

OSK PROPERTY HOLDINGS BERHAD (201666-D)

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2007 AUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS

	Current quarter ended 31/12/2007 RM'000	Comparative quarter ended 31/12/2006 RM'000	Current year to date ended 31/12/2007 RM'000	Preceding year to date ended 31/12/2006 RM'000
Revenue	34,260	18,126	91,768	68,917
Cost of sales	(27,070)	(15,335)	(73,817)	(53,231)
Gross profit	7,190	2,791	17,951	15,686
Other income	2,458	346	5,209	1,375
Administrative expenses	(2,701)	(1,460)	(9,370)	(6,575)
Finance costs	(2,360)	(1,441)	(7,203)	(5,703)
Profit before taxation	4,587	236	6,587	4,783
Income tax expense	(241)	249	(2,158)	(1,724)
Profit after taxation for the year	4,346	485	4,429	3,059
Profit/(loss) attributable to:				
Equity holders of the Company	4,353	485	4,441	3,059
Minority interests	(7)	-	(12)	-
	4,346	485	4,429	3,059
Earnings per share (sen) attributable to equity holders of the Company (Note B14):				
Basic	2.22	0.52	3.66	3.28
Diluted	2.18	0.48	3.41	3.05

(The accompanying explanatory notes attached to the interim financial statements form an integral part and should be read in conjunction with this quarterly report).

OSK PROPERTY HOLDINGS BERHAD (201666-D)**QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2007
AUDITED CONDENSED CONSOLIDATED BALANCE SHEETS**

	As at 31/12/2007 RM'000	As at 31/12/2006 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	1,663	3,811
Investment properties	4,746	4,531
Prepaid land lease payments	-	1,734
Land held for property development	342,721	234,988
Intangible assets	62	-
Deferred tax assets	759	434
	349,951	245,498
Current assets		
Property development costs	96,170	89,095
Trade receivables	32,156	23,385
Accrued billings	11,974	2,357
Other receivables, deposits and prepayments	1,924	6,340
Tax recoverable	3,222	4,034
Cash, bank balances and deposits	67,815	10,035
	213,261	135,246
Non-current assets classified as held for sale	6,211	-
	219,472	135,246
TOTAL ASSETS	569,423	380,744

OSK PROPERTY HOLDINGS BERHAD (201666-D)

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2007 AUDITED CONDENSED CONSOLIDATED BALANCE SHEETS (CONTD.)

	As at 31/12/2007 RM'000	As at 31/12/2006 RM'000
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	200,001	99,996
Less: Treasury shares	-	(7,935)
Reserves	117,804	116,923
	317,805	208,984
Minority interests	116	-
Total equity	317,921	208,984
Non-current liabilities		
Seven (7)-Year Serial Al-Bai' Bithaman Ajil Islamic Debt Securities ("BaIDS")	47,153	69,759
Term loans	69,600	-
Deferred tax liabilities	42,622	41,102
	159,375	110,861
Current liabilities		
Trade payables	21,664	16,542
Progress billings	12,254	9,807
Other payables, deposits and accruals	14,243	4,900
Short term borrowings	43,395	29,650
Tax payable	571	-
	92,127	60,899
Total liabilities	251,502	171,760
TOTAL EQUITY AND LIABILITIES	569,423	380,744
Net Asset per Share (RM)	1.59	2.24

(The accompanying explanatory notes attached to the interim financial statements form an integral part and should be read in conjunction with this quarterly report).

