,455
Tax recoverable	3,931	102
Investments	2,662	4,534
Cash and cash equivalents	23,638	69,693
	<u>426,620</u>	<u>672,386</u>
CURRENT LIABILITIES		
Payables	194,678	145,889
Provisions	17,579	7,009
Borrowings	56,186	43,226
Tax payable	8,363	12,657
	<u>276,806</u>	<u>208,781</u>
NET CURRENT ASSETS	<u>149,814</u>	<u>463,605</u>
	<u>658,888</u>	<u>728,738</u>
CAPITAL AND RESERVES		
Share capital		
Ordinary shares of RM1 each	424,519	422,679
Reserves	110,533	139,496
Treasury shares, at cost	A6(ii) (28,183)	-
Shareholders' equity	506,869	562,175
Minority interests	1,528	4,028
NON-CURRENT LIABILITIES		
Borrowings	150,491	161,909
Long term liabilities	-	626
	<u>658,888</u>	<u>728,738</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	1.25	1.34

The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Audited Financial Report for the financial year ended 30 June 2005 and the accompanying explanatory notes attached to the interim financial statements.



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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Group	Share capital RM'000	Treasury shares RM'000	Non-distributable			Distributable	Total RM'000
			Revaluation reserve RM'000	Share premium RM'000	Exchange reserve RM'000	Retained profits RM'000	
Balance as at 1 July 2004	263,362	-	2,664	32,634	3,857	170,925	473,442
Issue of shares pursuant to ESOS	1,185	-	-	755	-	-	1,940
Bonus issue	158,132	-	-	(32,901)	-	(125,231)	-
Share issue expenses	-	-	-	(37)	-	-	(37)
Translation of financial statements of foreign subsidiaries	-	-	-	-	(1,151)	-	(1,151)
Profit for the financial year	-	-	-	-	-	104,692	104,692
Dividend for financial year ended 30 June 2004	-	-	-	-	-	(16,711)	(16,711)
Balance as at 30 June 2005	422,679	-	2,664	451	2,706	133,675	562,175
Balance as at 1 July 2005	422,679	-	2,664	451	2,706	133,675	562,175
Issue of shares pursuant to ESOS	1,840	-	-	867	-	-	2,707
Buy-back of shares	-	(28,183)	-	-	-	-	(28,183)
Translation of financial statements of foreign subsidiaries	-	-	-	-	(598)	-	(598)
Profit for the financial year	-	-	-	-	-	7,109	7,109
Dividend for financial year ended 30 June 2005	-	-	-	-	-	(36,341)	(36,341)
Balance as at 30 June 2006	424,519	(28,183)	2,664	1,318	2,108	104,443	506,869

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Audited Financial Report for the financial year ended 30 June 2005 and the accompanying explanatory notes attached to the interim financial statements.



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UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	Financial year ended	
	<u>30.6.2006</u>	<u>30.6.2005</u>
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	41,747	150,215
Adjustments for non-cash items:		
Non-cash items	91,636	3,825
Non-operating items	<u>2,483</u>	<u>3,172</u>
Operating profit before working capital changes	135,866	157,212
Changes in working capital:		
Net change in current assets	(7,942)	(48,261)
Net change in current liabilities	<u>24,958</u>	<u>(63,775)</u>
Net cash generated from operating activities	152,882	45,176
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(13,716)	(68,011)
Purchase of investments	-	(122)
Proceeds from disposal of investments	5,079	5,969
Proceeds from disposal of property, plant and equipment	150	238
Development expenditure incurred on land held for development	<u>(129,698)</u>	<u>(4,597)</u>
Net cash used in investing activities	(138,185)	(66,523)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	2,707	1,903
Purchase of own shares	(28,183)	-
Repayment of loans	(40,876)	(20,000)
Drawdown of loan	12,000	50,000
Loans from minority shareholders	31,158	40
Dividends paid	(36,341)	(16,711)
Payment of hire purchase and lease obligations	-	(955)
Net cash (used in)/generated from financing activities	(59,535)	14,277
Effects of exchange rate changes	(1,217)	(245)
Net decrease in cash and cash equivalents	(46,055)	(7,315)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR	<u>69,693</u>	<u>77,008</u>
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL YEAR	<u>23,638</u>	<u>69,693</u>

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Audited Financial Report for the financial year ended 30 June 2005 and the accompanying explanatory notes attached to the interim financial statements.



