

GLOMAC BERHAD
Company No. 110532-M
(Incorporated in Malaysia)

Quarterly Financial Results - 31 October 2005

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GLOMAC BERHAD (110532-M)

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

(The figures have not been audited)

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31/10/05 RM'000	31/10/04 RM'000	31/10/05 RM'000	31/10/04 RM'000
Revenue	75,236	65,635	121,743	130,904
Operating expenses	(63,119)	(55,115)	(104,742)	(106,771)
Other operating income	293	484	825	786
Operating profit	12,410	11,004	17,826	24,919
Finance cost	(64)	(248)	(195)	(760)
Interest income	765	1,242	1,691	2,311
Share of profits of associated company	1,017	1,628	1,648	2,028
Profit before tax	14,128	13,626	20,970	28,498
Taxation	(3,810)	(3,182)	(5,675)	(7,890)
Profit after tax	10,318	10,444	15,295	20,608
Minority interest	(507)	(256)	(1,117)	(334)
Net profit attributable to members of the Company	9,811	10,188	14,178	20,274
Earnings per share (sen)				
(i) Basic	4.60	4.71	6.64	9.37
(ii) Fully Diluted	4.60	4.52	6.64	9.19

(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 OCTOBER 2005

	As at 31/10/05 (Unaudited) RM'000	As at 30/04/05 (Audited) RM'000
PROPERTY, PLANT AND EQUIPMENT	10,906	11,047
INVESTMENT PROPERTIES	90,554	90,554
LAND HELD FOR PROPERTY DEVELOPMENT	238,407	245,037
INVESTMENT IN ASSOCIATED COMPANIES	19,151	17,973
OTHER INVESTMENT - UNQUOTED	6,500	6,500
GOODWILL ON CONSOLIDATION	5,196	5,477
DEFERRED TAX ASSETS	1,538	2,136
CURRENT ASSETS		
Inventories	8,845	8,845
Property development projects	139,409	91,572
Accrued billings	21,605	15,520
Amount due from customers for contract work	3,684	2,863
Trade receivables	41,034	34,404
Other receivables, deposits and prepayments	45,096	42,238
Amount due from associated companies	1,025	1,046
Tax recoverable	3,702	3,498
Fixed deposits and short term placements	32,081	32,919
Cash and bank balances	104,035	78,547
	400,516	311,451
CURRENT LIABILITIES		
Trade payables	39,348	38,233
Other payables and accrued expenses	48,327	30,294
Progress billings	54,473	25,522
Amount due to customers for contract work	2,841	1,931
Hire-purchase & lease creditors - current portion	1,435	1,453
Islamic Private Debt Securities	20,000	20,000
Bank borrowings - current portion	19,810	11,184
Provision for taxation	4,030	5,548
Dividend payable	7,683	6,185
	197,947	140,350
NET CURRENT ASSETS	202,569	171,101
	574,821	549,824
Financed By:		
Share Capital	216,891	216,887
Reserves	154,470	148,341
Treasury Shares	(5,968)	(4,472)
SHAREHOLDERS' FUNDS	365,393	360,756
MINORITY INTERESTS	14,338	13,221
NON-CURRENT LIABILITIES		
Hire Purchase & Lease Creditors	1,957	2,443
Islamic Private Debt Securities	85,000	85,000
Bank Borrowings	106,605	86,876
Deferred Taxation	1,528	1,528
	574,821	549,825
NET TANGIBLE ASSETS PER SHARE (RM)	1.69	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 OCTOBER 2005

	← Non distributable →				→ Distributable		Total RM'000
	Share capital RM'000	Share premium RM'000	Treasury shares RM'000	Revaluation surplus RM'000	Reserve on consolidation RM'000	Retained profit 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	4	2	-	-	-	-	6
Amortisation of reserve on consolidation	-	-	-	-	(368)	-	(368)
Repurchase of shares	-	-	(1,496)	-	-	-	(1,496)
Profit for the year	-	-	-	-	-	14,178	14,178
Dividends							
Second and final dividend for 30 April 2005	-	-	-	-	-	(7,683)	(7,683)
At 31 October 2005	216,891	29,040	(5,968)	8,007	8,783	108,640	365,393
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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	-	-	-	-	(368)	-	(368)
Repurchase of shares	-	-	(2,870)	-	-	-	(2,870)
Expenses in relation to private placement exercise	-	64	-	-	-	-	64
Profit for the year	-	-	-	-	-	20,274	20,274
Dividends							
Second and final dividend for 30 April 2004	-	-	-	-	-	(7,741)	(7,741)
At 31 October 2004	216,675	28,958	(2,870)	5,566	9,519	88,539	346,387

(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 OCTOBER 2005

	Period Ended 31/10/05 RM'000	Period Ended 31/10/04 RM'000
Operating Activities		
Profit before taxation	20,971	28,498
Adjustments for non-cash items	<u>(2,090)</u>	<u>(2,466)</u>
Operating profit before working capital changes	18,881	26,032
Net changes in working capital	<u>(8,806)</u>	<u>(60,403)</u>
Cash generated from operations	10,075	(34,371)
Taxes paid	<u>(6,127)</u>	<u>(4,806)</u>
Net cash flows generated from operating activities	<u>3,948</u>	<u>(39,177)</u>
Investing Activities		
Net cash outflow on acquisition of subsidiary company	-	(5,097)
Purchase of property, plant and equipment	(971)	(697)
Others	1,768	(71)
Net cash flows from investing activities	<u>797</u>	<u>(5,865)</u>
Financing Activities		
Proceeds from issuance of shares	6	74
Repurchase of shares	(1,496)	(2,870)
Drawdown of bank borrowings	26,810	57,375
Repayment of bank borrowings	(3,366)	(5,769)
Bank balances and deposits pledged	(11,980)	(17,072)
Dividend paid	(6,185)	-
Others	<u>(776)</u>	<u>(1,314)</u>
Net cash flows used in financing activities	<u>3,013</u>	<u>30,424</u>
Net increase in cash and cash equivalents	7,758	(14,618)
Cash and cash equivalents at beginning of year	<u>91,670</u>	<u>121,309</u>
Cash and cash equivalents at end of year	<u>99,428</u>	<u>106,691</u>
Cash and cash equivalents consist of:-		
Cash on hand and at banks	104,035	94,197
Fixed and short term deposits	<u>32,081</u>	<u>40,539</u>
Cash and bank balances	136,116	134,736
Bank balances pledged	(24)	(10,505)
Deposits pledged	(30,003)	(16,293)
Bank overdrafts	<u>(6,661)</u>	<u>(1,247)</u>
	<u>99,428</u>	<u>106,691</u>

