



There's Only One...

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

**QUARTERLY REPORT ON CONSOLIDATED RESULTS**  
**FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2006**

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

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS**

	<u>Note</u>	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		Current Yr Quarter	Preceding Yr Corresponding Quarter	Current Yr To Date	Preceding Yr Corresponding Yr To Date
		<u>30.9.2006</u> RM'000	<u>30.9.2005</u> RM'000	<u>30.9.2006</u> RM'000	<u>30.9.2005</u> RM'000
Revenue		103,063	57,137	103,063	57,137
Cost of sales		(65,873)	(28,830)	(65,873)	(28,830)
Gross profit		37,190	28,307	37,190	28,307
Other operating income		5,849	1,143	5,849	1,143
Administrative expenses		(2,177)	(2,237)	(2,177)	(2,237)
Other operating expenses		(6,855)	(6,260)	(6,855)	(6,260)
Finance costs		(3,315)	(1,791)	(3,315)	(1,791)
Share of results of associates		(3)	(45)	(3)	(45)
Share of results of a jointly controlled entity		-	(94)	-	(94)
Profit before tax		30,689	19,023	30,689	19,023
Taxation	B5	(10,473)	(6,233)	(10,473)	(6,233)
Net profit for the period		20,216	12,790	20,216	12,790
Attributable to:					
Equity holders of the parent		20,886	12,790	20,886	12,790
Minority interest		(670)	-	(670)	-
Net profit for the period		20,216	12,790	20,216	12,790
		sen	sen	sen	sen
Earnings per share attributable to the equity holders of the parent:	B13				
- basic		5.13	3.03	5.13	3.03
- diluted		5.13	3.03	5.13	3.03

The Condensed Consolidated Income Statement should be read in conjunction with the Annual Audited Financial Report for the financial year ended 30 June 2006 and the accompanying explanatory notes attached to the interim financial statements.



**SUNRISE**  
There's Only One...

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

**QUARTERLY REPORT ON CONSOLIDATED RESULTS**  
**FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2006**

**UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET**

	<u>Note</u>	Unaudited As at <u>30.9.2006</u> RM'000	Restated As at <u>30.6.2006</u> RM'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		103,439	97,386
Land held for development		367,561	362,438
Investment properties		46,639	46,778
Investments in associates		29	32
Investment in a jointly controlled entity		-	-
Deferred taxation		2,440	2,440
		<u>520,108</u>	<u>509,074</u>
<b>Current assets</b>			
Development properties		213,173	196,179
Inventories		18,216	19,366
Receivables		216,454	180,844
Tax recoverable		2,893	3,931
Investments		2,739	2,662
Cash and cash equivalents		33,789	23,638
		<u>487,264</u>	<u>426,620</u>
<b>TOTAL ASSETS</b>		<u><u>1,007,372</u></u>	<u><u>935,694</u></u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to equity holders of the parent</b>			
Share capital			
Ordinary shares of RM1 each		424,534	424,519
Share premium		1,323	1,318
Treasury shares, at cost	A7(ii)	(28,183)	(28,183)
Other reserves		7,701	5,851
Retained profits		124,250	103,364
		<u>529,625</u>	<u>506,869</u>
<b>Minority interests</b>		<u>858</u>	<u>1,528</u>
<b>Total equity</b>		<u><u>530,483</u></u>	<u><u>508,397</u></u>



SUNRISE  
There's Only One...

