

## OSK PROPERTY HOLDINGS BERHAD (201666-D)

### QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2010 UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS

	<b>Current quarter ended 31/12/2010 RM'000</b>	<b>Comparative quarter ended 31/12/2009 RM'000</b>	<b>Current year to date ended 31/12/2010 RM'000</b>	<b>Preceding year to date ended 31/12/2009 RM'000</b>
Revenue	42,345	39,901	144,872	125,848
Cost of sales	(31,063)	(32,838)	(106,964)	(102,948)
Gross profit	11,282	7,063	37,908	22,900
Other income	2,622	2,441	10,479	9,613
Selling and marketing expenses	(1,869)	(1,366)	(6,216)	(4,065)
Administrative expenses	(3,198)	(2,902)	(12,164)	(11,461)
Finance costs	(1,095)	(1,146)	(3,295)	(5,064)
<b>Profit before taxation</b>	<b>7,742</b>	<b>4,090</b>	<b>26,712</b>	<b>11,923</b>
Income tax expense	(1,799)	(2,140)	(7,366)	(4,753)
<b>Profit for the period</b>	<b>5,943</b>	<b>1,950</b>	<b>19,346</b>	<b>7,170</b>
<b>Profit attributable to:</b>				
Equity owners of the Company	2,770	1,229	11,870	5,062
Minority interests	3,173	721	7,476	2,108
	<b>5,943</b>	<b>1,950</b>	<b>19,346</b>	<b>7,170</b>
<b>Earnings per share (sen) attributable to equity owners of the Company (Note B14):</b>				
Basic	1.48	0.66	6.33	2.70
Diluted	1.48	0.66	6.33	2.70

(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 2010  
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE  
INCOME**

	<b>Current quarter ended 31/12/2010 RM'000</b>	<b>Comparative quarter ended 31/12/2009 RM'000</b>	<b>Current year to date ended 31/12/2010 RM'000</b>	<b>Preceding year to date ended 31/12/2009 RM'000</b>
<b>Profit after tax for the period</b>	<b>5,943</b>	1,950	<b>19,346</b>	7,170
<b>Other comprehensive income for the period, net of tax</b>	-	-	-	-
<b>Total comprehensive income for the period, net of tax</b>	<b>5,943</b>	1,950	<b>19,346</b>	7,170
Total comprehensive income/(loss) attributable to:				
Equity owners of the Company	<b>2,770</b>	1,229	<b>11,870</b>	5,062
Minority interests	<b>3,173</b>	721	<b>7,476</b>	2,108
	<b>5,943</b>	1,950	<b>19,346</b>	7,170

(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 2010 UNAUDITED CONDENSED STATEMENTS OF FINANCIAL POSITION

	(Audited)
	As at
	As at
	31/12/2010
	31/12/2009
	RM'000
	RM'000
<b>ASSETS</b>	
<b>Non-current assets</b>	
Property and equipment	4,291
Investment properties	8,645
Land held for property development	328,063
Intangible assets	89
Deferred tax assets	6,566
	<u>347,654</u>
<b>Current assets</b>	
Property development costs	113,546
Inventories	162
Trade receivables	31,220
Accrued billings	3,344
Other receivables, deposits and prepayments	3,110
Tax recoverable	1,234
Cash, bank balances and deposits	53,286
	<u>205,902</u>
<b>TOTAL ASSETS</b>	<u><u>553,556</u></u>
	3,094
	8,731
	344,675
	57
	3,021
	359,578
	69,578
	284
	23,126
	2,738
	3,292
	1,843
	44,726
	145,587
	505,165

# OSK PROPERTY HOLDINGS BERHAD (201666-D)

## QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2010 UNAUDITED CONDENSED STATEMENTS OF FINANCIAL POSITION (CONT'D)

	(Audited)	
	As at	
	As at	
	31/12/2010	
	31/12/2009	
	RM'000	
	RM'000	
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity owners of the Company</b>		
Share capital	187,380	200,002
Less: Treasury shares, at cost	(1)	(8,261)
	<u>187,379</u>	191,741
Reserves	133,483	123,785
	<u>320,862</u>	315,526
<b>Minority interests</b>	10,072	2,580
<b>Total equity</b>	<u>330,934</u>	318,106
<b>Non-current liabilities</b>		
Term loans	91,676	59,423
Deferred tax liabilities	36,810	38,459
	<u>128,486</u>	97,882
<b>Current liabilities</b>		
Trade payables	22,598	19,591
Progress billings	25,103	3,483
Other payables, deposits and accruals	28,186	12,900
Short term borrowings	17,950	52,373
Tax payable	299	830
	<u>94,136</u>	89,177
<b>Total liabilities</b>	<u>222,622</u>	187,059
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>553,556</u>	505,165
Net asset per share (RM) attributable to equity owners of the Company	<u>1.71</u>	1.68