OSK PROPERTY HOLDINGS BERHAD (201666-D)

**QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2007
AUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

	Attributable to equity holders of the Company						Minority interests RM'000	Total equity RM'000
	Share capital	Treasury shares	Warrants A	Share premium	Retained profits	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
<u>Current year to date ended</u>								
<u>31 December 2007</u>								
At 1 January 2007	99,996	(7,935)	14,999	15,458	86,466	208,984	-	208,984
Expense recognised in relation to exercise of warrants	-	-	-	(1)	-	(1)	-	(1)
Rights issue expenses				(943)		(943)		(943)
Total expense recognised directly in equity	-	-	-	(944)	-	(944)	-	(944)
Profit/(loss) for the year	-	-	-	-	4,441	4,441	(12)	4,429
Total (expense)/income recognised for the year	-	-	-	(944)	4,441	3,497	(12)	3,485
Dividend paid	-	-	-	-	(3,486)	(3,486)	-	(3,486)
Shares issued pursuant to exercise of warrants	5	-	(1)	2	-	6	-	6
Shares issued pursuant to the rights issue	100,000	-	-	-	-	100,000	-	100,000
Resale of treasury shares	-	7,935	-	869	-	8,804	-	8,804
Loss recouped from minority interests	-	-	-	-	-	-	(19)	(19)
Subscription of shares by minority interest	-	-	-	-	-	-	147	147
At 31 December 2007	200,001	-	14,998	15,385	87,421	317,805	116	317,921

Preceding year ended
31 December 2006

At 1 January 2006	99,996	(7,900)	14,999	15,458	90,129	212,682	-	212,682
Profit for the year	-	-	-	-	3,059	3,059	-	3,059
Total income recognised for the year	-	-	-	-	3,059	3,059	-	3,059
Dividends paid	-	-	-	-	(6,722)	(6,722)	-	(6,722)
Shares buyback of the Company	-	(35)	-	-	-	(35)	-	(35)
At 31 December 2006	99,996	(7,935)	14,999	15,458	86,466	208,984	-	208,984

(The accompanying explanatory notes attached to the interim financial statements form an integral part and should be read in conjunction with this quarterly report).

OSK PROPERTY HOLDINGS BERHAD (201666-D)

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2007 AUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

	Current year to date ended 31/12/2007 RM'000	Preceding year ended 31/12/2006 RM'000
Cash Flows From Operating Activities		
Profit before taxation	6,587	4,783
Adjustments for non-cash and non-operating items	5,172	5,445
Operating profit before working capital changes	11,759	10,228
Changes in working capital :-		
Net change in property development costs	(94,974)	(18,560)
Net change in current assets	(4,245)	(4,563)
Net change in current liabilities	14,233	4,939
Net change in accrued/progress billings	(7,170)	(11,465)
Net change in intercompany balances	-	(18)
Net cash used in operations	(80,397)	(19,439)
Income tax paid	(3,207)	(5,981)
Income tax refunded	1,116	79
Interest received	905	499
Interest paid	(1,933)	(817)
Net cash used in operating activities	(83,516)	(25,659)
Cash Flows From Investing Activities		
Purchase of plant and equipment	(159)	(1,621)
Purchase of investment properties	(2,837)	(1,998)
Net cash outflow on acquisition of subsidiary companies	(15,167)	-
Purchase of intangible asset	(67)	-
Net cash used in investing activities	(18,230)	(3,619)

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QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2007 AUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS (CONTD.)

	Current year to date ended 31/12/2007 RM'000	Preceding year ended 31/12/2006 RM'000
Cash Flows From Financing Activities		
Dividends paid	(3,486)	(6,722)
Payment of BaIDS expenses	(80)	(57)
Payment of BaIDS profits	(3,500)	(3,500)
Payment of borrowing expenses	(421)	-
Payment of rights issue expenses	(944)	-
Proceeds from rights issue	100,000	-
Share buybacks	-	(36)
Proceeds from disposal of treasury shares	8,804	-
Proceeds from conversion of warrants	6	-
Proceeds from subscription of additional shares by minority shareholders	147	-
Drawdown of term loans	70,000	-
Drawdown of revolving credits	66,800	35,700
Repayment of revolving credits	(77,800)	(6,050)
Net cash from financing activities	<u>159,526</u>	<u>19,335</u>
Net change in cash and cash equivalents	57,780	(9,943)
Cash and cash equivalents at beginning of the year	10,035	19,978
Cash and cash equivalents at end of the year	<u>67,815</u>	<u>10,035</u>
 Cash and cash equivalents at end of the year comprised:		
Cash on hand and at banks	2,806	1,540
Sinking Fund Account	4	1
Short Term Deposit with Licensed Bank	12,750	-
Short Term Deposit with Licensed Investment Bank	39,304	-
Housing Development Accounts	9,451	3,744
Fixed Deposit for Profit Service Reserve and Reserve Accounts	3,500	4,750
	<u>67,815</u>	<u>10,035</u>

(The accompanying explanatory notes attached to the interim financial statements form an integral part and should be read in conjunction with this quarterly report).

