



Annual Report 2010

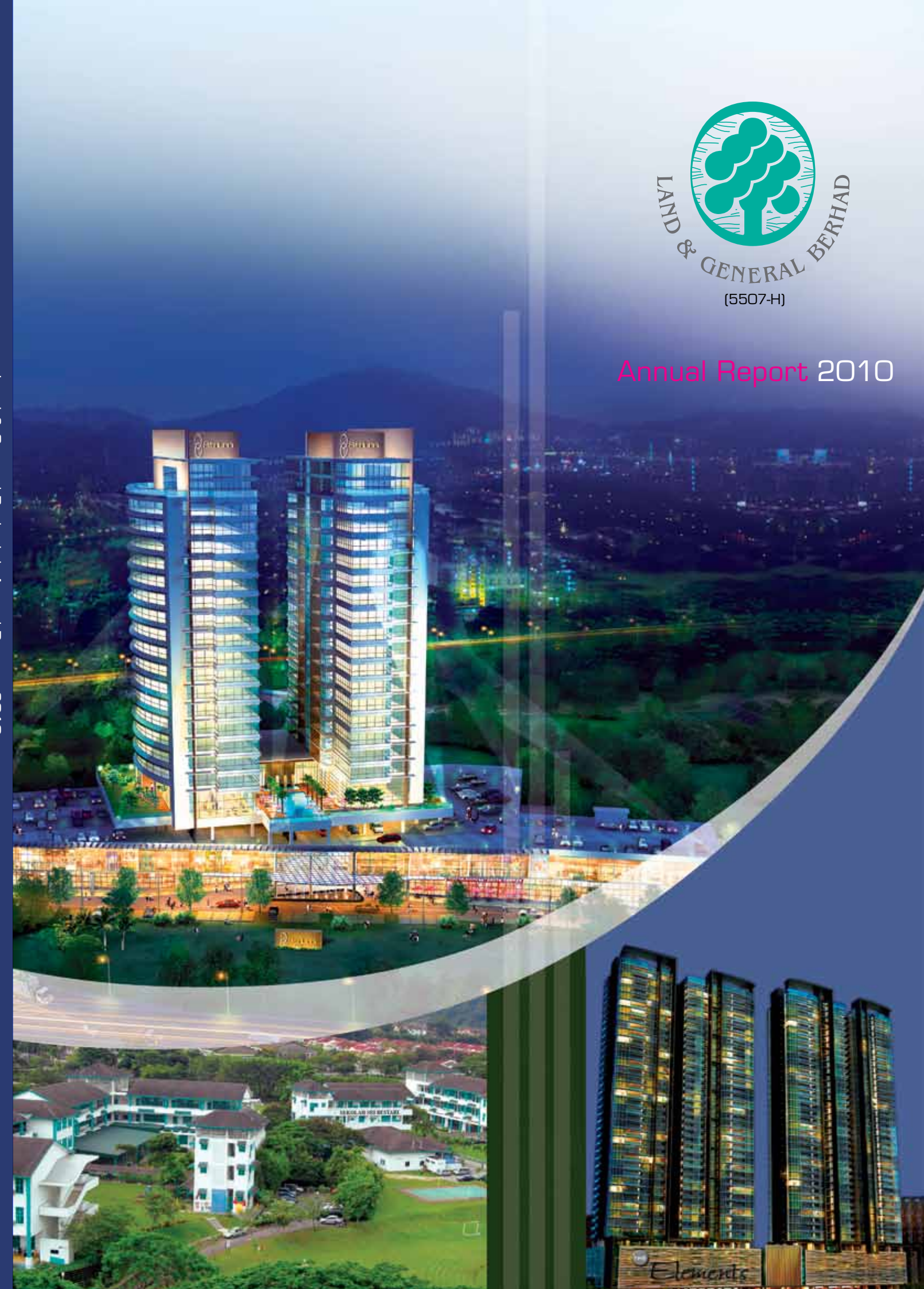
Land & General Berhad | Annual Report 2010

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Land & General Berhad (Company No. 5507-H)

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Persiaran Industri, Bandar Sri Damansara,
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CORPORATE INFORMATION

DIRECTORS

Dato' Hj Zainal Abidin Putih, *Chairman*

Low Gay Teck, *Managing Director*

Ferdaus Mahmood, *Executive Director*

General (Rtd) Tan Sri Borhan Hj Ahmad

Dato' Ir Dr A Bakar Jaafar

Lau Tiang Hua

Dato' Muhammad Khairun Aseh

Dato' Hj Ikhwan Salim Dato' Hj Sujak

YM Tengku Maruan Tengku Ariff

Wing Kwan Winnie Chiu

Hoong Cheong Thard

SECRETARY

Lim Fong Een
(MAICSA 0785833)

AUDIT COMMITTEE

General (Rtd) Tan Sri Borhan Hj Ahmad, *Chairman*

Dato' Ir Dr A Bakar Jaafar

Lau Tiang Hua

Hoong Cheong Thard

NOMINATIONS COMMITTEE

General (Rtd) Tan Sri Borhan Hj Ahmad, *Chairman*

Dato' Hj Zainal Abidin Putih

Dato' Ir Dr A Bakar Jaafar

Dato' Muhammad Khairun Aseh

REMUNERATION COMMITTEE

Dato' Ir Dr A Bakar Jaafar, *Chairman*

General (Rtd) Tan Sri Borhan Hj Ahmad

Dato' Muhammad Khairun Aseh

Hoong Cheong Thard

REGISTERED OFFICE

Level 5, Block D
Sri Damansara Business Park
Persiaran Industri
Bandar Sri Damansara
52200 Kuala Lumpur
Tel : 603-6279 8000
Fax : 603-6277 7061

CORPORATE OFFICE

Level 5, Block D
Sri Damansara Business Park
Persiaran Industri
Bandar Sri Damansara
52200 Kuala Lumpur
Tel : 603-6279 8000
Fax : 603-6275 2101
Email : lgb@land-general.com
Website : www.land-general.com

AUDITORS

Ernst & Young
Chartered Accountants

LISTING

Main Market of
Bursa Malaysia Securities Berhad

SHARE REGISTRARS

Symphony Share Registrars Sdn Bhd
(Company No. 378993-D)
Level 6, Symphony House
Block D13, Pusat Dagangan Dana 1
Jalan PJU 1A/46
47301 Petaling Jaya
Selangor
Tel : 603-7841 8000
Fax : 603-7841 8008

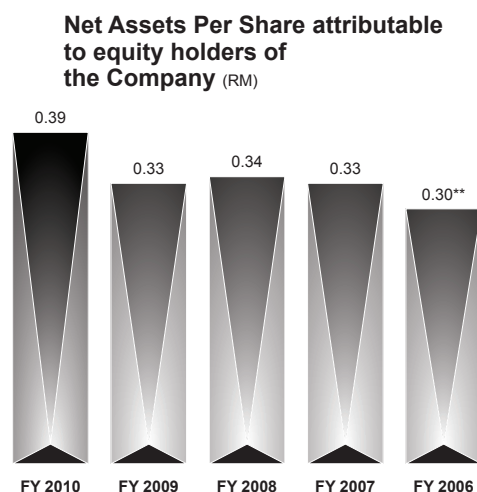
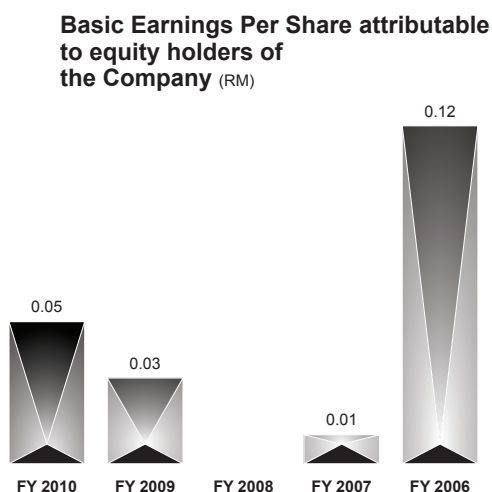
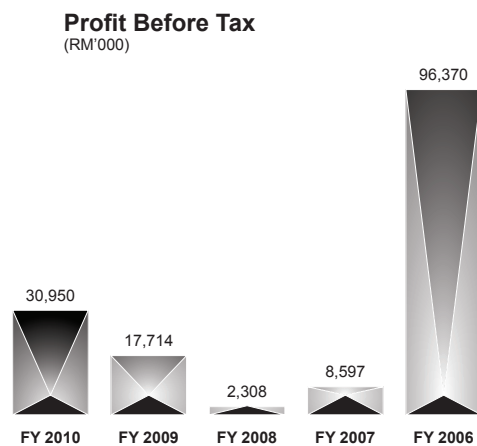
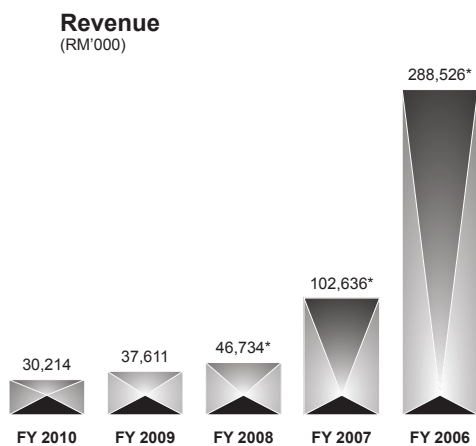
FIVE-YEAR PERFORMANCE HIGHLIGHTS

(RM'000)	FY 2010	FY 2009	FY 2008	FY 2007	FY 2006
Revenue	30,214	37,611	46,734 *	102,636 *	288,526 *
Profit before tax	30,950	17,714	2,308	8,597	96,370
Profit after tax	29,682	15,315	2,593	7,071	69,186
Profit attributable to equity holders of the Company	29,682	15,315	2,593	6,967	69,137
Shareholders' fund	231,842	200,168	201,886	195,348	181,786 **
Issued and paid up share capital	119,661 ***	598,305	598,305	598,305	598,305
Weighted average number of ordinary shares in issue ('000)	598,305	598,305	598,305	598,305	597,634
Basic earnings per share attributable to equity holders of the Company (RM)	0.05	0.03	0.00	0.01	0.12
Net assets per share attributable to equity holders of the Company (RM)	0.39	0.33	0.34	0.33	0.30 **

* The comparative amounts have been reclassified to conform to current year's presentation

** The comparative amounts have been restated to incorporate prior year adjustments effected in FY 2007

*** The capital reduction exercise was effected on 21 October 2009





CORPORATE DIARY

2009/2010

2009

2 June

Announcement in relation to proposed capital reduction which involved the following :

- i) proposed par value reduction pursuant to Section 64, Companies Act 1965;
 - ii) proposed share premium reduction; and
 - iii) proposed amendment to the Memorandum of Association of the Company
- [items (i) and (ii) are collectively referred to as the “Capital Reduction” and together with item (iii) are collectively referred to as the “Proposals”]

7 August

- Extraordinary General Meeting (“EGM”) in relation to the Proposals
- Shareholders’ approval obtained in respect of the Proposals at the EGM of the Company

16 September

- 46th Annual General Meeting (“AGM”)
- Retirement of Dato’ Imran Ho Abdullah as Director of the Company at the AGM

7 October

The High Court of Malaya granted an order confirming the Capital Reduction under Petition No.: D 26-51-2009

21 October

Completion of the Capital Reduction

3 November

Announcement in relation to the proposed joint venture between Synergy Score Sdn Bhd, a wholly-owned subsidiary of L&G and Forward Splendour Sdn Bhd, a related company of Mayland Parkview Sdn Bhd, which in turn is a major shareholder of L&G, to govern a joint venture company, namely Elite Forward Sdn Bhd and the proposed acquisition of a parcel of freehold land by Elite Forward Sdn Bhd for a total cash consideration of RM55 million

2010

3 February

- EGM in relation to the proposed joint venture between Synergy Score Sdn Bhd and Forward Splendour Sdn Bhd to govern a joint venture company, namely Elite Forward Sdn Bhd and the proposed acquisition of a parcel of freehold land by Elite Forward Sdn Bhd for a total cash consideration of RM55 million
- Shareholders’ approval obtained at the EGM of the Company in respect of the proposed joint venture between Synergy Score Sdn Bhd and Forward Splendour Sdn Bhd to govern a joint venture company, namely Elite Forward Sdn Bhd and the proposed acquisition of a parcel of freehold land by Elite Forward Sdn Bhd for a total cash consideration of RM55 million

9 February

Announcement on the change of address of Symphony Share Registrars Sdn Bhd, the share registrar of the Company

30 April

Announcement on the change of telephone number of the Registered Office of the Company

18 May

Completion of the acquisition of the freehold land by Elite Forward Sdn Bhd

1 June

- Appointment of Dato’ Hj Zainal Abidin Putih as Chairman of the Company
- Appointment of Mr Hoong Cheong Thard as Director and member of Audit Committee of the Company

29 September

47th AGM

DIRECTORS' PROFILE



DATO' HJ ZAINAL ABIDIN PUTIH
Independent Non-Executive Chairman

Dato' Hj Zainal Abidin Putih, a Malaysian aged 64, was appointed Chairman of L&G on 1 June 2010. He is a fellow member of the Institute of Chartered Accountants in England and Wales (ICAEW), a member of the Malaysian Institute of Certified Public Accountants (MICPA) and the Malaysian Institute of Accountants (MIA).

Dato' Hj Zainal qualified as a Chartered Accountant of the ICAEW in 1972 and has very extensive experience in audit throughout his career as a practising accountant. He also has a good working knowledge of taxation and has been involved in management consulting especially those involved in acquisition, take over, amalgamation and restructuring of companies and in particular, company for flotation.

Dato' Hj Zainal was an Advisor in Ernst & Young prior to his retirement on 31 December 2004. He was the President of MICPA from 1989 until 1991 and the Chairman of the Malaysian Accounting Standards Board (MASB) from 2003 until 2009.

He had also served in Government Agencies as the Chairman of Pengurusan Danaharta Nasional Berhad (Danaharta), a member of the Malaysian Communications & Multimedia Commission and a member of the Investment Panel of the Employee Provident Fund (EPF).

Dato' Hj Zainal was awarded the Darjah Setia Negeri Sembilan (D.S.N.S.) by the Yang Di Pertuan Besar Negeri Sembilan and the Jaksa Pendamai (J.P.) by the Yang Di Pertua Negeri Melaka in 1995 and 2008, respectively.

Currently, Dato' Hj Zainal is the Chairman of Dutch Lady Milk Industries Berhad and Southeast Asia Special Asset Management Berhad (SEASAM). He also sits on the Boards of ESSO Malaysia Berhad, Tenaga Nasional Berhad, CIMB Group Holdings Berhad, CIMB Investment Bank Berhad and CIMB Bank Berhad.

Dato' Hj Zainal is the Chairman of Money Mobile International Sdn Bhd and a director of several private limited companies. He is also a trustee of the National Heart Institute Foundation (IJN).

Dato' Hj Zainal does not have any family relationship with any Directors and/or major shareholders of L&G and he does not have any conflict of interest with L&G. He has no convictions for any offence over the last ten (10) years.

Dato' Hj Zainal is a member of the Nominations Committee of L&G.



MR LOW GAY TECK
Managing Director
Non-Independent Executive Director

Mr Low Gay Teck, a Malaysian aged 45, was appointed a director of L&G on 15 October 2007 and was re-designated the Managing Director of L&G on 1 January 2008. Mr Low holds a Bachelor of Civil Engineering from Footscray Institute of Technology, (now known as Victoria University), Australia (1988).

Prior to joining L&G, Mr Low was with the Mayland Group which he joined in 1996 as Project Manager. In 2002, he was appointed a Director of the Mayland Group and assumed the position of Managing Director in 2005. Mr Low has been involved in property development and project management for the past 20 years, handling and implementing projects such as residential, commercial, shopping complex, hotel, golf course, condominium and service apartments.

Currently, Mr Low sits on the Boards of a few subsidiaries of L&G.

Mr Low does not have any family relationship with any Directors and/or major shareholders of L&G and he does not have any conflict of interest with L&G. He does not hold any directorships in any other listed companies and he has no convictions for any offence over the last ten (10) years.

He attended six (6) out of six (6) Board meetings held during the financial year ended 31 March 2010.

Mr Low is a committee member of the Tabung Amanah Land & General Berhad.

DIRECTORS' PROFILE

(CONT'D)



ENCIK FERDAUS MAHMOOD

Executive Director

Non-Independent Executive Director

Encik Ferdaus Mahmood, a Malaysian aged 55, was appointed an Executive Director of L&G on 16 June 2008.

Encik Ferdaus started his career as Trainee Accountant with Tractors Malaysia Bhd in 1974 and joined United Estate Projects Sdn Bhd (UEP)(initial developer of Subang Jaya, Selangor) in 1976 where his last position was the Credit Controller. Subsequently, in 1980, Encik Ferdaus made a decisive switch in his career into the main stream of the property industry and since then has garnered extensive experience in this industry especially in the areas of marketing, sales, credit control and property management.

In 1990, Encik Ferdaus joined L&G as the General Manager in one of the property subsidiaries of L&G. In 1998, he was appointed the Chief Operating Officer to head the property operations of L&G in Australia and returned to Malaysia in 2005 to be based in Kuala Lumpur as the Director of Property Division, L&G.

Currently, he sits on the Boards of a few subsidiaries of L&G.