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

**QUARTERLY REPORT ON CONSOLIDATED RESULTS**  
**FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2006**

**UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET (cont'd)**

		Unaudited As at <u>30.9.2006</u> RM'000	Restated As at <u>30.6.2006</u> RM'000
<b>EQUITY AND LIABILITIES (cont'd)</b>			
<b>Non-current liabilities</b>			
Borrowings	B9	198,968	119,539
Long term liabilities		<u>30,952</u>	<u>30,952</u>
		<u>229,920</u>	<u>150,491</u>
<b>Current liabilities</b>			
Payables		173,661	194,678
Provisions		25,329	17,579
Borrowings		40,190	56,186
Tax payable		<u>7,789</u>	<u>8,363</u>
		<u>246,969</u>	<u>276,806</u>
<b>Total liabilities</b>		<u>476,889</u>	<u>427,297</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>1,007,372</u>	<u>935,694</u>
<b>Net assets per share attributable to ordinary equity holders of the parent (RM)</b>		<b>1.30</b>	<b>1.24</b>

The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Audited Financial Report for the financial year ended 30 June 2006 and the accompanying explanatory notes attached to the interim financial statements.



There's Only One...

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

**QUARTERLY REPORT ON CONSOLIDATED RESULTS**  
**FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2006**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

Group	← Attributable to equity holders of the parent						→		Minority interest RM'000	Total equity RM'000
	Non-distributable						Distributable			
	Share capital RM'000	Treasury shares RM'000	Revaluation reserve RM'000	Share premium RM'000	Exchange reserve RM'000	Other reserves RM'000	Retained profits RM'000	Total RM'000		
At 1 July 2005	422,679	-	2,664	451	2,706	-	133,675	562,175	4,028	566,203
Translation of financial statements of foreign subsidiaries	-	-	-	-	35	-	-	35	-	35
Net income recognised directly in equity	422,679	-	2,664	451	2,741	-	133,675	562,210	4,028	566,238
Net profit for the period	-	-	-	-	-	-	12,790	12,790	-	12,790
Total recognised income and expense for the period	422,679	-	2,664	451	2,741	-	146,465	575,000	4,028	579,028
Issue of shares pursuant to ESOS	6	-	-	3	-	-	-	9	-	9
Buy-back of shares	-	(1,137)	-	-	-	-	-	(1,137)	-	(1,137)
At 30 September 2005	422,685	(1,137)	2,664	454	2,741	-	146,465	573,872	4,028	577,900
Prior year adjustments : - effects of adopting FRS 2	-	-	-	-	-	99	(99)	-	-	-
At 30 September 2005 (restated)	422,685	(1,137)	2,664	454	2,741	99	146,366	573,872	4,028	577,900



There's Only One...

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

**QUARTERLY REPORT ON CONSOLIDATED RESULTS**  
**FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2006**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Cont'd)**

Group	← Attributable to equity holders of the parent →						Distributable	Minority interest	Total equity	
	Non-distributable					Retained profits				Total
	Share capital	Treasury shares	Revaluation reserve	Share premium	Exchange reserve					
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
At 1 July 2006										
As previously stated	424,519	(28,183)	2,664	1,318	2,108	-	104,443	506,869	1,528	508,397
Prior year adjustments :										
- effects of adopting FRS 2	-	-	-	-	-	1,079	(1,079)	-	-	-
At 1 July 2006 (restated)	424,519	(28,183)	2,664	1,318	2,108	1,079	103,364	506,869	1,528	508,397
Translation of financial statements of foreign subsidiaries	-	-	-	-	1,222	-	-	1,222	-	1,222
Net income recognised directly in equity	424,519	(28,183)	2,664	1,318	3,330	1,079	103,364	508,091	1,528	509,619
Net profit for the period	-	-	-	-	-	-	20,886	20,886	(670)	20,216
Total recognised income and expense for the period	424,519	(28,183)	2,664	1,318	3,330	1,079	124,250	528,977	858	529,835
Issue of shares pursuant to ESOS	15	-	-	5	-	-	-	20	-	20
Share-based payment	-	-	-	-	-	628	-	628	-	628
At 30 September 2006	424,534	(28,183)	2,664	1,323	3,330	1,707	124,250	529,625	858	530,483

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 2006 and the accompanying explanatory notes attached to the interim financial statements.