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**QUARTERLY REPORT ON CONSOLIDATED RESULTS
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PART A - EXPLANATORY NOTES IN COMPLIANCE WITH FRS 134, PARAGRAPH 16

A1. Basis of Preparation

This interim report has been prepared in accordance with the reporting requirements as set out in Financial Reporting Standards ("FRS") No. 134 - "Interim Financial Reporting" and paragraph 9.22 of the Bursa Malaysia Securities Berhad ("Bursa Malaysia") Listing Requirements, and should be read in conjunction with the Group's audited statutory financial statements presented in the Annual Report for the financial year ended 30 June 2005.

The accounting policies and presentation adopted for the interim financial report are consistent with those adopted for the annual audited financial statements for the financial year ended 30 June 2005.

A2. Audit Report of Preceding Annual Financial Statements

The audit report of the Group's most recent annual audited financial statements for the financial year ended 30 June 2005 was not qualified.

A3. Seasonal or Cyclical Factors

The business operations of the Group were not significantly affected by any seasonal and cyclical factors.

A4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group during the financial year under review.

A5. Changes in Estimates

The Group has not submitted any financial forecast or projections to any authority body in prior financial years. As such there were no changes in estimates of amounts reported in prior financial years that have a material effect in the current quarter.

A6. 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 except for:

(i) Issuance of shares

During the financial year ended 30 June 2006, the issued and paid-up share capital of the Company was increased from 422,678,967 ordinary shares of RM1.00 each to 424,519,367 ordinary shares by the issuance of 1,840,400 ordinary shares of RM1.00 each pursuant to the exercise of options granted under the Company's Employees' Share Option Scheme at exercise prices ranging from RM1.15 to RM1.49 per ordinary share. The total cash proceeds arising from the exercise of options under the ESOS amount to RM2,707,586;

(ii) Share buy-back

On 17 June 2005, the shareholders of the Company approved the proposed authority to the Company to buy-back its own shares. During the financial year, the Company purchased 17,252,000 of its issued share capital from the open market. The average price paid for the shares was RM1.63 per ordinary share. The total consideration paid for the share buy-back including transaction costs, was RM28,183,026 and was financed by internally generated funds. As at 30 June 2006, the cumulative total number of shares bought was 17,252,000 shares which are being held as treasury shares in accordance with the requirement of Section 67A of the Companies Act, 1965. None of the treasury shares held were resold or cancelled during the financial year ended 30 June 2006;



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PART A - EXPLANATORY NOTES IN COMPLIANCE WITH FRS 134, PARAGRAPH 16

A6. Debt and Equity Securities (Cont'd)

(iii) Repayment of debts

The Group had on 24 November 2005 repaid the 1st principal of the Term Loan Facility amounting to RM12.5 million on its maturity date;

On 22 February 2006, the Company redeemed 2nd Tranche of the Bai'Bithaman Ajil Notes Issuance Facility amounting to RM20 million earlier than its maturity date of 19 June 2006.

A7. Dividend Paid

The first and final dividend of 12 sen per share on 420,618,967 ordinary shares, less 28% taxation, amounting to RM36,341,479 in respect of financial year ended 30 June 2005 was paid to shareholders on 19 December 2005.