Encik Ferdaus does not have any family relationship with any Directors and/or major shareholders of L&G and he does not have any conflict of interest with L&G. He does not hold any directorships in any other listed companies and he has no convictions for any offence over the last ten (10) years.

He attended six (6) out of six (6) Board meetings held during the financial year ended 31 March 2010.



GENERAL (RTD) TAN SRI BORHAN HJ AHMAD

Independent Non-Executive Director

General (Rtd) Tan Sri Borhan Hj Ahmad, a Malaysian aged 70, was appointed a Director of L&G on 27 March 1995. He gained experience with various government authorities throughout his 37 years of service with the Civil Service.

General (Rtd) Tan Sri Borhan is the Deputy-President of Persekutuan Tinju Amatur Malaysia. Currently, he is the Chairman of several private limited companies.

General (Rtd) Tan Sri Borhan does not have any family relationship with any Directors and/or major shareholders of L&G and he does not have any conflict of interest with L&G. He does not hold any directorships in any other listed companies and he has no convictions for any offence over the last ten (10) years.

He attended five (5) out of six (6) Board meetings held during the financial year ended 31 March 2010.

General (Rtd) Tan Sri Borhan is the Chairman of the Audit Committee and the Nominations Committee and a member of the Remuneration Committee of L&G as well as a committee member of the Tabung Amanah Land & General Berhad.

DIRECTORS' PROFILE

(CONT'D)



DATO' IR DR A BAKAR JAAFAR
Independent Non-Executive Director

Dato' Ir Dr A Bakar Jaafar, a Malaysian aged 60, was appointed a Director of L&G on 18 October 1999. He is an engineer by profession and holds a Bachelor of Engineering (Honours) degree in Mechanical Engineering from the University of Newcastle, Australia, a Master of Environmental Science from Miami University and a Doctorate in Marine Geography from the University of Hawaii@Manoa.

He served in the Malaysian Civil Service for over 22 years in various positions including as the Director-General of the Department of Environment from 1990 to 1995. He continues to serve the Malaysian Government as the Elected-Member to the Commission on the Limits of Continental Shelf, UN HQ, New York (1997-2002) (2002-2007) (2007-2012). He is also an Adjunct Senior Fellow of the Maritime Institute of Malaysia and an Adviser to the National Technical Committee on Continental Shelf.

Currently, Dato' Ir Dr A Bakar sits on the Boards of several private limited companies.

Dato' Ir Dr A Bakar does not have any family relationship with any Directors and/or major shareholders of L&G and he does not have any conflict of interest with L&G. He does not hold any directorships in any other listed companies and he has no convictions for any offence over the last ten (10) years.

He attended six (6) out of six (6) Board meetings held during the financial year ended 31 March 2010.

Dato' Ir Dr A Bakar is the Chairman of the Remuneration Committee, a member of the Audit Committee and the Nominations Committee of L&G.



MR LAU TIANG HUA, DJN
Independent Non-Executive Director

Mr Lau Tiang Hua, a Malaysian aged 57, was appointed a Director of L&G on 1 July 2007. He is a member of the Malaysian Institute of Certified Public Accountants (MICPA), the Malaysian Institute of Accountants (MIA) and the Chartered Tax Institute of Malaysia.

Mr Lau began his articleship with Peat, Marwick, Mitchell & Co in 1974 and qualified as a Certified Public Accountant in 1979. In 1980, he joined Arthur Young & Company ("AY") as the Audit Manager overseeing AY's Kuching office, Sarawak. Mr Lau was engaged in all the essential aspects of the accountancy profession while he was working with the two international firms of chartered accountants.

Subsequently, in 1982, Mr Lau joined Star Publications Berhad as the Finance Manager and he was the General Manager for Finance and Administration when he left the company in 1985 to start his own practice, JB Lau & Associates, which has merged with Grant Thornton since 1 January 2008.

Currently, he is an Independent Non-Executive director of PanGlobal Berhad, Malaysia Building Society Berhad, Tomei Consolidated Berhad, Scanwolf Corporation Berhad and Ewein Berhad and sits on the Boards of several private limited companies.

Mr Lau does not have any family relationship with any Directors and/or major shareholders of L&G and he does not have any conflict of interest with L&G. He has no convictions for any offence over the last ten (10) years.

He attended three (3) out of six (6) Board meetings held during the financial year ended 31 March 2010.

Mr Lau is a member of the Audit Committee of L&G.

DIRECTORS' PROFILE

(CONT'D)



DATO' MUHAMMAD KHAIRUN ASEH

Non-Independent Non-Executive Director

Dato' Muhammad Khairun Aseh, a Malaysian aged 32, was appointed a Director of L&G on 15 October 2007. He is an Advocate & Solicitor in the High Court of Malaya.

Upon obtaining his law degree, Dato' Muhammad Khairun chambered and practised law with a leading and reputable law firm in Kuala Lumpur where he gained extensive experience in various aspects of legal matters.

In 2005, Dato' Muhammad Khairun set up his own legal practice under the name of Messrs Khairun Aseh & Co where he is currently the Senior Partner.

He was conferred the Darjah Indera Mahkota Pahang (DIMP) which carries the title "Dato" by Kebawah Duli Yang Maha Mulia Sultan of Pahang in conjunction with His Royal Highness' 77th birthday in October 2007.

Presently, Dato' Muhammad Khairun sits on the Boards of several private limited companies.

Dato' Muhammad Khairun does not have any family relationship with any Directors and/or major shareholders of L&G and he does not have any conflict of interest with L&G. He does not hold any directorships in any other listed companies and he has no convictions for any offence over the last ten (10) years.

He attended six (6) out of six (6) Board meetings held during the financial year ended 31 March 2010.

Dato' Muhammad Khairun is a member of the Nominations Committee and the Remuneration Committee of L&G as well as a committee member of the Tabung Amanah Land & General Berhad.



DATO' HJ IKHWAN SALIM DATO' HJ SUJAK

Independent Non-Executive Director

Dato' Hj Ikhwan Salim Dato' Hj Sujak, a Malaysian aged 53, was appointed a Director of L&G on 1 December 2007. He holds a Bachelor of Science (Economics & Accounts) from Queen's University Belfast, United Kingdom.

In 1977, he began his career as an auditor with Coopers & Lybrand, UK and joined Nestle (M) Sdn Bhd as Finance Executive in 1979. In 1980, he moved on to be the Group Financial Planning Manager of Kumpulan Low Keng Huat Sdn Bhd.

Currently, Dato' Hj Ikhwan runs his private business, Konsortium Jaringan Selangor Sdn Bhd.

He is also a board member of Malaysia Steel Works (KL) Berhad, Glomac Berhad and several private limited companies.

Dato' Hj Ikhwan does not have any family relationship with any Directors and/or major shareholders of L&G and he does not have any conflict of interest with L&G. He has no convictions for any offence over the last ten (10) years.

He attended six (6) out of six (6) Board meetings held during the financial year ended 31 March 2010.

DIRECTORS' PROFILE

(CONT'D)



YM TENGKU MARUAN TENGKU ARIFF

Non-Independent Non-Executive Director

YM Tengku Maruan Tengku Ariff, a Malaysian aged 57, was appointed a Director of L&G on 1 July 2008. He holds a Bachelor of Mechanical Engineering (Design) Degree from University of Huddersfield, United Kingdom (1979).

YM Tengku Maruan started his career as a credit officer with Citibank Berhad, Kuala Lumpur (Citibank) in 1980 where he was exposed to various aspects of the banking industry. In 1985, YM Tengku Maruan left Citibank holding the position of Manager and joined Southern Bank Berhad as the Head of Personal Banking Division where he was involved in all aspects of budgeting, credit, product marketing and business development. Subsequently in 1996, he joined Rohas Sdn Bhd (Rohas) as the General Manager and also served on the board of several companies related to

Rohas Sdn Bhd until his retirement in 2008. While in Rohas, he was involved in various fields of businesses such as manufacturing, education, property management and investments.

Currently, he is a board member of a public company and several private limited companies.

YM Tengku Maruan does not have any family relationship with any Directors and/or major shareholders of L&G and he does not have any conflict of interest with L&G. He does not hold any directorships in any other listed companies and he has no convictions for any offence over the last ten (10) years.

He attended six (6) out of six (6) Board meetings held during the financial year ended 31 March 2010.



MS WING KWAN WINNIE CHIU

Non-Independent Non-Executive Director

Ms Wing Kwan Winnie Chiu, a Permanent Resident of Malaysia aged 30, was appointed a Director of L&G on 17 July 2008. Ms Winnie Chiu holds a BSc Business Management from King's College, University of London, United Kingdom.

In 2002, Ms Winnie Chiu launched her career in the property development business by her appointment as a Director of Malaysia Land Properties Sdn Bhd (Mayland). She continues to serve on Mayland's board and is responsible for the overall project development and retail management of Mayland.

Ms Winnie Chiu is also presently the Director, Project Development of Far East Consortium International Limited (FEC), a position she has held since 2005. She is in charge of FEC's overall project development and oversees the group's hotel development projects in Hong Kong.

Ms Winnie Chiu has accumulated considerable years of experience in the property development business covering various aspects of project development and retail management.

Prior to joining Mayland and FEC, Ms Winnie Chiu worked in a few major international banks where she gained much experience in financial management.

Currently, Ms Winnie Chiu sits on the Boards of several private limited companies.

Ms Winnie Chiu is the daughter of Y Bhg Tan Sri Dato' David Chiu, who is the CEO of the Mayland Group of Companies. She has no conflict of interest with L&G and she does not hold any directorships in any other listed companies. She has no convictions for any offence over the last ten (10) years.

She attended six (6) out of six (6) Board meetings held during the financial year ended 31 March 2010.

DIRECTORS' PROFILE

(CONT'D)



MR HOONG CHEONG THARD

Non-Independent Non-Executive Director

Mr Hoong Cheong Thard, a Malaysian aged 41, was appointed a Director of L&G on 1 June 2010. He is a member of the Institute of Chartered Accountants in England and Wales (ICAEW) (1992) and holds a Bachelor in Mechanical Engineering degree from Imperial College, University of London, United Kingdom (1989).

Mr Hoong has extensive experience in mergers and acquisitions as well as international capital markets. He was an investment banker for over 12 years and had held senior positions at Deutsche Bank Hong Kong and UBS, Hong Kong where he was responsible for corporate finance business in Asia.

Mr Hoong was the Chief Executive Officer of China LotSynergy Holdings Ltd (a company listed on the Hong Kong Stock Exchange) (2006) prior joining Far East Consortium International Limited ("FECIL") (a company listed on the Hong Kong Stock Exchange) in September 2008 as Managing Director.

As the Managing Director of FECIL, Mr Hoong is responsible for the formulation and implementation of the FECIL's Group overall strategies for development.

Mr Hoong also sits on the Boards of several public companies which are incorporated and listed overseas and private limited companies which are incorporated in Malaysia.

Mr Hoong does not have any family relationship with any Directors and/or major shareholders of L&G and he does not have any conflict of interest with L&G. He has no convictions for any offence over the last ten (10) years.

Mr Hoong is a member of the Audit Committee and Remuneration Committee of L&G.

CHAIRMAN'S STATEMENT

As one of my first duties since being appointed Chairman of the Board of Directors of Land & General Bhd ("L&G" or "the Company") on 1 June 2010, I am pleased to present the Annual Report and the Audited Financial Statements of the Group and of the Company for the financial year ended 31 March 2010.

I am barely three months into my job and will need some time to get up to speed with regards to fulfilling my responsibilities to all stakeholders of the Company. However, I do not need any time at all to recognise that the Company is opening a new chapter in its history as a member of the property development sector and of the Malaysian corporate sector as a whole. Be it the atmosphere of renewed purpose pervading the organisation or that quiet sense of optimism over new possibilities, I am honoured to be given the opportunity to join the team that has worked so tirelessly to place the Group on a much stronger financial position than when it was a couple of years ago.

The Company's Redeemable Convertible Secured Loan Stock (RCCLS) has been fully settled and redeemed as of 30 June 2009. In addition, the Company's accumulated losses were erased under a Capital Reduction exercise as of 21 October 2009. As a result, not only has the Company fully met its Debt Restructuring Agreement (DRA) obligations but it also has a very healthy cash reserve to serve its working capital and to pursue new projects. Indeed, the financial year just ended marks the final phase of L&G's transformation and its emergence from the difficult times it had faced in recent years.

OPERATING ENVIRONMENT

The Malaysian economy has shown definite signs of having rebounded from the negative growth in Gross Domestic Product (GDP) posted in the first three quarters of the calendar year 2009, amidst stabilisation of the global economy. Higher public investment and private consumption have begun to significantly boost domestic demand.

As a result, the property market is expected to perform much better in 2010 compared to 2009, according to the Ministry of Finance's National Property Information Centre (NAPIC). Among other things, NAPIC's Valuation & Property Services Department also noted in its Malaysian Property Market 2009 Report released in April that various measures proposed under Budget 2010 can be expected to impact positively on the property sector. This includes the stepping up of the national home ownership campaign through such measures as the newly launched scheme, beginning January 2010, that allows prospective buyers to utilise Employees Provident Fund (EPF) savings in Account 2 to either upgrade to better homes or purchase additional houses.

With the liberalisation of property acquisition by foreigners as implemented by the Malaysian Government effective 1 January 2010, the acquisition of residential units valued above RM500,000 by foreigners no longer requires the approval of the Economic Planning Unit, Prime Minister's Department (EPU) whilst the acquisition of commercial units by foreigners valued above RM500,000 are subject to the approval of the EPU. Furthermore, the drive to attract higher levels of Foreign Direct Investments (FDIs) would have spill-over benefits on the property sector as the expatriate population expands, generating demand for housing, office and retail space.

WAY FORWARD

For the financial year under review, L&G posted a profit before tax of RM31.0 million, up 75 percent from financial year 2009's RM17.7 million. Turnover totalled RM30.2 million compared to RM37.6 million the year before. This was despite a challenging operating environment.

I wish to stress that it is the intention of the Group to maintain property development as our core business. Attesting to this is the lining up of two new exciting projects and one on-going project which was launched in 2009 – the *Strium*, a commercial development located in the maturing and fast-growing Bandar Sri Damansara – has received very strong response.

One of the projects in the pipe line is a high-end condominium development with approved Development Plans which is also located in Bandar Sri Damansara and is in the final stages of preparations for its sales launch. We are confident that it will be similarly well-received by the market.



CHAIRMAN'S STATEMENT (CONT'D)

The other up and coming project is a joint venture with the Mayland Group to offer *The Elements*, comprising up-market service apartments on a prime site in Ampang, Kuala Lumpur. Our partner in this project, and also major shareholder in L&G, is a highly reputable and experienced developer in the high-end condominium and serviced apartments sector who has completed many property development projects in Malaysia. This is certainly an added bonus when it comes to marketing the development. In turn, the venture shall benefit from L&G's expertise in building not only quality homes but also well-planned communities that offer an enhanced living experience.

In the immediate to medium term, these three projects will certainly help the Group make major headway towards regaining its premium position in the property development sector. In addition, being in a much improved financial health, we are now well-placed to tap opportunities, as well as seek out new avenues, to maximise cashflow and profits, including those that will be opened up by the implementation of the 10th Malaysia Plan (10MP).

Unveiled by Prime Minister YAB Datuk Seri Najib Tun Razak in Parliament on 10 June, the RM230 billion 10MP seeks to usher the nation into a new era of economic prosperity and social justice as a critical continuation of the national agenda to realise Vision 2020. As a developer, we are confident of contributing positively to the efforts, not least with regards to the initiative to enhance public-private sector cooperation that would lead to improved monitoring of the construction industry and rationalization of the sector to eliminate inefficiencies and issues like possible indiscriminate pricing of building materials.

L&G also welcomes the Government's plan to review tax incentives and subsidies for buildings and designs that are environmentally friendly i.e. buildings accredited with Green Building Certification. L&G shall incorporate the "green building" elements in its new projects.

Therefore, barring unforeseen circumstances, L&G expects to make further progress in pursuing its strategies and plans in the years ahead, with profitability continuing to show a good rate of improvement.

WORDS OF APPRECIATION

L&G has come a long way towards resolving its difficulties of the recent past but we wish to assure our customers, business partners and shareholders that we remain mindful of the challenges ahead as we embark on an era of sustainable growth. The Company thanks you for your support and trust in its ability to meet your expectations in respect of the Group's performance.

To the Board of Directors and L&G's family of employees, do take heart and pride that your dedication and commitment has yielded just rewards in the form of the turnaround of the Company. You have my thanks and admiration for all the efforts that led up to making the 2010 financial year a turnaround year.

Dato' Hj Zainal Abidin Putih
Chairman

18 August 2010

MESSAGE FROM THE MANAGING DIRECTOR

OVERVIEW

I am pleased to report that efforts to rebuild Land & General Berhad and restore its competitive edge have not only continued to yield positive results but also gathered pace in the financial year ended 31 March 2010. While admittedly these are still early days insofar as the Group's turnaround is concerned, the Board believes there is cause for guarded optimism that the strategies mapped out and steadfastly pursued in the past two years have positioned L&G to face the next level of challenges in line with the Group's mission to regain its former stature in the Malaysian property development sector.

With the full settlement and redemption of the Redeemable Convertible Secured Loan Stock (RCCLS) on 30 June 2009, the Company has fully met its Debt Restructuring Agreement (DRA) obligations and has emerged with a very healthy cash reserve to serve as working capital to effect various plans which have been put in place. The Company has also cleared its accumulated losses under a capital reduction exercise approved by L&G shareholders at an Extraordinary General Meeting ("EGM") held on 7 August 2009.

