

OSK PROPERTY HOLDINGS BERHAD (201666-D)

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2011 AUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS

	Current quarter ended 30/06/2011 RM'000	(Unaudited) Comparative quarter ended 30/06/2010 RM'000	Current year to date ended 30/06/2011 RM'000	(Unaudited) Preceding year to date ended 30/06/2010 RM'000
Revenue	77,289	28,740	138,446	60,163
Cost of sales	(47,262)	(20,036)	(94,042)	(44,756)
Gross profit	30,027	8,704	44,404	15,407
Other income	2,630	2,722	5,148	5,351
Selling and marketing expenses	(1,652)	(1,719)	(3,517)	(3,366)
Administrative expenses	(2,181)	(2,691)	(5,142)	(5,569)
Finance costs	(410)	(368)	(433)	(1,511)
Profit before taxation	28,414	6,648	40,460	10,312
Income tax expense	(7,070)	(1,498)	(10,388)	(2,612)
Profit for the period	21,344	5,150	30,072	7,700
Profit attributable to:				
Equity owners of the Company	11,578	3,129	15,975	5,011
Non-controlling interests	9,766	2,021	14,097	2,689
	21,344	5,150	30,072	7,700
Earnings per share (sen) attributable to equity owners of the Company (Note B15):				
Basic	6.18	1.67	8.53	2.67
Diluted	6.18	1.67	8.53	2.67

(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 SECOND QUARTER ENDED 30 JUNE 2011
AUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE
INCOME**

	(Unaudited) Current quarter ended 30/06/2011 RM'000	(Unaudited) Comparative quarter ended 30/06/2010 RM'000	(Unaudited) Current year to date ended 30/06/2011 RM'000	(Unaudited) Preceding year to date ended 30/06/2010 RM'000
Profit after tax for the period	21,344	5,150	30,072	7,700
Other comprehensive income for the period, net of tax	-	-	-	-
Total comprehensive income for the period, net of tax	21,344	5,150	30,072	7,700
Total comprehensive income/(loss) attributable to:				
Equity owners of the Company	11,578	3,129	15,975	5,011
Non-controlling interests	9,766	2,021	14,097	2,689
	21,344	5,150	30,072	7,700

(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 SECOND QUARTER ENDED 30 JUNE 2011
AUDITED CONDENSED STATEMENTS OF FINANCIAL POSITION**

	(Unaudited)		
	As at 30/06/2011	As at 30/06/2010	As at 31/12/2010
	RM'000	RM'000	RM'000
ASSETS			
Non-current assets			
Property and equipment	2,371	3,796	4,291
Investment properties	70,873	8,688	8,645
Land held for property development	314,196	341,570	328,063
Intangible assets	507	63	89
Deferred tax assets	7,119	3,265	6,566
Trade receivables	1,899	-	1,899
Other receivables, deposits and prepayments	1,420	-	1,423
	398,385	357,382	350,976
Current assets			
Property development costs	127,500	94,860	113,546
Inventories	284	284	162
Trade receivables	50,927	20,042	29,320
Accrued billings	27,298	1,631	3,344
Other receivables, deposits and prepayments	2,254	4,008	1,687
Tax recoverable	790	1,373	1,234
Cash, bank balances and deposits	77,946	36,126	53,286
	286,999	158,324	202,579
TOTAL ASSETS	685,384	515,706	553,555

OSK PROPERTY HOLDINGS BERHAD (201666-D)**QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2011
AUDITED CONDENSED STATEMENTS OF FINANCIAL POSITION (CONT'D)**