(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 2010  
UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

	Attributable to equity owners of the Company						Minority interests	Total equity interests	
	Share capital	Treasury shares	Warrants A	Share premium	Capital Redemption Reserve	Retained profits			Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
<b><u>Current year to date ended</u></b>									
<b><u>31 December 2010 (unaudited)</u></b>									
At 1 January 2010									
As previously reported	200,002	(8,261)	-	15,245	-	108,540	315,526	2,580	318,106
Effect of first adoption of FRS 139 - net impact arising from initial measurement of Other Financial Liability and Loans & Receivables at fair value less transaction costs	-	-	-	-	-	494	494	64	558
As restated	200,002	(8,261)	-	15,245	-	109,034	316,020	2,644	318,664
Total comprehensive income	-	-	-	-	-	11,870	11,870	7,476	19,346
Dividend paid	-	-	-	-	-	(7,027)	(7,027)	-	(7,027)
Cancellation of treasury shares	-	8,261	-	(8,261)	-	-	-	-	-
Transfer to capital redemption reserve	(12,622)	-	-	-	12,622	-	-	-	-
Shares buyback of the Company	-	(1)	-	-	-	-	(1)	-	(1)
Acquisition of additional shares in a subsidiary company	-	-	-	-	-	-	-	(48)	(48)
At 31 December 2010	<b>187,380</b>	<b>(1)</b>	<b>-</b>	<b>6,984</b>	<b>12,622</b>	<b>113,877</b>	<b>320,862</b>	<b>10,072</b>	<b>330,934</b>
<b><u>Preceding year ended</u></b>									
<b><u>31 December 2009 (audited)</u></b>									
At 1 January 2009	200,001	(7,949)	14,998	15,245	-	91,290	313,585	473	314,058
Total comprehensive income	-	-	(14,998)	-	-	20,060	5,062	2,108	7,170
Dividend paid	-	-	-	-	-	(2,811)	(2,811)	-	(2,811)
Shares buyback of the Company	-	(312)	-	-	-	-	(312)	-	(312)
Share issued pursuant to exercise of Warrants A	1	-	-	-	-	-	1	-	1
At 31 December 2009	<b>200,002</b>	<b>(8,261)</b>	<b>-</b>	<b>15,245</b>	<b>-</b>	<b>108,539</b>	<b>315,525</b>	<b>2,581</b>	<b>318,106</b>

(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 2010 UNAUDITED CONDENSED STATEMENT OF CASH FLOWS

	<b>Current year to date ended 31/12/2010 RM'000</b>	<b>(Audited) Preceding year ended 31/12/2009 RM'000</b>
<b>Cash Flows From Operating Activities</b>		
Profit before taxation	26,712	11,923
Adjustments for non-cash and non-operating items	3,112	4,936
Operating profit before working capital changes	<u>29,824</u>	16,859
Changes in working capital :-		
Net change in inventories	122	-
Net change in property development costs	(25,449)	37,699
Net change in receivables	(7,952)	2,397
Net change in payables	18,868	1,302
Net change in accrued/progress billings	<u>21,013</u>	(4,579)
Net cash generated from operations	36,426	53,678
Interest paid	(4,256)	(3,449)
Interest received	864	637
Tax paid	(13,640)	(7,969)
Tax refunded	1,159	924
Net cash generated from operating activities	<u>20,553</u>	43,821
<b>Cash Flows From Investing Activities</b>		
Proceeds from disposal of plant and equipment	8	1
Purchase of property and equipment	(1,769)	(1,503)
Purchase of intangible assets	(50)	(16)
Purchase of investment properties	-	(41)
Net cash used in investing activities	<u>(1,811)</u>	(1,559)