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

QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2006

**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

	Financial period ended	
	30.9.2006	30.9.2005
	RM'000	RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	30,689	19,023
Adjustments for non-cash items:		
Non-cash items	1,437	725
Non-operating items	2,198	1,501
Operating profit before working capital changes	34,324	21,249
<b>Changes in working capital:</b>		
Net change in current assets	(41,549)	(18,090)
Net change in current liabilities	(41,041)	(17,104)
Net cash used in operating activities	(48,266)	(13,945)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(7,067)	(787)
Purchase of investments	-	(332)
Proceeds from disposal of investments	-	512
Development expenditure incurred on land held for development	-	(307)
Net cash used in investing activities	(7,067)	(914)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of shares	20	9
Purchase of own shares	-	(1,137)
Repayment of loans	(36,156)	-
Drawdown of loan	100,000	-
Net cash generated from /(used in) financing activities	63,864	(1,128)
Effects of exchange rate changes	1,620	339
Net increase/(decrease) in cash and cash equivalents	10,151	(15,648)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD</b>	<b>23,638</b>	69,693
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD</b>	<b>33,789</b>	54,045

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Audited Financial Report for the financial year ended 30 June 2006 and the accompanying explanatory notes attached to the interim financial statements.



There's Only One...

## **SUNRISE BERHAD (Co. No. 7685-V)**

**(Incorporated in Malaysia)**

### **QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2006**

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

##### **A1. Basis of Preparation and Changes in Accounting Policies**

This interim financial statements are unaudited and have been prepared in accordance with the requirements of Financial Reporting Standards ("FRS") No. 134 : Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 30 June 2006. 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 financial year ended 30 June 2006.

##### **A2. Changes in Accounting Policies**

The significant accounting policies adopted are consistent with those of the audited annual financial statements for the financial year ended 30 June 2006 except for the adoption of the following new/revised Financial Reporting Standards (FRS) effective for financial year beginning 1 July 2006:

- FRS 2: Share-based Payment
- FRS 3: Business Combinations
- FRS 5: Non-current Assets Held for Sale and Discontinued Operations
- FRS 101: Presentation of Financial Statements
- FRS 102: Inventories
- FRS 108: Accounting Policies, Changes in Estimates and Errors
- FRS 110: Events after the Balance Sheet Date
- FRS 116: Property, Plant and Equipment
- FRS 121: The Effects of Changes in Foreign Exchange Rates
- FRS 127: Consolidated and Separate Financial Statements
- FRS 128: Investments in Associates
- FRS 131: Interests in Joint Ventures
- FRS 132: Financial Instruments: Disclosure and Presentation
- FRS 133: Earnings Per Share
- FRS 136: Impairment of Assets
- FRS 138: Intangible Assets
- FRS 140: Investment Property

As at the date of this report, the Group has not applied the following three new standards issued by the Malaysian Accounting Standards Board, but are not yet effective:

- FRS 117: Leases
- FRS 124: Related Party Disclosures
- FRS 139: Financial Instruments: Recognition and Measurement

The Group will apply FRS 117 and FRS 124 in the financial year commencing 1 July 2007, when they become effective. As for FRS 139, the Malaysian Accounting Standards Board has deferred the effective date of FRS 139 from 1 January 2007 to a date to be announced.

While there may be changes to the presentation of the Group's financial statements and additional disclosures made, it is expected that there will be no material impact on the Profit and Loss Statement when the Group applies these new accounting standards.



There's Only One...

## SUNRISE BERHAD (Co. No. 7685-V)

(Incorporated in Malaysia)

### QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2006

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

#### A2. Changes in Accounting Policies (Cont'd)

The principal changes to the accounting policies, presentation and disclosures to the financial statements of the Group resulting from the adoption of the new and revised FRS are discussed below:

##### (i) FRS 2: Share-based Payment

This FRS requires an entity to recognise share-based payment transactions in its financial statements, including transactions with employees or other parties to be settled in cash, other assets, or equity instruments of the entity.