	(Unaudited)		
	As at 30/06/2011	As at 30/06/2010	As at 31/12/2010
	RM'000	RM'000	RM'000
EQUITY AND LIABILITIES			
Equity attributable to equity owners of the Company			
Share capital	187,380	187,380	187,380
Less: Treasury shares, at cost	(2)	(1)	(1)
	<u>187,378</u>	<u>187,379</u>	<u>187,379</u>
Reserves	150,206	130,134	134,231
	<u>337,584</u>	<u>317,513</u>	<u>321,610</u>
Non-controlling interests	24,888	5,289	10,791
Total equity	<u>362,472</u>	<u>322,802</u>	<u>332,401</u>
Non-current liabilities			
Term loans	97,767	61,336	91,676
Trade payables	3,716	-	3,669
Other payables, deposits and accruals	11,333	-	11,333
Deferred tax liabilities	35,656	37,885	36,810
	<u>148,472</u>	<u>99,221</u>	<u>143,488</u>
Current liabilities			
Trade payables	28,778	18,213	18,930
Progress billings	18,607	4,062	25,103
Other payables, deposits and accruals	98,096	40,603	15,385
Short term borrowings	21,200	30,000	17,950
Tax payable	7,759	805	298
	<u>174,440</u>	<u>93,683</u>	<u>77,666</u>
Total liabilities	<u>322,912</u>	<u>192,904</u>	<u>221,154</u>
TOTAL EQUITY AND LIABILITIES	<u>685,384</u>	<u>515,706</u>	<u>553,555</u>
Net asset per share (RM) attributable to equity owners of the Company	<u>1.80</u>	<u>1.69</u>	<u>1.72</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 SECOND QUARTER ENDED 30 JUNE 2011
AUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

	Attributable to equity owners of the Company						Non- controlling interests	Total equity
	Share capital RM'000	Treasury shares RM'000	Share premium RM'000	Capital Redemption Reserve RM'000	Retained profits RM'000	Total RM'000	RM'000	RM'000
<u>Current year to date ended</u>								
<u>30 June 2011 (audited)</u>								
At 1 January 2011	187,380	(1)	6,984	12,622	114,625	321,610	10,791	332,401
Total comprehensive income	-	-	-	-	15,975	15,975	14,097	30,072
Shares buyback of the Company	-	(1)	-	-	-	(1)	-	(1)
At 30 June 2011	187,380	(2)	6,984	12,622	130,600	337,584	24,888	362,472
<u>Preceding year to date ended</u>								
<u>30 June 2010 (unaudited)</u>								
At 1 January 2010								
As previously reported	200,002	(8,261)	15,245	-	108,539	315,525	2,581	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	-	-	-	-	491	491	67	558
As restated	200,002	(8,261)	15,245	-	109,030	316,016	2,648	318,664
Total comprehensive income	-	-	-	-	5,011	5,011	2,689	7,700
Dividend paid	-	-	-	-	(3,513)	(3,513)	-	(3,513)
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 30 June 2010	187,380	(1)	6,984	12,622	110,528	317,513	5,289	322,802

(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 SECOND QUARTER ENDED 30 JUNE 2011 AUDITED CONDENSED STATEMENT OF CASH FLOWS

	(Unaudited)		
	Current	Preceding	Preceding
	year to date	year to date	year
	ended	ended	ended
	30/06/2011	30/06/2010	31/12/2010
	RM'000	RM'000	RM'000
Cash Flows From Operating Activities			
Profit before taxation	40,460	10,312	26,712
Adjustments for non-cash and non-operating items	11	1,473	3,168
Operating profit before working capital changes	40,471	11,785	29,880
Changes in working capital :-			
Net change in inventories	(122)	-	122
Net change in property development costs	(57,129)	7,711	(24,763)
Net change in receivables	(22,149)	2,875	(8,008)
Net change in payables	92,164	(2,044)	18,868
Net change in accrued/progress billings	(30,449)	1,686	21,013
Net cash generated from operations	22,786	22,013	37,112
Interest paid	(3,342)	(1,693)	(4,256)
Interest received	655	360	864
Tax paid	(4,518)	(2,983)	(13,640)
Tax refunded	328	-	1,159
Net cash generated from operating activities	15,909	17,697	21,239
Cash Flows From Investing Activities			
Proceeds from disposal of plant and equipment	129	2	8
Purchase of property and equipment	(279)	(896)	(1,769)
Purchase of intangible assets	(439)	(15)	(50)
Net cash used in investing activities	(589)	(909)	(1,811)