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PART A - EXPLANATORY NOTES IN COMPLIANCE WITH FRS 134, PARAGRAPH 16

A8. **Segmental Reporting**

Primary Segment Analysis (Business Segments)	Property development	Interior designing & consultancy	Property management	Property investment	Education	Eliminations	Group
Financial year ended 30 June 2006	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue							
External revenue	335,126	3,848	5,073	10,156	4,982	-	359,185
Inter-segment revenue	148,593	887	480	1,591	-	(151,551)	-
Total revenue	483,719	4,735	5,553	11,747	4,982	(151,551)	359,185
Results							
Segment profits/(loss) (external)	181,047	103	16	(3,548)	(1,740)	(128,517)	47,361
Interest income							3,460
Profit from operations							50,821
Finance costs							(8,482)
Share of results of associates							(55)
Share of results of a jointly controlled entity							(537)
Profit before taxation							41,747
Taxation							(37,214)
Profit after taxation							4,533
Minority interests							2,576
Profit attributable to shareholders of the Company							7,109
As at 30 June 2006							
Segment assets	837,301	1,465	1,831	94,410	655	-	935,662
Investment in associates	32	-	-	-	-	-	32
Investment in a jointly controlled entity	-	-	-	-	-	-	-
Unallocated assets							-
Total assets							935,694
Segment liabilities	(407,331)	(2,268)	(485)	(11,344)	(5,869)	-	(427,297)
Unallocated liabilities							-
Total liabilities							(427,297)
Other Information							
Capital expenditure	37,117	24	381	10,988	5	-	48,515
Depreciation	1,306	38	57	1,598	353	-	3,352
Non cash expenses other than depreciation	75,790	-	-	194	11,654	-	87,638

Intersegment revenue mainly comprise construction works performed by a wholly-owned subsidiary company.



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PART A - EXPLANATORY NOTES IN COMPLIANCE WITH FRS 134, PARAGRAPH 16

A8. **Segmental Reporting (Cont'd)**

Primary Segment Analysis (Business Segments)	Property development	Interior designing & consultancy	Property management	Property investment	Education	Eliminations	Group
Financial year ended 30 June 2005	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue							
External revenue	339,433	7,461	4,537	11,194	5,098	-	367,723
Inter-segment revenue	148,744	994	450	1,253	-	(151,441)	-
Total revenue	488,177	8,455	4,987	12,447	5,098	(151,441)	367,723
Results							
Segment profits/(loss) (external)	252,433	379	793	1,922	(1,532)	(96,765)	157,230
Interest income							2,244
Profit from operations							159,474
Finance costs							(9,051)
Share of results of associates							(23)
Share of results of a jointly controlled entity							(185)
Profit before taxation							150,215
Taxation							(45,862)
Profit after taxation							104,353
Minority interests							339
Profit attributable to shareholders of the Company							104,692
As at 30 June 2005							
Segment assets	803,494	2,924	2,714	126,634	1,130	-	936,896
Investment in associates	86	-	-	-	-	-	86
Investment in a jointly controlled entity	537	-	-	-	-	-	537
Unallocated assets							-
Total assets							937,519
Segment liabilities	(349,312)	(3,705)	(335)	(13,645)	(4,319)	-	(371,316)
Unallocated liabilities							-
Total liabilities							(371,316)
Other Information							
Capital expenditure	67,714	47	46	6,439	34	-	74,280
Depreciation	1,025	33	68	820	381	-	2,327
Non cash expenses other than depreciation	11	472	1	618	-	-	1,102

Intersegment revenue mainly comprise construction works performed by a wholly-owned subsidiary company



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PART A - EXPLANATORY NOTES IN COMPLIANCE WITH FRS 134, PARAGRAPH 16

A8. Segmental Reporting (Cont'd)

Secondary Segment Analysis (Geographical Segments)

	Revenue Year ended <u>30.6.2006</u> RM'000	Total assets As at <u>30.6.2006</u> RM'000	Capital expenditure Year ended <u>30.6.2006</u> RM'000
Malaysia	354,204	914,413	48,441
Australia	4,981	18,024	74
United Kingdom	-	3,257	-
	<u>359,185</u>	<u>935,694</u>	<u>48,515</u>

	Revenue Year ended <u>30.6.2005</u> RM'000	Total assets As at <u>30.6.2005</u> RM'000	Capital expenditure Year ended <u>30.6.2005</u> RM'000
Malaysia	362,576	903,260	74,134
Australia	5,098	29,381	146
United Kingdom	49	4,878	-
	<u>367,723</u>	<u>937,519</u>	<u>74,280</u>

A9. Valuations of Property, Plant and Equipment

The valuation of the freehold land has been brought forward from the annual audited financial statements for the financial year ended 30 June 2005.