For the financial year under review, it is heartening to note that L&G managed to stay on track in terms of earnings despite a challenging operating environment caused by the fallout from the 2008-09 global financial crisis. The Group posted a profit before tax of RM31.0 million, a 75 percent improvement from financial year 2009's RM17.7 million. Turnover stood at RM30.2 million compared to RM37.6 million the year before.

OPERATING ENVIRONMENT & OPPORTUNITIES

According to figures from the Ministry of Finance's National Property Information Centre (NAPIC), the Malaysian property market held up fairly well in calendar year 2009, despite the prevailing less than favourable economic circumstances. The Malaysian economy, being export-dependent, was hit by the global slowdown and suffered a 1.7 percent contraction in 2009. Even then, a total of 337,859 real estate transactions worth RM81.0 billion were registered compared to 340,240 transactions valued at RM88.3 billion in 2008. The residential property sub-sector continued to spearhead market transactions in 2009, contributing 62.6 percent and 51.7 percent of the transactions volume and value, respectively.

However, recovery is clearly under way in tandem with the general stabilisation of the global economy as Malaysia's Gross Domestic Product (GDP) posted a positive growth of 4.5 percent in the fourth quarter of 2009, and followed this up with an impressive 10.1 percent surge in first quarter 2010. GDP had contracted 6.2 percent, 3.9 percent and 1.2 percent in the first three quarters of 2009, respectively. For 2010, Bank Negara Malaysia has forecast a growth rate of between 4.5 per cent and 5.5 per cent on the back of a broad-based economic recovery.

For the property market, prospects for growth have likewise improved significantly with the number of property transactions in the first three months of 2010 totalling 91,979 valued at RM25.3 billion, up from 79,024 worth RM16.9 billion in the same period a year earlier. This was a better than 50 percent improvement in value terms. The growth momentum is further underpinned by various measures introduced by the Government under the 2010 Budget to stimulate and promote the property market, including the exemption from FIC (Foreign Investment Committee) approval for foreign acquisitions and the reintroduction of the real property gains tax at a fixed rate of 5 percent, but only payable on disposal of any real property within 5 years of purchase.

The residential property sub-sector dominated the market in 2009, making up 62.6 per cent of all ownership transfers and 51.7 per cent of the total value of transactions, according to the "Malaysian Property Market 2009" report released by the NAPIC's Valuation and Property Services Department in April. Overall, Malaysian house prices rose by 1.5 per cent compared to those in 2008.

Against this encouraging backdrop, L&G is pursuing continuous and focused efforts in the new financial year with plans and strategies to sustain the earnings uptrend and further strengthen the financial position of the Group. Representative of this commitment are two new exciting projects by wholly-owned Sri Damansara Sdn Bhd ("SDSB") in the thriving, well-established township of Bandar Sri Damansara; one of which is the already launched, *8trium*, an integrated commercial office and retail development. The other project, a high-end condominium development on 42 acres of land, is scheduled to be unveiled in early 2011.

In addition, the Group is preparing to commence a joint-venture development in Ampang, Kuala Lumpur, with the Mayland Group, an experienced property developer with a strong track record in the development of high-end serviced apartments. This project sales launch is targeted in the fourth quarter of 2010.

MESSAGE FROM THE MANAGING DIRECTOR (CONT'D)

FINANCIAL PERFORMANCE

The higher profit before tax (PBT) for the financial year ended 31 March 2010 is attributable mainly to foreign exchange gains of RM11.0 million realised as a result of capital distribution from a foreign subsidiary and a gain on disposal of an asset classified as held for sale of RM3.3 million.

The Group's fortunes in the financial year under review remained underpinned by its property development business. With a contribution of RM18.9 million, the Property Division accounted for 62.6 percent of the Group's turnover of RM30.2 million.

With the Group having begun to recognise sales from the *8trium*, contribution from the Property Division can be expected to expand further in the years ahead, bolstered by additional sales from the *8trium* as well as from the other projects that are set to take off.

OVERVIEW OF GROUP RESULTS

	Revenue		Profit/(loss) before tax	
	FY2010 RM'000	FY2009 RM'000	FY2010 RM'000	FY2009 RM'000
Property Division	18,915	28,014	9,444	(2,746)
Education Division	9,902	8,096	4,386	2,981
Others	1,397	1,501	15,631	16,623
Share of profit of jointly controlled entities			1,489	856
	30,214	37,611	30,950	17,714

REVIEW OF BUSINESSES

Property Division

Overall, performance was good in the financial year ended 31 March 2010. A key event during the year was the sales launch by SDSB for the *8trium*, with units in Tower 2 offered to the public in July 2009, followed by that in Tower 1 in October, bringing a total of 260 units of premium office suites to the market. Together with two levels of commercial retail podium, the estimated total Gross Development Value (GDV) of the project is RM160.0 million.

This landmark office-cum-retail complex embodies a unique integrated business-retail-leisure concept, and comprises two corporate office towers of 21 storeys each. The offering includes two levels of retail outlets and eateries, as well as a gymnasium, a swimming pool, a business centre, function rooms and about 900 car parking bays. The complex will also be WiFi-enabled. Ground-breaking for the project was conducted on 21 October 2009 and construction is in progress. Response has been encouraging with over 60 percent of the units on offer having been sold as at 31 March 2010.

Besides, SDSB expects to launch the first phase of a high-end condominium project, also located in Bandar Sri Damansara, in early 2011. The project's Development Order has been approved by the Authorities. Site work is expected to commence before the official launch. To be carried out in phases over a period of 8 to 10 years, the entire project will have an expected GDV in excess of RM1.5 billion. With a full complement of premium facilities it is also a showcase of green features that will see the development nestled amidst 42 acres of natural greenery.

OVERVIEW OF PROPERTY DIVISION

	FY2010 RM'000	FY2009 RM'000
Revenue	18,915	28,014
Profit before exceptional items	9,444	13,895
Exceptional items: - Provision for foreseeable loss of charged land	-	(16,641)
Profit/(loss) before tax	9,444	(2,746)

MESSAGE FROM THE MANAGING DIRECTOR (CONT'D)

SDSB has also sold three more bungalow lots in its D'Sara Villa development, leaving only one lot unsold to date. Additionally, SDSB had on 26 October 2009 completed the disposal of its two-storey commercial building on a 43,174 sq ft freehold site for a cash consideration of RM5.5 million.

Yet another up and coming project lined up by the L&G Group is the development in joint-venture with the Mayland Group of high-end serviced apartments at a prime site in Ampang, Kuala Lumpur. With an estimated GDV of RM630 million, the project to be known as *The Elements @ Ampang*, Kuala Lumpur, shall feature top-notch facilities and modern lifestyle conveniences such as a 50 m infinity lap pool, watsu pool, jacuzzi, gymnasium, bistro & bar, private dining rooms, CCTV security, yoga & meditation areas, putting green and sky garden.

In the case of wholly-owned subsidiary, Clarity Crest Sdn Bhd ("CCSB"), which owns 1,009.7 hectares of plantation land, CCSB continued to focus on growing its existing business. It currently has 277 ha planted with oil palm and another 327 ha with rubber trees. CCSB took over the management of the plantation from the previous managing agent with effect from 1 October 2009 and has set up its own office with the necessary manpower, equipment and facilities to continue the operations. No planting activity was undertaken in the financial year under review but 42 ha of oil palm has been identified for replanting and another 58 ha for new plantings in the next financial year.

Overseas

As for the Group's operations in Australia, the 50 percent joint venture development project in Hidden Valley, just north of Melbourne, has to date sold 780 land lots out of a total of 950 lots. This leaves 170 lots with a GDV of A\$30.6 million yet to be sold.

Education Division

Sekolah Sri Bestari continues to perform well in the financial year under review. Student population has further increased to approximately 1,100 students as at 31 March 2010 with facilities being upgraded and new ones installed. These include a new computer lab and a new futsal court as well as the upgrading of the netball court. In addition, classrooms have been upgraded and to keep up with the electronic environment, since January 2010 they are equipped with LCD projectors and computer notebooks to enhance the teaching-learning process. Also, with effect from January 2010, parents can communicate with Sekolah Sri Bestari's teachers and academic staff via email, which represents another step forward in respect of communication and interaction within the school's entire community.

OVERVIEW OF EDUCATION DIVISION		
	FY2010 RM'000	FY2009 RM'000
Revenue	9,902	8,096
Profit before tax	4,386	2,981

Concurrently, teachers' training programmes are on-going and all teachers have been equipped with computer notebooks. It is the intention of L&G to grow the business organically to add to overall profitability for the Group.

SIGNIFICANT CORPORATE EVENTS

Two EGMs were held during the financial year under review, one of which on 3 February 2010 involved the joint venture with the Mayland Group with the aim to acquire and jointly develop a piece of freehold land measuring approximately 10,547 sq m in Ampang, Kuala Lumpur. It was approved by shareholders of the Company and the acquisition of the said land by Elite Forward Sdn Bhd (a 50:50 jointly controlled entity), at a cash consideration of RM55.0 million, was concluded on 18 May 2010. Both 50:50 joint venture parties are in the midst of finalising plans for a high-end serviced apartments development on the subject land.

The other EGM, held on 7 August 2009, had sought and secured L&G shareholders' approval for a Capital Reduction exercise with the aim to reduce accumulated losses to a level that is reflective of the current capital structure of the Company. The objective was to eliminate the accumulated losses of RM594.6 million. Furthermore, the Company's share premium of RM133.0 million was decreased to RM17.0 million and the par value of the Company's share capital was reduced to RM0.20 each from RM1.00 each, previously.

The Capital Reduction became effective on 21 October 2009 following an order granted by the High Court of Malaya. L&G's issued and paid-up share capital was reduced to RM119,660,906 comprising 598,304,530 ordinary shares of RM0.20 each.



MESSAGE FROM THE MANAGING DIRECTOR (CONT'D)

PROSPECTS

Massive efforts, especially in the last two years, have been put into turning around the Group and I am personally very encouraged with progress made. On this note, I wish to point out that the current project, *Strium*, represents a key milestone in a long and challenging journey in the Company's history and is the first of a series of upcoming projects. The next two projects in the pipeline which are slated for sales launch very soon are *The Elements @ Ampang*, Kuala Lumpur, and our high-end condominium project in Bandar Sri Damansara. Indeed, the Group is surging forward and is confident of delivering profitable growth.

Meanwhile, Group-wide costs will continue to be trimmed where possible and new ways devised to improve the cash flow and bottom line. In addition, in our commitment to shareholders, investors and customers to generate profits and grow shareholders' value, principally by ensuring the timely delivery of quality products, we shall be alert to new opportunities as they arise.

BOARD UPDATES

Dato' Imran Ho Abdullah retired as a Director at the 46th Annual General Meeting of the Company which was held on 16 September 2009. L&G thanks him for his services during his tenure as a Director of the Company.

Effective 1 June 2010, the Company has appointed Dato' Hj Zainal Abidin Putih as our new Chairman and Mr Hoong Cheong Thard as Director. We welcome them to the Board and look forward to their guidance and the injection of fresh ideas and perspectives.

HUMAN RESOURCE

We, at L&G have always recognised that human capital is the backbone and foundation of success in an organisation. The progress achieved by the Group so far owes much to the dedication and support of personnel from all levels of the organisation.

THANK YOU

I wish to record my appreciation and thanks to the Board of Directors, the management and all personnel, without whose support and commitment the Group's goal of achieving sustainable growth cannot possibly be realised.

Finally, to our shareholders, we sincerely thank you for your confidence in the Group. With L&G all set to embark on a new chapter of growth, our appreciation of your support shall be reflected in a redoubling of efforts in the new financial year and beyond to place the Group ever more firmly on the path to sustained growth.

Low Gay Teck
Managing Director

18 August 2010

CORPORATE GOVERNANCE STATEMENT

The Board of Land & General Berhad is fully committed to the principles and best practices of the Malaysian Code of Corporate Governance. The Board constantly strives to ensure that the highest standards of corporate governance are practised throughout the Group as fundamental to fulfilling its responsibilities, which include protecting and enhancing shareholder value as well as the financial performance of the Company.

The Board of Directors

On 1 June 2010, a Chairman and an additional Director were appointed to the Board. With the aforesaid appointments, the Board currently comprises eleven (11) Directors of whom nine (9) are Non-Executive Directors and two (2) are Executive Directors.

The Board's composition is well balanced with five (5) Independent Non-Executive Directors, four (4) Non-Independent Non-Executive Directors and two (2) Executive Directors. The Company is led and controlled by an experienced Board made up of professionals and entrepreneurs who have a diverse range of business, financial and technical skills and experience. This mix of skills and experience is essential for the successful attainment of the corporate plans and objectives of the Group. A brief profile of each Director is set out on pages 5 to 10 in the Directors Profile of this Annual Report.

The roles of the Chairman and the Managing Director are clearly defined, with each carrying out his duties and responsibilities within the Company. The Chairman heads the Board and is responsible for ensuring the effectiveness of the Board. The Managing Director has overall executive responsibility for the day-to-day business operations and the implementation of the Board's decisions. In the absence of a Chairman during the financial year ended 31 March 2010, the Board elected from amongst themselves a member to assume the Chairman's role for each Board Meeting, pursuant to the Articles of Association of the Company.

All the Directors have an equal responsibility for the Group's operations and corporate accountability. The Independent Non-Executive Directors are independent of Management and are free from any business or other relationship with the Company which could interfere with the exercise of their independent judgment. This ensures an unbiased and independent view in the decision-making process.

In the furtherance of their duties, all Directors have access to the advice and service of the Company Secretary, the internal auditors and, if so required, independent professional advisors, at the Company's expense.

Board Meetings

Commencing the financial year under review, at the start of each Board meeting, the Board unanimously elected the Senior Independent Director to chair the Board meetings. During the financial year ended 31 March 2010, YBhg General (Rtd) Tan Sri Borhan Hj Ahmad chaired the Board Meetings and in his absence, YBhg Dato Ir Dr A Bakar Jaafar took the Chair.

Dates for Board meetings are scheduled in advance at the end of the previous financial year to enable Directors to plan ahead and fit the year's meetings into their own schedules. Board meetings are held every quarter and additional meetings are convened as and when necessary. Additional Board meetings are held when there are important corporate exercises or issues that require the urgent consideration or decision of the Board. During the financial year ended 31 March 2010, a total of six (6) Board meetings were held.

At the quarterly Board meetings, the Board reviews inter alia, the business issues and performance of the Group via the Managing Director's Report as well as approves the quarterly financial results of the Group. The Board also notes the decisions, recommendations and issues deliberated by the Board Committees through the minutes of these committees.

CORPORATE GOVERNANCE STATEMENT

(CONT'D)

Board Meetings (Cont'd)

The Record of attendance of Board meetings of each Director for the financial year ended 31 March 2010 is as follows :

Directors	No. of Meetings Attended
Dato' Hj Zainal Abidin Putih (<i>appointment effective 1 June 2010</i>)	Not applicable
Low Gay Teck	6/6
Ferdous Mahmood	6/6
General (Rtd) Tan Sri Borhan Hj Ahmad	5/6
Dato' Ir Dr A Bakar Jaafar	6/6
Lau Tiang Hua	3/6
Dato' Muhammad Khairun Aseh	6/6
Dato' Hj Ikhwan Salim Dato' Hj Sujak	6/6
YM Tengku Maruan Tengku Ariff	6/6
Winnie Chiu Wing Kwan	6/6
Hoong Cheong Thard (<i>appointment effective 1 June 2010</i>)	Not applicable

To ensure effective conduct of Board meetings, a structured formal agenda and Board meeting papers relating to the agenda are circulated to all Directors prior to each Board meeting. Board meeting papers include progress reports on operations, quarterly results of the Group and the Company, financial and corporate proposals and minutes of the Board Committees. The Directors are thus given sufficient time to enable them to peruse the matters that will be tabled at the Board meetings, participate in the deliberations of the issues to be raised and to make informed decisions.

Senior Management are invited to attend Board meetings to furnish additional details or clarification on matters tabled for the Board's consideration. Advisers and professionals appointed by the Company in relation to corporate exercises may also be invited to attend the Board meetings to provide explanations or clarifications and advice to the Directors.

The Company Secretary attends all Board meetings as well as Board Committee meetings and ensures that accurate and proper records of the proceedings of such meetings are kept.

Board Committees

To assist the Board in the discharge of its duties effectively, the Board has delegated certain functions to the following Committees, each operating within clearly defined terms of reference:

i) Executive Committee

The Executive Committee ("Exco") comprised three (3) Board members; two (2) Executive Directors and one (1) Non-Executive Director. The Exco dealt with a wide range of matters involving inter alia corporate development proposals and major operational activities and issues before bringing such matters to the attention of the Board at the Board Meetings and/or, where appropriate, seeking approval from the Board as a whole. For the financial year ended 31 March 2010, the Exco met three (3) times. The Executive Committee was dissolved by the Board on 19 May 2010 (as the matters dealt with by the Exco were also tabled to the Board for information and/or approval).