## OSK PROPERTY HOLDINGS BERHAD (201666-D)

### QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2010 UNAUDITED CONDENSED STATEMENT OF CASH FLOWS (CONT'D)

	<b>Current year to date ended 31/12/2010 RM'000</b>	<b>(Audited) Preceding year ended 31/12/2009 RM'000</b>
<b>Cash Flows From Financing Activities</b>		
Payment of BaIDS expenses	(3)	(30)
Payment of BaIDS profits	(438)	(1,750)
Payment of Primary Bonds	(17,500)	(32,475)
Payment of borrowing expenses	-	(686)
Payment of share issue expenses	-	(1)
Proceeds from conversion of Warrants A	-	1
Shares buyback	(1)	(312)
Drawdown/(repayment) of term loans	29,887	(3,075)
(Repayment)/drawdown of revolving credits	(15,100)	11,750
Dividends paid	(7,027)	(2,811)
Net cash used in financing activities	<u>(10,182)</u>	<u>(29,389)</u>
<b>Net change in cash and cash equivalents</b>	<b>8,560</b>	<b>12,873</b>
<b>Cash and cash equivalents at beginning of the period/year</b>	<b>44,726</b>	<b>31,853</b>
<b>Cash and cash equivalents at end of the period/year</b>	<b><u>53,286</u></b>	<b><u>44,726</u></b>
 Cash and cash equivalents at end of the period/year comprised:		
Cash on hand and at banks	4,469	3,402
Sinking Fund Account		
- Cash at bank	-	1
- Short term placements with licensed investment bank	-	8,941
Fixed deposit for Profit Service Reserve and Reserve Accounts	-	873
Housing Development Accounts	26,891	25,003
Short term placement with licensed bank	7,209	-
Short term placements with licensed investment bank	14,717	6,506
	<u>53,286</u>	<u>44,726</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 2010

### 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

This quarterly report is unaudited and 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”) and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”). The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2009 and the accompanying 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 2009.

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 2009 except for the adoption of the following FRSs, amendments to FRSs, Issues Committee (“IC”) Interpretations and Technical Releases (“TR”), which are effective for annual periods beginning on and after:

#### **1 July 2009**

FRS 8                                      Operating Segments

#### **1 January 2010**

FRS 7	Financial Instruments: Disclosure
FRS 101	Presentation of Financial Statements
FRS 123	Borrowing Costs
FRS 139	Financial Instruments: Recognition and Measurement
Amendments to FRS 1	First-time Adoption of Financial Reporting Standards
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS 7	Financial Instruments: Disclosures
Amendments to FRS 8	Operating Segments
Amendments to FRS 107	Statement of Cash Flows
Amendments to FRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
Amendments to FRS 110	Events after the Reporting Period
Amendments to FRS 116	Property, Plant and Equipment
Amendments to FRS 117	Leases
Amendments to FRS 118	Revenue
Amendments to FRS 119	Employee Benefits
Amendments to FRS 123	Borrowing Costs
Amendments to FRS 127	Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
Amendments to FRS 128	Investments in Associates
Amendments to FRS 129	Financial Reporting in Hyperinflationary Economies
Amendments to FRS 132	Financial Instruments: Presentation – paragraphs 95A, 97AA and 97AB



# OSK PROPERTY HOLDINGS BERHAD (201666-D)

## QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2010

### A1. Accounting policies (contd.)

#### 1 January 2010 (cont'd)

Amendments to FRS 134	Interim Financial Reporting
Amendments to FRS 136	Impairment of Assets
Amendments to FRS 138	Intangible Assets
Amendments to FRS 139	Financial Instruments: Recognition and Measurement
Amendments to FRS 140	Investment Property
IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 10	Interim Financial Reporting and Impairment
IC Interpretation 11	FRS 2 – Group and Treasury Share Transactions
IC Interpretation 13	Customer Loyalty Programmes
IC Interpretation 14	FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TR i-3	Presentation of Financial Statements of Islamic Financial Institutions

FRS 1, FRS 4, Amendments to FRS 120 and FRS 129 and IC Interpretations 12, 13 and 14 are not applicable to the Group. The adoption of other FRSs, amendments to FRSs, IC Interpretations, TR and SOP did not have any significant effect on the financial performance or position of the Group. The adoption of FRSs and amendments to FRS are discussed below:

- (a) FRS 8 requires disclosure of information about the Group's operating segments and replaced the requirement to determine primary (business) and secondary (geographical) reporting segments of the Group. The Group concluded that the operating segments determined in accordance with FRS 8 are the same as the business segments previously adopted. Adoption of FRS 8 did not have any effect on the financial position or performance of the Group.
- (b) FRS 7 requires disclosures in financial statements that enable users to evaluate the significance of financial instruments for the entity's financial position and performance, and the nature and extent of risks arising from financial instruments to which an entity is exposed during the period and at the reporting date, and how the entity manages those risks. The principles in this FRS complement the principles for recognising, measuring and presenting financial assets and financial liabilities in FRS 132 Financial Instruments: Presentation and FRS 139 Financial Instruments: Recognition and Measurement.