A10. Material Events Subsequent to the End of Interim Period

- (i) On 7 July 2006, the Company announced that the Board of Directors of Broadfields II Pty. Ltd. ("BII"), a foreign subsidiary of Sunrise Berhad, had approved the appointment of Mr Christopher John Palmer from O'Brien Palmer as a voluntary administrator to commence a voluntary administration on BII.
At the Creditors' Meeting of BII held on 3 August 2006, the Company announced that the creditors have resolved that BII be wound up;
- (ii) Further to the announcements dated 15 July 2005 and 2 September 2005 in relation to the Proposed Issuance of Islamic Commercial Papers ("ICP") and Islamic Medium Term Notes ("IMTN") pursuant to an ICP Programme and an IMTN Programme with an aggregate nominal value of up to RM150.0 million, Commerce International Merchant Bankers Berhad, on behalf of Sunrise Berhad, announced that the Company has on 25 July 2006, issued IMTN with a nominal value of RM100.0 million pursuant to the IMTN Programme. The proceeds from the issuance was utilised for the working capital purposes of the Group such as funding for the construction of the Solaris Dutamas development, balance purchase price for land acquisitions and operational overheads; and



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PART A - EXPLANATORY NOTES IN COMPLIANCE WITH FRS 134, PARAGRAPH 16

A10. Material Events Subsequent to the End of Interim Period (Cont'd)

- (iii) On 28 July 2006, Sunrise Oscar Sdn Bhd, a wholly owned subsidiary of Sunrise Berhad entered into a joint venture and shareholders agreement with Linear Ice Solutions Sdn Bhd (formerly known as Ice Solutions Sdn Bhd), a wholly owned subsidiary of Linear Corporation Berhad, to undertake, as a joint venture business, the construction, ownership and operation of a district cooling plant to be located at a site within the development of the Sunrise Group known as Solaris Dutamas. The Proposed Joint Venture is conditional upon the approval of Foreign Investment Committee being obtained.

A11. Changes in the Composition of the Group

- (i) On 10 August 2005, the Group through Sunrise Sovereign Sdn Bhd ("Sunrise Sovereign") entered into an agreement to acquire 820,000 'A' class shares of RM1.00 each in Broadfields Sdn Bhd ("Broadfields") for a cash consideration of RM488,281 which was arrived at on the basis of RM0.50 for each 'A' class share and RM0.50 for each RM1.00 of the shareholders' advances. The acquisition results in raising Sunrise Sovereign's equity interest in Broadfields from 36.83% to 71%.

On 18 November 2005, the Company and Sunrise Sovereign entered into share sale agreements with Taylor's Education Berhad to dispose the Company's 100% equity interest in Millennium Assets Sdn Bhd ("MASB") and Sunrise Sovereign's 71% equity interest in Broadfields for a total cash consideration of RM29,584,446. The disposal was completed on 28 March 2006 and accordingly, MASB and Broadfields ceased to be subsidiaries of the Group on the same date.

- (ii) The Company had on 20 October 2005 acquired 2 ordinary shares of RM1 each, representing the entire issued and paid-up share capital of Ibarat Duta Sdn Bhd ("Ibarat Duta") for a cash consideration of RM2.

On 8 May 2006, the issued and paid-up share capital of Ibarat Duta was increased from 2 ordinary shares to 200,000 ordinary shares of which the Company subscribed 123,998 ordinary shares of RM1 each, representing 62% shareholding in Ibarat Duta for cash and at par. The remaining 38% of the issued and paid-up share capital of Ibarat Duta is held by Melavest Sdn Bhd.

Ibarat Duta is a private limited company incorporated on 16 June 2005 under the Companies Act, 1965 and currently has an authorised share capital of RM500,000 comprising 500,000 ordinary shares of RM1 each and an issued and paid up share capital of RM200,000 comprising 200,000 ordinary shares of RM1 each. Ibarat Duta's principal business activity is property development.

A12. Contingent Liabilities - Unsecured

Contingent liabilities of the Group as at the date of this report, are in respect of guarantees given to government bodies and service providers amounting to RM5,064,600 (2005:RM3,928,000).



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PART B - EXPLANATORY NOTES IN COMPLIANCE WITH BURSA MALAYSIA REQUIREMENT UNDER PART A OF APPENDIX 9B

B1. Review of Performance of the Company and its Principal Subsidiaries

The Group recorded a turnover of RM359.2 million as compared with RM367.7 million for the previous financial year. Operational pre-tax profit for the Group would have been RM129.2 million but after provisions for impairment of asset values on 3 of its properties, the Group recorded a drop in pre-tax profit to RM41.7 million as compared with the previous year's results. This represents a 2% decrease in turnover and 72% drop in pre-tax profit as compared to the previous year's results.