CORPORATE GOVERNANCE STATEMENT

(CONT'D)

Board Committees (Cont'd)

ii) Audit Committee

The Audit Committee, comprising wholly Non-Executive Directors with a majority being Independent Directors, is responsible for reviewing and monitoring the work of the Group's internal audit function as well as ensuring that an objective professional relationship is maintained with the external auditors. Further details of the Audit Committee are contained in the Audit Committee's Report in the next section of this Annual Report.

iii) Remuneration Committee

The Remuneration Committee, comprises entirely Non-Executive Directors, is authorised to review, assess and recommend to the Board the remuneration of the Executive and Non-Executive Directors in all forms, using other independent professional advice as necessary. The Remuneration Committee met three (3) times during the financial year under review.

iv) Nominations Committee

The Nominations Committee consists exclusively of Non-Executive Directors with a majority being Independent Directors. The Nominations Committee is authorised to identify and recommend the appointment of new directors to the Board. However, decisions on the appointment of new directors are made by the Board of the Company.

The Nominations Committee undertakes an annual review of the contribution of each Director through a self-assessment exercise. Upon completion of the review and assessment, the Nominations Committee submits its comments and recommendations for each Director to the Board for further discussion and/or approval, whichever is appropriate. The Nominations Committee met four (4) times during the financial year under review.

Re-election of Directors

In accordance with the Articles of Association of the Company, all Directors who are appointed by the Board are subject to election by shareholders of the Company at the first Annual General Meeting ("AGM") after their appointment. The Articles also provide that one-third of all the remaining Directors must retire from office at every AGM and, if eligible, may offer themselves for re-election. This provides an opportunity for shareholders to renew the mandates of each Director. The election of each Director is voted on separately at the shareholders meeting.

Directors' Training

All Directors of the Company, including the newly appointed Directors, have attended the Mandatory Accreditation Programme ("MAP"). A simple orientation programme was held for the newly appointed Directors shortly after their effective appointment date. Pursuant to the amendments to the Listing Requirements in relation to the Continuing Training Programme which came into effect on 1 January 2005, the Directors had decided that they shall continue to attend relevant training programmes conducted by external experts. In addition to this, internal management shall, from time to time, provide updates regarding any latest amendments pertaining to the listing requirements and statutory provisions or new regulations and accounting standards imposed by the relevant authorities. During the current financial year, the Directors have attended appropriate training programmes conducted by external experts to equip themselves with the knowledge to discharge their duties more effectively and to keep abreast of developments in the marketplace.



CORPORATE GOVERNANCE STATEMENT

(CONT'D)

Directors' Training (Cont'd)

During the current financial year, the Directors have attended the following training programmes:

Low Gay Teck

- Seminar on "Accounting Challenges in Turbulent Times" 29 April 2009
- High Level Forum for Directors of Listed Issuers in Enhancing Corporate Governance 12 May 2009
- Summit on "National Property & Housing Summit 2009" 19 & 20 October 2009
- Briefing on "Chapter 10 Transactions – Bursa Listing Requirements" 25 November 2009
- Briefing on "The Corporate Governance Guide 2009" 25 November 2009
- Seminar on "Financial Instruments : Recognition, Measurement, Disclosure and Presentation" 7 December 2009
- Seminar on "Understanding the New and Revised FRSs for Directors" 2 March 2010
- Seminar on "Promoting the Corporate Governance Agenda – Raising the Bar" 25 March 2010

Ferdaus Mahmood

- High Level Forum for Directors of Listed Issuers in Enhancing Corporate Governance 12 May 2009
- Talk on "Corporate Grooming – Finding your New Look" 3 June 2009
- Corporate Governance Week 8 & 11 June 2009
- Talk on "Designer's Dream, Engineering Madness & Owner's Nightmare" 1 July 2009
- Talk on "Hill Site Development & Landslide Issues" 2 September 2009
- Summit on "National Property & Housing Summit 2009" 19 & 20 October 2009
- Seminar on "Fundamental of Globalisation & Liberalisation and its Impact to the Real Estate Industry" 14 November 2009
- Briefing on "Chapter 10 Transactions – Bursa Listing Requirements" 25 November 2009
- Briefing on "The Corporate Governance Guide 2009" 25 November 2009
- Seminar on "Financial Instruments : Recognition, Measurement, Disclosure and Presentation" 7 December 2009
- Seminar on "Understanding the New and Revised FRSs for Directors" 2 March 2010

General (Rtd) Tan Sri Borhan Hj Ahmad

- High Level Forum for Directors of Listed Issuers in Enhancing Corporate Governance 12 May 2009
- Corporate Governance Week 8 June 2009
- Briefing on "Chapter 10 Transactions – Bursa Listing Requirements" 25 November 2009
- Briefing on "The Corporate Governance Guide 2009" 25 November 2009
- Seminar on "Understanding the New and Revised FRSs for Directors" 2 March 2010

Dato' Ir Dr A Bakar Jaafar

- High Level Forum for Directors of Listed Issuers in Enhancing Corporate Governance 12 May 2009
- Briefing on "Chapter 10 Transactions – Bursa Listing Requirements" 25 November 2009
- Briefing on "The Corporate Governance Guide 2009" 25 November 2009
- Forum and Talk on "Solar Cooling Technologies in Integrated Building System" 12 December 2009
- Seminar on "General Guidelines and Procedures in Rainfall Runoff Analysis" 21 December 2009
- Seminar on "Understanding the New and Revised FRSs for Directors" 2 March 2010

Lau Tiang Hua

- Corporate Governance Week 8 June 2009
- Seminar on "Understanding the New and Revised FRSs for Directors" 2 March 2010

CORPORATE GOVERNANCE STATEMENT

(CONT'D)

Directors' Training (Cont'd)

Dato' Muhammad Khairun Aseh

- High Level Forum for Directors of Listed Issuers in Enhancing Corporate Governance 12 May 2009
- Briefing on "Chapter 10 Transactions – Bursa Listing Requirements" 25 November 2009
- Briefing on "The Corporate Governance Guide 2009" 25 November 2009

Dato' Hj Ikhwan Salim Dato' Hj Sujak

- Conference on "Updates on Regulatory Framework, Directors Duties & Effective Governance Conference 2009 / Managing Corporations During Times of Financial Turbulence – The Way Forward" 20 & 21 May 2009
- Corporate Governance Week 8 June 2009

YM Tengku Maruan Tengku Ariff

- Briefing on "Chapter 10 Transactions – Bursa Listing Requirements" 25 November 2009
- Briefing on "The Corporate Governance Guide 2009" 25 November 2009

Winnie Chiu Wing Kwan

- Conference on "20th Annual Hotel Investment Conference Asia Pacific" 14 – 16 October 2009
- Conference on "Budget & Economy Hotels Asia 2009 Conference" 28 & 29 October 2009
- Conference on "The International Property Market" 18 & 19 November 2009
- Conference on "The Asian Association for Investors in Non-listed Real Estate Vehicles" 7 & 8 December 2009

Directors' Remuneration

The Executive Directors' remuneration comprises basic salary and allowances including other customary benefits made available to the Group. Any salary review takes into account market rates and the performance of the individual and the Group.

The Non-Executive Directors' remuneration comprises fees that are linked to their expected roles and level of responsibilities. The Directors' annual fees, which are determined by the Board as a whole, are approved by shareholders of the Company at each AGM.

The aggregate remuneration of the Directors of the Company categorised into appropriate components for the financial year ended 31 March 2010 is as follows:

Directors	Fees RM'000	Meeting Allowance RM'000	Salaries RM'000	Benefits in kind RM'000	Total RM'000
Executive	–	–	1,042	71	1,113
Non-Executive	338	39	–	–	377

The number of Directors of the Company whose total remuneration falls within the respective bands for the financial year ended 31 March 2010 is as follows:

Band	Number of Directors	
	Executive	Non-Executive
RM50,000 and below		5
RM50,001 to RM100,000		3
RM400,001 to RM450,000	1	
RM650,001 to RM700,000	1	



CORPORATE GOVERNANCE STATEMENT

(CONT'D)

Financial Reporting

The Board aims to present a balanced and understandable assessment of the Group's financial position and prospects in all their reports to shareholders, investors and regulatory authorities. The assessment is achieved primarily through the quarterly financial results and by both the Chairman's Statement and the Message from the Managing Director which are contained in the Annual Report. The quarterly financial results are reviewed by the Audit Committee and approved by the Board before being released to the Bursa Malaysia.

The Directors are also responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Group, and for ensuring that the financial statements comply with the Companies Act, 1965 and applicable approved Accounting Standards in Malaysia.

Internal Controls

The Directors acknowledge their responsibility to maintain a sound system of internal controls covering not only financial controls but also operational and compliance controls as well as risk management. This system is designed to manage, rather than eliminate, the risk of failure to achieve the Group's corporate objectives, as well as to safeguard shareholders' investments and the Group's assets. The Board seeks regular assurance on the continuity and effectiveness of the internal control system through independent review by the internal and external auditors.

To enhance risk management, the Company set up a Risk Management Committee in March 2002, which completed formalising the Risk Management Policy and Framework for the Group by the end of 2002. In 2007, a new Enterprise Risk Management (ERM) framework was introduced to update and further enhance the existing risk management framework. Details of the ERM framework are disclosed in the Statement on Internal Control in the following section of this Annual Report.

Relationship with External Auditors

The Group has established a transparent and professional relationship with the external auditors primarily through the Audit Committee and the Board.

The Audit Committee has met with the external auditors in relation to the audit of the annual financial statements without the presence of the Executive Directors and Management twice in respect of the financial year under review. The external auditors are invited to attend the annual general meetings of the Company and are available to answer shareholders' queries on the conduct of the audit and the preparation and content of the audit report. The external auditors are also invited to attend other shareholders' meetings of the Company to keep themselves informed of the status of the Company's corporate exercises.

Relationship with Shareholders and Investors

The Board recognises the importance of timely dissemination of information to shareholders and investors to ensure that they are well informed of all major developments of the Company and the Group. Such information is communicated to shareholders and investors through various disclosures and announcements to the Bursa Malaysia, including the quarterly financial results, annual reports and where appropriate, circulars and press releases.

The AGM represents the principal forum for dialogue and interaction with shareholders. At every AGM, the Board encourages and welcomes participation from shareholders to ask questions regarding the resolutions being proposed at the meeting and also other matters pertaining to the business activities of the Group. The Directors and Senior Management are present during these meetings to respond to questions raised by shareholders. At the 46th AGM held on 16 September 2009, the Executive Director of the Company gave a slide presentation to the shareholders on the Group's operating and financial performance for the financial year ended 31 March 2009 which included up-to-date operating activities of the Group.

CORPORATE GOVERNANCE STATEMENT (CONT'D)

Relationship with Shareholders and Investors (Cont'd)

In compliance with the Main Market Listing Requirements of Bursa Malaysia, all announcements made by the Company to Bursa Malaysia with effect from January 2009 such as the Group's quarterly financial results, annual reports and other mandatory announcements are available at the Company's website: www.land-general.com. The website also contains current corporate and non-financial information to provide general information and the on-going business activities of the Group.

YBhg Dato' Ir Dr A Bakar Jaafar is the Senior Director of the Company to whom concerns or queries regarding the Group can be directed.

Address : **YBhg Dato' Ir Dr A Bakar Jaafar**
c/o Land & General Berhad
Level 5, Block D, Sri Damansara Business Park,
Persiaran Industri, Bandar Sri Damansara
52200 Kuala Lumpur
Email : a.bakar.jaafar@land-general.com

In addition, to enable the public to forward queries to the Company, the aforesaid Company's website contains the names, contact email addresses and telephone numbers of the following Senior Management :

Lim Fong Een
Company Secretary
Telephone No : 6279 8186
Fax No : 6277 7061
Email : felim@land-general.com

Aiznin Sairi Sulaiman
Head, Legal and Corporate Affairs
Telephone No : 6279 8026
Fax No : 6279 8061
Email : aiznin@land-general.com



STATEMENT OF DIRECTORS' RESPONSIBILITIES

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE AUDITED FINANCIAL STATEMENTS

Directors are required by company law to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Group and of the Company at the end of the financial year and of the results of the Group and of the Company of the financial year then ended.

In preparing the financial statements for the year ended 31 March 2010, the Directors have:

- adopted suitable accounting policies and then applied them consistently;
- made judgements and estimates that are prudent and reasonable;
- ensured applicable accounting standards have been followed, subject to any material departure and explained in the financial statements; and
- prepared the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

The Directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Group and of the Company and to enable them to ensure that the financial statements comply with the Companies Act, 1965. The Directors are also responsible for safeguarding the assets of the Group and of the Company and, hence, for taking reasonable steps for the prevention and detection of fraud and other irregularities.

ADDITIONAL COMPLIANCE INFORMATION

- **Material Contracts**

There were no other material contracts subsisting at the end of the financial year entered into since the end of the previous financial year by the Company and its subsidiaries which involve the interests of directors and major shareholders except as disclosed under Note 36(a) to the Financial Statements.

- **Sanctions and/or Penalties Imposed**

There were no fines or sanctions imposed on the Company and its subsidiaries, directors or management by the relevant regulatory authorities.

- **Non-audit Fee**

The amount of non-audit fee payable to the external auditors for the financial year ended 31 March 2010 has been reflected under Note 8 to the Financial Statements.

AUDIT COMMITTEE REPORT

The Audit Committee was established on 8 August 1991 to act as a Committee of the Board to fulfil its fiduciary responsibilities relating primarily to business ethics, policies and practices, and financial management and controls.

MEMBERS AND MEETINGS

The Audit Committee held five (5) meetings during the financial year ended 31 March 2010. The members of the Audit Committee and the record of their attendance are as follows:

	Directors/Members	Position on the Board	No. of Meetings Attended
1	General (Rtd) Tan Sri Borhan Hj Ahmad	<i>Chairman of Audit Committee, Independent Non-Executive Director</i>	5/5
2	Dato' Ir. Dr A. Bakar Jaafar	<i>Independent Non-Executive Director</i>	5/5
3	Mr Lau Tiang Hua	<i>Independent Non-Executive Director</i>	4/5

TERMS OF REFERENCE

The terms of reference of the Audit Committee are as follows:

Membership

1. The Audit Committee shall be appointed by the Board from amongst their number and shall consist of at least three members, all of whom must be non-executive directors, with a majority of them being independent directors.
2. At least one member of the Audit Committee:
 - (a) must be a member of the Malaysian Institute of Accountants; or
 - (b) if he is not a member of the Malaysian Institute of Accountants, he must have at least three (3) years' working experience and:-
 - Must have passed the examinations specified in Part I of the 1st Schedule of the Accountants Act 1967; or
 - Must be a member of one of the associations of accountants specified in Part II of the 1st Schedule of the Accountants Act 1967; or
 - (c) fulfils such other requirements as prescribed or approved by Bursa Securities.
3. The members of the Audit Committee shall elect a Chairman from amongst their number who shall be an Independent Non-Executive Director.
4. In the event of any vacancy in the Audit Committee, within three months of that event, the Board shall appoint new members to make up the minimum number of three members.
5. No alternate director shall be appointed as a member of the Audit Committee.
6. The term of office and performance of the Audit Committee and each of its members shall be reviewed by the Board at least once every three years.



AUDIT COMMITTEE REPORT (CONT'D)

TERMS OF REFERENCE (CONT'D)

Authority

The Audit Committee is authorised by the Board:

1. To investigate any activity within its terms of reference;
2. To have the resources required to perform its duties;
3. To have full and unrestricted access to information about the Company and the Group;
4. To have unrestricted access to both the internal and external auditors and to all employees of the Group;
5. To have direct communication channels with the external auditors, Head of Internal Audit and/or any staff of the Internal Audit Department;
6. To obtain external legal or other independent professional advice as necessary; and
7. To be able to convene meetings with the external auditors, the internal auditors or both, excluding the attendance of other directors and employees, whenever deemed necessary.

Functions

The functions of the Audit Committee shall be:

1. To review with the external auditors and report to the Board:
 - the audit plan
 - their evaluation of the system of internal controls
 - their audit reports, to ensure that their recommendations regarding management weaknesses are implemented
 - the annual financial statements and recommend the adoption of the financial statements
 - the audit fees
2. To review with the internal auditors and report to the board:
 - the Group's internal control procedures, including organisational and operational controls
 - the internal audit department's scope of work, functions, competency and resources and that it has the necessary authority to carry out its work
 - the Annual Audit Plan
 - the results of audit findings and other relevant reports
 - the assistance given by the Company's officers to the internal auditors
 - the regular management information and to ensure that audit recommendations regarding management weaknesses are effectively implemented
 - any related party transactions and conflict of interest that may arise within the Company and the Group including any transaction, procedure or course of conduct that raise questions of management integrity
3. To review the Group's quarterly financial results and year end financial statements, prior to the approval by the board of directors focusing particularly on
 - i) changes in or implementation of major accounting policy changes;
 - ii) significant and unusual events; and
 - iii) compliance with accounting standards and other legal requirements.
4. To review and recommend the appointment of the external auditors
5. To review on any removal or resignation of the external auditors
6. To undertake such other functions as may be agreed to by the Audit Committee and the Board

AUDIT COMMITTEE REPORT

(CONT'D)

TERMS OF REFERENCE (CONT'D)

Meetings

1. Meetings shall be held not less than four times a year.
2. The quorum for each meeting shall be two members present and a majority must be independent directors.
3. The Managing Director, the Executive Director, the Head of Group Finance and Accounts, and the Head of Internal Audit shall normally attend the meetings. Other Board members and employees may attend the meetings upon the invitation of the Audit Committee.
4. At least twice a year, the Audit Committee shall meet with the external auditors without the presence of management and executive directors.
5. The Company Secretary shall be the Secretary of the Audit Committee. Minutes of each meeting shall be kept and distributed to each member of the Audit Committee and of the Board.
6. The Chairman of the Audit Committee shall report on each meeting to the Board.

