

GLOMAC BERHAD

**Company No. 110532-M
(Incorporated in Malaysia)**

Quarterly Financial Results - 31 July 2005

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GLOMAC BERHAD (110532-M)

Quarterly Report On Consolidated Results For The Financial Period Ended 31 July 2005

(The figures have not been audited)

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD		
	CURRENT YEAR	PRECEDING YEAR	CURRENT YEAR	PRECEDING YEAR	
	QUARTER	CORRESPONDING	TO DATE	CORRESPONDING	
	31/07/05	QUARTER	31/07/05	PERIOD	
	RM'000	31/07/04	RM'000	31/07/04	RM'000
Revenue	46,507	65,269	46,507	65,269	
Operating expenses	(41,623)	(51,656)	(41,623)	(51,656)	
Other operating income	532	302	532	302	
Operating profit	5,416	13,915	5,416	13,915	
Finance cost	(131)	(512)	(131)	(512)	
Interest income	926	1,069	926	1,069	
Share of profits of associated company	631	400	631	400	
Profit before tax	6,842	14,872	6,842	14,872	
Taxation	(1,865)	(4,708)	(1,865)	(4,708)	
Profit after tax	4,977	10,164	4,977	10,164	
Minority interest	(610)	(78)	(610)	(78)	
Net profit attributable to members of the Company	4,367	10,086	4,367	10,086	
Earnings per share (sen)					
(i) Basic	2.04	4.66	2.04	4.66	
(ii) Fully Diluted	1.93	4.50	1.93	4.50	

(This Unaudited Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Statements for the year ended 30 April 2005)

GLOMAC BERHAD (110532-M)

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 JULY 2005

	As at 31/07/05 (Unaudited) RM'000	As at 30/04/05 (Audited) RM'000
PROPERTY, PLANT AND EQUIPMENT	10,977	11,047
INVESTMENT PROPERTIES	90,554	90,554
LAND HELD FOR PROPERTY DEVELOPMENT	209,488	245,037
INVESTMENT IN ASSOCIATED COMPANIES	18,416	17,973
OTHER INVESTMENT - UNQUOTED	6,500	6,500
GOODWILL ON CONSOLIDATION	5,336	5,477
DEFERRED TAX ASSETS	2,073	2,136
CURRENT ASSETS		
Inventories	8,845	8,845
Property development projects	151,205	91,572
Accrued billings	5,577	15,520
Amount due from customers for contract work	4,454	2,863
Trade receivables	41,873	34,404
Other receivables, deposits and prepayments	43,818	42,238
Amount due from associated companies	1,035	1,046
Tax recoverable	3,711	3,498
Fixed deposits and short term placements	19,486	32,919
Cash and bank balances	109,418	78,547
	389,422	311,451
CURRENT LIABILITIES		
Trade payables	40,879	38,233
Other payables and accrued expenses	45,942	30,294
Progress billings	40,934	25,522
Amount due to customers for contract work	2,118	1,931
Hire-purchase & lease creditors - current portion	1,430	1,453
Islamic Private Debt Securities	20,000	20,000
Bank borrowings - current portion	14,310	11,184
Provision for taxation	3,696	5,548
Dividend payable	-	6,185
	169,309	140,350
NET CURRENT ASSETS	220,113	171,101
	563,457	549,824
Financed By:		
Share Capital	216,889	216,887
Reserves	152,525	148,341
Treasury Shares	(5,649)	(4,472)
SHAREHOLDERS' FUNDS	363,765	360,756
MINORITY INTERESTS	13,832	13,221
NON-CURRENT LIABILITIES		
Hire Purchase & Lease Creditors	2,213	2,443
Islamic Private Debt Securities	85,000	85,000
Bank Borrowings	97,119	86,876
Deferred Taxation	1,528	1,528
	563,457	549,825
NET TANGIBLE ASSETS PER SHARE (RM)	1.68	1.66

(This Unaudited Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Statements for the year ended 30 April 2005)

GLOMAC BERHAD (110532-M)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 JULY 2005