FRS 7 requires disclosures on the significance of financial instruments for financial position (i.e. Categories of financial assets and financial liabilities, financial assets or financial liabilities at fair value through profit or loss, reclassification, derecognition, collateral, allowance account for credit losses, compound financial instruments with multiple embedded derivatives and defaults and breaches); performance (i.e. Items of income, expense, gains or losses); and other disclosures (i.e. Accounting policies, Hedge accounting and Fair value).

FRS 7 also requires disclosures on the risks that arise from financial instruments and how they have been managed. These risks typically include, but are not limited to, credit risk, liquidity risk and market risk. The adoption of FRS 7 did not impact the financial position or results of the Group.

# OSK PROPERTY HOLDINGS BERHAD (201666-D)

## QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2010

### A1. Accounting policies (contd.)

- (c) FRS 101 requires the Group to present all owner changes in equity and all non-owner changes be presented in either in one statement of comprehensive income or in two separate statements of income and comprehensive income. FRS 101 also requires that the income tax effect of each component of comprehensive income be disclosed. FRS 101 requires retrospective restatement of comparative statement of financial position as at the beginning of the earliest comparative period.

The Group has opted to present the comprehensive income in two separate statements of income and comprehensive income where the individual components of comprehensive income and the related tax effects have been disclosed therein. The Group has not provided a restated comparative set of financial position for the earliest comparative period, as it has not adopted any new accounting policies retrospectively, or has made a retrospective restatement, or retrospectively reclassified items in the financial statements. The adoption of FRS 101 did not impact the financial position or results of the Group as the changes introduced are presentational in nature.

- (d) FRS 139 establishes the principles for recognising and measuring financial assets, financial liabilities and some contracts to buy or sell non-financial items. The adoption of FRS 139 has resulted in change in accounting policies. Retrospective application of FRS 139 is not permitted and financial effects for the current year to date are shown in financial statements and prior year effects are reflected as restatement of opening reserves as disclosed in statement of changes in equity for the current year to date.

FRS 139 requires that financial assets classified as held-to-maturity, available-for-sale and loans and receivables are measured at amortised cost using the effective interest method. Interest income from loans and receivables of the Group continued to be recognised based on contractual interest rates. With adoption of FRS 139, interest income is recognised using effective interest rates. This change in accounting policy has been accounted for prospectively.

The Group has yet to adopt the following FRSS, Amendments to FRSS, IC Interpretations and TRs which are effective for annual periods beginning on and after:

#### **1 March 2010**

Amendments to FRS 132 Financial Instruments: Presentation – paragraphs 11, 16 and 97E

#### **1 July 2010**

FRS 1	First-time Adoption of Financial Reporting Standards
FRS 3	Business Combinations
FRS 127	Consolidated and Separate Financial Statements
Amendments to FRS 2	Share-based Payment
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS 138	Intangible Assets
IC Interpretation 12	Service Concession Arrangements
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation

# OSK PROPERTY HOLDINGS BERHAD (201666-D)

## QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2010

### A1. Accounting policies (contd.)

#### 1 July 2010 (contd.)

IC Interpretation 17	Distributions of Non-cash Assets to Owners
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives

#### 1 January 2011

Amendments to FRS 1	Limited Exemption from Comparative FRS 7 Disclosure for First-time Adopters
Amendments to FRS 1	Additional Exemptions for First-time Adopters
Amendments to FRS 2	Group Cash-settled Share-based Payment Transactions
Amendments to FRS 7	Improving Disclosures about Financial Instruments
IC Interpretation 4	Determining whether an Arrangement contains a Lease
IC Interpretation 18	Transfers of Assets from Customers
TR 3	Guidance on Disclosures of Transition to IFRSs
TR i-4	Shariah Compliant Sale Contracts

The FRSs, amendments to FRSs, IC Interpretations above are expected to have no significant impact on the financial statements upon their initial application.