SUMMARY OF ACTIVITIES OF THE INTERNAL AUDIT FUNCTION AND THE AUDIT COMMITTEE DURING THE FINANCIAL YEAR ENDED 31 MARCH 2010

Internal Audit Function

The Group has an in-house Internal Audit Department whose principal responsibility is to undertake regular and systematic reviews of the system of internal controls, so as to provide reasonable assurance that such systems continue to operate effectively and efficiently.

The following activities were carried out by the Internal Audit Department: -

1. Reviewed the system of internal controls and key operating processes based on the approved annual plan and recommending improvements to the existing system of controls;
2. Ascertained the extent of compliance with established policies, procedures and statutory requirements;
3. Ascertained the extent to which the Company's and the Group's assets are accounted for and safeguarded from losses of all kinds;
4. Carried out ad hoc audit assignments and special reviews; and
5. Identified opportunities to improve the operations of and processes within the Group.



AUDIT COMMITTEE REPORT (CONT'D)

SUMMARY OF ACTIVITIES OF THE INTERNAL AUDIT FUNCTION AND THE AUDIT COMMITTEE DURING THE FINANCIAL YEAR ENDED 31 MARCH 2010 (CONT'D)

Summary of Activities of the Audit Committee

During the financial year ended 31 March 2010, the Audit Committee performed its duties as set out in its terms of reference.

The main activities undertaken by the Audit Committee were as follows:-

1. Reviewed the audit plans for the Group prepared by the internal auditor;
2. Reviewed the external auditors' scope of work and audit plan for the year;
3. Reviewed the internal audit reports, recommendations and management's response, and discussed actions taken with Management to improve the internal control system based on internal audit findings;
4. Reviewed and report the same to the Board the assessment and impact of the proposed adoption of FRS 139 *Financial Instruments: Recognition and Measurement* ("FRS 139") with the intention to achieve full compliance with FRS 139 requirements by 1 April 2010;
5. Reviewed the quarterly unaudited financial results announcements with the Managing Director and Head of Group Finance & Accounts before recommending it for the Board's approval; and
6. Reviewed the audited financial statements of the Company and the Group prior to the submission to the Board for their consideration and approval (to ensure that the audited financial statements were drawn up in accordance with the provisions of the Companies Act, 1965 and the applicable Financial Reporting Standards in Malaysia).

GENERAL (RTD) TAN SRI BORHAN HJ AHMAD

Chairman of Audit Committee
(Independent Non-Executive Director)

30 June 2010

STATEMENT ON INTERNAL CONTROL

INTRODUCTION

The Board of Directors of Land & General Berhad is committed to maintaining a sound system of internal controls for the Group and is therefore pleased to provide the Statement on Internal Control, which outlines the key elements of this system within the Group.

BOARD'S RESPONSIBILITY

System of Internal Control

The Board of Directors recognises the importance of sound internal controls and risk management practices for good corporate governance. The Board has the overall responsibility for maintaining a sound system of internal control and for reviewing their adequacy and integrity so as to safeguard shareholders' investment and the Group's assets. The system of internal control covers, *inter alia*, financial, operational and compliance system controls and risk management. However, it should be noted that such systems are designed to manage rather than to eliminate risks that may impede the achievement of the Group's business objectives. The systems can therefore only provide reasonable, and not absolute, assurance against any material misstatement or losses.

The Group has in place an on-going process for identifying, evaluating and managing significant risks that may affect the achievement of business objectives for the year and up to the date of this report. The top five risks are reported to the Board for their deliberation.

Enterprise Risk Management (ERM)

In April 2002, the Group established a Risk Management Committee which comprises senior management. Tasked with reviewing and formulating a risk management policy, the Committee reviewed the operations and systems within the Group and recommended that a risk management policy be adopted. The recommended risk policy has since been approved and adopted for implementation since 2003. Updates on the risk policy were done regularly.

In September 2007, an independent external consultant was engaged to assist the Board to conduct a review on the effectiveness of existing Risk Management framework. As a result of the review, a new Enterprise Risk Management (ERM) policy, framework and the Group risk profile was established and approved by the Board in February 2008.

The ERM policy forms an integral part of good management practice for the Group. The purpose of this policy is to foster a proactive risk management culture within the Group's companies and departments. Compliance to the ERM policy is mandatory.

Under the current ERM framework, the Group has a Risk Manager and Risk Coordinator who coordinates the overall risk management activities within the Group and assist the Executive Director in the implementation of the ERM. The Executive Director is responsible to report to the Board on regular basis on major risk areas.

Internal Audit Function

The internal audit function of the Group is carried out by an adequately resourced internal audit department, which provides the Board with much of the assurance it requires regarding the adequacy and effectiveness of the Group's system of controls, procedures and operations.

Internal audits are undertaken to provide independent assessments of the adequacy, efficiency and effectiveness of the Group's internal control systems, and reports are made to the Audit Committee on a quarterly basis. The Audit Committee also has full access to both internal and external auditors and receives reports on all audits performed.

The internal audit function reviews the internal controls in the key activities of the Group's business based on the annual audit plan, which is presented to the Audit Committee for approval. Since the adoption of the risk policy, the internal audit function has taken on a risk-based approach when preparing its audit strategy and plans, after having considered the risk profiles of the operating companies and divisions of the Group.

The audit reports that were tabled to the Audit Committee for their deliberation on quarterly basis include management response and corrective actions taken or to be taken in regard to the specific findings and recommendations. The Management as a whole is responsible for ensuring that the necessary corrective actions on reported weaknesses are taken within the required time frame. The Audit Committee presents its findings regularly to the Board.



STATEMENT ON INTERNAL CONTROL (CONT'D)

BOARD'S RESPONSIBILITY (CONT'D)

Other key elements of internal control

The other key elements of the Group's internal control systems are described below:

- Defined delegation of responsibilities to committees of the Board and to Management, including organisational structures and appropriate authority levels;
- Documented internal policies and procedures set out in the Group Procedures & Authorities (GPA) Manual, which are continuously reviewed and improved upon to reflect changes in business structures and processes;
- The Board receives and reviews regular reports including key operating statistics from the Management on the performance of operating units;
- A detailed budgeting process requires all business units to prepare budgets annually which are reviewed and approved by the Board;
- The Board deliberates and approves the quarterly financial information which have been reviewed by the Audit Committee; and
- In respect of material joint ventures and associated companies, there are Board level representations from the Group to oversee the administration, operation, performance and executive management of these companies. Financial and operational information of these companies is provided regularly to the Management of the Group.

In addition, one of the Group's subsidiaries had been accorded the ISO 9001:2000 accreditation for its operational process.

PROGRESS DURING THE FINANCIAL YEAR

As stated above in year 2007, an independent external consultant was engaged to assist the Board to conduct a review on the effectiveness of existing Risk Management (RM) framework. As a result of the review, the risk management framework was updated and enhanced by the introduction of an Enterprise Risk Management (ERM) framework.

The ERM framework expanded and took into consideration the risk matrices of the Group as a whole and as a result enhanced the existing risk management structure by updating the risk management policy, revising the reporting structure and stating roles and responsibilities for the implementation of the ERM. The ERM introduced a formal communication and monitoring process and detailing the risk action planning steps. In addition, the following key activities were undertaken during the year:

1. Reviewed and reassessed the ranking of the current key risks profile of the ERM framework based on the given risk parameter by the Risk Coordinator, Risk Manager and Risk Owners, that affect the Group under current economic scenario.
2. A briefing was made to the Board of the current top five risks that the Group faced, for their attention and subsequent action.

At the date of the annual report, the ERM framework, policy and the Group risk profile have been implemented in stages and subject to periodic review as and when necessary.

REVIEW OF THE STATEMENT BY EXTERNAL AUDITORS

The external auditors have reviewed the Statement on Internal Control and reported to the Board that nothing has come to their attention that cause them to believe the statement is inconsistent with their understanding of the process adopted by the Board in reviewing the adequacy and integrity of the system of internal controls.

CONCLUSION

The Board is of the view that the system of internal controls being instituted throughout the Group is sound and effective. Notwithstanding this, reviews of all control procedures will be continuously carried out to ensure the ongoing effectiveness and adequacy of the systems of internal control, so as to safeguard shareholders' investments and the Group's assets.

CORPORATE SOCIAL RESPONSIBILITY

AT LAND & GENERAL BERHAD

In the pursuit of the Company's business objectives, the Board is not only committed to further appreciate stakeholders' value but to contribute, in meaningful ways, to the well being of its employees and the environment and community in which the Group operates. The Board believes that Corporate Social Responsibility ("CSR") goes beyond donating money and other resources to worthwhile causes and therefore, the Group has institutionalised CSR activities in various forms in its day-to-day business operations and will continually make conscious efforts to improve its CSR activities within its means for the betterment of the community and environment.

For the financial year ended 31 March 2010, the Group continued to maintain its on-going CSR activities.

WORKPLACE

The Group recognises that human capital is an important asset to its success and towards this end, the Group constantly promotes human capital development. The Group had undertaken the following :

- In-house training as well as sponsorship to external training programmes or seminars and conferences conducted by industry professionals were provided to the Group's employees;
- Study and exam leave were given to employees who upgrade themselves with new skills and knowledge; and
- Talks on relevant topics such as income tax were organised as part of the staff development programme.

Moreover, the Group fostered its commitment to build a strong sense of shared welfare among the Land & General family by :

- Publication of a bi-annual in-house magazine "Titian";
- Supporting the Land & General Berhad Sports Club and its activities;
- Disbursing staff discount to eligible employees for purchase of properties undertaken by the Group; and
- Encouraging employee voluntarism e.g. giving aid in cash or in kind to support fellow colleagues facing personal or financial difficulties.

To recognise employees' contribution and loyalty as well as to instill better working relationship amongst the employees and with Management, the Company held an Annual Dinner and celebrated the birthdays of employees on a regular basis. In conjunction with the Annual Dinner, the Company presented long service awards to recognise committed, dedicated and loyal employees.

The Group also prides itself as being an equal opportunity employer by vigilantly guarding against all forms of discrimination and has actively promoted mutual respect among the staff.

Aside from compliance with all labour law provisions, an Occupational Safety and Health ("OSH") Committee has been in operation since 1995 to organise activities and address OSH issues of employees to provide a safe workplace. The OSH Committee had initiated various activities for the benefit of the employees of the Group which included regular health and safety programmes such as fire drills and safety checks on fire-fighting equipment. On 14 October 2009, the Company participated in a fire drill exercise at its office premise which was initiated by the property management service provider.

COMMUNITY

As part of its social responsibility to the community, the Group endeavours to continuously give its full support to events that are organised by the Bandar Sri Damansara Residents' Association ("BSDRA") which are beneficial to the local community. The following efforts have been undertaken :

- The Sri Damansara Club, which is wholly owned by the Company, allows the BSDRA complimentary use of the Club's function rooms for holding their meetings such as the BSDRA annual general meetings and also sponsors refreshments during the said meetings;
- The L&G Group was one of the main sponsors of the 1st BSDRA's Community Carnival which was held on 6 December 2009. The Carnival which carried the theme "Bridging BSD Communities" was aimed at promoting unity within the township as well as foster closer family ties. The Group made a cash donation for the said Carnival as a gesture of support;



CORPORATE SOCIAL RESPONSIBILITY AT LAND & GENERAL BERHAD (CONT'D)

COMMUNITY (CONT'D)

- Through its wholly-owned subsidiary, Sri Damansara Sdn Bhd (“SDSB”), the Company, had for a number of years, provided a piece of land in Bandar Sri Damansara belonging to SDSB for the BSDRA’s office and a police beat. Through the combined efforts of SDSB, the BSDRA and the police, the police beat was subsequently upgraded to a police station on 11 January 2009 to cater to the needs of the growing population in Bandar Sri Damansara. The new police station is located adjacent to the BSDRA’s office. Hitherto, the Company does not charge any rental for the usage of the land which is currently occupied by the BSDRA’s office and the new police station;
- The Sri Damansara Club also makes available its swimming pool for a water therapy programme for special children; and
- On 19 April 2009, the Sri Damansara Club also organised a blood donation drive.

To share the festive joy with the poor and the less fortunate, the Company hosted two Hari Raya celebrations during the year :

- The Company, in collaboration with Sekolah Sri Bestari (the school is owned by one of the Company’s wholly-owned subsidiaries), hosted a Majlis Berbuka Puasa for the children from the Badan Kebajikan Anak-anak Yatim Masjid Nurul Amin (BAKA). A total of 42 orphans from BAKA attended the dinner event on 11 September 2009 and each child received cash and gifts from the Company.
- The Company joined hands with HOPE Worldwide Malaysia on 26 September 2009 and together celebrated Hari Raya with the less fortunate who were treated with a buffet lunch and gift hampers. The children were further blessed with “duit raya”.

Furthermore, the Group has maintained the Tabung Amanah Land & General Berhad which was set up in 1996 as a means whereby the Group can channel funds towards social development and the preservation of the environment. The Board of the Company had decided to distribute the existing funds in the Tabung to worthwhile educational purposes.

ENVIRONMENT

As for caring for the environment, the employees have been putting in considerable efforts from reusing paper in the office, switching off lights and electrical equipment during the lunch hour to the integration of the environmental dimension in project planning, development and implementation inter alia, as much by following the natural topography and by maintaining the verdure of development site, and not going against them. Respect for the environment has been fostered in the employees of the Group through informal discussions and developing environment-sustaining projects. The Company is seriously working towards developing green sustainable buildings in one of its upcoming projects and hopefully, to obtain the Green Building index rating.

MARKETPLACE

The Group conducts its business in accordance with a high standard of business ethics and in compliance with all relevant legislation. The Group continues to concentrate on the development and adoption of good corporate governance in all aspects of its business operations.

Indeed, the commitment to CSR permeates the entire organisation and all its activities, including corporate governance and the practice of good business ethics, because it is more than just a mission. For the Group, CSR is both a moral obligation and a collective responsibility.

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DIRECTORS' REPORT

The Directors have pleasure in presenting their report together with the audited financial statements of the Group and of the Company for the financial year ended 31 March 2010.

PRINCIPAL ACTIVITIES

The principal activities of the Company are investment holding and leasing of assets. The principal activities of the subsidiaries are set out in Note 15 to the financial statements.

There have been no significant changes to the activities of the Group and of the Company during the financial year.

RESULTS

	Group RM'000	Company RM'000
Profit for the year	29,682	28,219
Attributable to:		
Equity holders of the Company	29,682	28,219
Minority interests	–	–
	<u>29,682</u>	<u>28,219</u>

There were no material transfers to or from reserves and provisions during the financial year other than the effects arising from a capital reduction exercise incorporating the cancellation of RM0.80 of the par value of each existing ordinary share of RM1.00 each resulting in a credit of RM478,644,000 and a partial reduction of the share premium account of the Company of RM115,967,000. The total credit of RM594,611,000 arising was utilised to set-off against the accumulated losses of the Company. Further details of this exercise are disclosed in Note 29 to the financial statements.

In the opinion of the Directors, the results of the operations of the Group and of the Company during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature, other than:

- (i) the effects arising from the capital distributions of a foreign subsidiary resulting in a realised foreign exchange gain to the Group and to the Company of RM11,049,000 and RM9,612,000 respectively, as disclosed in Note 15(i) to the financial statements; and
- (ii) the effects arising from the write back of impairment loss on other investments of the Group and of the Company of RM8,810,000 as disclosed in Note 4 to the financial statements.

DIVIDENDS

No dividend was paid or declared by the Company since the end of the previous financial year.

The Directors do not recommend any payment of dividend in respect of the current financial year ended 31 March 2010.

DIRECTORS' REPORT

(CONT'D)

DIRECTORS

The Directors of the Company in office since the date of the last report and at the date of this report are:

Dato' Hj Zainal Abidin Putih (Chairman)	(Appointed on 01.06.2010)
Low Gay Teck (Managing Director)	
Ferdaus Mahmood (Executive Director)	
General (R) Tan Sri Borhan Hj Ahmad	
Dato' Ir Dr A Bakar Jaafar	
Lau Tiang Hua	
Dato' Muhammad Khairun Aseh	
Dato' Hj Ikhwan Salim Dato' Hj Sujak	
YM Tengku Maruan Tengku Ariff	
Wing Kwan Winnie Chiu	
Hoong Cheong Thard	(Appointed on 01.06.2010)
Dato' Imran Ho Abdullah	(Retired on 16.09.2009)

In accordance with Article 93 of the Articles of Association of the Company, Low Gay Teck, Dato' Ir Dr A Bakar Jaafar and Dato' Hj Ikhwan Salim Dato' Hj Sujak retire at the forthcoming Annual General Meeting, and being eligible, offer themselves for re-election.

In accordance with Article 98 of the Articles of Association of the Company, Dato' Hj Zainal Abidin Putih and Hoong Cheong Thard, retire at the forthcoming Annual General Meeting and being eligible, offer themselves for election.

General (R) Tan Sri Borhan Hj Ahmad, having already attained the age of seventy, retires pursuant to Section 129(2) of the Companies Act, 1965 and will not seek re-appointment as Director at the forthcoming Annual General Meeting of the Company.

DIRECTORS' BENEFITS

Neither at the end of the financial year, nor at any time during that year, did there subsist any arrangement to which the Company was a party, whereby the Directors might acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the Directors as shown in Note 6 to the financial statements or the fixed salaries of full-time employees of the Company) by reason of a contract made by the Company or a related corporation with any Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.



