

OSK PROPERTY HOLDINGS BERHAD (201666-D)

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2011 AUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS

	Current quarter ended 31/12/2011	Comparative quarter ended 31/12/2010	Current year to date ended 31/12/2011	Preceding year to date ended 31/12/2010
	RM'000	RM'000	RM'000	RM'000
Revenue	57,031	42,345	272,712	144,872
Cost of sales	(37,840)	(31,063)	(187,770)	(106,964)
Gross profit	19,191	11,282	84,942	37,908
Other income	986	2,622	7,192	10,479
Selling and marketing expenses	(6,410)	(1,869)	(12,899)	(6,216)
Administrative expenses	(2,663)	(3,198)	(11,383)	(12,164)
Finance costs	(574)	(1,095)	(995)	(3,295)
Profit before taxation	10,530	7,742	66,857	26,712
Income tax expense	(2,591)	(1,799)	(18,054)	(7,366)
Profit for the period	7,939	5,943	48,803	19,346
Profit attributable to:				
Equity owners of the Company	4,256	2,770	24,622	11,870
Non-controlling interests	3,683	3,173	24,181	7,476
	7,939	5,943	48,803	19,346
Earnings per share (sen) attributable to equity owners of the Company (Note B15):				
Basic	2.27	1.48	13.14	6.33
Diluted	2.27	1.48	13.14	6.33

(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 2011
AUDITED CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE
INCOME**

	Current quarter ended 31/12/2011	Comparative quarter ended 31/12/2010	Current year to date ended 31/12/2011	Preceding year to date ended 31/12/2010
	RM'000	RM'000	RM'000	RM'000
Profit after tax for the period	7,939	5,943	48,803	19,346
Other comprehensive income for the period, net of tax	-	-	-	-
Total comprehensive income for the period, net of tax	7,939	5,943	48,803	19,346
Total comprehensive income attributable to:				
Equity owners of the Company	4,256	2,770	24,622	11,870
Non-controlling interests	3,683	3,173	24,181	7,476
	7,939	5,943	48,803	19,346

(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 2011 AUDITED CONDENSED STATEMENTS OF FINANCIAL POSITION

	As at 31/12/2011 RM'000	As at 31/12/2010 RM'000
ASSETS		
Non-current assets		
Property and equipment	2,519	4,291
Investment properties	79,767	8,645
Land held for property development	304,504	328,063
Intangible assets	533	89
Deferred tax assets	8,549	6,566
Trade receivables	1,721	1,899
Other receivables, deposits and prepayments	1,716	1,423
	399,309	350,976
Current assets		
Property development costs	144,203	113,546
Inventories	162	162
Trade receivables	48,826	29,320
Accrued billings	36,827	3,344
Other receivables, deposits and prepayments	2,093	1,687
Tax recoverable	287	1,234
Cash, bank balances and deposits	100,766	53,286
	333,164	202,579
TOTAL ASSETS	732,473	553,555

OSK PROPERTY HOLDINGS BERHAD (201666-D)

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2011 AUDITED CONDENSED STATEMENTS OF FINANCIAL POSITION (CONT'D)

	As at 31/12/2011 RM'000	As at 31/12/2010 RM'000
EQUITY AND LIABILITIES		
Equity attributable to equity owners of the Company		
Share capital	187,380	187,380
Less: Treasury shares, at cost	(3)	(1)
	<u>187,377</u>	<u>187,379</u>
Reserves	151,827	134,231
	<u>339,204</u>	<u>321,610</u>
Non-controlling interests	30,072	10,791
Total equity	<u>369,276</u>	<u>332,401</u>
Non-current liabilities		
Term loans	165,989	91,676
Trade payables	5,024	3,669
Other payables, deposits and accruals	4,150	11,333
Deferred tax liabilities	34,249	36,810
	<u>209,412</u>	<u>143,488</u>
Current liabilities		
Trade payables	25,694	18,930
Progress billings	27,421	25,103
Other payables, deposits and accruals	55,746	15,385
Short term borrowings	38,500	17,950
Tax payable	2,014	298
Dividend payables	4,410	-
	<u>153,785</u>	<u>77,666</u>
Total liabilities	<u>363,197</u>	<u>221,154</u>
TOTAL EQUITY AND LIABILITIES	<u>732,473</u>	<u>553,555</u>
Net asset per share (RM) attributable to equity owners of the Company	<u>1.81</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 FOURTH QUARTER ENDED 31 DECEMBER 2011
AUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**