OSK PROPERTY HOLDINGS BERHAD (201666-D)

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2007

PART A – Explanatory Notes Pursuant to Financial Reporting Standard 134 (“FRS 134”) Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”)

A1. Accounting policies

The quarterly report has been prepared in accordance with the requirements of Financial Reporting Standard (“FRS”) 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”). The interim financial reporting should be read in conjunction with the audited financial statement of the Group for the year ended 31 December 2006 and the explanatory notes. These explanatory notes 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 2006.

The significant accounting policies and methods of computation adopted by the Group in this quarterly report are consistent with those of the annual financial statements for the year ended 31 December 2006 except for the adoption of the following new and revised Financial Reporting Standards and Amendments issued by MASB that are effective for financial statements commencing 1 January 2007: -

FRS 6	Exploration for and Evaluation of Mineral Resources
FRS 117	Leases
FRS 124	Related Party Disclosures
Amendment to FRS 119 ₂₀₀₄	Employee Benefits

The Group has adopted early the Amendment to FRS 121:-

Amendment to FRS 121	The Effects of Changes in Foreign Exchange Rates -Net Investment in a Foreign Operation
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FRS 6 is not relevant to the Group’s operations. The adoption of FRS 124, Amendment to FRS 119₂₀₀₄ and Amendment to FRS 121 does not have a significant financial impact on the Group. The effect of the changes in accounting policy resulting from the adoption of FRS 117 is as follows:

FRS 117: Leases

(i) Leasehold land

Prior to 1 January 2007, leasehold land was classified as property, plant and equipment and was stated at cost less accumulated depreciation and impairment losses. The adoption of the revised FRS 117 has resulted in a change in the accounting policy relating to the classification of leases of land and buildings. Leases of land and buildings are classified as operating or finance leases in the same way as leases of other assets and the land and buildings elements of a lease of land and buildings are considered separately for the purpose of lease classification. Leasehold land is now classified as operating lease, the minimum lease payments or the upfront payments made are allocated between the land and buildings elements in proportion to the relative fair values for leasehold interests in the land element and buildings element of the lease at the inception of the lease. The upfront payment represents prepaid lease payments and are amortised on a straight-line basis over the lease term.

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QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2007

A1. Accounting policies (Cont'd)

FRS 117: Leases (Cont'd)

(i) Leasehold land (Cont'd)

Upon adoption of the revised FRS117 on 1 January 2007, the unamortised amount of leasehold land is retained as the surrogate carrying amount of prepaid lease payments as allowed by the transitional provisions. There were no effects on the consolidated income statement for the current year to date. The restatement of certain comparatives is shown below:

	As previously stated RM'000	Effect of FRS117 RM'000	As restated RM'000
Consolidated Balance Sheets			
At 31 December 2006			
Property, plant and equipment	7,423	(3,612)	3,811
Investment properties	2,653	1,878	4,531
Prepaid land lease payments	-	1,734	1,734

(ii) Initial direct costs

Prior to 1 January 2007, the Group, as a lessor in operating lease arrangements, had recognised initial direct costs incurred in negotiating and arranging leases as an expense in the income statement in the period in which they were incurred. The revised FRS 117 requires such costs to be added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as the lease income. According to the revised FRS 117, this change in accounting policy should be applied retrospectively. The Group does not incur significant initial costs on negotiating and arranging leases and as a result, this change in accounting policy did not materially affect the financial statements of the Group.