DIRECTORS' REPORT (CONT'D)

DIRECTORS' INTERESTS

According to the register of Directors' shareholdings, the interests of Directors in office at the end of the financial year in shares in the Company during the financial year were as follows:

	Number of Ordinary Shares of RM1.00 each / RM0.20 * each			
	1 April 2009	Acquired	Disposed	31 March 2010
The Company				
Direct Interest				
YM Tengku Maruan Tengku Ariff	2,000	–	–	2,000
Indirect Interest				
Wing Kwan Winnie Chiu	101,380,000	–	–	101,380,000

* The par value of each ordinary share was reduced from RM1.00 each to RM0.20 each during the year as disclosed in Note 29 to the financial statements.

Wing Kwan Winnie Chiu, by virtue of her indirect interest in shares in the Company, is also deemed interested in shares in all the Company's subsidiaries to the extent the Company has an interest.

No other Director in office at the end of the financial year had any interest in shares or in debentures of the Company and its related corporations during the financial year.

CAPITAL REDUCTION

During the financial year, the Company undertook the following capital reduction exercise:

- (i) the Memorandum of Association of the Company was amended to reflect the reduction of par value of the authorised share capital of the Company from RM1.00 per ordinary share to RM0.20 per ordinary share; thereby increasing the number of authorised shares from 1,000,000,000 to 5,000,000,000; and
- (ii) the issued and paid-up share capital of the Company was reduced from RM598,305,000 comprising 598,305,000 ordinary shares of RM1.00 each to RM119,661,000 comprising 598,305,000 ordinary shares of RM0.20 each by the cancellation of RM0.80 of the par value of each ordinary share. The credits of RM478,644,000 and RM115,967,000 arising from the aforementioned share capital reduction exercise and the reduction in share premium of the Company respectively were applied to eliminate the accumulated losses of the Company.

OTHER STATUTORY INFORMATION

- (a) Before the income statements and balance sheets of the Group and of the Company were drawn out, the Directors took reasonable steps:
 - (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
 - (ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.

DIRECTORS' REPORT (CONT'D)

OTHER STATUTORY INFORMATION (CONT'D)

- (b) At the date of this report, the Directors are not aware of any circumstances which would render:
 - (i) the amount written off for bad debts or the amount of the allowance for doubtful debts in these financial statements inadequate to any substantial extent; and
 - (ii) the values attributed to the current assets in the financial statements of the Group and of the Company misleading.
- (c) At the date of this report, the Directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.
- (d) At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or financial statements of the Group and of the Company which would render any amount stated in the financial statements misleading.
- (e) At the date of this report, there does not exist:
 - (i) any charge on the assets of the Group or of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or
 - (ii) any contingent liability of the Group or of the Company which has arisen since the end of the financial year, other than for a corporate guarantee of RM19,250,000 granted to a joint venture entity by the Company, in proportion to its shareholdings, as disclosed in Note 37 to the financial statements.
- (f) In the opinion of the Directors:
 - (i) no contingent or other liability has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which will or may affect the ability of the Group or of the Company to meet their obligations when they fall due; and
 - (ii) no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Company for the financial year in which this report is made.

SIGNIFICANT EVENTS

In addition to the significant events disclosed elsewhere in this report, other significant events are disclosed in Note 36 to the financial statements.

SUBSEQUENT EVENTS

Details of subsequent events are disclosed in Note 37 to the financial statements.

AUDITORS

The auditors, Ernst & Young, have expressed their willingness to continue in office.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 20 July 2010.

Low Gay Teck

Ferdaus Mahmood



STATEMENT BY DIRECTORS

PURSUANT TO SECTION 169(15) OF THE COMPANIES ACT, 1965

We, **Low Gay Teck** and **Ferdaus Mahmood**, being two of the Directors of **Land & General Berhad**, do hereby state that, in the opinion of the Directors, the accompanying financial statements set out on pages 41 to 118 are drawn up in accordance with the Financial Reporting Standards and the provisions of the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2010 and of the results and the cash flows of the Group and of the Company for the year then ended.

Signed on behalf of the Board in accordance with a resolution of the Directors dated 20 July 2010.

Low Gay Teck

Ferdaus Mahmood



STATUTORY DECLARATION

PURSUANT TO SECTION 169(16) OF THE COMPANIES ACT, 1965

I, **Hayati Aman Hashim**, being the officer primarily responsible for the financial management of **Land & General Berhad**, do solemnly and sincerely declare that the accompanying financial statements set out on pages 41 to 118 are in my opinion correct, and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed Hayati Aman Hashim at Kuala Lumpur in the Federal Territory on 20 July 2010.

Hayati Aman Hashim

Before me,

Pesuruhjaya Sumpah Malaysia
W 592
Lt. Kol Hj Jalil Bin Hj Ithnin (B)
Tkt. 5, Wisma Harwant
106 Jalan Tuanku Abd Rahman
50100 Kuala Lumpur

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF LAND & GENERAL BERHAD

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of Land & General Berhad, which comprise the balance sheets as at 31 March 2010 of the Group and of the Company, and the income statements, statements of changes in equity and cash flow statements of the Group and of the Company for the year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 41 to 118.

Directors' responsibility for the financial statements

The Directors of the Company are responsible for the preparation and fair presentation of these financial statements in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements, plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgement, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Company as at 31 March 2010 and of their financial performance and cash flows of the Group and of the Company for the year then ended.



INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LAND & GENERAL BERHAD (CONT'D)

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report the following:

- (a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.
- (b) We have considered the financial statements and the auditors' reports of the subsidiary of which we have not acted as auditors, which are indicated in Note 15 to the financial statements.
- (c) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the financial statements of the Company are in form and content appropriate and proper for the purposes of the preparation of the consolidated financial statements and we have received satisfactory information and explanations required by us for those purposes.
- (d) The auditors' reports on the financial statements of the subsidiaries were not subject to any material qualification and in respect of subsidiaries incorporated in Malaysia, did not include any comment required to be made under Section 174(3) of the Act.

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

Ernst & Young
AF: 0039
Chartered Accountants

Low Khung Leong
No. 2697/01/11(J)
Chartered Accountant

Kuala Lumpur, Malaysia
20 July 2010

INCOME STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2010

	Note	Group		Company	
		2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Revenue	3	30,214	37,611	27,536	18,038
Other income	4	31,154	17,872	19,504	31,803
Raw materials and consumables used		(513)	(388)	–	–
Property development expenditure recognised as expense	12(b)	(2,078)	–	–	–
Changes in inventories		(3,320)	(7,088)	–	–
Staff costs	5	(12,193)	(13,290)	(2,713)	(3,250)
Depreciation and amortisation		(1,654)	(2,156)	(905)	(1,031)
Impairment losses		(65)	(344)	(35)	(25,391)
Other expenses		(11,173)	(38,889)	(8,088)	(11,026)
Provision for financial obligation arising from liquidation of a former subsidiary	24	–	(41,611)	–	(41,611)
Gain on deconsolidation of a subsidiary	15(b)(ii)	–	71,167	–	–
Operating profit/(loss)		30,372	22,884	35,299	(32,468)
Finance costs	7	(911)	(6,026)	(911)	(3,830)
Share of net profit of jointly controlled entities	17	1,489	856	–	–
Profit/(loss) before tax	8	30,950	17,714	34,388	(36,298)
Income tax expense	9	(1,268)	(2,399)	(6,169)	(367)
Profit/(loss) for the year		29,682	15,315	28,219	(36,665)
Attributable to:					
Equity holders of the Company		29,682	15,315	28,219	(36,665)
Minority interests		–	–	–	–
		29,682	15,315	28,219	(36,665)
Earnings per share attributable to equity holders of the Company (sen)					
Basic, for profit for the year	10	4.96	2.56		

The accompanying notes form an integral part of the financial statements.



BALANCE SHEETS

AS AT 31 MARCH 2010

	Note	Group		Company	
		2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
ASSETS					
Non-current assets					
Property, plant and equipment	11	64,204	64,815	870	1,278
Land held for property development	12(a)	26,115	34,362	–	–
Investment properties	13	16,182	14,383	20,917	21,331
Prepaid land lease payments	14	1,769	96	57	58
Investments in subsidiaries	15	–	–	202,390	268,262
Investments in associates	16	–	–	–	–
Investments in jointly controlled entities	17	(4,771)	(5,327)	–	–
Other investments	18	12,127	3,435	12,017	3,292
Deferred tax assets	32	3	84	–	–
		115,629	111,848	236,251	294,221
Current assets					
Property development costs	12(b)	10,028	–	–	–
Inventories	19	26,601	30,093	–	–
Trade and other receivables	20	34,114	26,588	25,691	30,111
Marketable securities	21	–	51,280	–	–
Tax recoverable		1,990	4,200	2,914	6,755
Deposits, cash and bank balances	22	136,694	123,520	77,356	38,050
		209,427	235,681	105,961	74,916
Non-current assets classified as held for sale	23	514	4,043	–	–
		209,941	239,724	105,961	74,916
TOTAL ASSETS		325,570	351,572	342,212	369,137

BALANCE SHEETS

AS AT 31 MARCH 2010 (CONT'D)

	Note	Group		Company	
		2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
EQUITY AND LIABILITIES					
Equity attributable to equity holders of the Company					
Share capital	29	119,661	598,305	119,661	598,305
Share premium		17,036	133,003	17,036	133,003
Reserves	30	20,310	16,318	–	–
Retained earnings/ (accumulated losses)	31	74,835	(547,458)	28,834	(593,996)
		231,842	200,168	165,531	137,312
Minority interests		–	–	–	–
Total equity		231,842	200,168	165,531	137,312
Non-current liabilities					
Provisions	24	1,489	–	–	–
Borrowings	26	330	5,377	330	5,377
Deferred tax liabilities	32	209	–	–	–
		2,028	5,377	330	5,377
Current liabilities					
Provisions	24	67,339	65,378	41,611	41,611
Trade and other payables	25	23,862	13,207	134,586	117,950
Borrowings	26	154	66,887	154	66,887
Taxation		345	555	–	–
		91,700	146,027	176,351	226,448
Total liabilities		93,728	151,404	176,681	231,825
TOTAL EQUITY AND LIABILITIES		325,570	351,572	342,212	369,137

The accompanying notes form an integral part of the financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2010

Note	Attributable to equity holders of the Company					Total RM'000	Minority interests RM'000	Total equity RM'000
	Share capital RM'000 (Note 29)	Share premium RM'000	Capital reserve RM'000 (Note 30)	Foreign exchange reserve RM'000 (Note 30)	(Accumulated losses)/ retained earnings RM'000 (Note 31)			
At 1 April 2008	598,305	133,003	4,674	26,718	(560,814)	201,886	-	201,886
Foreign exchange differences not recognised in income statement	-	-	-	(17,033)	-	(17,033)	-	(17,033)
Redemption of preference shares in a subsidiary	-	-	2,000	-	(2,000)	-	-	-
Effect of deconsolidation of a subsidiary	15(b)	-	(41)	-	41	-	-	-
Net profit for the financial year	-	-	-	-	15,315	15,315	-	15,315
At 31 March 2009	598,305	133,003	6,633	9,685	(547,458)	200,168	-	200,168
At 1 April 2009	598,305	133,003	6,633	9,685	(547,458)	200,168	-	200,168
Effect of capital reduction	29	(478,644)	(115,967)	-	594,611	-	-	-
Foreign exchange differences not recognised in income statement	-	-	-	3,429	-	3,429	-	3,429
Effect of capital distributions from a foreign subsidiary	15(i)	-	-	(1,437)	-	(1,437)	-	(1,437)
Redemption of preference shares in a subsidiary	-	-	2,000	-	(2,000)	-	-	-
Net profit for the financial year	-	-	-	-	29,682	29,682	-	29,682
At 31 March 2010	119,661	17,036	8,633	11,677	74,835	231,842	-	231,842

The accompanying notes form an integral part of the financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MARCH 2010

	Note	Share capital RM'000 (Note 29)	Non- distributable Share premium RM'000	(Accumulated losses) / retained earnings RM'000 (Note 31)	Total equity RM'000
At 1 April 2008		598,305	133,003	(557,331)	173,977
Loss for the financial year		–	–	(36,665)	(36,665)
At 31 March 2009		598,305	133,003	(593,996)	137,312
At 1 April 2009		598,305	133,003	(593,996)	137,312
Effect of capital reduction	29	(478,644)	(115,967)	594,611	–
Profit for the financial year		–	–	28,219	28,219
At 31 March 2010		119,661	17,036	28,834	165,531

The accompanying notes form an integral part of the financial statements.

CASH FLOW STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2010

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Cash Flows From Operating Activities				
Cash receipts from customers	42,236	33,081	2	3
Cash payments to suppliers and employees	(25,989)	(27,211)	(3,724)	(5,239)
Interest received	2,876	8,988	1,276	860
Taxation paid	(3,380)	(2,238)	–	–
Tax refunded	2,358	261	2,328	–
Other operating receipts	8,486	2,162	1,196	113
Other operating payments	(211)	(68)	(83)	(9)
Net cash inflow/(outflow) from operating activities	26,376	14,975	995	(4,272)
Cash Flows From Investing Activities				
Net cash from deconsolidation of a subsidiary (Note 15(b))	–	(387)	–	–
Capital distributions from a foreign subsidiary (Note 15(i))	–	–	83,484	–
Purchase of property, plant and equipment	(741)	(778)	(8)	(28)
Purchase of marketable securities	(7,220)	(51,280)	–	–
Proceeds from disposal of non-current assets held for sale	5,381	6,549	–	–
Proceeds from disposal of property, plant and equipment	21	243	20	203
Proceeds from disposal of investment property	407	371	–	–
Proceeds from disposal of marketable securities	59,021	–	–	–
Payments made to redeem charges on land secured for borrowings of a former subsidiary	–	(17,441)	–	–
Advance paid for land acquired under a joint venture	(7,398)	–	–	–
Dividend received	–	–	18,625	14,269
Others	(87)	(523)	(1)	–
Net cash inflow/(outflow) from investing activities	49,384	(63,246)	102,120	14,444

CASH FLOW STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2010 (CONT'D)

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Cash Flows From Financing Activities				
Payment of hire purchase obligations	(147)	(405)	(147)	(392)
Repayment of Redeemable Convertible Secured Loan Stocks ("RCSLS")	(71,710)	(12,019)	(71,710)	(12,019)
Interest payments	(1,483)	(3,915)	(1,483)	(3,915)
Net advances from subsidiaries	-	-	9,531	20,249
Net cash (outflow)/inflow from financing activities	(73,340)	(16,339)	(63,809)	3,923
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	2,420	(64,610)	39,306	14,095
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	123,520	199,451	38,050	23,955
EFFECTS OF FOREIGN EXCHANGE RATE CHANGES	10,754	(11,321)	-	-
CASH AND CASH EQUIVALENTS AT END OF YEAR (Note 22)	136,694	123,520	77,356	38,050

The accompanying notes form an integral part of the financial statements.



NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010

1. CORPORATE INFORMATION

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and listed on the Main Market of Bursa Malaysia Securities Berhad.

The address of the registered office and principal place of business of the Company is Level 5, Block D, Sri Damansara Business Park, Persiaran Industri, Bandar Sri Damansara, 52200 Kuala Lumpur, Malaysia.

The principal activities of the Company are investment holding and leasing of assets.

The principal activities of the subsidiaries are set out in Note 15. There have been no significant changes to the activities of the Group and of the Company during the financial year.

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of Directors on 20 July 2010.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Basis of Preparation

The financial statements comply with the provisions of the Companies Act, 1965 and Financial Reporting Standards ("FRSs") in Malaysia. At the beginning of the current financial year, the Group had adopted the new and revised FRS as described in Note 2.3.

The financial statements of the Group and of the Company have also been prepared under the historical basis.

The financial statements are presented in Ringgit Malaysia (RM) and all values are rounded to the nearest thousand (RM'000) except when otherwise indicated.

2.2 Summary of Significant Accounting Policies

(a) Subsidiaries and Basis of Consolidation

(i) Subsidiaries

Subsidiaries are entities over which the Group has the ability to control the financial and operating policies so as to obtain benefits from their activities.

In the Company's separate financial statements, investments in subsidiaries are stated at cost less impairment losses. On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in income statement.

(ii) Basis of Consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries as at the balance sheet date. The financial statements of the subsidiaries are prepared for the same reporting date as the Company.

Subsidiaries are consolidated from the date of acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date that such control ceases. In preparing the consolidated financial statements, intragroup balances, transactions and unrealised gains or losses are eliminated in full. Uniform accounting policies are adopted in the consolidated financial statements for like transactions and events in similar circumstances.

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (Cont'd)

(a) Subsidiaries and Basis of Consolidation (Cont'd)

(ii) Basis of Consolidation (Cont'd)

Acquisitions of subsidiaries are accounted for using the purchase method. The purchase method of accounting involves allocating the cost of the acquisition to the fair value of the assets acquired and liabilities and contingent liabilities assumed at the date of acquisition. The cost of an acquisition is measured as the aggregate of the fair values, at the date of exchange, of the assets given, liabilities incurred or assumed, and equity instruments issued, plus any costs directly attributable to the acquisition.

Any excess of the cost of acquisition over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities represents goodwill. Any excess of the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition is recognised immediately in income statement.

Minority interests represent the portion of profit or loss and net assets in subsidiaries not held by the Group. It is measured at the minorities' share of the fair value of the subsidiaries' identifiable assets and liabilities at the acquisition date and the minorities' share of changes in the subsidiaries' equity since then.