OSK PROPERTY HOLDINGS BERHAD (201666-D)

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2011 AUDITED CONDENSED STATEMENT OF CASH FLOWS (CONT'D)

	(Unaudited)		
	Current	Preceding	Preceding
	year to date	year to date	year
	ended	ended	ended
	30/06/2011	30/06/2010	31/12/2010
	RM'000	RM'000	RM'000
Cash Flows From Financing Activities			
Payment of BaIDS expenses	-	(3)	(3)
Payment of BaIDS profits	-	(438)	(438)
Payment of Primary Bonds	-	(17,500)	(17,500)
Payment of borrowing expenses	-	(40)	-
Shares buyback	(1)	-	(1)
Drawdown/(repayment) of term loans	4,841	(794)	29,201
Drawdown/(repayment) of revolving credits	4,500	(3,100)	(15,100)
Dividends paid	-	(3,513)	(7,027)
Net cash generated from/(used in) financing activities	9,340	(25,388)	(10,868)
Net change in cash and cash equivalents	24,660	(8,600)	8,560
Cash and cash equivalents at beginning of the period/year	53,286	44,726	44,726
Cash and cash equivalents at end of the period/year	77,946	36,126	53,286

Cash and cash equivalents at end of the period/year comprised:

Cash on hand and at banks	2,264	1,847	4,469
Sinking Fund Account			
- Cash at bank	-	1	-
Fixed deposit for Profit Service Reserve and Reserve Accounts	-	438	-
Housing Development Accounts	33,034	26,663	26,891
Short term placement with licensed bank	26,727	-	7,209
Short term placements with licensed investment bank	15,921	7,177	14,717
	77,946	36,126	53,286

(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 SECOND QUARTER ENDED 30 JUNE 2011

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 audited 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 2010 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 2010.

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 2010 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 March 2010

Amendments to FRS 132 Financial Instruments: Presentation – Classification of Rights Issues

1 July 2010

FRS 1 First-time Adoption of Financial Reporting Standards
FRS 3 Business Combinations (Revised)
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
IC Interpretation 17 Distributions of Non-cash Assets to Owners
Amendments to IC Reassessment of Embedded Derivatives
Interpretation 9

31 December 2010

TR 3 Guidance on Disclosures of Transition to IFRSs

1 January 2011

Amendments to FRS 1 Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters
Amendments to FRS 1 Additional Exemptions for First-time Adopters
Amendments to FRS 1 First-time Adoption of Financial Reporting Standards

OSK PROPERTY HOLDINGS BERHAD (201666-D)

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2011

A1. Accounting policies (contd.)

1 January 2011

Amendments to FRS 2	Group Cash-settled Share-based Payment Transactions
Amendments to FRS 3	Business Combinations
Amendments to FRS 7	Financial Instruments: Disclosures
Amendments to FRS 101	Presentation of Financial Statements
Amendments to FRS 121	The Effects of Changes in Foreign Exchange Rates
Amendments to FRS 128	Investments in Associates
Amendments to FRS 131	Interests in Joint Ventures
Amendments to FRS 132	Financial Instruments: Presentation
Amendments to FRS 134	Interim Financial Reporting
Amendments to FRS 139	Financial Instruments: Recognition and Measurement
IC Interpretation 4	Determining Whether an Arrangement contains a Lease
IC Interpretation 18	Transfers of Assets from Customers
Amendments to IC Interpretation 13	Customer Loyalty Programmes
TR i-4	Shariah Compliant Sale Contracts

The adoption of Amendments to FRS 7 which promotes enhanced disclosures on fair value measurement of financial instruments via the introduction of the concept of fair value hierarchy, will only affect disclosures and will not have any impact on the results of the Group. The adoption of other FRSs, amendments to FRSs, IC Interpretations and TR 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 3 Business Combination (Revised)