A2. Audit report of previous annual financial statements

The audit report of the Group's preceding year financial statements was not qualified.

A3. Seasonal or cyclical factors

There were no significant seasonal or cyclical factors that will materially affect the business of the Group for the current year to date.

A4. Unusual items affecting financial statements

There were no unusual items affecting the financial statements for the current year to date.

A5. Material changes in estimates of amounts reported

There were no significant changes in estimates of amounts reported in prior interim periods or prior year that have a material effect in the current year to date.

OSK PROPERTY HOLDINGS BERHAD (201666-D)

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2007

A6. Changes in debt and equity securities

(a) Exercise of Warrants A 2004/2009

During the year, the Company has issued 5,195 new ordinary shares of RM1.00 each for cash at RM1.10 each pursuant to the exercise of Warrants A 2004/2009 and the total cash proceeds arising from the exercise of Warrants A amounted to RM5,715. The details of the Warrants A exercised during the current year to date are as follows:

Date	No. of Warrants exercise	No. of shares allotted	Type of issue
15 Jan 2007	391	391	Exercise of Warrants A 2004/2009 at RM1.10 per share
26 Feb 2007	363	363	Exercise of Warrants A 2004/2009 at RM1.10 per share
10 Apr 2007	846	846	Exercise of Warrants A 2004/2009 at RM1.10 per share
21 May 2007	174	174	Exercise of Warrants A 2004/2009 at RM1.10 per share
28 May 2007	376	376	Exercise of Warrants A 2004/2009 at RM1.10 per share
8 Jun 2007	486	486	Exercise of Warrants A 2004/2009 at RM1.10 per share
1 Aug 2007	357	357	Exercise of Warrants A 2004/2009 at RM1.10 per share
10 Aug 2007	500	500	Exercise of Warrants A 2004/2009 at RM1.10 per share
30 Aug 2007	710	710	Exercise of Warrants A 2004/2009 at RM1.10 per share
4 Sep 2007	992	992	Exercise of Warrants A 2004/2009 at RM1.10 per share
Total	5,195	5,195	

As a result of the exercise of the Warrants A mentioned above, the total number of issued and paid up shares of RM1 each of the Company has been increased from 99,996,000 shares to 100,001,195 shares. The new Ordinary Shares issued arising from the exercise of Warrants shall rank pari passu in all respect with the existing Ordinary Shares of the Company, save and except that the new shares shall not be entitled to any dividends, rights, allotments and/or distributions, unless the exercise of Warrants is effected before the book closure of the share registers for determination of the entitlement to such rights or distributions.

(b) Issuance of shares

During the year, the Company has issued 99,999,493 new ordinary share of RM1.00 each pursuant to the rights issue of the Company at an issue price of RM1.00 per ordinary share for cash with 49,998,801 free detachable Warrants B. The said shares and Warrant B were granted listing and quotation on 5 October 2007. The total funds of RM99,999,493 raised from the rights issue are to be utilised mainly for working capital, redemption of 1st tranche of BaIDs and rights issue expenses. The new ordinary shares rank pari passu in all respects with the existing ordinary shares of the Company.

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QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2007

A6. Changes in debt and equity securities (Cont'd)

(c) Treasury shares

During the current year to date, the company has purchased 200 ordinary shares for a total cash consideration of RM245 from open market at an average price of RM1.23 per share. The shares repurchased are held as treasury shares and treated in accordance with the requirement of Section 67A of the Companies Act, 1965.

The detail of the share buy back, resale of treasury shares and the number of treasury shares held in hand as at 31 December 2007 are as follows:

<u>Date</u>	<u>Number of shares</u>	<u>Purchase Price</u>			<u>Cost RM</u>
		<u>Highest price RM</u>	<u>Lowest price RM</u>	<u>Average price RM</u>	
As at 1 Jan 2007	6,628,500	1.34	0.91	1.20	7,935,411
May 2007	100	1.20	1.20	1.20	133
November 2007	100	0.99	0.99	0.99	112
Disposal of treasury shares (Note 1)	(6,628,600)	1.34	0.91	1.20	(7,935,544)
As at 31 December 2007	100	1.20	0.99	1.12	112

Note 1

The Company has reissued 6,628,600 treasury shares by resale in the open market during the year to date at an average resale price of RM1.33 per share for an aggregate net proceeds of RM8,804,139. The proceeds from the resale will be utilised for working capital purposes.

