

KUMPULAN HARTANAH SELANGOR BERHAD

Company No: 559747-W

**A) Unaudited Condensed Consolidated Income Statements
For the quarter ended 31 March 2011**

| PARTICULARS | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|---|--|--|--|---|
| | 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 | 46,753 | 46,335 | 46,753 | 46,335 |
| Cost of sales | <u>(27,635)</u> | <u>(29,325)</u> | <u>(27,635)</u> | <u>(29,325)</u> |
| Gross profit | 19,118 | 17,010 | 19,118 | 17,010 |
| Other income | 2,995 | 2,379 | 2,995 | 2,379 |
| Administrative expenses | (5,455) | (5,598) | (5,455) | (5,598) |
| Other expenses | (55,613) | (7,355) | (55,613) | (7,355) |
| Finance costs | <u>(3,649)</u> | <u>(3,928)</u> | <u>(3,649)</u> | <u>(3,928)</u> |
| Profit/(loss) before tax | (42,604) | 2,508 | (42,604) | 2,508 |
| Income tax | <u>(3,437)</u> | <u>(460)</u> | <u>(3,437)</u> | <u>(460)</u> |
| Profit/(loss) for the period | <u>(46,041)</u> | <u>2,048</u> | <u>(46,041)</u> | <u>2,048</u> |
| Attributable to: | | | | |
| Owner of the Parent | (48,050) | 1,455 | (48,050) | 1,455 |
| Minority interests | <u>2,009</u> | <u>593</u> | <u>2,009</u> | <u>593</u> |
| | <u>(46,041)</u> | <u>2,048</u> | <u>(46,041)</u> | <u>2,048</u> |
| Earning/(loss) per share attributable to owner of the Parent (sen): | | | | |
| Basic, for profit/(loss) for the period | <u>(10.68)</u> | <u>0.32</u> | <u>(10.68)</u> | <u>0.32</u> |
| Diluted, for profit/(loss) for the period | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> |

(The Unaudited Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements)

KUMPULAN HARTANAH SELANGOR BERHAD

Company No: 559747-W

**B) Unaudited Condensed Consolidated Statements Of Comprehensive Income
For the quarter ended 31 March 2011**

| PARTICULARS | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|--|--|--|--|---|
| | 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 |
| Profit/(loss) for the period | (46,041) | 2,048 | (46,041) | 2,048 |
| Other comprehensive income for the period, net of tax | | | | |
| - Gain/(loss) on fair value changes in available-for-sale financial assets | (64) | 1,049 | (64) | 1,049 |
| Total comprehensive income for the period | (46,105) | 3,097 | (46,105) | 3,097 |
| Attributable to: | | | | |
| Owner of the Parent | (48,098) | 2,504 | (48,098) | 2,504 |
| Minority interests | 1,993 | 593 | 1,993 | 593 |
| | (46,105) | 3,097 | (46,105) | 3,097 |

(The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements)

KUMPULAN HARTANAH SELANGOR BERHAD

Company No: 559747-W

**Unaudited Condensed Consolidated Statements of Financial Position
As at 31 March 2011**

| | As at 31.03.11 RM'000 | As at 31.12.10 RM'000 (Audited) |
|--|--------------------------------------|--|
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 4,870 | 5,264 |
| Land held for property development | 332,990 | 359,136 |
| Investment properties | 2,542 | 2,555 |
| Goodwill | 80,423 | 80,423 |
| Investment in associated companies | 2,000 | 2,000 |
| Other investments | 910 | 910 |
| Deferred tax assets | 39 | 39 |
| Trade and other receivables | 117,858 | 139,579 |
| Amount due from ultimate holding corporation | 115,101 | 115,101 |
| Amount due from penultimate holding company | 26,961 | 27,340 |
| Investment securities | 2,161 | 2,226 |
| | 685,856 | 734,573 |
| Current assets | | |
| Inventories | 38,936 | 45,563 |
| Property development costs | 324,744 | 332,231 |
| Receivables | 75,597 | 84,933 |
| Tax recoverable | 483 | 483 |
| Deposits, cash and bank balances | 32,483 | 31,934 |
| | 472,243 | 495,144 |
| Total assets | 1,158,098 | 1,229,717 |
| Equity and liabilities | | |
| Share capital | 450,000 | 450,000 |
| Share premium | 306,112 | 306,112 |
| Other reserves | (3,132) | (3,084) |
| Accumulated losses | (410,873) | (362,823) |
| | 342,107 | 390,205 |
| Minority interest | 49,249 | 47,256 |
| Total equity | 391,356 | 437,461 |
| Non-current liabilities | | |
| Long term borrowings (interest bearing) | 161,521 | 122,028 |
| Payables | 219,704 | 219,704 |
| Deferred taxation | 25,086 | 26,606 |
| | 406,311 | 368,338 |
| Current liabilities | | |
| Payables | 272,233 | 291,519 |
| Borrowings (interest bearing) | 69,902 | 117,117 |
| Taxation | 18,296 | 15,282 |
| | 360,431 | 423,918 |
| Total liabilities | 766,742 | 792,256 |
| Total equity and liabilities | 1,158,098 | 1,229,717 |