	← Non distributable				→ Distributable		
	<u>Share capital</u> RM'000	<u>Share premium</u> RM'000	<u>Treasury shares</u> RM'000	<u>Revaluation surplus</u> RM'000	<u>Reserve on consolidation</u> RM'000	<u>Retained profit</u> RM'000	<u>Total</u> RM'000
At 1 May 2005	216,887	29,038	(4,472)	8,007	9,151	102,145	360,756
Issue of ordinary shares pursuant to ESOS	2	1	-	-	-	-	3
Amortisation of reserve on consolidation	-	-	-	-	(184)	-	(184)
Repurchase of shares	-	-	(1,177)	-	-	-	(1,177)
Profit for the year	-	-	-	-	-	4,367	4,367
At 31 July 2005	216,889	29,039	(5,649)	8,007	8,967	106,512	363,765
At 1 May 2004	216,625	28,871	-	5,566	5,334	76,006	332,402
Issue of ordinary shares pursuant to ESOS	50	23	-	-	-	-	73
Reserve on consolidation arising from acquisition of a subsidiary	-	-	-	-	4,553	-	4,553
Amortisation of reserve on consolidation	-	-	-	-	(184)	-	(184)
Profit for the year	-	-	-	-	-	10,086	10,086
At 31 July 2004	216,675	28,894	-	5,566	9,703	86,092	346,930

(The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 30 April 2005)

GLOMAC BERHAD (110532-M)

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 JULY 2005

	Period Ended 31/07/05 RM'000	Period Ended 31/07/04 RM'000
Operating Activities		
Profit before taxation	6,843	14,872
Adjustments for non-cash items	(938)	(609)
Operating profit before working capital changes	5,905	14,263
Working capital changes:		
Property development projects - Current	(59,633)	(8,729)
Other working capital changes	32,972	(25,767)
Cash generated from operations	(20,756)	(20,233)
Taxes paid	(3,468)	(2,383)
Net cash flows generated from operating activities	(24,224)	(22,616)
Investing Activities		
Net cash outflow on acquisition of subsidiary company	-	(5,097)
Property development projects - Non current	35,550	65,632
Purchase of property, plant and equipment	(436)	(364)
Others	1,002	(1,370)
Net cash flows from investing activities	36,116	58,801
Financing Activities		
Proceeds from issuance of shares	3	74
Repurchase of shares	(1,177)	-
Drawdown of bank borrowings	13,837	28,400
Repayment of bank borrowings	(1,732)	(3,876)
Dividend paid	(6,185)	-
Others	6,127	(8,281)
Net cash flows used in financing activities	10,873	16,317
Net increase in cash and cash equivalents	22,765	52,502
Cash and cash equivalents at beginning of year	91,670	121,309
Cash and cash equivalents at end of year	114,435	173,811
Cash and cash equivalents consist of:-		
Cash on hand and at banks	109,418	104,456
Fixed and short term deposits	19,486	86,557
Cash and bank balances	128,903	191,013
Bank balances pledged	(24)	(3,789)
Deposits pledged	(11,431)	(13,413)
Bank overdrafts	(3,013)	-
	114,435	173,811

(The Unaudited Consolidated Cashflow Statements should be read in conjunction with the Annual Financial Statements for the year ended 30 April 2005)

GLOMAC BERHAD
NOTES TO THE UNAUDITED INTERIM REPORT FOR THE FINANCIAL PERIOD 31 JULY 2005

A. EXPLANATORY NOTES

A1. Accounting Policies and Methods of Computation

The interim financial statements are prepared in compliance with FRS 134 (MASB 26) "Interim Financial Reporting" and Chapter 9 of the Listing Requirements of Bursa Malaysia Securities Berhad. The financial statements should be read in conjunction with the Group's annual financial statements for the year ended 30 April 2005.

The accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted in the financial statements for the year ended 30 April 2005.

A2. Audit Qualification

There were no audit qualifications on the annual financial statements for the year ended 30 April 2005.

A3. Seasonality or Cyclicity of Operations

Our business operations are not significantly affected by seasonality or cyclicity of operations.

A4. Unusual Items

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

A5. Material Changes in Estimates of Amounts Reported

There were no changes in estimates of amounts reported in prior interim period of the current financial year which have material effect in the financial statements under review.

A6. Debt and Equity Securities

There were no issuance, cancellation, repurchases, resale and repayment of debt and equity securities except for the following:-

- i) Employees' Share Option Scheme ("ESOS")
During the financial period, the Company issued 2,000 new ordinary shares of RM1.00 each pursuant to the Company's ESOS.
- ii) Repurchase of Shares
On 30 September 2004, the shareholders of the Company renewed their approval for the Company's plan to repurchase its own ordinary shares. During the financial period ended 31 July 2005, the Company repurchased 857,700 of its issued ordinary shares from the open market at average price of RM1.37 per share. The repurchase transactions were financed by internally generated funds and are being held as treasury shares in accordance with the requirement of Section 67A of the Companies Act, 1965.