### A2. Seasonal or cyclical factors

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

### A3. Unusual items affecting the financial statements

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

### A4. 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.

### A5. Changes in debt and equity securities

#### Shares buyback / Cancellation of Treasury shares

In March 2010, 12,622,200 ordinary shares repurchased representing the cumulative treasury shares held as at 2 March 2010 were cancelled in accordance with Section 67A of the Companies Act, 1965, at a total value of RM8,260,790. The issued and paid-up share capital of the Company is reduced by the shares cancelled and the same amount of which is transferred to the Capital Redemption Reserve.

During the current year to date, the Company has purchased 2,000 ordinary shares for a total cash consideration of RM1,272 from open market at an average price of RM0.64 per share. The shares repurchased are being held as treasury shares and treated in accordance with the requirements of Section 67A of the Companies Act, 1965.

## OSK PROPERTY HOLDINGS BERHAD (201666-D)

### QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2010

#### A5. Changes in debt and equity securities (contd.)

##### Shares buyback / Cancellation of Treasury shares (contd.)

Details of the shares repurchased and cancelled during the current year to date are as follows:

	Number of shares	Purchase Price			Cost RM
		Highest price RM	Lowest price RM	Average cost RM	
As at 1 January 2010	12,622,200	1.20	0.28	0.65	8,260,790
Cancelled – 2 March 2010	(12,622,200)	1.20	0.28	0.65	(8,260,790)
Repurchased - May 2010	1,000	0.54	0.54	0.58	576
Repurchased - November 2010	1,000	0.66	0.66	0.70	696
As at 31 December 2010	2,000	0.58	0.39	0.65	1,272

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

#### A6. Dividends paid

A final dividend of 2.5 sen per share less 25% income tax amounting to RM3,513,368 in respect of preceding financial year ended 31 December 2009 was paid on 18 May 2010.

An interim dividend of 2.5 sen per share less 25% income tax amounting to RM3,513,399 in respect of current financial year ended 31 December 2010 was paid on 27 October 2010.

#### A7. Segmental information

Segmental information is presented in respect of the Group's business segments. Segment revenue and results 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

**OSK PROPERTY HOLDINGS BERHAD (201666-D)**

**QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2010**

**A7. Segmental information (contd.)**

<b><u>Current year to date ended</u></b> <b><u>31 December 2010</u></b> <b><u>(unaudited)</u></b>	<b>Property development</b>	<b>Property investment &amp; management</b>	<b>Holding entity</b>	<b>Elimination</b>	<b>Consolidated</b>
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>					
External revenue	144,615	-	257	-	144,872
Inter-segment revenue	-	298	7,855	(8,153)	-
<b>Total</b>	<b>144,615</b>	<b>298</b>	<b>8,112</b>	<b>(8,153)</b>	<b>144,872</b>
<b>Results</b>					
Profit before finance costs	29,318	701	7,421	(7,843)	29,597
Less: Finance costs	(6,355)	-	-	3,470	(2,885)
Profit before taxation	22,963	701	7,421	(4,373)	26,712
Income tax expense					(7,366)
Profit after taxation					19,346
Minority interest					(7,476)
Profit attributable to equity owners of the Company					11,870

<b><u>Preceding year to date ended</u></b> <b><u>31 December 2009</u></b> <b><u>(unaudited)</u></b>	<b>Property development</b>	<b>Property investment &amp; management</b>	<b>Holding entity</b>	<b>Elimination</b>	<b>Consolidated</b>
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>					
External revenue	125,731	-	117	-	125,848
Inter-segment revenue	-	-	5,201	(5,201)	-
<b>Total</b>	<b>125,731</b>	<b>-</b>	<b>5,318</b>	<b>(5,201)</b>	<b>125,848</b>
<b>Results</b>					
Profit before finance costs	16,472	391	4,422	(4,298)	16,987
Less: Finance costs	(6,287)	-	-	1,223	(5,064)
Profit before taxation	10,185	391	4,422	(3,075)	11,923
Income tax expense					(4,753)
Profit after taxation					7,170
Minority interest					(2,108)
Profit attributable to equity owners of the Company					5,062

**A8. Valuations of property, plant and equipment**

There were no revalued property, plant and equipment as at 31 December 2010.

**A9. Material events subsequent to the end of the period**

There were no material events subsequent to the end of the quarter.