	Attributable to equity owners of the Company						Non- controlling interests	Total equity
	Share capital	Treasury shares	Share premium	Capital Redemption Reserve	Retained profits	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Current year to date ended 31 December 2011</u>								
At 1 January 2011	187,380	(1)	6,984	12,622	114,625	321,610	10,791	332,401
Total comprehensive income	-	-	-	-	24,622	24,622	24,181	48,803
Dividend paid	-	-	-	-	(7,026)	(7,026)	-	(7,026)
Dividends to non-controlling interests	-	-	-	-	-	-	(4,900)	(4,900)
Shares buyback of the Company	-	(2)	-	-	-	(2)	-	(2)
At 31 December 2011	187,380	(3)	6,984	12,622	132,221	339,204	30,072	369,276
<u>Preceding year to date ended 31 December 2010</u>								
At 1 January 2010	200,002	(8,261)	15,245	-	109,782	316,768	3,363	320,131
Total comprehensive income	-	-	-	-	11,870	11,870	7,476	19,346
Dividend paid	-	-	-	-	(7,027)	(7,027)	-	(7,027)
Cancellation of treasury shares	(12,622)	8,261	(8,261)	12,622	-	-	-	-
Shares buyback of the Company	-	(1)	-	-	-	(1)	-	(1)
Acquisition of additional shares in a subsidiary company	-	-	-	-	-	-	(48)	(48)
At 31 December 2010	187,380	(1)	6,984	12,622	114,625	321,610	10,791	332,401

(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 2011 AUDITED CONDENSED STATEMENT OF CASH FLOWS

	Current year to date ended 31/12/2011 RM'000	Preceding year ended 31/12/2010 RM'000
Cash Flows From Operating Activities		
Profit before taxation	66,857	26,712
Adjustments for non-cash and non-operating items	(122)	3,168
Operating profit before working capital changes	66,735	29,880
Changes in working capital :-		
Net change in inventories	-	122
Net change in property development costs	11,407	(24,763)
Net change in receivables	(20,325)	(8,008)
Net change in payables	(34,048)	18,868
Net change in accrued/progress billings	(31,164)	21,013
Net cash generated from operations	(7,395)	37,112
Interest paid	(7,918)	(4,256)
Interest received	1,778	864
Tax paid	(20,292)	(13,640)
Tax refunded	355	1,159
Net cash (used in)/generated from operating activities	(33,472)	21,239
Cash Flows From Investing Activities		
Proceeds from disposal of plant and equipment	133	8
Purchase of property and equipment	(735)	(1,769)
Purchase of intangible assets	(489)	(50)
Subsequent expenditure on investment properties	(5,302)	-
Net cash used in investing activities	(6,393)	(1,811)

OSK PROPERTY HOLDINGS BERHAD (201666-D)

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2011 AUDITED CONDENSED STATEMENT OF CASH FLOWS (CONT'D)

	Current year to date ended 31/12/2011 RM'000	Preceding year ended 31/12/2010 RM'000
Cash Flows From Financing Activities		
Payment of BaIDS expenses	-	(3)
Payment of BaIDS profits	-	(438)
Payment of Primary Bonds	-	(17,500)
Shares buyback	(2)	(1)
Net drawdown of term loans	73,863	29,201
Net drawdown/(repayment) of revolving credits	21,000	(15,100)
Dividends paid to non-controlling interests	(490)	-
Dividends paid	(7,026)	(7,027)
Net cash generated from/(used in) financing activities	<u>87,345</u>	<u>(10,868)</u>
Net change in cash and cash equivalents	47,480	8,560
Cash and cash equivalents at beginning of the year	53,286	44,726
Cash and cash equivalents at end of the year	<u>100,766</u>	<u>53,286</u>
Cash and cash equivalents at end of the year comprised:		
Cash on hand and at banks	5,080	4,469
Housing Development Accounts	31,921	26,891
Short term placement with licensed bank	53,899	7,209
Short term placements with licensed investment bank	9,866	14,717
	<u>100,766</u>	<u>53,286</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 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 as follows:

On 1 January 2011, the Group adopted the following new and amended FRS and IC Interpretations mandatory for annual financial periods beginning on or after 1 January 2011.

