

Financial ResultsReference No **GG-100416-8DEE4**

Company Name : **GUOCOLAND (MALAYSIA) BERHAD**
 Stock Name : **GUOCO**
 Date Announced : 19/04/2010
 Financial Year End : 30/06/2010
 Quarter : 3
 Quarterly report for the financial period ended : 31/03/2010
 The figures : have not been audited

Converted attachment :

Please attach the full Quarterly Report here:

📎 [GLM - 3rd QR 31.3.2010.pdf](#)

Remark:

- DEFAULT CURRENCY
- OTHER CURRENCY

Currency : Malaysian Ringgit (MYR)

SUMMARY OF KEY FINANCIAL INFORMATION
31/03/2010

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31/03/2010 \$\$'000	31/03/2009 \$\$'000	31/03/2010 \$\$'000	31/03/2009 \$\$'000
1Revenue	42,420	17,731	130,496	53,811
2Profit/(loss) before tax	-6,074	-3,241	3,057	7,948
3Profit/(loss) for the period	-5,886	-4,373	438	5,615
4Profit/(loss) attributable to ordinary equity holders of the parent	-5,651	-3,367	2,489	5,925
5Basic earnings/(loss) per share (Subunit)	-0.84	-0.50	0.37	0.88

6Proposed/Declared dividend per share (Subunit)	0.00	0.00	0.00	0.00
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	AS AT END OF CURRENT QUARTER	AS AT PRECEDING FINANCIAL YEAR END
7Net assets per share attributable to ordinary equity holders of the parent (\$\$)	1.1268	1.1475

Remarks :

Definition of Subunit:

In a currency system, there is usually a main unit (base) and subunit that is a fraction amount of the main unit. Example for the subunit as follows:

Country	Base Unit	Subunit
Malaysia	Ringgit	Sen
United States	Dollar	Cent
United Kingdom	Pound	Pence

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**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER
ENDED 31 MARCH 2010**

The figures have not been audited

**CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE QUARTER ENDED
31 MARCH 2010**

	3 months ended		9 months ended	
	31.03.2010 RM'000	31.03.2009 RM'000	31.03.2010 RM'000	31.03.2009 RM'000
Revenue	42,420	17,731	130,496	53,811
(Loss)/Profit from operations	(3,397)	(3,829)	9,613	(5,936)
Finance costs	(5,772)	(1,955)	(17,207)	(4,242)
Interest income	22	220	128	468
Share of profit after tax of associates and jointly controlled entities	3,074	2,323	10,523	17,658
(Loss)/Profit before taxation	(6,074)	(3,241)	3,057	7,948
Taxation	188	(1,132)	(2,619)	(2,333)
(Loss)/Profit for the period	(5,886)	(4,373)	438	5,615
Attributable to:				
Equity holders of the parent	(5,651)	(3,367)	2,489	5,925
Minority interest	(235)	(1,006)	(2,051)	(310)
	(5,886)	(4,373)	438	5,615
Earnings per share attributable to equity holders of the parent:				
a) Basic (sen)	(0.84)	(0.50)	0.37	0.88
b) Diluted (sen)	(0.84)	(0.50)	0.37	0.88

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 30 June 2009 and the accompanying explanatory notes attached to the interim financial statements.



CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2010

	As at 31.03.2010 RM'000	As at 30.06.2009 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	356,788	357,510
Investment properties	107,000	107,000
Land held for development	63,316	62,160
Investments in associates	92,934	92,970
Investments in jointly controlled entities	320,560	315,632
Investments	4,990	5,397
Goodwill on consolidation	16,142	17,732
Deferred tax assets	3,829	1,186
Leasehold land use rights	4,361	4,402
	<u>969,920</u>	<u>963,989</u>
Current assets		
Inventories	476,882	520,646
Due from contract customers	46	733
Development properties	212,892	223,825
Trade and other receivables	63,542	48,358
Tax recoverable	1,621	4,863
Deposits, cash and bank balances	21,931	25,828
	<u>776,914</u>	<u>824,253</u>
TOTAL ASSETS	<u>1,746,834</u>	<u>1,788,242</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	350,229	350,229
Share premium	35,089	35,089
Exchange reserve	-	6,318
Retained profits	393,370	400,929
Equity funds	778,688	792,565
Shares held by ESOS Trust	(23,883)	(23,883)
Net equity funds	754,805	768,682
Minority interests	77,605	74,604
Total equity	<u>832,410</u>	<u>843,286</u>



CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2010 (Cont'd)

	As at 31.03.2010 RM'000	As at 30.06.2009 RM'000
Non-current liabilities		
Borrowings	266,478	493,414
Deferred tax liabilities	16,709	18,300
	<u>283,187</u>	<u>511,714</u>
Current liabilities		
Trade and other payables	81,420	116,778
Short term borrowings	548,414	315,400
Provision for taxation	1,403	1,064
	<u>631,237</u>	<u>433,242</u>
Total liabilities	914,424	944,956
TOTAL EQUITY AND LIABILITIES	<u>1,746,834</u>	<u>1,788,242</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	1.1268	1.1475

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 30 June 2009 and the accompanying explanatory notes attached to the interim financial statements.



**CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE QUARTER ENDED
31 MARCH 2010**

	9 months ended	
	31.03.2010 RM'000	31.03.2009 RM'000
Net Profit before Tax	3,057	7,948
Adjustments for:-		
Non-cash items	(2,279)	(13,545)
Non-operating items	16,658	3,700
Operating profit before changes in working capital	17,437	(1,897)
Net change in current assets	37,396	(132,746)
Net change in current liabilities	(35,358)	(19,517)
Interest paid	(19,129)	(22,420)
Net income tax paid	(889)	(1,571)
Net cash flow used in operating activities	(544)	(178,151)
Investing Activities		
Equity investments	5,398	5,554
Other investments	(4,910)	(3,776)
Interest received	128	226
Net cash flow generated from investing activities	616	2,004
Financing Activities		
Dividend paid	(10,048)	(10,048)
Net drawdown of bank borrowings	4,219	153,303
Purchase of shares held by ESOS Trust	-	(225)
Net cash flow (used in)/generated from financing activities	(5,829)	143,030
Net Change in Cash & Cash Equivalents	(5,757)	(33,117)
Cash & Cash Equivalents at beginning of year	20,571	65,427
Cash & Cash Equivalents at end of financial year	14,815	32,310

Cash and Cash Equivalents in the consolidated cash flow statements comprise of the following balance sheet amounts:

	31.03.2010 RM'000	31.03.2009 RM'000
Deposit, cash and bank balances	21,931	35,991
Bank overdraft	(7,116)	(3,681)
	14,815	32,310

Cash and Cash Equivalents consist of cash in hand, demand deposits and short term, highly liquid investments readily convertible to known amounts of cash and subject to insignificant risk of changes in value, against which the bank overdraft balances, if any, are deducted.

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 30 June 2009 and the accompanying explanatory notes attached to the interim financial statements.



CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2010

	← Attributable to Equity Holders of the Parent →						Minority Interests RM'000	Total Equity RM'000
	← Non-Distributable →			Distributable				
	Share Capital RM'000	Share Premium RM'000	Shares held by ESOS Trust RM'000	Exchange Reserve RM'000	Retained Profits RM'000	Total RM'000		
Current Year-To-Date								
As at 1 July 2009	350,229	35,089	(23,883)	6,318	400,929	768,682	74,604	843,286
Realised exchange reserve - dissolution of subsidiary	-	-	-	(6,318)	-	(6,318)	5,052	(1,266)
Profit for the period	-	-	-	-	2,489	2,489	(2,051)	438
Dividend paid	-	-	-	-	(10,048)	(10,048)	-	(10,048)
At 31 March 2010	350,229	35,089	(23,883)	(0)	393,370	754,805	77,605	832,410
Preceding Year's Corresponding Period								
At 1 July 2008	350,229	35,089	(23,658)	6,338	477,022	845,020	77,468	922,488
Net loss not recognised in the income statement - translation of foreign subsidiaries	-	-	-	(18)	-	(18)	(7)	(25)
Profit for the period	-	-	-	-	5,925	5,925	(310)	5,615
ESOS Trust shares acquired during the period	-	-	(225)	-	-	(225)	-	(225)
Dividend paid	-	-	-	-	(10,048)	(10,048)	-	(10,048)
At 31 March 2009	350,229	35,089	(23,883)	6,320	472,899	840,654	77,151	917,805

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 30 June 2009 and the accompanying explanatory notes attached to the interim financial statements.



NOTES

1. **Basis of Preparation**

The interim financial report is unaudited and has been prepared in accordance with the Financial Reporting Standard (“FRS”) 134 “Interim Financial Reporting” and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2009. The explanatory notes attached to the interim financial report 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 30 June 2009.

2. **Changes in Accounting Policies**

The significant accounting policies adopted are consistent with those adopted in the annual financial statements for the financial year ended 30 June 2009.

3. **Qualification of audit report of the preceding annual financial statements**

The audit report for the preceding annual financial statements was not qualified.

4. **Seasonality or cyclicity of interim operations**

The Group’s interim operations were not materially affected by any seasonal or cyclical factors for the current quarter under review.

5. **Nature and amount of items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current financial year-to-date.

6. **Changes in estimates of amounts reported in prior interim periods of the current financial year or in prior financial years**

There were no changes in estimates of amounts reported in the prior interim periods of the current financial year or in prior financial periods.

7. **Issuance and repayment of debt and equity securities**

There were no additional shares purchased by the trust set up for the Executive Share Option Scheme (“ESOS Trust”) during the current quarter and financial year-to-date under review. The total number of shares purchased by the ESOS Trust as at 31 March 2010 was 30,578,100 shares.

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the financial period ended 31 March 2010.



8. Dividend paid

The final dividend of 2 sen per share less 25% taxation amounting to RM10.048 million in respect of the previous financial year was paid on 3 November 2009.

9. Segmental reporting

The Group's segmental report for the financial year-to-date ended 31 March 2010 is as follows:

	Property Development RM'000	Property Investment RM'000	Hotels RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
Revenue						
External sales	90,523	4,557	29,006	6,410	-	130,496
Inter-segment sales	-	-	-	1,394	(1,394)	-
Total revenue	90,523	4,557	29,006	7,804	(1,394)	130,496
Results						
Segment results	16,130	2,253	(7,188)	(849)		10,346
Unallocated corporate expenses						(733)
Profit from operations						9,613

Segmental reporting by geographical location has not been prepared as the Group's operations are substantially carried out in Malaysia.

10. Valuations of property, plant and equipment

The valuations of property, plant and equipment were brought forward without any amendments from the previous annual financial statements.

11. Material events not reflected in the financial statements

There are no material subsequent events to be disclosed till 12 April 2010 (being the latest practicable date which is not earlier than 7 days from the date of issue of this interim financial statement).

12. Changes in the composition of the Group

There were no changes in the composition of the Group during the financial year-to-date under review, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings and discontinuing operations other than as mentioned below:

- (i) Guoman Hotels Limited, a subsidiary of the Company, had been dissolved and struck off from the Register of Companies pursuant to the Bermuda Companies Act, 1981; and
- (ii) BLV Entertainment Sdn Bhd, an indirect wholly-owned subsidiary of the Company, had been placed under member's voluntary liquidation pursuant to Section 254(1)(b) of the Companies Act, 1965 and its Final Meeting was held on 2 March 2010.