The revised FRS 3 introduces changes in the accounting for business combination occurring after 1 July 2010 and it is applied prospectively. The FRS establishes principles for recognising and measuring the identifiable assets acquired, the liabilities assumed and any non-controlling interest in acquiree. Each identifiable asset and liability is measured at its acquisition-date fair value. Any non-controlling interest in an acquiree is measured at fair value or as the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

Goodwill is measured as the difference between the aggregate of the consideration transferred, any non-controlling interest in the acquiree and, in a business combination achieved in stages, the acquisition-date fair value of the acquirer's previously held equity interest in the acquiree, and the net identifiable assets acquired. If the acquirer has made a gain from a bargain purchase, that gain is recognised in the profit or loss. The FRS also provides accounting requirements for reacquired rights, contingent liabilities, contingent consideration and indemnification assets.

OSK PROPERTY HOLDINGS BERHAD (201666-D)

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2011

A1. Accounting policies (contd.)

(b) FRS 127 Consolidated and Separate Financial Statements

The main changes include the accounting for changes in ownership interest in a subsidiary, where changes in ownership which do not result in the loss of control are now accounted for within equity instead of the statement of comprehensive income. Where an entity loses control of a subsidiary, any remaining investment is remeasured at fair value and a gain or loss is recognised in the income statement. The term minority interests were replaced by the term non-controlling interests, with a new definition. Total comprehensive income attributed to the owners of the parent and to the non-controlling interests, even if it results in the non-controlling interest having a deficit balance.

The revised FRS 127 requires retrospective application with certain exceptions as permitted under this standard.

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 July 2011

Amendments to IC Interpretation 14	Prepayment of a Minimum Funding Requirement
IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments

1 January 2012

FRS 124	Related Party Disclosures
IC Interpretation 15	Agreements for the Construction of Real Estate

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.

OSK PROPERTY HOLDINGS BERHAD (201666-D)

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2011

A5. Changes in debt and equity securities

Shares buyback / Treasury shares

During the current year to date, the Company has repurchased 1,000 ordinary shares for a total cash consideration of RM781 from open market at an average price of RM0.78 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. Details of treasury shares held in hand as at 30 June 2011 are as follows:

	Number of shares	Purchase Price			Cost RM
		Highest price RM	Lowest price RM	Average cost RM	
As at 1 January 2011	2,000	0.66	0.54	0.65	1,272
May 2011	1,000	0.74	0.74	0.78	781
As at 30 June 2011	3,000	0.74	0.54	0.68	2,053

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 RM3,513,355 was paid on 15 July 2011 in respect of the financial year ended 31 December 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

<u>Current year to date ended</u> <u>30 June 2011 (audited)</u>	Property development	Property investment & management	Holding entity	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
External revenue	138,338	-	108	-	138,446
Inter-segment revenue	-	606	982	(1,588)	-
Total	138,338	606	1,090	(1,588)	138,446
Results					
Profit before finance costs	40,920	907	692	(1,626)	40,893
Less: Finance costs	(1,415)	-	-	982	(433)
Profit before taxation	39,505	907	692	(644)	40,460
Income tax expense					(10,388)
Profit after taxation					30,072
Non-controlling interests					(14,097)
Profit attributable to equity owners of the Company					15,975

OSK PROPERTY HOLDINGS BERHAD (201666-D)

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2011

A7. Segmental information (contd.)