Details of the resale of treasury shares during the current year to date are as follows:-

<u>Date</u>	<u>Number of shares</u>	<u>Sale Price</u>			<u>Proceeds RM</u>
		<u>Highest price RM</u>	<u>Lowest price RM</u>	<u>Average price RM</u>	
27 Feb 2007	77,600	1.42	1.42	1.42	109,706
7 Mar 2007	1,000,000	1.22	1.22	1.22	1,215,652
8 Mar 2007	500,000	1.26	1.25	1.25	625,166
9 Mar 2007	300,000	1.26	1.23	1.24	369,549
12 Mar 2007	250,000	1.27	1.25	1.26	313,231
17 July 2007	3,300,000	1.40	1.37	1.38	4,536,677
18 July 2007	1,071,000	1.40	1.36	1.38	1,452,558
19 July 2007	130,000	1.42	1.40	1.41	181,600
Total	6,628,600	1.42	1.22	1.33	8,804,139

Other than the above, there were no cancellations, repayments of debt and equity securities for the current year to date.

OSK PROPERTY HOLDINGS BERHAD (201666-D)

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2007

A7. Dividends paid

A final dividend of 5 sen per share less 27% income tax amounting to RM3,485,624 in respect of preceding financial year ended 31 December 2006 was paid on 18 May 2007.

A8. Segmental information

Segmental information is presented in respect of the Group's business segments. Segment revenue, results, assets and liabilities include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. The Group comprises the following main business segments:-

- (i) Property development – the development of residential and commercial properties
- (ii) Property investment and management
- (iii) Holding entity

<u>Current year to date ended</u> <u>31 December 2007</u>	Property development	Property investment & management	Holding entity	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
External revenue	91,065	-	703	-	91,768
Inter segment revenue	-	-	6,307	(6,307)	-
Total	91,065	-	7,010	(6,307)	91,768

Results

Profit before finance cost	13,658	415	6,162	(6,445)	13,790
Less: Finance costs	(8,830)	-	120	1,507	(7,203)
Profit before taxation	4,828	415	6,282	(4,938)	6,587
Income tax expense					(2,158)
Profit after taxation					4,429
Minority interest					12
Profit attributable to equity holders of the Company					4,441

<u>Preceding year to date ended</u> <u>31 December 2006</u>	Property development	Property investment & management	Holding entity	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
External revenue	68,672	-	245	-	68,917
Inter segment revenue	-	-	9,615	(9,615)	-
Total	68,672	-	9,860	(9,615)	68,917

Results

Profit before finance cost	16,092	279	8,409	(14,294)	10,486
Less: Finance costs	(7,318)	-	-	1,615	(5,703)
Profit before taxation	8,774	279	8,409	(12,679)	4,783
Income tax expense					(1,724)
Profit after taxation					3,059
Minority interest					-
Profit attributable to equity holders of the Company					3,059

OSK PROPERTY HOLDINGS BERHAD (201666-D)

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2007

A9. Valuations of property, plant and equipment

There were no revalued property, plant and equipment as at 31 December 2007.

A10. Material subsequent events

- (a) Proposed disposal of three (3) properties by OSK Properties Sdn Bhd (“OSKPSB”), a wholly-owned subsidiary company of the Company, to KE-ZAN Holdings Berhad (“KHB”), a wholly-owned subsidiary company of OSK Holdings Berhad (“OSKH”), holding company of the Company (“the Proposed Disposal”).

On 3 May 2007, OSKPSB entered into a sale and purchase agreement with KHB to dispose three (3) properties which consists of five (5) parcels of land together with the buildings erected thereon as listed below for a total cash consideration of RM6,500,000.