13. **Contingent liabilities or contingent assets**

There are no contingent liabilities or contingent assets as at 31 March 2010.

14. **Review of Performance**

The Group recorded a revenue and profit before tax of RM130.5 million and RM3.1 million respectively for the 9 months ended 31 March 2010 as compared to RM53.8 million and RM7.9 million respectively in the preceding year's corresponding period.

The increase in revenue was mainly due to the higher revenue from the property development division as compared to the preceding year's corresponding period. Profit before tax was lower as against the preceding year's corresponding period due to the contribution of revaluation surplus from an associated company in that period.

15. **Material changes in profit before taxation**

The Group's loss before tax of RM6.1 million for the current quarter as compared to the immediate preceding quarter's profit before tax of RM0.4 million was mainly attributed to lower contribution from the property development activities.

16. **Prospects**

Barring any unforeseen circumstances, the Group expects the performance for the current financial year to improve as compared to the previous financial year.

17. **Profit forecast / profit guarantee**

Not applicable.

18. **Taxation**

Taxation comprises of:

	Current Quarter RM'000	Financial Year- To-Date RM'000
Current taxation		
- Malaysian income tax	(447)	(4,054)
- Deferred taxation	666	1,549
Prior year under provision		
- Malaysian income tax	(31)	(106)
- Deferred taxation	-	(8)
	188	(2,619)

The Group's effective tax rate (excluding jointly controlled entities and associates) is higher than the statutory tax rate for the current quarter and financial year-to-date due mainly to losses incurred by certain subsidiary companies which cannot be set off against taxable income of other companies.



19. Sale of unquoted investments and/or properties

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

20. Quoted securities

(a) There was no purchase or disposal of quoted securities for the current quarter and current financial year-to-date.

(b) Particulars of investment in quoted securities as at 31 March 2010 are as follows:

Investments:	RM'000
At cost	<u>28,162</u>
At book value	<u>4,990</u>
At market value	<u>4,990</u>

21. Corporate Proposal

There is no outstanding corporate proposal as at the date of this report.

22. Group's borrowings and debt securities

Particulars of the Group's borrowings as at 31 March 2010 are as follows:

	RM'000
Long term borrowings	
Secured	259,478
Unsecured	<u>7,000</u>
	<u>266,478</u>
Short term borrowings	
Secured	353,488
Unsecured	<u>194,926</u>
	<u>548,414</u>
Total borrowings	<u>814,892</u>

The above borrowings are all denominated in Ringgit Malaysia.

23. Financial Instruments with Off Balance Sheet Risk

There were no financial instruments with material off balance sheet risk at the date of issue of this quarterly report.

24. Changes in Material Litigation

Not applicable.



25. Dividend

The Board does not recommend any interim dividend for the financial period ended 31 March 2010.

26. Earnings Per Share (“EPS”)

Basic EPS

The basic earnings per share are calculated based on the net profit attributable to ordinary shareholders for the period divided by the weighted average number of ordinary shares:

	3 months		9 months	
	Current Year Quarter 31.03.2010	Preceding Year Quarter 31.03.2009	Current Year-To - Date 31.03.2010	Preceding Year-To- Date 31.03.2009
Net (Loss)/Profit attributable to ordinary shareholders for the period (RM'000)	<u>(5,651)</u>	<u>(3,367)</u>	<u>2,489</u>	<u>5,925</u>
Weighted average number of shares ('000)	<u>669,880</u>	<u>669,880</u>	<u>669,880</u>	<u>669,880</u>
Basic earnings per share (sen)	<u>(0.84)</u>	<u>(0.50)</u>	<u>0.37</u>	<u>0.88</u>

Diluted EPS

There were no dilutive elements to the share capital and hence, diluted EPS was the same.

By Order of the Board
GuocoLand (Malaysia) Berhad

LIM YEW YOKE
Secretary

Kuala Lumpur
19 April 2010