## **OSK PROPERTY HOLDINGS BERHAD (201666-D)**

### **QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2010**

#### **A10. Changes in the composition of the Group**

(a) Acquisition and subscription of additional new ordinary shares in Jelang Vista Sdn. Bhd.

On 17 March 2010, the Company acquired the entire issued and paid-up share capital of Jelang Vista Sdn. Bhd. (“JVSB”) comprising two (2) ordinary shares of RM1.00 each for a total cash consideration of RM2.00.

JVSB was incorporated in Malaysia under the Companies Act, 1965 on 8 February 2010 with an authorised share capital of RM100,000.00 divided into 100,000 ordinary shares of RM1.00 each. JVSB has since commenced business activities in property development during the year.

On 18 June 2010, the Company subscribed for additional 249,998 new ordinary shares of RM1.00 each in JVSB for a total cash consideration of RM249,998. The equity stake of the Company in JVSB remained at 100%.

(b) Acquisition of additional new ordinary shares in Rimulia Sdn. Bhd.

On 1 June 2010, the Company acquired additional 40,000 ordinary shares of RM1.00 each in Rimulia Sdn. Bhd. (“RSB”) from Encik Mohamed Nazari bin Noordin, representing 4% of the issued and paid-up share capital of RSB for a total cash consideration of RM1.00.

Effectively, the Company’s equity interest in RSB has increased to 55% as at 30 September 2010 from 51% as of 31 December 2009.

(c) Acquisition of Potensi Rajawali Sdn. Bhd., Warisan Rajawali Sdn. Bhd. And Wawasan Rajawali Sdn. Bhd.

On 10 December 2010, the Company acquired the entire issued and paid-up share capital of Potensi Rajawali Sdn. Bhd., Warisan Rajawali Sdn. Bhd. and Wawasan Rajawali Sdn. Bhd. (collectively known as “new Companies”) each comprising two (2) ordinary shares of RM1.00 each for a total cash consideration of RM2.00 per company.

The new Companies were all incorporated in Malaysia under the Companies Act, 1965 on 10 October 2010 with an authorised share capital of RM100,000.00 divided into 100,000 ordinary shares of RM1.00 each. The new Companies are presently dormant and would be carrying out property development and property management as their principal business activities.

Effectively, the new Companies had become wholly-owned subsidiaries of the Company.

#### **A11. Changes in contingent liabilities or contingent assets**

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

## **OSK PROPERTY HOLDINGS BERHAD (201666-D)**

### **QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2010**

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

##### **B1. Review of the performance**

*(Commentary on current quarter and current year to date)*

For the current financial year ended 31 December 2010, the Group achieved pre-tax profit of RM26.71 million on revenue of RM144.87 million, representing an increase of 124% over the results recorded in the preceding financial year with pre-tax profit of RM11.92 million on revenue of RM125.85. In the current 4<sup>th</sup> quarter, the Group’s pre-tax profit of RM7.74 million represents an improvement of 89% over the same quarter last year.

The improved performance of the Group is attributable to improved sales registered from all of the Group’s projects located in the Klang Valley, Seremban and Sungai Petani, Kedah. During the year, the Group has secured a record sales of RM225.0 million, which will be recognized progressively in the Group’s financial statements over its construction period. Unbilled sales as at year end stood at approximately RM190.0 million.

##### **B2. Material changes in the quarterly results**

*(Comparison on current quarter with the immediate preceding quarter)*

The Group recorded pre-tax profit of RM7.74 million on revenue of RM42.34 million in the current 4<sup>th</sup> quarter against pre-tax profit of RM8.66 million on revenue of RM42.36 million in the 3<sup>rd</sup> quarter. The lower pre-tax profit for this quarter is mainly due to higher selling & marketing expenses.

##### **B3. Current year prospects and progress on previously announced revenue or profit forecast**

###### **(a) Current year prospects**

*(Commentary on the financial year 2011)*

Economic growth in Malaysia is projected to approximate 5.2% year-on-year in 2011, before rising to 5.5% in 2012 (*source: Malaysia Institute of Economic Research*). For the property sector, with the current historical low mortgage rates, healthy liquidity in the banking system, implementation of Economic Transformation Programme, rapid improvement in income and continuous population growth are factors that would act as catalysts to spur the property demand.

Given the above mentioned favourable market conditions, the Board is confident that the performance for the year 2011 will be better.