(iii) Associates

Associates are entities in which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but not in control or joint control over those policies.

Investments in associates are accounted for in the consolidated financial statements using the equity method of accounting. Under the equity method, the investment in associate is carried in the consolidated balance sheet at cost adjusted for post-acquisition changes in the Group's share of net assets of the associate. The Group's share of the net profit or loss of the associate is recognised in the consolidated income statement. Where there has been a change recognised directly in the equity of the associate, the Group recognises its share of such changes. In applying the equity method, unrealised gains and losses on transactions between the Group and the associate are eliminated to the extent of the Group's interest in the associate. After application of the equity method, the Group determines whether it is necessary to recognise any additional impairment loss with respect to the Group's net investment in the associate. The associate is equity accounted for from the date the Group obtains significant influence until the date the Group ceases to have significant influence over the associate.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any long-term interests that, in substance, form part of the Group's net investment in the associates, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.



NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (Cont'd)

(a) Subsidiaries and Basis of Consolidation (Cont'd)

(iii) Associates (Cont'd)

The most recent available audited financial statements of the associates are used by the Group in applying the equity method. Where the dates of the audited financial statements used are not coterminous with those of the Group, the share of results is arrived at from the last audited financial statements available and management financial statements to the end of the accounting period. Uniform accounting policies are adopted for like transactions and events in similar circumstances.

In the Company's separate financial statements, investments in associates are stated at cost less impairment losses.

On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in income statement.

(iv) Jointly Controlled Entities

The Group has interests in joint ventures which are jointly controlled entities. A joint venture is a contractual arrangement whereby two or more parties undertake an economic activity that is subject to joint control, and a jointly controlled entity is a joint venture that involves the establishment of a separate entity in which each venturer has an interest.

Investments in jointly controlled entities are accounted for in the consolidated financial statements using the equity method of accounting based on the audited or management financial statements of the jointly controlled entities. Under the equity method of accounting, the Group's share of profits or losses of jointly controlled entities during the financial year is included in the consolidated income statement. Equity accounting is discontinued when the carrying amount of the investment in a jointly controlled entity reaches zero, unless the Group has incurred obligation to make payments on behalf of the jointly controlled entity.

In the Company's separate financial statements, investments in jointly controlled entities are stated at cost less impairment losses.

On disposal of such investments, the difference between net disposal proceeds and their carrying amounts is included in income statement.

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (Cont'd)

(b) Property, Plant and Equipment, and Depreciation

All items of property, plant and equipment are initially recorded at cost. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the income statement during the financial period in which they are incurred.

Subsequent to initial recognition, property, plant and equipment except for freehold land are stated at cost less accumulated depreciation and any accumulated impairment losses.

Freehold land has an unlimited useful life and therefore is not depreciated. Assets under construction are also not depreciated as these assets are not available for use. Depreciation of other property, plant and equipment is provided for on a straight-line basis to write off the cost of each asset to its residual value over the estimated useful life, at the following annual rates:

Buildings	2% - 10%
Plant and machinery	5% - 30%
Motor vehicles	20%
Furniture, fittings and equipment	7.5% - 30%

The residual values, useful life and depreciation method are reviewed at each financial year-end to ensure that the amount, method and period of depreciation are consistent with previous estimates and the expected pattern of consumption of the future economic benefits embodied in the items of property, plant and equipment.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any and the net carrying amount is recognised in income statement and the unutilised portion of the revaluation surplus on that item is taken directly to retained earnings.

(c) Investment Properties

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Such properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are carried at cost less any accumulated depreciation and accumulated impairment losses. Freehold land has an unlimited useful life and therefore is not depreciated. Investment properties carried at cost are depreciated over the estimated economic useful life ranging from 20 to 50 years.

A property interest under an operating lease is classified and accounted for as an investment property on a property-by-property basis when the Group holds it to earn rentals or for capital appreciation or both.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property is recognised in income statement in the year in which they arise.

The Group has opted to early adopt the amendments to FRS 140 thus, investment property under construction is now classified as investment property. This is further explained in Note 2.3 to the financial statements.



NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (Cont'd)

(d) Land Held for Property Development and Property Development Costs

(i) Land Held for Property Development

Land held for property development consists of land where no significant development activities have been carried out or where development activities are not expected to be completed within the normal operating cycle. Such land is classified within non-current assets and is stated at cost less any accumulated impairment losses.

Cost associated with the acquisition of land includes the purchase price of the land, professional fees, stamp duties, commissions, conversion fees and other relevant levies.

Land held for property development is reclassified as property development costs at the point when development activities have commenced and where it can be demonstrated that the development activities can be completed within the normal operating cycle.

(ii) Property Development Costs

Property development costs comprise all costs that are directly attributable to development activities or that can be allocated on a reasonable basis to such activities.

When the financial outcome of a development activity can be reliably estimated, property development revenue and expenses are recognised in the income statement by using the stage of completion method. The stage of completion is determined by the proportion that property development costs incurred for work performed to date bear to the estimated total property development costs.

Where the financial outcome of a development activity cannot be reliably estimated, property development revenue is recognised only to the extent of property development costs incurred that is probable will be recoverable, and property development costs on properties sold are recognised as an expense in the period in which they are incurred.

Any expected loss on a development project, including costs to be incurred over the defects liability period, is recognised as an expense immediately.

Property development costs not recognised as an expense are recognised as an asset, which is measured at the lower of cost and net realisable value.

The excess of revenue recognised in the income statement over billings to purchasers is classified as accrued billings within trade receivables and the excess of billings to purchasers over revenue recognised in the income statement is classified as progress billings within trade payables.

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (Cont'd)

(e) Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost is determined using the first in, first out method. The costs of goods comprise the cost of purchase plus the cost of bringing the goods to its present condition. The cost of completed properties held for sale comprises cost associated with the acquisition of land, direct costs and an appropriate proportion of allocated costs attributable to property development activities.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

(f) Financial Instruments

Financial instruments are recognised in the balance sheet when the Group has become a party to the contractual provisions of the instrument.

Financial instruments are classified as liabilities or equity in accordance with the substance of the contractual arrangement. Interests, dividends and gains and losses relating to a financial instrument classified as liability, are reported as expense or income. Distributions to holders of financial instruments classified as equity are recognised directly in equity. Financial instruments are offset when the Group has a legally enforceable right to offset and intends to settle either on a net basis or to realise the asset and settle the liability simultaneously.

(i) Cash and Cash Equivalents

For the purposes of the cash flow statements, cash and cash equivalents include cash in hand and at bank, deposits at call and short term highly liquid investments which have an insignificant risk of changes in value, net of outstanding bank overdrafts.

(ii) Other Non-current Investments

Non-current investments other than investments in subsidiaries, associates and jointly controlled entities are stated at cost less impairment losses. On disposal of an investment, the difference between net disposal proceeds and its carrying amount is recognised in income statement.

(iii) Marketable Securities

Marketable Securities are carried at the lower of cost and market value, determined on an aggregate basis. Cost is determined on the weighted average basis while market value is determined based on quoted market values. Increases or decreases in the carrying amount of marketable securities are credited or charged to the income statement. On disposal of marketable securities, the difference between net disposal proceeds and the carrying amount is charged or credited to the income statement.

(iv) Trade Receivables

Trade receivables are carried at anticipated realisable values. Bad debts are written off when identified. An estimate is made for doubtful debts based on a review of all outstanding amounts as at the balance sheet date.



NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (Cont'd)

(f) Financial Instruments (Cont'd)

(v) Trade Payables

Trade payables are stated at the fair value of the consideration to be paid in the future for goods and services received.

(vi) Interest Bearing Loans and Borrowings

All loans and borrowings are recognised at the fair value of the consideration received. After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

(vii) Redeemable Convertible Secured Loan Stocks ("RCSLS")

The RCSLS are regarded as compound instruments, consisting of a liability component and an equity component. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for a similar non-convertible loan stock. The difference between the proceeds of issue of the RCSLS and the fair value assigned to the liability component, representing the conversion option is included in equity. The liability component is subsequently stated at amortised cost using the effective interest rate method until extinguished on conversion or redemption, whilst the value of the equity component is not adjusted in subsequent periods. Attributable transaction costs are apportioned and deducted directly from the liability and equity component based on their carrying amounts at the date of issue.

Under the effective interest rate method, the interest expense on the liability component is calculated by applying the prevailing market interest rate for similar non-convertible bond to the instrument at the date of issue. The difference between this amount and the interest paid is added to the carrying amount of the convertible bond.

As the equity portion of the RCSLS is insignificant, the entire RCSLS has been classified as liability.

(viii) Equity Instruments

Ordinary shares are classified as equity. Dividends on ordinary shares are recognised in equity in the period in which they are declared.

The transaction costs of an equity transaction are accounted for as a deduction from equity, net of tax. Equity transaction costs comprise only those incremental external costs directly attributable to the equity transaction which would otherwise have been avoided.

(ix) Derivatives Financial Instruments

Derivative financial instruments are not recognised in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (Cont'd)

(g) Leases

(i) Classification

A lease is recognised as a finance lease if it transfers substantially to the Group all the risks and rewards incidental to ownership. Leases of land and buildings are classified as operating or finance leases in the same way as leases of other assets and the land and buildings elements of a lease of land and buildings are considered separately for the purposes of lease classification. All leases that do not transfer substantially all the risks and rewards are classified as operating leases, with the following exception:

- Land held for own use under an operating lease, the fair value of which cannot be measured separately from the fair value of a building situated thereon at the inception of the lease, is accounted for as being held under a finance lease, unless the building is also clearly held under an operating lease.

(ii) Finance Leases - the Group as Lessee

Assets acquired by way of hire purchase or finance leases are stated at an amount equal to the lower of their fair values and the present value of the minimum lease payments at the inception of the leases, less accumulated depreciation and impairment losses. The corresponding liability is included in the balance sheet as borrowings. In calculating the present value of the minimum lease payments, the discount factor used is the interest rate implicit in the lease, when it is practicable to determine; otherwise, the Group's incremental borrowing rate is used. Any initial direct cost are also added to the carrying amount of such assets.

Lease payments are apportioned between the finance costs and the reduction of the outstanding liability. Finance costs, which represent the difference between the total leasing commitments and the fair value of the assets acquired, are recognised in the profit or loss over the term of the relevant lease so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period.

The depreciation policy for leased assets is in accordance with that for depreciable property, plant and equipment as described in Note 2.2(b).

(iii) Operating Leases - the Group as Lessee

Operating lease payments are recognised as an expense in the income statement on a straight-line basis over the term of the relevant lease. The aggregate benefit of incentives provided by the lessor is recognised as a reduction of rental expense over the lease term on a straight-line basis.

In the case of a lease of land and buildings, the minimum lease payments or the up-front payments made are allocated, whenever necessary, between the land and the buildings elements in proportion to the relative fair values for leasehold interests in the land element and buildings element of the lease at the inception of the lease. The up-front payment represents prepaid lease payments and are amortised on a straight-line basis over the lease term.



NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (Cont'd)

(g) Leases (Cont'd)

(iv) Operating Lease - the Group as Lessor

Assets leased out under operating leases are presented on the balance sheets according to the nature of the assets. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

(h) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the Group has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount can be made. Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditure expected to be incurred in order to settle the obligation.

The Group does not recognise a contingent liability but disclose its existence in the financial statements. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in the extremely rare circumstances where there is a liability that cannot be recognised because it cannot be measured reliably.

A contingent asset is a possible asset that arises from past events whose existence will be confirmed by uncertain future events beyond the control of the Group. The Group does not recognise contingent asset but discloses its existence when inflows of economic benefits are probable, but not virtually certain.

(i) Income Tax

Income tax on the profit or loss for the year comprises current and deferred tax. Current tax is the expected amount of income taxes payable in respect of the taxable profit for the year and is measured using the tax rates that have been enacted at the balance sheet date.

Deferred tax is provided for, using the liability method. In principle, deferred tax liabilities are recognised for all taxable temporary differences and deferred tax assets are recognised for all deductible temporary differences, unused tax losses and unused tax credits to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses and unused tax credits can be utilised. Deferred tax is not recognised if the temporary difference arises from goodwill or from the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred tax is measured at the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted at the balance sheet date. Deferred tax is recognised as income or expense in the income statement, except when it arises from a transaction which is recognised directly in equity, in which case the deferred tax is also recognised directly in equity. In the case of a business combination that is an acquisition, deferred tax is included in the resulting goodwill or the amount of any excess of the acquirer's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities over the cost of the combination.

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (Cont'd)

(j) Employee Benefits

(i) Short Term Benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees of the Group. Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences. Such short term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

(ii) Defined Contribution Plans

Defined contribution plans are post-employment benefit plans under which the Group pays fixed contributions into separate entities or funds and will have no legal or constructive obligation to pay further contributions if any of the funds do not hold sufficient assets to pay all employee benefits relating to employee services in the current and preceding financial years. Such contributions are recognised as an expense in the income statement as incurred. As required by law, companies in Malaysia make contributions to the Employees Provident Fund ("EPF"). Some of the Group's foreign subsidiaries make contributions to their respective countries' statutory pension schemes.

(k) Revenue Recognition

Revenue is recognised when it is probable that the economic benefits associated with the transaction will flow to the Group and the amount of the revenue can be measured reliably.

(i) Sale of Properties

Revenue from sale of properties is accounted for by the stage of completion method as described in Note 2.2(d)(ii).

Revenue from completed property units and land is recognised when the risks and rewards associated to ownership have been transferred to purchasers and substantial contractual obligations have been completed.

(ii) Interest Income

Interest is recognised on an accrual basis using the effective interest method.

(iii) Dividend Income

Dividend income is recognised when the right to receive payment is established.

(iv) Rental Income

Rental income is recognised on a straight line basis over the term of the lease or in accordance with the substance of the relevant agreements.



NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (Cont'd)

(k) Revenue Recognition (Cont'd)

(v) Management Fees

Management fees are recognised when services are rendered.

(vi) Education Fees

Revenue from tuition fees are recognised over the period of instruction whereas non-refundable registration and enrolment fees are recognised on a receipt basis.

(vii) Sale of Goods

Revenue is recognised upon transfer of significant risks and rewards of ownership to the buyer. Revenue is not recognised to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

(viii) Club operations

Revenue from membership fee is recognised upon acceptance of club membership by the club. Revenue from subscription fees is recognised on an accrual basis. Revenue from sale of food and beverage and from letting of club facilities are recognised upon invoicing of the services.

(l) Foreign Currencies

(i) Functional and Presentation Currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Ringgit Malaysia (RM), which is also the Company's functional currency.

(ii) Foreign Currency Transactions

In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded in the functional currencies using the exchange rates prevailing at the dates of the transactions. At each balance sheet date, monetary items denominated in foreign currencies are translated at the rates prevailing on the balance sheet date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (Cont'd)

(i) Foreign Currencies (Cont'd)

(ii) Foreign Currency Transactions (Cont'd)

Exchange differences arising on the settlement of monetary items, and on the translation of monetary items, are included in income statement for the year except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operation. Exchange differences arising on monetary items that form part of the Group's net investment in foreign operation, are initially taken directly to the foreign currency translation reserve within equity until the disposal of the foreign operations, at which time they are recognised in income statement. Exchange differences arising on monetary items that form part of the Company's net investment in foreign operation, regardless of the currency of the monetary item, are recognised in income statement in the Company's financial statements or the individual financial statements of the foreign operation, as appropriate.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in income statement for the year except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised directly in equity. Exchange differences arising from such non-monetary items are also recognised directly in equity.

(iii) Foreign Operations

The results and financial position of foreign operations that have a functional currency different from the presentation currency (i.e. RM) of the consolidated financial statements are translated into RM as follows:

- Assets and liabilities for each balance sheet presented are translated at the closing rate prevailing at the balance sheet date;
- Income and expenses for each income statement are translated at average exchange rates for the year, which approximates the exchange rates at the dates of the transactions; and
- All resulting exchange differences are taken to the foreign currency translation reserve within equity.

The principal exchange rates used for each respective unit of foreign currency ruling at the balance sheet date are as follows:

	2010 RM	2009 RM
Australian Dollars	2.97	2.47
British Pound Sterling	4.88	5.19
Singapore Dollars	2.32	2.39
US Dollars	3.26	3.65



NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (Cont'd)

(m) Impairment of Non-financial Assets

At each balance sheet date the Group reviews the carrying amounts of its assets, other than property development costs, inventories, deferred tax assets and non-current assets held for sale, to determine whether there is any indication of impairment. If any such indication exists, impairment is measured by comparing the carrying values of the assets with their recoverable amounts. Recoverable amount is the higher of net selling price and value in use, which is measured by reference to discounted future cash flows.

An impairment loss is recognised as an expense in the income statement immediately, unless the asset is carried at a revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease to the extent of any unutilised previously recognised revaluation surplus for the same asset.

For the purpose of impairment testing of these assets, recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. If this is the case, recoverable amount is determined for the cash-generating unit ("CGU") to which the asset belongs to.

An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs to sell and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses recognised in respect of a CGU or groups of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to those units or groups of units and then, to reduce the carrying amount of the other assets in the unit or groups of units on a pro-rata basis.

Impairment loss for an asset is reversed only when there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. The carrying amount of the asset, other than goodwill is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of amortisation or depreciation) had no impairment loss been recognised for the asset in the previous years.

A reversal of impairment loss is recognised in income statement, unless the asset is carried at revalued amount, in which case it shall be treated as a revaluation surplus.