- (i) Two (2) parcels of leasehold land measuring 1,104.037 square meters held under master title no. PN33134, Lot 59059 (formerly known as PN30372 Lot 57745) together with a three (3) storey shop office erected thereon located in the Mukim Batu, District of Kuala Lumpur;
- (ii) One (1) parcel of freehold land measuring 153.2992 square meters held under H.S. (D) 26998 for Lot No. PTD 8462 together with a four (4) storey shop office erected thereon located in the Mukim Sungai Segamat, State of Johor;
- (iii) Two (2) parcels of freehold land measuring 260 square meters held under title no. H.S. (D) 10883, Lot PT 32834 and H.S. (D) 10822, Lot PT 32833 together with a three (3) storey shop office erected thereon located in Bandar Kuantan, Daerah Kuantan, Negeri Pahang.

The Proposed Disposal enables OSKPSB to redeploy its resources on property development.

The Proposed Disposal was completed on 3 January 2008.

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A11. Changes in the composition of the Group

- (a) Acquisition of Atria Damansara Sdn Bhd (formerly known as Nexus Empire Sdn. Bhd. (“Atria Damansara”))

On 24 April 2007, the Company acquired the entire issued and paid-up capital of Atria Damansara comprising two (2) ordinary shares of RM1.00 each for a cash consideration of RM2.00.

Atria Damansara was incorporated in Malaysia under the Companies Act, 1965 on 25 January 2007 with an authorised share capital of RM100,000 divided into 100,000 ordinary shares of RM1.00 each. The principal activities of Atria Damansara are property management and development and Atria Damansara is the owner of Atria Shopping Centre.

Effectively, Atria Damansara has become a wholly-owned subsidiary company of the Company.

- (b) Acquisition Semponia Sdn Bhd (“Semponia”) and Country Wheels Sdn Bhd (“Country Wheels”)

On 7 August 2007, the Company had entered into two separate Share Sales Agreements (“SSAs”) with Encik Ahmad Azmi Bin Noordin, a shareholder of Semponia and Encik Mohamed Nazari bin Noordin, a shareholder of Country Wheels for the acquisition of 51,000 ordinary shares representing 51% equity interest in Semponia and 51,000 ordinary shares representing 51% equity interest in Country Wheels respectively, for a cash consideration of RM7,650,000 each.

Semponia is a private company limited by shares incorporated on 20 September 2002, under the Companies Act, 1965 with an authorised capital of RM100,000 divided into 100,000 ordinary shares of RM1 each of which all ordinary shares have been issued and fully paid-up. The principal activity of Semponia is property development.

Country Wheels is a private company limited by shares incorporated on 5 July 2002, under the Companies Act, 1965 with an authorised capital of RM100,000 divided into 100,000 ordinary shares of RM1 each of which all ordinary shares have been issued and fully paid-up. The principal activity Country Wheel is property development.

Semponia and Country Wheels had on 20 August 2003 entered into a joint venture agreement with Permodalan Negeri Selangor Berhad (“PNSB”) to jointly develop a mixed development on two pieces of land in Pekan Baru Sungai Buloh, held under H.S. (D) 239874, PT 9814 measuring approximately 202,481 sq metres and H.S. (D) 239875, PT 9815 measuring approximately 202,481 sq metres respectively. PNSB is the beneficial owner of the two pieces of land.

Effectively, Semponia and Country Wheels have become 51% owned subsidiary companies of the Company.

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QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2007

A11. Changes in the composition of the Group (Cont'd)

(c) Acquisition of Perspektif Vista Sdn Bhd ("PV")

On 9 October 2007, the Company acquired the entire issued and paid-up capital of PV comprising two (2) ordinary shares of RM1.00 each for a cash consideration of RM2.00.

PV was incorporated in Malaysia under the Companies Act, 1965 on 31 August 2007 with an authorised share capital of RM100,000 divided into 100,000 ordinary shares of RM1.00 each. PV is presently dormant and its principal activity will be property management and development.