On-going commercial developments such as Solaris Mont'Kiara and Solaris Dutamas and residential developments such as Aman, Kiara Designer Suites and Banyan contribute favourably to the Group's profitability during the year. Sales have been encouraging and construction progress is on time. Sales of Solaris Dutamas, a RM1 billion commercial development has already exceeded 50% to date.

The positive contribution noted was however offset by provision for impairment totalling RM87.4 million for several of the Group's lands. These lands and the provisions are as follows:

a) Kajang	RM 67.4 million
b) Mersing	RM 8.4 million
c) Carlingford, New South Wales	RM 11.6 million

Both the lands at Kajang and Mersing, acquired in 1996 and 1994 respectively, have incurred substantial interest costs since their acquisition. These capitalised interest costs have affected the viability of these developments. The lands at Kajang were purchased on the basis of high-density developments. It is now approved for a lower density of mixed development comprising semi-detached houses, garden villas and apartments. Provisions for impairment in respect of these lands were based on market values provided by professional valuers based on existing approved plans.

The Group has already stopped its international school operations in Carlingford in line with its strategy to focus on its core activities and to discontinue loss-making operations. Towards this end the building, from which the school operates will be sold. Provision for impairment in respect of this property is based on current indicative value provided by an estate agent.

These provisions do not in anyway affect the Group's sales, operations and cash flows. The Group will continue to be profitable going forward with its substantial locked in sales to date as indicated in Note B3.

B2. Variation of Results Against Preceding Quarter

The Group registered a pre-tax loss of RM49.6 million for the current quarter; a decrease of RM80.6 million or 260% compared to the 3rd quarter ended 31 March 2006. The decrease is due to the impairment provisions as detailed in Note B1 above.

B3. Prospects for the Next Financial Year ending 30 June 2007

The Board is confident of the Company's prospects in the coming financial year with its already substantial and locked-in sales to date with more upcoming launches in the pipeline. Despite the general softness in the market, the Company is able to mitigate these sentiments particularly in the residential segment by offering a wide array of smaller residential apartments, office suites, strata shop offices and retail units. The demand for the commercial components have been robust probably as a consequence of the lack of supply since the early 2000s and have proven to show greater resilience over the economic cycles.

Kiara Designer Suites, Banyan, Solaris Mont'Kiara, Solaris Dutamas and Meridin will continue to be the main contributors to the Group's income in the financial year ending 30 June 2007. Both Kiara Designer Suites and Solaris Mont'Kiara are on target to be completed within the next 12 months and 18 months respectively. Solaris Dutamas' earth and sub-structure works will be completed by end 2006 and building works will commence thereafter. Construction progresses of other on-going projects are on schedule. The Group is also on course to launch 10@ Mont'Kiara, a 340 unit luxurious condominium project in September 2006.

The Group has chalked up sales totalling RM490 million during the financial year and a further RM46 million in sales were recorded in July 2006. The Group's unbilled sales as at 31 July 2006 is RM722 million. The profits from these future billings will be recognised substantially over the next two financial years.



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PART B - EXPLANATORY NOTES IN COMPLIANCE WITH BURSA MALAYSIA REQUIREMENT UNDER PART A OF APPENDIX 9B

B4. Explanatory Notes for Variance of Actual Profit from Forecast Profit/Profit Guarantee

There were no profit forecast/profit guarantee issued by the Group.

B5. Taxation

	Individual Quarter		Cumulative Quarter	
	Current Yr Quarter	Preceding Yr Corresponding Quarter	Current Yr To Date	Preceding Yr Corresponding Yr To Date
	<u>30.6.2006</u>	<u>30.6.2005</u>	<u>30.6.2006</u>	<u>30.6.2005</u>
	RM'000	RM'000	RM'000	RM'000
In respect of current year				
- Malaysian tax	11,806	15,568	39,719	46,427
- Foreign tax	-	-	-	-
- Deferred tax	(1,397)	(1,262)	(1,212)	(1,212)
In respect of prior years	(1,296)	580	(1,293)	647
	<u>9,113</u>	<u>14,886</u>	<u>37,214</u>	<u>45,862</u>

The Group's effective tax rate for the current quarter and financial year-to-date was higher than the statutory tax rate mainly due to non-availability of group relief for losses incurred by certain subsidiary companies and the non-deductibility of certain expenses for tax purposes.