FRS 1	First-time Adoption of Financial Reporting Standards*
FRS 3	Business Combinations (revised)*
Amendments to FRS 1	Additional Exemptions for First-time Adopters*
Amendments to FRS 1	Limited Exemption from Comparative FRS 7 Disclosures to First-time Adopters*
Amendments to FRS 2	Share-based Payment *
Amendments to FRS 2	Group Cash-settled Shared-based Payment Transactions*
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations*
Amendments to FRS 7	Improving Disclosures about Financial Instruments
Amendments to FRS 127	Consolidated and Separate Financial Statements*
Amendments to FRS 132	Classification of Rights Issues*
Amendments to FRS 138	Intangible Assets*
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives*
IC Interpretation 4	Determining Whether an Arrangement contains a Lease*
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*
IC Interpretation 18	Transfer of Assets from Customers*
Improvements to FRSs issued in 2010	
TR i-4	Shariah Compliant Sale Contracts*

* These new and amended FRSs and IC interpretations are, however, not applicable to the Group.

Adoption of the above standards and interpretations did not have any effect on the financial performance or position of the Group.

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QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2011

A1. Accounting policies (contd.)

The Group has not adopted the following standards and interpretations that have been issued but not yet effective:

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 (Revised)
IC Interpretation 15	Agreements for the Construction of Real Estate
Amendments to FRS 1	Severe Hyperinflation and Removal of Fixed Dated for First-time Adopters
Amendments to FRS 7	Disclosure - Transfer of Financial Assets
Amendments to FRS 112	Deferred Tax Recovery of Underlying Assets

1 July 2012

Amendments to FRS 101	Presentation of Items of Other Comprehensive Income
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1 January 2013

FRS 9	Financial Instruments (IFRS 9 issued by IASB in Nov 2009)
FRS 9	Financial Instruments (IFRS 9 issued by IASB in Oct 2010)
FRS 10	Consolidated Financial Statements
FRS 11	Joint Arrangements
FRS 12	Disclosure of Interest in Other Entities
FRS 13	Fair Value Measurement
FRS 119	Employee Benefits (Revised)
FRS 127	Separate Financial Statements (Revised)
FRS 128	Investment in Associates and Joint Ventures (Revised)
IC Interpretation 20	Stripping Costs in the Production Phase of a Surface Mine
Malaysian Financial Reporting Standards (MFRS Framework)	

The directors expect that the adoption of the other standard and interpretations above will have no material impact on the financial statements in the period of initial application, except as disclosed below:

Malaysian Financial Reporting Standards (MFRS Framework)

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (MFRS Framework).

OSK PROPERTY HOLDINGS BERHAD (201666-D)

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2011

A1. Accounting policies (contd.)

Malaysian Financial Reporting Standards (MFRS Framework) (contd.)

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer (herein called 'Transitioning Entities').

Transitioning Entities will be allowed to defer adoption of the new MFRS Framework for an additional one year. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2013.

The Group falls within the scope definition of Transitioning Entities and have opted to defer adoption of the new MFRS Framework. Accordingly, the Group will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 December 2013. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

At the date of these financial statements, the Group has not completed its quantification of the financial effects of the differences between Financial Reporting Standards and accounting standards under the MFRS Framework due to the ongoing assessment by the project team. Accordingly, the consolidated financial performance and financial position as disclosed in these financial statements for the year ended 31 December 2011 could be different if prepared under the MFRS Framework.

The Group considers that it is achieving its scheduled milestones and expects to be in a position to fully comply with the requirements of the MFRS Framework for the financial year ending 31 December 2013.

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 FOURTH QUARTER ENDED 31 DECEMBER 2011

A5. Changes in debt and equity securities

Shares buyback / Treasury shares

During the current year to date, the Company has repurchased 2,000 ordinary shares for a total cash consideration of RM1,743 from open market at an average price of RM0.87 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 31 December 2011 are as follows:

	Number of <u>shares</u>	Purchase Price			<u>Cost</u> RM
		Highest <u>price</u> RM	Lowest <u>price</u> RM	Average <u>cost</u> 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	782
November 2011	1,000	0.92	0.92	0.96	961
As at 31 December 2011	4,000	0.92	0.54	0.75	3,015

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) 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.
- (b) An interim dividend of 2.5 sen per share less 25% income tax amounting to RM3,513,348 in respect of current financial year ended 31 December 2011 was paid on 4 November 2011.

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

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QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2011

A7. Segmental information (contd.)