The Company operates an equity-settled, share-based compensation plan for the employees of the Group, the Sunrise Berhad Employee Share Options Scheme (ESOS). Prior to 1 July 2006, no compensation expense was recognised in income statement for share options granted. Effective from 1 July 2006, with the adoption of FRS 2, the compensation expense relating to share options is recognised in income statement over the vesting periods of the grants with a corresponding increase in equity. The total amount to be recognised as compensation expense is determined by reference to the fair value of the share options at the date of the grant and the number of share options to be vested by vesting date. The fair value of the share option is computed using the Binomial Model. At every balance sheet date, the Group revises its estimates of the number of share options that are expected to vest by the vesting date. Any revision of this estimate is included in income statement and a corresponding adjustment to equity over the remaining vesting period.

Under the transitional provisions of FRS 2, this FRS must be applied to share options that were granted after 31 December 2004 and were not vested on 1 July 2006. The application is retrospective and accordingly, the comparative amounts as at 30 September 2005 and 30 June 2006 are restated and the opening balance of retained earnings as at 1 July 2006 is adjusted. The financial impact to the Group arising from this change in accounting policy is as follows:

	As at <u>1.7. 2006</u> RM'000	As at <u>30.9. 2005</u> RM'000	
Decrease in retained profits	(1,079)	(99)	
Increase in other reserves	1,079	99	
			Current Qtr/ Yr To Date <u>30.9.2006</u> RM'000
Decrease in profit for the period			(628)
Increase in other reserves			628





SUNRISE  
There's Only One...

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

**QUARTERLY REPORT ON CONSOLIDATED RESULTS**  
**FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2006**

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

**A2. Changes in Accounting Policies (Cont'd)**

(ii) **FRS 101: Presentation of Financial Statements**

The adoption of the revised FRS 101 has affected the presentation of minority interest, share of net after-tax results of associates and other disclosures. In the consolidated balance sheet, minority interests are now presented within total equity. In the consolidated income statement, minority interests are presented as an allocation of the total profit or loss for the period. A similar requirement is also applicable to the statement of changes in equity. FRS 101 also requires disclosure, on the face of the statement of changes in equity, total recognised income and expenses for the period, showing separately the amounts attributable to equity holders of the parent and to minority interest.

The current period's presentation of the Group's financial statements is based on the revised requirements of FRS 101, with the comparatives restated to conform with the current period's presentation.

(iii) **FRS 140: Investment Property**

FRS 140 defines an investment property as a property held for long-term rental yield and/or for capital appreciation and, that is not occupied by the companies in the Group.

The Group has adopted the cost model to measure all its investment properties. Under the cost model, investment property is measured at depreciated cost less any accumulated impairment losses.

Investment property previously classified under property, plant and equipment is now disclosed as a separate line item on the face of the consolidated balance sheet within non-current assets. In line with the revised requirements of FRS 101, the comparative is restated to conform with the current period's presentation. The effect to the Group arising from this change in accounting policy is as follows:

	As at <u>1.7.2006</u> RM'000
Increase in investment properties	46,778
Decrease in property, plant and equipment	(46,778)

The adoption of the other new/revised FRS does not have any significant financial impact on the Group.

**A3. 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 2006 was not qualified.

**A4. Seasonal or Cyclical Factors**

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

**A5. 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 period under review.



SUNRISE

There's Only One...

## SUNRISE BERHAD (Co. No. 7685-V)

(Incorporated in Malaysia)

### QUARTERLY REPORT ON CONSOLIDATED RESULTS

FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2006

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

##### A6. **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.

##### A7. **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 period ended 30 September 2006, the issued and paid-up share capital of the Company was increased from 424,519,367 ordinary shares of RM1.00 each to 424,534,367 ordinary shares by the issuance of 15,000 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 RM1.19 to RM1.38 per ordinary share. The total cash proceeds arising from the exercise of options under the ESOS amount to RM19,750; and

###### (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. There was no share bought back during the financial period ended 30 September 2006. During the previous 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 September 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 period ended 30 September 2006;

##### A8. **Dividend Paid**

There was no dividend paid during the current quarter.