###### **(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 Group.

# OSK PROPERTY HOLDINGS BERHAD (201666-D)

## QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2010

**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 Group.

**B5. Profit forecast / profit guarantee**

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

**B6. Taxation**

	Current quarter ended 31/12/2010 RM'000	Current year to date ended 31/12/2010 RM'000
In respect of the current quarter/year to date		
- Malaysian income tax	3,681	12,559
- Deferred tax	(1,882)	(5,193)
	<u>1,799</u>	<u>7,366</u>

For the current year to date, the effective tax rate of the Group is higher than the statutory tax rate of 25% mainly due to non-deductible 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.

**B8. Quoted securities**

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

**B9. Status of corporate proposals**

There were no corporate proposals previously announced but not completed as at 16 February 2011.

**B10. Realised and Unrealised Profits**

The breakdown of the retained profits of the Group as at 31 December 2010 into realised and unrealised profits is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits and Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

	Group 31/12/2010 RM'000	Group 30/09/2010 RM'000
Total retained profits of the Company and its subsidiaries		
- Realised	212,935	216,213
- Unrealised	6,562	5,209
	<u>219,497</u>	<u>221,422</u>
Less: Consolidation adjustments	(105,620)	(106,804)
Total Group retained profits as per consolidated accounts	<u>113,877</u>	<u>114,618</u>



## OSK PROPERTY HOLDINGS BERHAD (201666-D)

### QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2010

#### B11. Borrowings and debt securities

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

	<b>RM'000</b>
<b>(a) Long term borrowings:</b>	
<b>Secured</b>	
Term loans	<u>91,676</u>
<b>(b) Short term borrowings:</b>	
<b>Secured</b>	
Term loan	4,450
Revolving credit	<u>7,000</u>
	11,450
<b>Unsecured</b>	
Revolving credit	<u>6,500</u>
	<u>17,950</u>
<b>Total</b>	<u>109,626</u>

#### B12. Off balance sheet financial instruments

As at 16 February 2011, the Group did not enter into any contract involving financial instruments with off balance sheet risk.

#### B13. Material litigation

As at 16 February 2011, 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.

#### B14. Dividends

(a) The Board has recommended a final dividend of 2.5 sen per share less 25% income tax for the year ended 31 December 2010 (2009: 2.5 sen per share less 25% 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 stage.

(b) Total dividend for the current year is 5.0 sen per share less 25% income tax (2009: 2.5 sen per share less 25% income tax).

# OSK PROPERTY HOLDINGS BERHAD (201666-D)

## QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2010

### B15. Earnings Per Share (“EPS”)

	<b>Current quarter ended <u>31/12/2010</u></b>	Comparative quarter ended <u>31/12/2009</u>	<b>Current year to date ended <u>31/12/2010</u></b>	Preceding year to date ended <u>31/12/2009</u>
<b>Basic EPS</b>				
Profit attributable to equity owners of the Company (RM'000)	<b>2,770</b>	1,229	<b>11,870</b>	5,062
Weighted average number of ordinary shares in issue ('000 shares)	<b>187,379</b>	187,381	<b>187,379</b>	187,391
Basic EPS (sen)	<b>1.48</b>	0.66	<b>6.33</b>	2.70
<b>Diluted EPS</b>				
Profit attributable to equity owners of the Company (RM'000)	<b>2,770</b>	1,229	<b>11,870</b>	5,062
Weighted average number of ordinary shares in issue ('000 shares)	<b>187,379</b>	187,381	<b>187,379</b>	187,391
Effect of dilution on assumed exercise of warrants ('000 shares)	- *	- *	- *	- *
Adjusted weighted average number of ordinary shares in issue and issuable ('000 shares)	<b>187,379</b>	187,381	<b>187,379</b>	187,391
Diluted EPS (sen)	<b>1.48</b>	0.66	<b>6.33</b>	2.70

\* For the current quarter and current year to date ended 31 December 2010, the outstanding warrants have been excluded from the computation of fully diluted earnings per ordinary share as their effect would be anti-dilutive.

### B15. Auditors' report of preceding annual financial statements

The auditors' report on the financial statements for the year ended 31 December 2009 was not qualified.

**By Order of the Board**

**DATO' NIK MOHAMED DIN BIN DATUK NIK YUSOFF**  
**Executive Chairman**

Kuala Lumpur  
23 February 2011