<u>Current year to date ended</u> <u>31 December 2011</u>	Property development	Property investment & management	Holding entity	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
External revenue	272,525	-	187	-	272,712
Inter-segment revenue	-	1,269	13,997	(15,266)	-
Total	272,525	1,269	14,184	(15,266)	272,712

Results

Profit before finance costs	68,266	1,940	12,981	(15,335)	67,852
Less: Finance costs	(3,668)	-	-	2,673	(995)
Profit before taxation	64,598	1,940	12,981	(12,662)	66,857
Income tax expense					(18,054)
Profit after taxation					48,803
Non-controlling interests					(24,181)
Profit attributable to equity owners of the Company					24,622

<u>Preceding year to date ended</u> <u>31 December 2010</u>	Property development	Property investment & management	Holding entity	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
External revenue	144,615	-	257	-	144,872
Inter-segment revenue	-	298	7,855	(8,153)	-
Total	144,615	298	8,112	(8,153)	144,872

Results

Profit before finance costs	29,728	701	7,421	(7,843)	30,007
Less: Finance costs	(6,765)	-	-	3,470	(3,295)
Profit before taxation	22,963	701	7,421	(4,373)	26,712
Income tax expense					(7,366)
Profit after taxation					19,346
Non-controlling interests					(7,476)
Profit attributable to equity owners of the Company					11,870

A8. Valuations of property, plant and equipment

There were no revalued property, plant and equipment as at 31 December 2011.

A9. Material events subsequent to the end of the period

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

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QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2011

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 FOURTH QUARTER ENDED 31 DECEMBER 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 financial year ended 31 December 2011, the Group recorded a pre-tax profit of RM66.86 million on revenue of RM272.71 million, representing a 150% increase in profits and 88% in revenue over the results recorded in the preceding year.

The commendable improvement in the Group’s performance is attributable to continuous good take up of its properties launched and as well as more advanced stages of construction work progress for Sutera Damansara, Bangi Lakehills and Bandar Puteri Jaya projects.

During the quarter under review, the Group’s highly anticipated Atria Small Office Flexible Office (“SOFO”) Suites, Damansara Jaya was opened for public preview on 18 November 2011. The Group has received overwhelming response and all the 392 units of SOFO suites were taken up within 7 hours of launching. Revenue from the SOFO suites with gross development value of RM212 million will be recognized progressively in the Group’s financial statements as construction works for the SOFO towers advance.

Sales registered from all of the Group’s projects in the Klang Valley, Cyberjaya, Seremban and Sungai Petani for the quarter under review and financial year 2011 were RM323 million and RM656 million respectively.

B2. Material changes in the quarterly results

(Comparison on current quarter with the immediate preceding quarter)

The Group recorded pre-tax profit of RM10.53 million on revenue of RM57.33 million in the quarter under review against pre-tax profit of RM15.87 million on revenue of RM77.24 million in the immediate preceding quarter. The lower pre-tax profit and revenue in the fourth quarter of 2011 was mainly due to lower construction work progress for certain phases in Sutera Damansara and Bangi Lakehill projects. There were also higher selling and marketing expenses incurred in the fourth quarter due to launching of new projects.

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

(a) Prospects for 2012

(Commentary on the financial year 2012)

Despite heightened uncertainties in global economy, growth in Malaysia for 2012 is projected to expand between 5% and 6% and will be driven largely by domestic factors. Strong economic fundamentals coupled with pragmatic macroeconomic policies and implementation of the Economic Transformation Programme is expected to enhance domestic sources of growth.

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QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2011

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

(a) Prospects for 2012 (contd.)

(Commentary on the financial year 2012)

Affordable housing programmes by the Government will be a boon to housing development and the non-residential development will be active given the favourable business environment. Major infrastructure projects are expected to spur property development in surrounding areas, while demand is also expected to remain stable as projects under the 10th Malaysia Plan and the National Key Economic Areas gain momentum.

The Group plans to launch its new project in Cyberjaya, Pan'gaea during the year 2012. Phase 1, Paragon, a pair of iconic 16-storey and 22-storey towers with 196 exclusive and highly flexible SOFO suites, together with 49 lifestyle boutique retail offices with built-up areas ranging from 650-1,400 sq ft is planned for public preview in the month of March 2012. Enquiries and registrations received to date have been very promising and encouraging.

The Group also intends to continue to source for prime and strategic development lands and explore viable joint venture developments to further enhance its performance and commendable growth.