<u>Preceding year to date ended</u> <u>30 June 2010</u> <u>(unaudited)</u>	Property development RM'000	Property investment & management RM'000	Holding entity RM'000	Elimination RM'000	Consolidated RM'000
Revenue					
External revenue	59,829	-	334	-	60,163
Inter-segment revenue	-	-	477	(477)	-
Total	<u>59,829</u>	<u>-</u>	<u>811</u>	<u>(477)</u>	<u>60,163</u>
Results					
Profit before finance costs	11,633	208	496	(514)	11,823
Less: Finance costs	<u>(1,988)</u>	<u>-</u>	<u>-</u>	<u>477</u>	<u>(1,511)</u>
Profit before taxation	9,645	208	496	(37)	10,312
Income tax expense					<u>(2,612)</u>
Profit after taxation					7,700
Non-controlling interests					<u>(2,689)</u>
Profit attributable to equity owners of the Company					<u>5,011</u>

A8. Valuations of property, plant and equipment

There were no revalued property, plant and equipment as at 30 June 2011.

A9. Material events subsequent to the end of the period

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

A10. Changes in the composition of the Group

There were no changes in the composition of the Group during the current year to date except for the following:

(a) Subscription of additional new ordinary shares in Perspektif Vista Sdn. Bhd.

On 7 March 2011, the Company subscribed for additional 499,998 new ordinary shares of RM1.00 each in Perspektif Vista Sdn. Bhd. ("PVSB") for a total cash consideration of RM499,998. The equity stake of the Company in PVSB remained at 100%.

(b) Subscription of additional new ordinary shares in Wawasan Rajawali Sdn. Bhd.

On 10 May 2011, the Company subscribed for additional 249,998 new ordinary shares of RM1.00 each in Wawasan Rajawali Sdn. Bhd. ("WWRSB") for a total cash consideration of RM249,998. The equity stake of the Company in WWRSB remained at 100%.

(c) Subscription of additional new ordinary shares in Atria Damansara Sdn. Bhd.

On 23 June 2011, the Company subscribed for additional 249,998 new ordinary shares of RM1.00 each in Atria Damansara Sdn. Bhd. ("ADSB") for a total cash consideration of RM249,998. The equity stake of the Company in ADSB remained at 100%.

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 SECOND QUARTER ENDED 30 JUNE 2011

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 year-to-date ended 30 June 2011, the Group’s revenue and pre-tax profit surged to RM138.45 million and RM40.46 million respectively, representing 130% increase in revenue and 292% in profits over the results recorded in the preceding year with revenue and pre-tax profit of RM60.16 million and RM10.31 million respectively.

The improved performance of the Group was attributable to increased sales registered from all of the Group’s projects located in the Klang Valley, Seremban and Sungai Petani, Kedah. During the current year to date, the Group has registered sales of over RM200 million, which will be recognized progressively in the Group’s financial statements over its construction period. Unbilled sales as at 30 June 2011 stood at approximately RM215.39 million.

B2. Material changes in the quarterly results

(Comparison on current quarter with the immediate preceding quarter)

The Group recorded pre-tax profit of RM28.41 million on revenue of RM77.29 million in the current quarter against pre-tax profit of RM12.05 million on revenue of RM61.16 million in the immediate preceding quarter. The higher pre-tax profit for this quarter is mainly due to higher sales and advanced stages of construction for the Sutera Damansara, Bangi Lakehill Villas and Bandar Puteri Jaya projects.

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

(a) Current year prospects

(Commentary on the remaining year 2011)

Economies of advanced nations continue to be uncertain whereas developing countries in Asia remains relatively stable with strong domestic demand and rising inflationary pressures. In the domestic economy, the latest leading indicators recorded a moderation in growth during the second quarter, mainly due to slower external demand. This trend is expected to continue into the second half of the year.

The Group expects the success of its Sutera Damansara, Bandar Puteri Jaya and the awards winning Mirage By The Lake projects to continue to contribute encouragingly to its performance for the remaining year 2011. In the pipeline the Group is on track to roll out 3 additional new projects in Kuala Lumpur and Klang Valley. The Board is confident that, barring any unforeseen external factors, the Group will continue to achieve good results for the remaining part of the year.