There's Only One...

**SUNRISE BERHAD (Co. No. 7685-V)**

(Incorporated in Malaysia)

**QUARTERLY REPORT ON CONSOLIDATED RESULTS  
FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2006**

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

**A9. Segmental Reporting**

Primary Segment Analysis (Business Segments)	Property development		Property investment		Others		Eliminations		Consolidated	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Financial period ended 30 September										
<b>Revenue</b>										
External revenue	98,098	51,862	2,641	2,701	2,324	2,574	-	-	103,063	57,137
Inter-segment revenue	63,516	12,075	475	472	481	737	(64,472)	(13,284)	-	-
Total revenue	<b>161,614</b>	<b>63,937</b>	<b>3,116</b>	<b>3,173</b>	<b>2,805</b>	<b>3,311</b>	<b>(64,472)</b>	<b>(13,284)</b>	<b>103,063</b>	<b>57,137</b>
<b>Results</b>										
Segment profits (external)	29,856	19,021	2,038	1,770	556	43	440	(184)	32,890	20,650
Interest income									1,117	303
Profit from operations									34,007	20,953
Finance costs									(3,315)	(1,791)
Share of results of associates									(3)	(45)
Share of results of a jointly controlled entity									-	(94)
Profit before taxation									30,689	19,023
Taxation									(10,473)	(6,233)
Profit after taxation									20,216	12,790
Minority interests									670	-
Profit attributable to shareholders of the Company									20,886	12,790
As at 30 September										
<b>Segment assets</b>	<b>863,143</b>	<b>803,782</b>	<b>141,022</b>	<b>128,384</b>	<b>3,178</b>	<b>7,460</b>	-	-	<b>1,007,343</b>	<b>939,626</b>
Investment in associates	29	373	-	-	-	-	-	-	29	373
Investment in a jointly controlled entity	-	443	-	-	-	-	-	-	-	443
Unallocated assets									-	-
Total assets									1,007,372	940,442
<b>Segment liabilities</b>	<b>(458,353)</b>	<b>(335,426)</b>	<b>(16,964)</b>	<b>(13,235)</b>	<b>(1,572)</b>	<b>(13,881)</b>	-	-	<b>(476,889)</b>	<b>(362,542)</b>
Unallocated liabilities									-	-
Total liabilities									(476,889)	(362,542)
<b>Other Information</b>										
Capital expenditure	803	423	6,198	322	66	42	-	-	7,067	787
Depreciation	342	302	301	197	24	87	-	-	667	586
Non cash expenses other than depreciation	-	-	-	-	-	-	-	-	-	-

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



SUNRISE  
There's Only One...

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

**QUARTERLY REPORT ON CONSOLIDATED RESULTS**  
**FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2006**

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

A9. **Segmental Reporting (Cont'd)**

**Secondary Segment Analysis**  
**(Geographical Segments)**

	<b>Revenue</b> <b>Period ended</b> <b>30.9.2006</b> <b>RM'000</b>	<b>Total assets</b> <b>As at</b> <b>30.9.2006</b> <b>RM'000</b>	<b>Capital expenditure</b> <b>Period ended</b> <b>30.9.2006</b> <b>RM'000</b>
Malaysia	103,063	986,841	7,062
Australia	-	17,220	5
United Kingdom	-	3,311	-
	<b>103,063</b>	<b>1,007,372</b>	<b>7,067</b>

	<b>Revenue</b> <b>Period ended</b> <b>30.9.2005</b> <b>RM'000</b>	<b>Total assets</b> <b>As at</b> <b>30.9.2005</b> <b>RM'000</b>	<b>Capital expenditure</b> <b>Period ended</b> <b>30.9.2005</b> <b>RM'000</b>
Malaysia	56,023	902,433	753
Australia	1,114	33,819	34
United Kingdom	-	4,190	-
	<b>57,137</b>	<b>940,442</b>	<b>787</b>

A10. **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 2006.

A11. **Material Events Subsequent to the End of Interim Period**

There were no material events subsequent to the end of the current financial period ended 30 September 2006 up to the date of this report that have not been reflected in the interim financial statements.

A12. **Changes in the Composition of the Group**

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 an administrator to commence a voluntary administration on BII, and accordingly BII ceased to be a subsidiary of the Group.

A13. **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 RM2,390,000 (2005:RM1,468,000).



SUNRISE  
There's Only One...

## **SUNRISE BERHAD (Co. No. 7685-V)**

**(Incorporated in Malaysia)**

### **QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2006**

#### **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 RM103.1 million and pre-tax profit of RM30.7 million for the financial period ended 30 September 2006. This represents a 80% increase in turnover and 61% increase in pre-tax profit as compared to the previous period's results. The reason for the difference in performance between the previous year's quarter and the current is primarily due to the lower profit recognition attributable to most of the projects that were only at their preliminary stage of physical construction. More consistent and proportionate profit recognition is expected in the second half of the year when work progresses to superstructure level.

On-going commercial developments such as Solaris Mont'Kiara and Solaris Dutamas and residential developments such as Kiara Designer Suites, Banyan and Meridin contribute favourably to the Group's profitability during the current period. These projects save for Solaris Dutamas, have been substantially sold and construction progress are on schedule. Sales of Solaris Dutamas, a RM1 billion commercial development has already exceeded 50% to date.

10 Mont'Kiara, a luxurious 332 unit condominium development with a gross development value of RM675 million was soft launched towards the end of September 2006. This project has been well received and has achieved 77% in sales to date.

##### **B2. Variation of Results Against Preceding Quarter**

The Group registered a pre-tax profit of RM30.7 million for the current quarter; an increase of RM80.3 million or 162% compared to the 4th quarter ended 30 June 2006. The increase is mainly due to provisions made in respect of assets impairment in the previous quarter.

##### **B3. Prospects for the Remaining Period up to 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.

Kiara Designer Suites, Banyan, Solaris Mont'Kiara, Solaris Dutamas, Meridin and 10 Mont'Kiara will 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 progress of other on-going projects is in line with programme.

The Group has chalked up sales totalling RM530 million during the period to November 2006. The Group's gross sales from these on-going projects alone amounts to RM2 billion, of which RM1.08 billion represent the unbilled portion as at 13 November 2006. The profits from these future billings will be recognised substantially over the next two financial years.



There's Only One...

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

**QUARTERLY REPORT ON CONSOLIDATED RESULTS**  
**FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2006**

**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>30.9.2006</u>	<u>30.9.2005</u>	<u>30.9.2006</u>	<u>30.9.2005</u>
	RM'000	RM'000	RM'000	RM'000
In respect of current period				
- Malaysian tax	10,473	6,233	10,473	6,233
- Foreign tax	-	-	-	-
- Deferred tax	-	-	-	-
In respect of prior years	-	-	-	-
	<u>10,473</u>	<u>6,233</u>	<u>10,473</u>	<u>6,233</u>

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

**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 period-to-date.

**B7. Quoted Securities**

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

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

	<u>As at</u> <u>30.9.2006</u> RM'000
(i) At cost	8
(ii) At carrying value/book value; and	8
(iii) At market value	<u>7</u>

**B8. Corporate Proposals**

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

(b) Status of utilisation of proceeds raised from issuance of Islamic Medium Term Notes with a nominal value of RM100 million pursuant to the IMTN Programme

As at 31 October 2006, all the proceeds raised from the issuance of Islamic Medium Term Notes have been fully utilised.



There's Only One...

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

**QUARTERLY REPORT ON CONSOLIDATED RESULTS**  
**FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 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:-

	<b>As at</b> <b><u>30.9.2006</u></b> <b>RM'000</b>	<b>As at</b> <b><u>30.6.2006</u></b> <b>RM'000</b>
<u>Long Term Borrowings</u>		
Secured:		
Islamic Debt Facilities		
- Al Bai'Bithaman Ajil Notes		
Issuance Facility (BBA NIF)	30,000	30,000
- Murabahah Notes		
Issuance Facility (MUNIF)	64,000	64,000
Term Loan	4,968	25,000
Unsecured:		
Loans from minority shareholders	-	539
Islamic Medium Term Notes (IMTN)	100,000	-
	<u>198,968</u>	<u>119,539</u>
<u>Short Term Borrowings</u>		
Secured:		
Islamic Debt Facilities		
- Al Bai'Bithaman Ajil Notes		
Issuance Facility (BBA NIF)	30,000	30,000
Term Loan	-	4,124
Commercial Bills	10,190	10,062
Unsecured:		
Revolving Credit	-	12,000
	<u>40,190</u>	<u>56,186</u>

Borrowings denominated in foreign currency

	<b>As at</b> <b><u>30.9.2006</u></b>		<b>As at</b> <b><u>30.6.2006</u></b>	
	<b>AUD'000</b>	<b>RM'000</b>	<b>AUD'000</b>	<b>RM'000</b>
	<b>(equivalent)</b>		<b>(equivalent)</b>	
Commercial bills	<u>3,700</u>	<u>10,190</u>	<u>3,700</u>	<u>10,062</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.



SUNRISE  
There's Only One...

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

**QUARTERLY REPORT ON CONSOLIDATED RESULTS**  
**FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2006**

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

**B12. Proposed Dividend**

The first and final dividend of 6 sen per share less 28% taxation amounting to net dividend payable of approximately RM17,594,000 or 4.32 sen per share, in respect of financial year ended 30 June 2006, has been approved by the shareholders of the Company at the Annual General Meeting and will be paid on 18 December 2006 to shareholders whose names appear on the Records of Depositors on 23 November 2006.

The Board of Directors has declared an interim dividend of 2.5 sen per share, less 28% taxation amounting to net dividend payable of approximately RM7,331,000 or 1.8 sen per share, in respect of financial year ending 30 June 2007, payable on 11 January 2007, to shareholders whose names appear on the Records of Depositors on 18 December 2006.

**B13. Earnings Per Share**

**(a) Basic earnings per share**

		<b>3 months ended</b>	
		<u><b>30.9.2006</b></u>	<u><b>30.9.2005</b></u>
Profit attributable to equity holders of the parent	(RM'000)	<b>20,886</b>	12,790
Weighted average number of ordinary shares	('000)	<b>407,277</b>	422,682
Basic earnings per share	(sen)	<b>5.13</b>	3.03

**(b) Diluted earnings per share**

Profit attributable to equity holders of the parent	(RM'000)	<b>20,886</b>	12,790
Weighted average number of ordinary shares for the purpose of basic earnings per share	('000)	<b>407,277</b>	422,682
Effects of share options	('000)	<b>191</b>	4
Weighted average number of ordinary shares for the purpose of diluted earnings per share	('000)	<u><b>407,467</b></u>	<u>422,686</u>
Diluted earnings per share	(sen)	<b>5.13</b>	3.03





SUNRISE

There's Only One...

**SUNRISE BERHAD (Co. No. 7685-V)**

**(Incorporated in Malaysia)**

**QUARTERLY REPORT ON CONSOLIDATED RESULTS**

**FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2006**

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

**B14. Authorised for issue**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 28 November 2006.

**BY ORDER OF THE BOARD**

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

MANAGING DIRECTOR

Kuala Lumpur

28 November 2006