A7. Dividends Paid

The first interim dividend of 4.0 sen less income tax of 28% amounting to RM6.2 million in respect of previous financial year ended 30 April 2005 was paid on 30 June 2005.

The shareholders have approved the final dividend of 4.0 sen per share less income tax of 28% and a special dividend of 1.0 sen per share less income tax of 28% in respect of the previous financial year ended 30 April 2005 at the Annual General Meeting on 30 August 2005.

Share capital comprise of ordinary shares only.

A8. Segmental Reporting

The segmental analysis for the period ended 31 July 2005 is as follows:

Analysis by Activity

	Property Development RM'000	Construction RM'000	Property Investment RM'000	Other Operations RM'000	Eliminations RM'000	Consolidated RM'000
REVENUE						
External	36,321	8,193	1,993	-	-	46,507
Inter-segment	-	14,304	-	-	(14,304)	-
Total revenue	36,321	22,497	1,993	-	(14,304)	46,507
RESULTS						
Segment results	4,538	1,089	831	(33)	(982)	5,443
Unallocated corporate expenses						(27)
Operating profit						5,416
Interest expenses						(131)
Interest income						926
Share of results of associates	(38)	669	-	-		631
Taxation						(1,865)
Profit after taxation						4,977
Minority interests						(610)
Net profit for the year						4,367
ASSETS						
Segment assets	573,945	15,566	95,079	3,116		687,706
Investment in equity method of associates	5,658	12,758	-	-		18,416
Unallocated corporate assets						26,644
Consolidated total assets						732,766

The financial information by geographical location is not presented as the Group's activities are conducted in Malaysia.

A9. Valuations of Property, Plant and Equipment

Valuation of property, plant and equipment have been brought forward without amendment from the last audited annual financial statements.

A10. Material Events Subsequent to the End of Financial Period

There were no material events subsequent to the end of the financial period reported that have not been reflected in this financial statements.

A11. Changes in Composition of the Group

There were no changes in the composition of the Group during the current financial year other than the acquisition of the entire equity interest in Glomac City Sdn Bhd (formerly known as Glomac Hotel Management Sdn Bhd) ("GCSB") comprising of two (2) ordinary shares of RM1.00 each for cash consideration of RM2.00 on 24 May 2005.

A12. Changes in Contingent Liabilities

There were no significant changes in contingent liabilities since the last audited balance sheet date as at 30 April 2005.

B. ADDITIONAL INFORMATION AS REQUIRED BY APPENDIX 9B OF BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS

B1. Review of the Performance of the Company and its Principal Subsidiaries

Operation level during the quarter was lower than prior year quarter due to the effect of the tailing off of one major project, Aman Suria Damansara and pending the take off of another major project, Suria Stonor.

B2. Comment on Material Change in the Profit Before Taxation for Current Quarter as Compared with Previous Quarter

The lower Profit Before Taxation for current quarter by 51% was mainly attributed to the lower level of work completed.

B3. Commentary on Current Year Prospects

Barring any unforeseen circumstances, the directors are of the opinion that, based on the on-going development projects and the level of work targeted to be completed, the Group's performance for the financial year ending 30 April 2006 will remain satisfactory.

B4. Variance of Actual Profit from Forecast Profit

Not applicable.

B5. Taxation

The taxation charge for the current quarter and financial year-to-date include the followings:

	Quarter Ended 31/07/2005 RM'000	Cumulative Year To date 31/07/2005 RM'000
Current taxation	1,615	1,615
Share of tax of associated companies	187	187
Deferred taxation	63	63
Under/(Over) provision of prior year tax	-	-
	<u>1,865</u> =====	<u>1,865</u> =====

The effective tax rate of the Group for the current quarter are slightly lower than the statutory tax rate mainly due to utilisation of previously unrecognised tax losses.

B6. Profit on Sale of Unquoted Investments and/or Properties

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

B7. Purchase or Disposal of Quoted Securities

- a) There was no purchase or disposal of quoted securities in the current financial year to date.
- b) There was no investment in quoted shares held as at end of the reporting period.