(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 SECOND QUARTER ENDED 30 JUNE 2011

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 30/06/2011 RM'000	Current year to date ended 30/06/2011 RM'000
In respect of the current quarter/year to date		
- Malaysian income tax	8,156	12,094
- Deferred tax	(1,086)	(1,706)
	<u>7,070</u>	<u>10,388</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 9 August 2011 save for the below:-

On 22 March 2011, Wawasan Rajawali Sdn Bhd, a wholly owned subsidiary company, entered into a conditional Sale and Purchase Agreement with Cyberview Sdn Bhd, the Proprietor and Setia Haruman Sdn Bhd, the Vendor for the acquisition of a piece of freehold vacant commercial land held under H.S(D) 28819, PT No. 41831, Mukim Dengkil, Daerah Sepang, Negeri Selangor Darul Ehsan measuring approximately 64,320 square metres for a total purchase consideration of RM86,542,830. The aforesaid proposed acquisition has been approved by the shareholders' during the Extraordinary General Meeting held on 15 June 2011.

B10. Realised and Unrealised Profits

The breakdown of the retained profits of the Group as at 30 June 2011 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.

OSK PROPERTY HOLDINGS BERHAD (201666-D)

QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2011

B10. Realised and Unrealised Profits(contd.)

	Group 30/06/2011 RM'000	Group 31/12/2010 RM'000
Total retained profits of the Company and its subsidiaries		
- Realised	225,045	213,683
- Unrealised	7,118	6,562
	<u>232,163</u>	<u>220,245</u>
Less: Consolidation adjustments	(101,563)	(105,620)
Total Group retained profits as per consolidated accounts	<u>130,600</u>	<u>114,625</u>

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:

	RM'000
(a) Long term borrowings:	
Secured	
Term loan	<u>97,767</u>
(b) Short term borrowings:	
Secured	
Term loan	3,200
Revolving credit	<u>18,000</u>
	<u>21,200</u>
Total	<u>118,967</u>

B12. Off balance sheet financial instruments

As at 9 August 2011, the Group did not enter into any contract involving financial instruments with off balance sheet risk.

B13. Material litigation

As at 9 August 2011, the Group is 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

The Board of Directors has recommended an interim dividend of 2.5 sen per share less 25% income tax in respect of the financial year ending 31 December 2011 (2010: 2.5 sen per share less 25% income tax). The said dividend shall be paid on a date to be announced.

OSK PROPERTY HOLDINGS BERHAD (201666-D)**QUARTERLY REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2011****B15. Earnings Per Share (“EPS”)**

	Current quarter ended <u>30/06/2011</u>	Comparative quarter ended <u>30/06/2010</u>	Current year to date ended <u>30/06/2011</u>	Preceding year to date ended <u>30/06/2010</u>
Basic EPS				
Profit attributable to equity owners of the Company (RM'000)	11,578	3,129	15,975	5,011
Weighted average number of ordinary shares in issue ('000 shares)	187,377	187,379	187,377	187,379
Basic EPS (sen)	6.18	1.67	8.53	2.67
Diluted EPS				
Profit attributable to equity owners of the Company (RM'000)	11,578	3,129	15,975	5,011
Weighted average number of ordinary shares in issue ('000 shares)	187,377	187,379	187,377	187,379
Effect of dilution on assumed exercise of warrants ('000 shares)	- *	- *	- *	- *
Adjusted weighted average number of ordinary shares in issue and issuable ('000 shares)	187,377	187,379	187,377	187,379
Diluted EPS (sen)	6.18	1.67	8.53	2.67

* For the current quarter and current year to date ended 30 June 2011, the outstanding warrants have been excluded from the computation of fully diluted earnings per ordinary share as their effect would be anti-dilutive.

B16. Auditors' report of preceding annual financial statements

The auditors' report on the financial statements for the year ended 31 December 2010 was not qualified.

By Order of the Board

DATO' NIK MOHAMED DIN BIN DATUK NIK YUSOFF
Executive Chairman

Kuala Lumpur
16 August 2011