B6. Disposal of Unquoted Investments and/or Properties

There was no disposal of unquoted investment and/or properties outside the ordinary course of the Group's business for the current quarter and financial year-to-date except for the disposal of unquoted investment in Millennium Assets Sdn Bhd and Broadfields Sdn Bhd which resulted in a gain of RM0.4 million and RM2.1 million respectively to the Group as disclosed in note A11(i).

B7. Quoted Securities

(a) There were no material dealings in quoted securities for the financial year ended 30 June 2006.

(b) Investments in quoted securities as at the end of the reporting year:

	<u>As at</u> <u>30.6.2006</u> RM'000
(i) At cost	8
(ii) At carrying value/book value; and	8
(iii) At market value	<u>6</u>

B8. Corporate Proposals

There were no corporate proposals announced from the date of the last quarterly report to the date of this announcement.



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QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 30 JUNE 2006

PART B - EXPLANATORY NOTES IN COMPLIANCE WITH BURSA MALAYSIA REQUIREMENT UNDER PART A OF APPENDIX 9B

B9. Group Borrowings and Debt Securities

Total Group borrowings are as follows:-

	As at <u>30.6.2006</u> RM'000	As at <u>30.6.2005</u> RM'000
<u>Long Term Borrowings</u>		
Secured:		
Islamic Debt Facilities		
- Al Bai'Bithaman Ajil Notes		
Issuance Facility (BBA NIF)	30,000	60,000
- Murabahah Notes		
Issuance Facility (MUNIF)	64,000	64,000
Term Loan	25,000	37,500
Unsecured:		
Loans from minority shareholders	31,491	409
	<u>150,491</u>	<u>161,909</u>
<u>Short Term Borrowings</u>		
Secured:		
Islamic Debt Facilities		
- Al Bai'Bithaman Ajil Notes		
Issuance Facility (BBA NIF)	30,000	20,000
Term Loan	4,124	12,500
Commercial Bills	10,062	10,726
Unsecured:		
Revolving Credit	12,000	-
	<u>56,186</u>	<u>43,226</u>

Borrowings denominated in foreign currency

	As at <u>30.6.2006</u>		As at <u>30.6.2005</u>	
	AUD'000	RM'000 (equivalent)	AUD'000	RM'000 (equivalent)
Commercial bills	<u>3,700</u>	<u>10,062</u>	<u>3,700</u>	<u>10,726</u>

B10. Off Balance Sheet Financial Instruments

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

B11. Material Litigation

There has been no material litigation and claim against the Group at the date of this report.



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**PART B - EXPLANATORY NOTES IN COMPLIANCE WITH BURSA MALAYSIA
REQUIREMENT UNDER PART A OF APPENDIX 9B**

B12. Proposed Dividend

The Board of Directors has recommended a first and final dividend of 6 sen per share less 28% taxation for the financial year ended 30 June 2006, for the approval of the shareholders of the Company at the forthcoming Annual General Meeting.

B13. Earnings Per Share

		12 months ended	
		<u>30.6.2006</u>	<u>30.6.2005</u>
(a) Basic earnings per share			
Net profit for the financial year	(RM'000)	7,109	104,692
Weighted average number of ordinary shares	('000)	416,657	422,194
Basic earnings per share	(sen)	1.71	24.80
(b) Diluted earnings per share			
Net profit for the financial year	(RM'000)	7,109	104,692
Weighted average number of ordinary shares for the purpose of basic earnings per share	('000)	416,657	422,194
Effects of share options	('000)	989	3,398
Weighted average number of ordinary shares for the purpose of diluted earnings per share	('000)	417,646	425,592
Diluted earnings per share	(sen)	1.70	24.60

BY ORDER OF THE BOARD

DATO' YAM KONG CHOY D.S.N.S.

MANAGING DIRECTOR

Kuala Lumpur

21 August 2006