B8. Status of Corporate Proposals

- a) Status of Corporate Proposal Announced But Not Completed
Glomac City Sdn Bhd (formerly known as Glomac Hotel Management Sdn Bhd), a wholly-owned subsidiary of Glomac Berhad entered into a Sale and Purchase Agreement with Gapurna Sdn Bhd on 1 June 2005 for the acquisition of a parcel of leasehold land at Kelana Jaya, Selangor measuring approximately 19,171 square metres for a purchase consideration of RM15.7 million. All approvals have been obtained.
- b) Status of Utilisation of Proceeds Raised From Corporate Proposal
Not applicable.

B9. Group Borrowings and Debt Securities

The Group borrowings as at 31 July 2005 are as follows:-

	Due within 12 months RM'000	Due after 12 months RM'000	Total as at 31/07/05 RM'000	Total as at 30/04/05 RM'000
<u>Secured</u>				
Hire Purchase and Lease Borrowings	1,430	2,213	3,643	3,895
Bank Borrowings	14,310	72,119	86,429	73,060
Islamic Private Debt Securities	20,000	85,000	105,000	105,000
	<u>35,740</u>	<u>159,332</u>	<u>195,072</u>	<u>181,955</u>
<u>Unsecured</u>				
Bonds	-	25,000	25,000	25,000
	<u>35,740</u>	<u>184,332</u>	<u>220,072</u>	<u>206,955</u>
	=====	=====	=====	=====

There are no borrowings in foreign currency.

B10. Financial Instruments With Off Balance Sheet Risk

There were no financial instruments with off balance sheet risk for the financial quarter ended 31 July 2005.

B11. Material Litigation

There is no material litigation which will adversely affect the position or business of the Group.

B12. Dividend

- a) (i) The final dividend of 4.0 sen per share less income tax of 28% and a special dividend of 1.0 sen per share less income tax of 28% in respect of the previous financial year ended 30 April 2005 was approved by the shareholders at the Annual General Meeting on 30 August 2005.
- (ii) Amount per share : 5.0 sen less income tax of 28%
- (iii) Previous corresponding period : 5.0 sen less income tax of 28%
- (iv) Date payable : To be determined at a later date
- (v) Entitlement date : To be determined at a later date

- b) The total dividend for the previous financial year ended 30 April 2005 is 9.0 sen per share less income tax of 28%, which includes the special dividend of 1.0 sen per share less income tax of 28%.

No dividend has been proposed for the current financial year.

B13. Earnings Per Share

a) Basic Earnings Per Share

The basic earnings per share is calculated by dividing the net profits for the period and the weighted average number of ordinary shares in issue during the period.

Description	Current quarter ended 31/07/05	Preceding year corresponding quarter ended 31/07/04	Current year todate ended 31/07/05	Preceding year corresponding period ended 31/07/04
Net profit attributable to shareholders (RM'000)	4,367	10,086	4,367	10,086
Weighted average number of ordinary shares in issue ('000)	213,837	216,645	213,837	216,645
Basic earning per share (sen)	2.04	4.66	2.04	4.66

b) Diluted Earnings Per Share

The diluted earnings per share has been calculated by dividing the Group's net profit for the period by the weighted average number of shares that would have been issued upon full exercise of the remaining option under the ESOS, adjusted for the number of such shares that would have been issued at fair value, calculated as follows:

Description	Current quarter ended 31/07/05	Preceding year corresponding quarter ended 31/07/04	Current year todate ended 31/07/05	Preceding year corresponding period ended 31/07/04
Net profit attributable to shareholders (RM'000)	4,367	10,086	4,367	10,086
Weighted average number of ordinary shares as per basic EPS	213,837	216,645	213,837	216,645
Effect of shares option ('000)	12,466	7,398	12,466	7,398
Weighted average number of ordinary shares (diluted)	226,303	224,043	226,303	224,043
Diluted earning per share (sen)	1.93	4.50	1.93	4.50

B14. Provision of Financial Assistance

There has been no additional financial assistance provided to the Group's non-wholly owned subsidiaries or associated companies during the current quarter.

The aggregate amount of financial assistance provided to such companies to date is as follows:-

<u>Type of Financial Assistance</u>	Amount (RM' million)
Corporate Guarantee for:-	
1) Credit Facilities	5.6
2) Equipment Leasing Facilities	2.0
3) Trade Credit from Supplier	1.0
	<hr/>
	8.6
	=====

As at 31 July 2005, RM7.3 million is outstanding in respect of the above guarantees.

There is no financial impact on the Group arising from the financial assistance provided.