(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
OCTOBER 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 ended 31 October 2005, the Company issued 4,000 new ordinary shares of RM1.00 each pursuant to the Company's ESOS.
- ii) Repurchase of Shares
On 30 August 2005, 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 October 2005, the Company repurchased 1,104,100 of its issued ordinary shares from the open market at average price of RM1.36 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 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 paid on 29 November 2005.

Share capital comprise of ordinary shares only.

A8. Segmental Reporting

The segmental analysis for the period ended 31 October 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	98,534	19,243	3,966	-	-	121,743
Inter-segment	-	31,847	-	-	(31,847)	-
Total revenue	98,534	51,090	3,966	-	(31,847)	121,743
RESULTS						
Segment results	16,535	2,579	1,303	(64)	(2,027)	18,326
Unallocated corporate expenses						(500)
Operating profit						17,826
Interest expenses						(195)
Interest income						1,691
Share of results of associates	(28)	1,676	-	-		1,648
Taxation						(5,675)
Profit after taxation						15,295
Minority interests						(1,117)
Net profit for the year						14,178
ASSETS						
Segment assets	602,540	13,724	95,954	3,085		715,303
Investment in equity method of associates	5,667	13,484	-	-		19,151
Unallocated corporate assets						38,314
Consolidated total assets						772,768

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 following acquisitions:-

- i) The entire equity interest in Glomac City Sdn Bhd (formerly known as Glomac Hotel Management Sdn Bhd) ("GCSB") comprising of two ordinary shares of RM1.00 each for cash consideration of RM2.00 on 24 May 2005.
- ii) 60% of the equity interest in Prominent Excel Sdn Bhd comprising of sixty ordinary shares of RM1.00 each for cash consideration of RM60.00 on 26 October 2005.
- iii) The remaining 49% of the equity interest in Glomac Jaya Sdn Bhd comprising of 49,002 ordinary shares of RM1.00 each for cash consideration of RM3.00 on 31 October 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 for the current financial year to date was lower than prior year due to the effect of the tailing off of one major project, Aman Suria Damansara. The profit recognition for the recently launched Suria Stonor started to kick-in only towards the end of the current quarter.

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

The Profit Before Tax rose more than 2 times of the previous quarter, a result of the profit recognised from the Suria Stonor project which was launched at the end of the previous quarter.

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 31/10/2005 RM'000	Cumulative Year To date 31/10/2005 RM'000
Current taxation	2,993	4,608
Share of tax of associated companies	282	469
Deferred taxation	535	598
Under/(Over) provision of prior year tax	-	-
	<u>3,810</u> =====	<u>5,675</u> =====

The effective tax rate of the Group for the current quarter and year to date 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
None.
- b) Status of Utilisation of Proceeds Raised From Corporate Proposal
Not applicable.

B9. Group Borrowings and Debt Securities

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

	Due within 12 months RM'000	Due after 12 months RM'000	Total as at 31/10/05 RM'000	Total as at 31/07/05 RM'000
<u>Secured</u>				
Hire Purchase and Lease Borrowings	1,435	1,957	3,392	3,643
Bank Borrowings	19,810	81,605	101,415	86,429
Islamic Private Debt Securities	20,000	85,000	105,000	105,000
	<u>41,245</u>	<u>168,562</u>	<u>209,807</u>	<u>195,072</u>
<u>Unsecured</u>				
Bonds	-	25,000	25,000	25,000
	<u>41,245</u>	<u>193,562</u>	<u>234,807</u>	<u>220,072</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 October 2005.

B11. Material Litigation

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

B12. Dividend

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	Preceding year corresponding quarter ended	Current year todate ended	Preceding year corresponding period ended
	31/10/05	31/10/04	31/10/05	31/10/04
Net profit attributable to shareholders (RM'000)	9,811	10,188	14,178	20,274
Weighted average number of ordinary shares in issue ('000)	213,409	216,203	213,623	216,449
Basic earning per share (sen)	4.60	4.71	6.64	9.37

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 below.

The effect of shares option for the current quarter and year todate ended 31 October 2005 was anti-dilutive and has been ignored in the calculation of diluted earnings per share.

Description	Current quarter ended	Preceding year corresponding quarter ended	Current year todate ended	Preceding year corresponding period ended
	31/10/05	31/10/04	31/10/05	31/10/04
Net profit attributable to shareholders (RM'000)	9,811	10,188	14,178	20,274
Weighted average number of ordinary shares as per basic EPS	213,409	216,203	213,623	216,449
Effect of shares option ('000)	-	9,330	-	4,148
Weighted average number of ordinary shares (diluted)	213,409	225,533	213,623	220,597
Diluted earning per share (sen)	4.60	4.52	6.64	9.19

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
	<hr/>
	7.6
	=====

As at 31 October 2005, RM3.7 million is outstanding in respect of the above guarantees.

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