The Board is confident that with committed sales value of RM656 million and with expected good demand for the Group's new properties to be launched, the performance for financial year ending 2012 will be better than 2011's.

(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.

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 31/12/2011 RM'000	Current year to date ended 31/12/2011 RM'000
In respect of the current quarter/year to date		
- Malaysian income tax	4,598	22,599
- Deferred tax	(2,007)	(4,545)
	<u>2,591</u>	<u>18,054</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.

OSK PROPERTY HOLDINGS BERHAD (201666-D)

QUARTERLY REPORT FOR THE FOURTH QUARTER ENDED 31 DECEMBER 2011

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 15 February 2012.

B10. Realised and Unrealised Profits

The breakdown of the retained profits of the Group as at 31 December 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.

	Group 31/12/2011 RM'000	Group 31/12/2010 RM'000
Total retained profits of the Company and its subsidiaries		
- Realised	288,612	213,683
- Unrealised	8,589	6,562
	<u>297,201</u>	<u>220,245</u>
Less: Consolidation adjustments	(164,980)	(105,620)
Total Group retained profits as per consolidated accounts	<u>132,221</u>	<u>114,625</u>

11. 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	163,775
Bridging loan	2,214
	<u>165,989</u>
(b) Short term borrowings:	
Secured	
Term loan	4,000
Revolving credit	34,500
	<u>38,500</u>
Total	<u>204,489</u>

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B12. Off balance sheet financial instruments

As at 15 February 2012, the Group did not enter into any contract involving financial instruments with off balance sheet risk.

B13. Material litigation

Shah Alam High Court Suit No. 22NCVC-845-2011

Metroprime Corporation Sdn Bhd (“Plaintiff”) v Atria Damansara Sdn Bhd (“Defendant”)

Metroprime Corporation Sdn Bhd (“MCSB”), a former tenant of the Atria Shopping Complex (“the Atria”) has on 21 July 2011 commenced legal action against Atria Damansara Sdn Bhd (“ADSB”), a wholly owned subsidiary of the Company, seeking amongst others, a declaration that the termination of its tenancy in the Atria, was allegedly null and void. In the alternative, MCSB is also claiming for damages arising from the alleged wrongful termination. ADSB has filed its Defence on 16.8.2011 and the matter is now fixed for trial on 8th and 9th of October 2012.

B14. Dividends

- (a) The Board has recommended a final dividend of 5.0 sen per share less 25% income tax for the year ended 31 December 2011 (2010: 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) Subject to shareholders’ approval on the final dividend, total dividend for the current year is 7.5 sen per share less 25% income tax (2010: 5.0 sen per share less 25% income tax).

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B15. Earnings Per Share (“EPS”)

	Current quarter ended <u>31/12/2011</u>	Comparative quarter ended <u>31/12/2010</u>	Current year to date ended <u>31/12/2011</u>	Preceding year to date ended <u>31/12/2010</u>
Basic EPS				
Profit attributable to equity owners of the Company (RM'000)	4,256	2,770	24,622	11,870
Weighted average number of ordinary shares in issue ('000 shares)	187,377	187,379	187,377	187,379
Basic EPS (sen)	2.27	1.48	13.14	6.33
Diluted EPS				
Profit attributable to equity owners of the Company (RM'000)	4,256	2,770	24,622	11,870
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)	2.27	1.48	13.14	6.33

* For the current quarter and current year to date ended 31 December 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.

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B17. Profit before taxation

Profit before taxation is arrived at after crediting/(charging) the following income/(expenses):

	Current quarter ended 31/12/2011 RM'000	Current year to date ended 31/12/2011 RM'000
(a) Interest income	603	1,779
(b) Other income including investment income	408	5,600
(c) Interest expense	(6)	(46)
(d) Depreciation and amortisation	(148)	(583)
(e) Provision for and write off of receivables	-	(126)
(f) Provision for and write off of inventories	-	-
(g) Gain/(Loss) on disposal of quoted and unquoted investments or properties	-	-
(h) Impairment of assets	-	-
(i) Foreign exchange gain/(loss)	-	-
(j) Gain/(Loss) on derivatives *	-	-
(k) Exceptional items *	-	-

* These items are not applicable to the Group.

By Order of the Board

DATO' NIK MOHAMED DIN BIN DATUK NIK YUSOFF
Executive Chairman

Kuala Lumpur
22 February 2012