

**Notes to the interim financial statements for the year ended 31 December 2009**

**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 applicable disclosure provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, including compliance with Financial Reporting Standard (FRS) 134, *Interim Financial Reporting*, issued by the Malaysian Accounting Standard Board (MASB).

The interim financial report has been prepared in accordance with the same accounting policies adopted in the audited financial statements for the year ended 31 December 2008, except for the Company has chosen to early adopt the amendments to FRS 117, *Leases*: the amendments clarify that the classification of lease of land require entities with existing leases of land and buildings to reassess the classification of land as finance or operating lease. Leasehold land which in substance is a finance lease will be reclassified to property, plant and equipment.

The adoption of these amendments will result in a change in accounting policy, refer to Note 13, which will be applied retrospectively in accordance with the transitional provisions.

The adoption of the above amendments has no significant impact on the financial statements of the Company. The effects of the change in accounting policy on the comparative prior period interim financial statements are shown in Note 14.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2008.

**2 Qualification of Audit Report of the Preceding Annual Financial Statements**

There was no qualification on audit report of the preceding annual financial statements.

**3 Seasonality or Cyclicity of Interim Operations**

The Company's revenue for the fourth quarter is higher than the third quarter mainly due to the year end festive seasons in the fourth quarter.

**4 Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow**

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

**5 Material Changes in Estimates**

There were no material changes in the nature and amount of estimates reported in prior interim period of prior financial years that have a material effect in the current interim period.

**6 Debt and Equity Securities**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the current financial year.

**7 Dividends Paid**

A first and final Dividend of 12% less income tax of 25% totalling RM31.590 million in respect of the financial year ended 31 December 2008 (31 December 2007: 17% less 26% tax and a special tax exempt dividend of 4% totalling RM 29.098 million) was paid on 19 August 2009.

## 8 Segmental Reporting

The business segment analysis is as follows:

	<b>Retailing</b> <b>12 months ended</b> <b>31 December 2009</b> <b>RM'000</b>	<b>Property</b> <b>Management Services</b> <b>12 months ended</b> <b>31 December 2009</b> <b>RM'000</b>	<b>Total</b> <b>12 months ended</b> <b>31 December 2009</b> <b>RM'000</b>
Revenue	3,362,262	373,493	3,735,755
Profit from operations	114,875	82,473	197,348
Interest expense			(3,122)
Interest income			146
Profit before taxation			194,372
Tax expense			(60,843)
Net profit for the year			133,529

## 9 Property, Plant and Equipment

Except for the item as disclosed in Note 13 and 14, the valuations of land and buildings have been brought forward, without any amendment from the previous audited financial statements.

## 10 Material Events Subsequent to Balance Sheet Date

There were no material events subsequent to the balance sheet date to be disclosed in the financial statements for the current financial year.

## 11 Effects of Changes in the Composition of the Company

There were no changes in the composition of the Company during the current financial year.

## 12 Contingent Liabilities or Contingent Assets

There were no contingent liabilities or contingent assets since the last audited financial statements of the Company for the financial year ended 31 December 2008.

## 13 Change in accounting policy

The Company has adopted the amendments to FRS 117, *Leases*. The Company has reassessed and determined that all leasehold land of the Company which are in substance finance leases and has reclassified the leasehold land to property, plant and equipment. The change in accounting policy has been made retrospectively in accordance with the transitional provisions of the amendments.

The reclassification does not affect the basic earnings per ordinary share for the current and prior periods.

## 14. Comparative figures

The following comparative figures have been reclassified as a result of change in accounting policy as stated in Note 13:

	<b>As</b> <b>restated</b> <b>RM'000</b>	<b>As</b> <b>previously</b> <b>stated</b> <b>RM'000</b>
<b>Condensed Balance sheet</b>		
Property, plant and equipment	1,558,168	1,372,453
Prepaid lease payments	-	185,715

#### 14. Comparative figures (continued)

The following comparatives have been restated to conform with current year's presentation.

	<b>As restated RM'000</b>	<b>As previously stated RM'000</b>
<b>Condensed Cash flow statement</b>		
<i>Changes in working capital</i>		
Net change in current assets	(31,316)	(71,469)
<i>Investing activities</i>		
Other investments	<u>(488,197)</u>	<u>(448,044)</u>

#### **B ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BHD. MAIN MARKET LISTING REQUIREMENTS**

##### **1 Review of Performance of the Company**

The Company's revenue recorded higher revenue of RM 3.735 billion for the current financial year as compared to the previous year mainly due to the full year contributions from stores that opened in year 2008 and overall better performance from existing stores.

##### **2 Material Changes in the Quarterly Profit Before Taxation Compared to the Results of the Preceding Quarter.**

The Company's profit before taxation for the fourth quarter under review is higher than the third quarter mainly due to higher revenue generated for the current quarter.

##### **3 Current Year Prospects**

With the steady recovery of domestic economy, the Company expects consumer spending to improve. As such, the Company believes its performance will grow in tandem with the economy.

##### **4 Tax expense**

Tax expense comprises:

	<b>3 months ended 31 December 2009 RM'000</b>	<b>12 months ended 31 December 2009 RM'000</b>
Current tax expense	28,329	67,283
Deferred tax expense	(6,289)	(6,440)
	<u>22,040</u>	<u>60,843</u>

The Company's effective tax rate is higher than the statutory tax rate as certain expenses are not deductible for tax purposes.

##### **5 Profit/(loss) on sale of Unquoted Investment and/or Properties**

There was no sale of unquoted investments and/or properties for the quarter under review and financial year to date.

## **6 Particulars of Purchase or Disposal of Quoted Securities**

There was no purchase or disposal of quoted securities for the quarter under review and financial year to date.

## **7 Status of Corporate Proposals**

There were no corporate proposals announced.

## **8 Borrowings and Debt Securities**

As at 31 December 2009, the Company did not have any borrowings and debt securities.

## **9 Off Balance Sheet Financial Instruments**

The Company does not have any financial instruments with off balance sheet risk as at the date of this announcement.

## **10 Material Litigation**

As at the date of this announcement, the Company is not engaged in any material litigation which in the opinion of the Board of Directors will have a material effect on the financial position or the business of the Company.

## **11 Dividend**

- (a) (i) a first and final dividend has been recommended for year ended 31 December 2009
- (ii) amount per share – 12 sen less income tax of 25%
- (iii) date payable to be determined later; and
- (iv) in respect of deposited securities, the date of entitlement to dividend will be determined later.
- (b) For the year ended 31 December 2008, a first and final dividend of 12% less tax of 25% amounting to RM 31.590 million was paid on 19 August 2009.
- (c) The first and final dividend recommended for year ended 31 December 2009 will be subject to the approval of shareholders at the forthcoming AGM to be held on the day which shall be announced later.

## **12 Basic Earnings Per Share**

Basic earnings per share for the current quarter and financial year to date are calculated based on the net profit attributable to ordinary shareholders and the number of ordinary shares outstanding.

	<b>3 months ended 31 December 2009</b>	<b>12 months ended 31 December 2009</b>
Net profit attributable to ordinary shareholders (RM'000)	55,741	133,529
Number of ordinary shares outstanding ('000)	351,000	351,000

Diluted earnings per share is not applicable for the Company.