(The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements)

KUMPULAN HARTANAH SELANGOR BERHAD

Company No: 559747-W

**Unaudited Condensed Consolidated Statements of Changes In Equity
For the quarter ended 31 March 2011**

| | Total equity | Equity attributable to owners of the parent | [----- Non-distributable -----] | | | | | [- Distributable -] | | Minority interests |
|---|-----------------------|---|-----------------------------------|-----------------------|-----------------------|-------------------------------|----------------------|-------------------------------|-------------------------|----------------------|
| | | | Share capital | Share premium | Other reserves, total | Equity distribution to parent | Share Option reserve | Fair value adjustment reserve | Accumulated losses | |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| At 1 January 2010 | | | | | | | | | | |
| - as previously stated | 484,030 | 433,995 | 450,000 | 306,112 | 626 | - | 626 | - | (322,743) | 50,035 |
| - effect of adopting FRS 139 | (10,045) | (10,045) | - | - | (5,068) | (5,068) | - | - | (4,977) | - |
| At 1 January 2010, as restated | <u>473,985</u> | <u>423,950</u> | <u>450,000</u> | <u>306,112</u> | <u>(4,442)</u> | <u>(5,068)</u> | <u>626</u> | <u>-</u> | <u>(327,720)</u> | <u>50,035</u> |
| Total comprehensive income for the period | 3,097 | 2,504 | - | - | 1,049 | - | - | 1,049 | 1,455 | 593 |
| At 31 March 2010 | <u>477,082</u> | <u>426,454</u> | <u>450,000</u> | <u>306,112</u> | <u>(3,393)</u> | <u>(5,068)</u> | <u>626</u> | <u>1,049</u> | <u>(326,265)</u> | <u>50,628</u> |
| At 1 January 2011 | 437,461 | 390,205 | 450,000 | 306,112 | (3,084) | (5,068) | 626 | 1,358 | (362,823) | 47,256 |
| Total comprehensive income for the period | (46,105) | (48,098) | - | - | (48) | - | - | (48) | (48,050) | 1,993 |
| At 31 March 2011 | <u>391,356</u> | <u>342,107</u> | <u>450,000</u> | <u>306,112</u> | <u>(3,132)</u> | <u>(5,068)</u> | <u>626</u> | <u>1,310</u> | <u>(410,873)</u> | <u>49,249</u> |

(The Unaudited Condensed Consolidated Statement of Changes In Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements)

KUMPULAN HARTANAH SELANGOR BERHAD

Company No: 559747-W

**Unaudited Condensed Consolidated Statements of Cash Flows
For the quarter ended 31 March 2011**

| | 31.03.11 RM'000 | 31.03.10 RM'000 |
|--|---------------------------|---------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Profit/(loss) before tax | (42,604) | 2,508 |
| Adjustments for: | | |
| Depreciation of property, plant and equipment | 201 | 232 |
| Depreciation of investment properties | 14 | 15 |
| Allowance for impairment on non-current receivable | 20,750 | - |
| Allowance for impairment on land held for property development | 20,765 | - |
| Allowance for impairment on inventories | 5,071 | - |
| Finance costs | 3,649 | 3,928 |
| Operating profit before working capital changes | <u>7,846</u> | <u>6,683</u> |
| Changes in Working Capital | | |
| Inventories | 1,557 | 5,528 |
| Receivables | 10,739 | (13,717) |
| Property developments projects | 12,867 | 19,780 |
| Payables | (19,350) | (27,570) |
| Net cash generated/(used in) from operations | <u>13,659</u> | <u>(9,296)</u> |
| Interest paid | (3,425) | (3,512) |
| Tax paid | (1,939) | (724) |
| Net cash flow (used in)/generated from operating activities | <u>8,295</u> | <u>(13,532)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of property, plant & equipment | (26) | (1) |
| Net cash flow used in investing activities | <u>(26)</u> | <u>(1)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Repayment of borrowing | (5,005) | (5) |
| Net cash flow used in financing activities | <u>(5,005)</u> | <u>(5)</u> |
| NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS | 3,264 | (13,538) |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD | 1,222 | 14,553 |
| CASH AND CASH EQUIVALENTS AT END OF THE PERIOD | <u>4,486</u> | <u>1,015</u> |

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

| | As at 31.03.11 RM'000 | As at 31.03.10 RM'000 |
|--|---|---|
| Cash and bank balances | 16,211 | 13,374 |
| Debt Service Reserve Accts ("DSRA") - Note 1 | 5,201 | 5,201 |
| Deposits | 11,071 | 24,061 |
| Bank overdrafts | (27,997) | (41,621) |
| | <u>4,486</u> | <u>1,015</u> |

Note 1: The accounts is for the purpose of RM250 million Term Loan Facility with CIMB Bank Berhad. This account shall be maintained with the bank throughout the tenure of the Term Loan Facility.

(The Unaudited Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements)