Form Version 2.0

## Financial Results

Submitted by HLPB on 29/01/2008 05:09:28 PM
Reference No HH-080129-34000

| | | |
|---|---|---|
| | Submitting Merchant Bank (if applicable) | : |
| | Submitting Secretarial Firm Name (if applicable) | : |
| * | Company name | : GuocoLand (Malaysia) Berhad |
| * | Stock name | : GUOCO |
| * | Stock code | : 1503 |
| * | Contact person | : Ms Tanny Lim Yew Yoke |
| * | Designation | : Company Secretary |

### Part A1 : QUARTERLY REPORT

* **Financial Year End** : 30/06/2008

* **Quarter** : ○ 1 Qtr ● 2 Qtr ○ 3 Qtr ○ 4 Qtr ○ Other

* **Quarterly report for the financial period ended** : 31/12/2007

* **The figures** : ○ have been audited ● have not been audited

**Please attach the full Quarterly Report here:**

GLM - 2nd Quarter (31 Dec 2007).p

**Remarks:**

### Part A2 : SUMMARY OF KEY FINANCIAL INFORMATION

**Summary of Key Financial Information for the financial period ended * 31/12/2007**

| | | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|---|---|---|---|---|---|
| | | CURRENT YEAR QUARTER * | PRECEDING YEAR CORRESPONDING QUARTER | CURRENT YEAR TO DATE * | PRECEDING YEAR CORRESPONDING PERIOD |
| | | 31/12/2007 | 31/12/2006 | 31/12/2007 | 31/12/2006 |
| | | [dd/mm/yyyy] RM'000 | [dd/mm/yyyy] RM'000 | [dd/mm/yyyy] RM'000 | [dd/mm/yyyy] RM'000 |
| 1 | Revenue | 21,897 | 39,456 | 58,251 | 63,540 |
| 2 | Profit/(loss) before tax | 6,976 | 9,754 | 12,460 | 11,881 |
| 3 | Profit/(loss) for the period | 7,020 | 8,953 | 11,212 | 11,172 |
| 4 | Profit/(loss) attributable to ordinary equity holders of the parent | 6,402 | 7,721 | 9,768 | 9,470 |

Financial Results

| | | | | | |
|---|---|---|---|---|---|
| 5 | Basic earnings/(loss) per share (sen) | 0.96 | 1.15 | 1.46 | 1.41 |
| 6 | Proposed/Declared dividend per share (sen) | 0.00 | 0.00 | 0.00 | 0.00 |

| | | AS AT END OF CURRENT QUARTER* | AS AT PRECEDING FINANCIAL YEAR END |
|---|---|---|---|
| 7 | Net assets per share attributable to ordinary equity holders of the parent (RM) | 1.2117 | 1.2128 |

Remarks :

Note: For full text of the above announcement, please access the Bursa Malaysia website at www.bursamalaysia.com

## Part A3 : ADDITIONAL INFORMATION

| | | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|---|---|---|---|---|---|
| | | CURRENT YEAR QUARTER* | PRECEDING YEAR CORRESPONDING QUARTER | CURRENT YEAR TO DATE* | PRECEDING YEAR CORRESPONDING PERIOD |
| | | 31/12/2007 16 | 31/12/2006 16 | 31/12/2007 16 | 31/12/2006 16 |
| | | [dd/mm/yyyy] RM'000 | [dd/mm/yyyy] RM'000 | [dd/mm/yyyy] RM'000 | [dd/mm/yyyy] RM'000 |
| 1 | Gross interest income | 379 | 146 | 668 | 297 |
| 2 | Gross interest expense | 906 | 1,456 | 1,645 | 2,372 |

Remarks :

**Note: The above information is for the Exchange internal use only.**

**GuocoLand (Malaysia)**
A Member of the Hong Leong Group Malaysia

## QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED 31 DECEMBER 2007

The figures have not been audited

## CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE SIX-MONTH PERIOD ENDED 31 DECEMBER 2007

| | 3 months ended | | 6 months ended | |
|---|---|---|---|---|
| | 31.12.2007 RM'000 | 31.12.2006 RM'000 | 31.12.2007 RM'000 | 31.12.2006 RM'000 |
| Revenue | 21,897 | 39,456 | 58,251 | 63,540 |
| Profit from operations | 2,210 | 8,841 | 6,062 | 10,154 |
| Finance costs | (906) | (1,456) | (1,645) | (2,372) |
| Interest income | 379 | 146 | 668 | 297 |
| Share of profit after tax of associate and jointly controlled entities | 5,293 | 2,223 | 7,375 | 3,802 |
| Profit before taxation | 6,976 | 9,754 | 12,460 | 11,881 |
| Taxation | 44 | (801) | (1,248) | (709) |
| Profit for the period | 7,020 | 8,953 | 11,212 | 11,172 |
| Attributable to: | | | | |
| Equity holders of the parent | 6,402 | 7,721 | 9,768 | 9,470 |
| Minority interest | 618 | 1,232 | 1,444 | 1,702 |
| | 7,020 | 8,953 | 11,212 | 11,172 |
| Earnings per share attributable to equity holders of the parent: | | | | |
| a) Basic (sen) | 0.96 | 1.15 | 1.46 | 1.41 |
| b) Fully diluted (sen) | 0.96 | 1.15 | 1.46 | 1.41 |

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 30 June 2007 and the accompanying explanatory notes attached to the interim financial statements.

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## CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2007

| | As at 31.12.2007 RM'000 | As at 30.06.2007 RM'000 |
|---|---|---|
| **ASSETS** | | |
| **Non-current assets** | | |
| Property, plant and equipment | 272,648 | 257,547 |
| Investment properties | 107,000 | 107,000 |
| Land held for development | 762 | 762 |
| Investment in associate | 716 | 724 |
| Investment in jointly controlled entities | 313,739 | 306,420 |
| Investments | 44,518 | 57,147 |
| Goodwill on consolidation | 2,464 | 2,464 |
| Deferred tax assets | 1,207 | 1,243 |
| Prepaid land lease payments | 4,488 | 4,516 |
| | 747,542 | 737,823 |
| **Current assets** | | |
| Inventories | 253,779 | 6,384 |
| Due from contract customers | 5,368 | 1,883 |
| Development properties | 203,230 | 197,426 |
| Trade and other receivables | 38,752 | 54,860 |
| Tax recoverable | 1,433 | 4,993 |
| Marketable securities | 8,852 | 7,201 |
| Deposits, cash and bank balances | 88,917 | 41,985 |
| | 600,331 | 314,732 |
| **TOTAL ASSETS** | 1,347,873 | 1,052,555 |
| **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 | 5,151 | 5,285 |
| Retained profits | 445,098 | 445,696 |
| Equity funds | 835,567 | 836,299 |
| Shares held by ESOS Trust | (23,658) | (23,658) |
| Net equity funds | 811,909 | 812,641 |
| **Minority Interests** | 76,569 | 75,184 |
| **Total equity** | 888,478 | 887,825 |

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## CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2007 (CONT'D)

| | As at 31.12.2007 RM'000 | As at 30.06.2007 RM'000 |
|---|---|---|
| **Non-current liabilities** | | |
| Borrowings | 126,500 | 98,000 |
| Deferred tax liabilities | 598 | 566 |
| | 127,098 | 98,566 |
| **Current liabilities** | | |
| Trade and other payables | 95,534 | 61,052 |
| Due to contract customers | 555 | 810 |
| Short term borrowings | 234,444 | 3,670 |
| Provision for taxation | 1,764 | 632 |
| | 332,297 | 66,164 |
| **Total liabilities** | 459,395 | 164,730 |
| **TOTAL EQUITY AND LIABILITIES** | 1,347,873 | 1,052,555 |

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 30 June 2007 and the accompanying explanatory notes attached to the interim financial statements.

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## CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 DECEMBER 2007

| | 6 months ended | |
|---|---|---|
| | 31.12.2007 | 31.12.2006 |
| | RM'000 | RM'000 |
| Net Profit Before Tax | 12,460 | 11,881 |
| Adjustments for:- | | |
| Non-cash items | (5,903) | (3,282) |
| Non-operating items | 1,847 | 2,044 |
| Operating profit before changes in working capital | 8,404 | 10,643 |
| Net change in assets | (22,995) | (23,926) |
| Net change in liabilities | (9,210) | (5,762) |
| Interest paid | (1,645) | (2,372) |
| Net income tax refund | 3,514 | 1,414 |
| Net cash flow used in operating activities | (21,932) | (20,003) |
| Investing Activities | | |
| Equity investments | (2,963) | - |
| Other Investments | (68,840) | (1,892) |
| Interest received | 668 | - |
| Net cash flow used in investing activities | (71,135) | (1,892) |
| Financial Activities | | |
| Dividend paid | (10,366) | (9,789) |
| Net drawdown of bank borrowings | 151,533 | 5,813 |
| Net cash flow generated from /(used in) financing activities | 141,167 | (3,976) |
| Net Change in Cash and Cash Equivalents | 48,100 | (25,871) |
| Effects of exchange rate changes | - | (15) |
| Cash & Cash Equivalent at beginning of year | 40,815 | 33,106 |
| Cash & Cash Equivalent at end of period | 88,915 | 7,220 |

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 2007 and the accompanying explanatory notes attached to the interim financial statements.

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## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2007

| | ← Attributable to Equity Holders of the Parent → | | | | | | Minority Interests | Total Equity |
|---|---|---|---|---|---|---|---|---|
| | ← Non-Distributable → | | | | Distributable | | | |
| | Share Capital RM'000 | Share Premium RM'000 | Shares held by ESOS Trust RM'000 | Exchange Reserve RM'000 | Retained Profit RM'000 | Total RM'000 | RM'000 | RM'000 |
| **Current Year-To-Date** | | | | | | | | |
| **At 1 July 2007** | 350,229 | 35,089 | (23,658) | 5,285 | 445,696 | 812,641 | 75,184 | 887,825 |
| Net loss not recognised in the income statement | | | | | | | | |
| - translation of foreign subsidiaries | - | - | - | (134) | - | (134) | (59) | (193) |
| Profit for the year | - | - | - | - | 9,768 | 9,768 | 1,444 | 11,212 |
| Dividend paid | - | - | - | - | (10,366) | (10,366) | - | (10,366) |
| **At 31 December 2007** | 350,229 | 35,089 | (23,658) | 5,151 | 445,098 | 811,909 | 76,569 | 888,478 |
| **Preceding Year Corresponding Period** | | | | | | | | |
| **At 1 July 2006** | 350,229 | 35,089 | (23,000) | 5,945 | 404,780 | 773,043 | 63,057 | 836,100 |
| Effects of adopting: FRS 140 | - | - | - | - | 1,216 | 1,216 | - | 1,216 |
| **At 1 July 2006 (restated)** | 350,229 | 35,089 | (23,000) | 5,945 | 405,996 | 774,259 | 63,057 | 837,316 |
| Net gain not recognised in the income statement | | | | | | | | |
| - translation of foreign subsidiaries | - | - | - | 2,414 | - | 2,414 | 1,039 | 3,453 |
| Realised exchange recognised directly in equity | | | | | | | | |
| - disposal of subsidiaries | - | - | - | (3,074) | - | (3,074) | (1,321) | (4,395) |
| Profit for the year | - | - | - | - | 49,489 | 49,489 | 12,409 | 61,898 |
| Purchase during the year | - | - | (658) | - | - | (658) | - | (658) |
| Dividend paid | - | - | - | - | (9,789) | (9,789) | - | (9,789) |
| **At 30 June 2007** | 350,229 | 35,089 | (23,658) | 5,285 | 445,696 | 812,641 | 75,184 | 887,825 |

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 30 June 2007 and the accompanying explanatory notes attached to the interim financial statements.

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## NOTES

### 1. Basis of Preparation

The interim financial report 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 2007. 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 2007.

### 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 2007 except for the adoption of the following new/revised FRSs effective for financial period beginning 1 July 2007:

| | |
|---|---|
| FRS 117 | Leases |
| FRS 124 | Related Party Disclosure |
| FRS 107 | Cash Flow Statements |
| FRS 111 | Construction Contracts |
| FRS 112 | Income Taxes |
| FRS 118 | Revenue |
| FRS 134 | Interim Financial Reporting |
| FRS 137 | Provisions, Contingent Liabilities and Contingent Assets |

The adoption of FRSs 124, 107, 111, 112, 118, 134 and 137 does not have significant financial impact on the Group. The principal effects of the changes in accounting policies resulting from the adoption of the other new/revised FRSs are disclosed below.

**FRS 117: Lease**

In line with the revised FRS 117, the Group changed its accounting policy with respect to the classification of its leasehold land. This change in accounting policy was applied retrospectively and has no financial impact on the Group.

FRS 117 requires a leasehold land to be accounted for as an operating lease. The upfront payment for leasehold land represents a prepaid lease payment and is amortised on a straight-line basis over the remaining lease period. Prior to 1 January 2007, the Group's leasehold land was classified as part of property, plant and equipment and was stated at cost less accumulated depreciation and impairment losses.

With the adoption of FRS 117, the carrying amount of the Hyatt Johor Bahru's leasehold land as at 30 June 2007 of RM4.516 million was reclassified as prepaid land lease payments on the face of the balance sheet. Consequently, the Group's property, plant and equipment was restated from RM262.063 million to RM257.547 million as at 30 June 2007, a reduction of RM4.516 million.

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

There was no qualification on the audit report of the preceding annual financial statements.

4. **Seasonality or cyclicality 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 period ended 31 December 2007 except for the changes in accounting policies as disclosed in Note 2 above and the Group inventories have increased by RM247.4 million from RM6.4 million for the previous financial year ended 30 June 2007 to RM253.8 million as at 31 December 2007. The increase was mainly due to the properties under work-in-progress of a newly acquired wholly-owned subsidiary, Titan Debut Sdn Bhd as disclosed in Note 12.

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 period or in prior financial periods.

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

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the financial period ended 31 December 2007.

8. **Dividend paid**

The final dividend of 2 sen per share less 26% taxation amounting to RM10.366 million in respect of previous financial year was paid on 30 November 2007.

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## 9. Segmental reporting

The Group's segmental report for the current financial period 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 | 21,502 | 11,679 | 22,647 | 2,423 | - | 58,251 |
| Inter-segment sales | - | - | - | 1,116 | (1,116) | - |
| Total revenue | 21,502 | 11,679 | 22,647 | 3,539 | (1,116) | 58,251 |
| **Results** | | | | | | |
| Segment results | 2,162 | 1,150 | 5,840 | (1,217) | - | 7,935 |
| Unallocated corporate expenses | | | | | | (1,873) |
| Profit from Operations | | | | | | 6,062 |

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

On 14 January 2008, the Group had via its wholly-owned subsidiary, Sabna Development Sdn Bhd, entered into a conditional Sale and Purchase Agreement with Lana Wong Yi (Yu Yi), Yew Sow Wah, Wong Yit Poh, Elizabeth Khiang Whee Fang and Wong Lin Chooi ("Vendors") to acquire a piece of land measuring in area approximately 3,029.985 square meter (32,624 square feet) ("Land") together with two separate residential buildings erected thereon (collectively referred to as the "Property"), all situated at Changkat Kia Peng, Kuala Lumpur, for a total consideration of RM55,460,800 ("Proposed Acquisition").

The Proposed Acquisition is subject to the following:-

(i) the approval of the Foreign Investment Committee;

(ii) issuance of a development order in respect of the proposed development on the Land pursuant to the approval letter already obtained by the Vendors' consultant from the relevant authority; and

(iii) the due endorsement by the land registry of the change of name in the issue document of title to the Property of one of the Vendors' [i.e. Lana Wong Yi (Yu Yi)] previous name to her present name.

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12. **Changes in the composition of the Group**

On 8 August 2007, Astute Modernization Sdn Bhd ("AMSB"), a wholly-owned subsidiary of the Company, had entered into a Share Sale and Purchase Agreement with Eriton Sdn Bhd, Encik Mohd Shukri Bin Abdullah and Mr Deepak Jaikishan a/l Jaikishan Rewachand to acquire 100% equity interest in Titan Debut Sdn Bhd for a cash consideration of RM71 million (the "Proposed Acquisition"). The Proposed Acquisition was completed on 26 October 2007.

13. **Contingent liabilities or contingent assets**

There are no contingent liabilities or contingent assets as at 31 December 2007.

14. **Review of Performance**

The Group recorded a revenue and profit before tax of RM58.3 million and RM12.5 million respectively for the current financial period as compared to RM63.5 million and RM11.9 million respectively in the preceding year's corresponding period.

The decrease in revenue was mainly due to the disposal of Guoman (Hanoi) Limited which is engaged in hotel operations in Hanoi, Vietnam, in May 2007.

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

The Group profit before tax of RM7.0 million for the current quarter is higher compared to RM5.5 million in the immediate preceding quarter was mainly due to higher profit from jointly controlled entities.

16. **Prospects**

Barring unforeseen circumstances, the Group is expected to perform satisfactorily in the coming financial year.

17. **Profit forecast / profit guarantee**

Not applicable.

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## 18. Taxation

Taxation comprises:-

| | Current Quarter RM'000 | Period-To-Date RM'000 |
|---|---|---|
| Current taxation | | |
| - Malaysian income tax | 91 | 1,327 |
| - Deferred taxation | (100) | (70) |
| | (9) | 1,257 |
| Prior year (over)/under provision | | |
| - Malaysian income tax | (35) | (140) |
| - Deferred taxation | - | 131 |
| | (44) | 1,248 |

The Group's effective tax rate (excluding jointly controlled entities and associate) is lower than the statutory tax rate applicable for the current quarter and period to-date. This was mainly due to the utilisation of previous unrecognised deferred tax assets.

## 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.

## 20. Quoted securities

(a) During the period to-date, the Group had acquired a total of 2,335,500 units in Tower Real Estate Investment Trust for a total cash consideration of RM2.958 million.

(b) Total disposals of quoted securities for the period to-date are as follows:

| | RM'000 |
|---|---|
| Total sales proceeds | 12,439 |
| Total loss on disposal | 865 |

(c) Particulars of investments in quoted securities as at 31 December 2007:

| | RM'000 |
|---|---|
| **Long term investments:** | |
| At cost | 56,808 |
| At book value | 44,483 |
| At market value | 61,758 |

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20. **Quoted securities (cont'd)**

(c) Particulars of investments in quoted securities as at 31 December 2007:

| | RM'000 |
|---|---|
| **Marketable securities:** | |
| At cost | 15,806 |
| At book value | 8,852 |
| At market value | 8,852 |

21. **Corporate Proposal**

Save as disclosed in Note 11 above, there is no other 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 December 2007 are as follows:

| | RM'000 |
|---|---|
| **Long term borrowings** | |
| Secured | 116,500 |
| Unsecured | 10,000 |
| | 126,500 |
| **Short term borrowings** | |
| Secured | 136,938 |
| Unsecured | 97,506 |
| | 234,444 |
| **Total borrowings** | 360,944 |

23. **Off Balance Sheet Risk Financial Instruments**

There is no off balance sheet risk envisaged as at the date of this report that might materially affect the Group's business position.

24. **Changes in Material Litigation**

Not applicable.

25. **Dividend**

The Board does not recommend any payment of interim dividend for the financial quarter ended 31 December 2007.

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26. **Earnings Per Share ("EPS")**

**Basic earnings per share**

The calculation of the basic earnings per share is based on the net profit attributable to ordinary shareholders of 9,768,000 by the weighted average number of ordinary shares in issue during the current quarter of 670,070,818.

**Diluted earnings per share**

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

By Order of the Board
GuocoLand (Malaysia) Berhad

LIM YEW YOKE
Secretary

Kuala Lumpur
29 January 2008