Effectively, PV has become a wholly-owned subsidiary company of the Company.

Effect of the acquisitions of subsidiary companies as disclosed above had the following effect on the Group's financial results for the current year to date:

The cost of acquisitions and cash outflow on acquisitions are as follows:

	RM'000
Purchase consideration satisfied by cash	15,300
Costs attributable to the acquisitions, paid in cash	68
Total cost of acquisitions	<u>15,368</u>
Cash and cash equivalents of subsidiary companies acquired	(201)
Net cash outflow of the Group	<u>15,167</u>

These new subsidiary companies had contributed the following financial results to the Group:

	Date of acquisition to 31.12.2007 RM'000
Revenue	-
Profit before taxation	238
Profit for the year	<u>189</u>

If the acquisitions had been effected on 1 January 2007, the financial results contributed by these new subsidiary companies for current year to date would have been:

	1.1.2007 to 31.12.2007 RM'000
Revenue	-
Profit before taxation	237
Profit for the year	<u>176</u>

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QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2007

A11. Changes in the composition of the Group (Cont'd)

The fair values of assets and liabilities recognised upon acquisitions on the dates of completion were as follows:

	As at the date of acquisitions RM'000
Land held for property development	20,813
Cash and bank balances	201
Other payables and accruals	(239)
Deferred tax liabilities	(5,407)
Fair value of total net assets	<u>15,368</u>
Minority interests	-
Group's share of net assets	<u>15,368</u>
Goodwill	-
Purchase consideration	<u><u>15,368</u></u>

A12. Changes in contingent liabilities or contingent assets

There were no contingent liabilities or contingent assets as at the end of the current year to date.

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PART B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”)

B1. Review of the performance of the Company and its principal subsidiaries

(Commentary on current quarter and current year to date)

The Group’s revenue and pre-tax profit increased by 89% and 1,813% to RM34.26 million and RM4.59 million respectively for the current quarter as compared to the Group’s revenue of RM18.13 million and pre-tax profit of RM0.24 million reported in the corresponding quarter last year.

On full year basis, the Group achieved a revenue of RM91.77 million and pre-tax profit of RM6.59 million as compared to RM68.92 million and RM4.78 million respectively in the last year corresponding period.

The improved results were driven by higher sales achieved and sales of higher profit margin products.

B2. Material changes in the quarterly results

(Comparison on current quarter with the immediate preceding quarter)

The Group recorded a pre-tax profit of RM4.59 million for the current quarter as compared to pre-tax profit of RM1.72 million in the immediate preceding quarter. The increased was principally due to higher sales achieved from the ongoing development projects and sales of higher profit margin products.

B3. (a) Current year prospects

(Commentary on the financial year 2008)

The Group will continue to improve sales launching and marketing efforts for its existing ongoing projects together with the upcoming projects in Klang Valley. The Group will also continue to actively source for new land bank and projects in strategic locations for future developments.

Barring any unforeseen circumstances, the Board expects the Group to perform better in 2008.

(b) Progress and steps to achieve revenue or profit estimate, forecast, projection and Internal Targets Previously Announced

There was no revenue or profit forecast announced by the Company.

B4. Statement of the Board of Directors' opinion on achievability of revenue or profit estimate, forecast, projection and internal targets previously announced

There was no revenue or profit forecast announced by the Company.

B5. Profit forecast / profit guarantee

There was no profit forecast or profit guarantee issued by the Company.

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B6. Taxation

	Current quarter ended 31/12/2007 RM'000	Current year to date ended 31/12/2007 RM'000
In respect of the current quarter / year		
- Malaysian income tax	802	3,219
- Deferred tax	(602)	(1,315)
	<hr/> 200	<hr/> 1,904
In respect of prior year		
- Malaysian income tax	41	254
	<hr/> 241	<hr/> 2,158

For the current year to date, the effective tax rate of the Group is higher than the statutory tax rate of 27% mainly due to the disallowance of certain expenses for tax purposes.

B7. Sale of unquoted investments and/or properties

There were no sales of unquoted investment or properties during the current year to date. Subsequent to the year ended 31 December 2007, there were disposal of three (3) properties by a subsidiary company of the Company as disclosed in Note A10.

B8. Quoted securities

There were no purchases or sales of quoted securities during the current year to date.

B9. Status of corporate proposals announced but not completed as at 12 February 2008 and utilisation of proceeds from the rights issue

(a) There were no corporate proposals outstanding as at 12 February 2008.

(b) The Group raised RM99,999,493 from the rights issue of 99,999,493 new ordinary shares of RM1.00 each at an issue price of RM1.00 each in the current year. The status of utilisation of proceeds from the rights issue as at 31 December 2007 are summarised below:-

<u>Purpose</u>	<u>Proposed utilisation</u> RM'000	<u>Actual utilisation todate</u> RM'000	<u>Balance</u> RM'000
Working capital	73,543	50,615	22,928
Redemption of BaIDS -1 st Tranche	25,000	12,750	12,250
Rights issue expenses	1,456	934	522
	<hr/> 99,999	<hr/> 64,299	<hr/> 35,700

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B10. Borrowings and debt securities

The Group's debt securities as at the end of the current year under review are as follows:

	RM'000
(a) Long term borrowings: -	
Secured	
Class A BaIDS	50,000
Class B BaIDS	25,000
	<u>75,000</u>
Less: Unaccredited discount on BaIDS	(2,807)
Expenses incurred for issuance of BaIDS	(295)
	<u>71,898</u>
Less: payable within 12 months	(24,745)
	<u>47,153</u>
Term Loans	69,600
	<u>116,753</u>
	RM'000
(b) Short term borrowings: -	
Secured	
BaIDS	24,745
Revolving credit	5,250
	<u>29,995</u>
Unsecured	
Revolving credits	13,400
	<u>43,395</u>

B11. Off balance sheet financial instruments

As at 12 February 2008, the Group did not enter into any contract involving financial instruments with off balance sheet risk.

B12. Material litigation

As at 12 February 2008, the Group was not engaged in any material litigation either as plaintiff or defendant and the directors are not aware of any proceeding pending or threatened against the Group or any facts likely to give rise to any proceeding which might materially and adversely affect the financial position or business operations of the Group.

B13. Dividends

(a) The Board has recommended a final dividend of 3.0 sen per share less 26% income tax for the year ended 31 December 2007 (2006: 5.0 sen per share less 27% income tax). The proposed dividend is subject to Shareholders' approval at the forthcoming Annual General Meeting. The entitlement date to the final dividends shall be determined by the Board at a subsequent.

(b) Total dividend for the current year is 3.0 sen per share less 26% income tax (2006: 10.0 sen per share less income tax).

OSK PROPERTY HOLDINGS BERHAD (201666-D)**QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2007****B14. Earnings Per Share (“EPS”)**

	Current quarter ended 31/12/2007	Comparative quarter ended 31/12/2006	Current year to date ended 31/12/2007	Preceding year to date ended 31/12/2006
Basic EPS				
Profit attributable to equity holders of the Company (RM'000)	4,353	485	4,441	3,059
Weighted average number of ordinary shares in issue ('000 shares)	195,653	93,368	121,292	93,369
Basic EPS (sen)	2.22	0.52	3.66	3.28
Diluted EPS				
Profit attributable to equity holders of the Company (RM'000)	4,353	485	4,441	3,059
Weighted average number of ordinary shares in issue ('000 shares)	195,653	93,368	121,292	93,369
Effect of dilution on assumed exercise of Warrants ('000 shares)	4,128	7,364	9,015	7,031
Adjusted weighted average number of ordinary shares in issue ('000 shares)	199,781	100,732	130,307	100,400
Diluted EPS (sen)	2.18	0.48	3.41	3.05

By Order of the Board

DATO' NIK MOHAMED DIN BIN DATUK NIK YUSOFF
Executive Chairman

Kuala Lumpur

19 February 2008