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.2 Summary of Significant Accounting Policies (Cont'd)

(n) Non-current Assets Held for Sale

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition subject only to terms that are usual and customary.

Immediately before classification as held for sale, the measurement of the non-current assets is brought up-to-date in accordance with applicable FRSs. Then, on initial classification as held for sale, non-current assets (other than investment properties, deferred tax assets, employee benefits assets, financial assets and inventories) are measured in accordance with FRS 5 that is at the lower of carrying amount and fair value less costs to sell. Any differences are included in the income statement.

A component of the Group is classified as a discontinued operation when the criteria to be classified as held for sale have been met or it has been disposed and such a component represents a separate major line of business or geographical area of operations, is part of a single co-ordinated major line of business or geographical area of operations or is a subsidiary acquired exclusively with a view to resale.

(o) Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are capitalised as part of the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Capitalisation of borrowing costs is suspended during extended periods in which active development is interrupted.

The amount of borrowing costs eligible for capitalisation is determined by applying a capitalisation rate which is the weighted average of the borrowing costs applicable to the Group's borrowings that is outstanding during the financial period, other than borrowings made specially for the purpose of acquiring another qualifying asset.

All other borrowing costs are recognised as an expense in the income statement in the period in which they are incurred.

2.3 Changes in Accounting Policy and Effects Arising from Early Adoption of Amendment to FRS.

Amendment to FRS 140 Investment Property is effective for financial periods beginning on or after 1 January 2010. However, the Group has early adopted this amendment to FRS 140 on 1 April 2009.

The effects of this early adoption is that property whilst under construction will be classified as investment property. No comparatives are presented as there was no investment property under construction in the preceding financial year. As required by the Amendment to FRS 140 Investment Property, the Group has also applied the amendments to paragraph 5 and 81E of FRS 116 Property, Plant and Equipment, although these amendments have no financial or disclosure impact to these financial statements.



NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Standards and Interpretations Issued but Not Yet Effective

At the date of authorisation of these financial statements, the following new FRSs and Interpretations were issued but not yet effective and have not been applied by the Group and the Company in respect of these financial statements:

Effective for financial periods beginning on or after 1 July 2009

FRS 8 Operating Segments

Effective for financial periods beginning on or after 1 January 2010

FRS 4 Insurance Contracts

FRS 7 Financial Instruments: Disclosures

FRS 101 Presentation of Financial Statements (revised)

FRS 123 Borrowing Costs

FRS 139 Financial Instruments: Recognition and Measurement

Amendments to FRS 1 First-time Adoption of Financial Reporting Standards and

FRS 127 Consolidated and Separate Financial Statements: Cost of an Investment,

Investment in a Subsidiary, Jointly Controlled Entity or Associate

Amendments to FRS 2 Share-based Payment - Vesting Conditions and Cancellation

Amendments to FRS 132 Financial Instruments: Presentation

Amendments to FRS 139 Financial Instruments: Recognition and Measurement,

FRS 7 Financial Instruments: Disclosures and IC Interpretation 9: Reassessment

of Embedded Derivatives

Amendments to FRSs "Improvements to FRSs (2009)"

IC Interpretation 9 Reassessment of Embedded Derivatives

IC Interpretation 10 Interim Financial Reporting and Impairment

IC Interpretation 11 FRS 2 - Group and Treasury Share Transactions

IC Interpretation 13 Customer Loyalty Programmes

IC Interpretation 14 FRS 119 - The Limit on a Defined Benefit Asset, Minimum

Funding Requirements and their Interaction

TR i-3 - Presentation of Financial Statements of Islamic Financial Institutions

Effective for financial periods beginning on or after 1 July 2010

FRS 1 First-time Adoption of Financial Reporting Standards

FRS 3 Business Combinations (revised)

FRS 127 Consolidated and Separate Financial Statements (amended)

Amendments to FRS 2 Share-based Payment

Amendments to FRS 5 Non-current Assets Held for Sale and Discontinued Operations

Amendments to FRS 138 Intangible Assets

Amendments to IC Interpretation 9 Reassessment of Embedded Derivatives

IC Interpretation 12 Service Concession Arrangements

IC Interpretation 15 Agreements for the Construction of Real Estate

IC Interpretation 16 Hedges of a Net Investment in a Foreign Operation

IC Interpretation 17 Distributions of Non-cash Assets to Owners

Effective for financial periods beginning on or after 1 January 2011

Amendments to FRS 1 Limited Exemption from Comparative FRS 7 Disclosures for
First-time Adopters

Amendments to FRS 7 Improving Disclosures about Financial Instruments

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Standards and Interpretations Issued but Not Yet Effective (Cont'd)

The Group and the Company plan to adopt the above pronouncements when they become effective in the respective financial period. Unless otherwise described below, these pronouncements are expected to have no significant impact to the financial statements of the Group and the Company upon their initial application:

(a) FRS 3 Business Combinations (revised) and FRS 127 Consolidated and Separate Financial Statements (amended)

FRS 3 (revised) introduces a number of changes to the accounting for business combinations occurring on or after 1 July 2010. These include changes that affect the valuation of non-controlling interest, the accounting for transaction costs, the initial recognition and subsequent measurement of a contingent consideration and business combinations achieved in stages. These changes will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs and future reported results.

FRS 127 (amended) requires that a change in the ownership interest of a subsidiary (without loss of control) is accounted for as a transaction with owners in their capacity as owners and to be recorded in equity. Therefore, such transaction will no longer give rise to goodwill, nor will it give rise to a gain or loss. Furthermore, the amended Standard changes the accounting for losses incurred by the subsidiary as well as loss of control of a subsidiary.

The changes by FRS 3 (revised) and FRS 127 (amended) will be applied prospectively and only affect future acquisition or loss of control of subsidiaries and transactions with non-controlling interests.

(b) FRS 8 Operating Segment

FRS 8 replaces FRS 114²⁰⁰⁴: *Segment Reporting* and requires a 'management approach', under which segment information is presented on a similar basis to that used for internal reporting purposes. As a result, the Group's external segmental reporting will be based on the internal reporting to the "chief operating decision maker", who makes decisions on the allocation of resources and assesses the performance of the reportable segments. As this is a disclosure standard, there will be no impact on the financial position or results of the Group.

(c) FRS 101 Presentation of Financial Statements (revised)

The revised FRS 101 separates owner and non-owner changes in equity. Therefore, the consolidated statement of changes in equity will now include only details of transactions with owners. All non-owner changes in equity are presented as a single line labelled as total comprehensive income. The Standard also introduces the statement of comprehensive income: presenting all items of income and expense recognised in the income statement, together with all other items of recognised income and expense, either in one single statement, or in two linked statements. The Group is currently evaluating the format to adopt. In addition, a statement of financial position is required at the beginning of the earliest comparative period following a change in accounting policy, the correction of an error or the reclassification of items in the financial statements. This revised FRS does not have any impact on the financial position and results of the Group and the Company.

(d) FRS 123 Borrowing Costs

This Standard supersedes FRS 123²⁰⁰⁴: *Borrowing Costs* that removes the option of expensing borrowing costs and requires capitalisation of such costs that are directly attributable to the acquisition, construction or production of a qualifying asset as part of the cost of that asset. Other borrowing costs are recognised as an expense. In accordance with the transitional provisions of the Standard, the Group will apply the change in accounting policy prospectively for which the commencement date for capitalisation of borrowing cost on qualifying assets is on or after the financial period 1 January 2010.



NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Standards and Interpretations Issued but Not Yet Effective (Cont'd)

(e) FRS 139 Financial Instruments: Recognition and Measurement, FRS 7 Financial Instruments: Disclosures and Amendments to FRS 139 Financial Instruments: Recognition and Measurement, FRS 7 Financial Instruments: Disclosures

The new Standard on FRS 139 *Financial Instruments: Recognition and Measurement* establishes principles for recognising and measuring financial assets, financial liabilities and some contracts to buy and sell non-financial items. Requirements for presenting information about financial instruments are in FRS 132 *Financial Instruments: Presentation* and the requirements for disclosing information about financial instruments are in FRS 7 *Financial Instruments: Disclosures*.

FRS 7 *Financial Instruments: Disclosures* is a new Standard that requires new disclosures in relation to financial instruments. The Standard is considered to result in increased disclosures, both quantitative and qualitative of the Group's and Company's exposure to risks, enhanced disclosure regarding components of the Group's and Company's financial position and performance, and possible changes to the way of presenting certain items in the financial statements.

In accordance with the respective transitional provisions, the Group and the Company are exempted from disclosing the possible impact to the financial statements upon the initial application.

(f) Amendments to FRSs 'Improvements to FRSs (2009)'

- (i) FRS 7 *Financial Instruments: Disclosures*: Clarifies on the presentation of finance costs whereby interest income is not a component of finance costs.
- (ii) FRS 8 *Operating Segments*: Clarifies that segment information with respect to total asset is required only if they are included in measures of segment profit or loss that are used by the 'chief operating decision maker'.
- (iii) FRS 107 *Statement of Cash Flows* (formerly known as Cash Flow Statements): Clarifies that only expenditures that result in a recognised asset in the statement of financial position can be classified as investing activities in the statement of cash flows.
- (iv) FRS 108 *Accounting Policies, Changes in Accounting Estimates and Errors*: Clarifies that only implementation guidance that is an integral part of an FRS is mandatory when selecting accounting policies.
- (v) FRS 110 *Events after the Reporting Period* (formerly known as *Events After the Balance Sheet Date*): Clarifies that dividends declared after the end of the reporting period are not liabilities as at the balance sheet date.
- (vi) FRS 116 *Property, Plant and Equipment*: The amendment replaces the term "net selling price" with "fair value less costs to sell". It also clarifies that items of property, plant and equipment held for rental that are routinely sold in the ordinary course of business after rental, are transferred to inventory when rental ceases and they are held for sale.
- (vii) FRS 118 *Revenue*: The amendment provides additional guidance on whether an entity is acting as a principal or an agent. It also aligns the definition of costs incurred in originating a financial asset that should be deferred and recognised as an adjustment to the effective interest by replacing the term 'direct costs' with 'transaction costs' as defined in FRS 139.
- (viii) FRS 119 *Employee Benefits*: The amendment revises the definition of 'past service costs', 'return on plan assets' and 'short term' and 'other long-term' employee benefits. It clarifies that the costs of administering the plan may be either recognised in the rate of return on plan assets or included in the actuarial assumptions used to measure the defined benefit obligation. The amendment further clarifies that amendment to plans that result in a reduction in benefits related to future services are curtailments. It also deleted the reference to the recognition of contingent liabilities to ensure consistency with FRS 137 *Provisions, Contingent Liabilities and Contingent Assets*.

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.4 Standards and Interpretations Issued but Not Yet Effective (Cont'd)

(f) Amendments to FRSs 'Improvements to FRSs (2009)' (Cont'd)

- (ix) FRS 123 *Borrowing Costs*: The definition of borrowing costs is aligned with FRS 139 by referring to the use of effective interest rate as a component of borrowing cost.
- (x) FRS 127 *Consolidated and Separate Financial Statements*: The amendment clarifies that when a parent entity accounts for a subsidiary at fair value in accordance with FRS 139 in its separate financial statements, this treatment continues when the subsidiary is subsequently classified as held for sale.
- (xi) FRS 136 *Impairment of Assets*: Clarifies that when discounted cash flows are used to estimate 'fair value less cost to sell' additional disclosure is required about the discount rate, consistent with disclosures required when the discounted cash flows are used to estimate 'value in use'. The amendment further clarifies that the largest cash-generating unit for group of units to which goodwill should be allocated for purposes of impairment testing is an operating segment as defined in FRS 8.
- (xii) FRS 139 *Financial Instruments: Recognition and Measurement*: Clarifies that changes in circumstances relating to derivatives are not reclassifications and therefore may be either removed from, or included in, the 'fair value through profit or loss' classification after initial recognition. It also clarifies on the scope exemption for business combination contracts. The amendments remove the reference in FRS 139 to a 'segment' when determining whether an instrument qualifies as a hedge and requires the use of the revised effective interest rate when remeasuring a debt instrument on the cessation of fair value hedge accounting. It also provides additional guidance on determining whether loan prepayment penalties result in an embedded derivatives that needs to be separated. In addition, the amendments state that the gains or losses on a hedged instrument should be reclassified from equity to profit or loss during the period that the hedged forecast cash flows impact profit or loss.

(g) IC Interpretation 15 Agreements for the construction of real estate

In applying IC Interpretation 15, the Group is required to recognise the revenue from property development activities on a completion basis. The impact of IC Interpretation 15 cannot be reasonably estimated, due to the uncertainties surrounding the expectation of future sales and fluctuation of development cost.

2.5 Significant Accounting Estimates and Judgements

(a) Critical Judgements Made in Applying Accounting Policies

The following are the judgements made by management in the process of applying the Group's accounting policies that have the most significant effect on the amounts recognised in the financial statements.

(i) Revenue recognition on property development activities

The Group recognises property development activities based on the percentage of completion method. The stage of completion of the property development activities is measured in accordance with the accounting policies set out in Note 2.2(d)(ii).

Significant judgement is required in determining the percentage of completion, the extent of the development project costs incurred, the estimated total revenue and total costs and the recoverability of the development project. In making these judgements, management relies on past experience and the work of specialists.



NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Significant Accounting Estimates and Judgements (Cont'd)

(a) Critical Judgements Made in Applying Accounting Policies (Cont'd)

(ii) Classification between investment properties and inventories

The Group has developed certain criteria based on *FRS 140 Investment Property* in making judgement whether a property qualifies as an investment property. Investment property is a property held to earn rentals or for capital appreciation or both.

The Group has temporarily sub-let some completed unsold properties but has decided not to treat these properties as investment properties as it is not the Group's intention to hold these properties in the long term for capital appreciation or rental income but rather for sale. Accordingly, these properties are still classified as inventories.

(iii) Operating lease commitments – the Group as lessor

The Group has entered into various commercial property leases on its completed unsold properties and investment properties portfolio. The Group has determined that it retains all the significant risks and rewards of ownership of these properties which are leased out as operating leases.

(iv) Allowances for bad and doubtful debts

The policy for allowance for bad and doubtful debts of the Group is based on management's judgement and the evaluation of collectibility and ageing analysis of the receivables inclusive of trade and other receivables, retention sum and advances to sub-contractors. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including the current credit-worthiness and the past collection history of each debtor. If the financial conditions of debtors of the Group were to deteriorate, additional allowances may be required.

(v) Ownership of property

As disclosed in Note 11(b) and Note 13(c), the Group and the Company currently owns a school building complex which is situated on State Government's land. The Group and the Company is in the midst of negotiation to acquire the land from the State Government.

(b) Key Sources of Estimation Uncertainty

There are no material key assumptions concerning the future that are uncertain and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, except than the following:

(i) Impairment of property, plant and equipment and investment properties

The Group determines whether property, plant and equipment and investment properties are impaired whenever there is an indication of impairment.

The best evidence of impairment test is current prices in an active market for similar properties or valuation carried out by independent firms of valuers annually.

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Significant Accounting Estimates and Judgements (Cont'd)

(b) Key Sources of Estimation Uncertainty (Cont'd)

(i) Impairment of property, plant and equipment and investment properties (Cont'd)

In the absence of current prices in an active market, the management carried out the impairment test based on value-in-use of these cash generating units ("CGU") to which the assets were allocated and determines if the carrying value of the CGU is in excess of the value-in-use. This requires management to make an estimate of the expected cash flows from the CGU, supported by the terms of any existing lease and other contracts, and to choose suitable discount rates that reflect current market assessment of the uncertainty in the carrying amount and timing in order to calculate the present value of those cash flows. Changes in estimates and assumptions may result in revisions in the carrying amount of these assets.

(ii) Write-down of inventories

A review is made periodically by management on inventory for inventory obsolescence and declines in net realisable value. These reviews require judgement and estimates. Possible changes in these estimates would result in revisions to the valuation of inventory.

(iii) Deferred tax assets

Deferred tax assets are recognised for all unused tax losses and unabsorbed capital allowances to the extent that it is probable that taxable profit will be available against which the losses and capital allowances can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

(iv) Income tax

Significant estimation is involved in determining the provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that have been initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

(v) Material litigations

The Group determines whether a present obligation in relation to a material litigation exists at the balance sheet date by taking into account all available evidence, including the opinion of its solicitors and subsequent events after the balance sheet date. On the basis of such evidence, the Group evaluates if a provision needs to be recognised in the financial statements. Further details of the material litigations involving the Group are disclosed in Note 34.

(vi) Impairment of investments

Management determines whether the carrying amounts of its investments are impaired at balance sheet date. This involves measuring the recoverable amounts which includes fair value less costs to sell and valuation techniques. Valuation techniques include amongst others, discounted cash flow analysis and in some cases, are based on current market indicators and estimates that provide reasonable approximations to the detailed computation.



NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

2.5 Significant Accounting Estimates and Judgements (Cont'd)

(b) Key Sources of Estimation Uncertainty (Cont'd)

(vi) Impairment of investments (Cont'd)

Management determined the recoverable amount of these investments based on the individual asset's value in use. The present value of the future cash flows to be generated by these assets is the asset's value in use. An impairment loss is recognised immediately in the income statement if the recoverable amount is less than the carrying amount.

It is the opinion of the Directors that adequate impairment losses have been recognised in the income statement and the management's assumptions are reasonable.

(vii) Provisions

Previously adequate provisions were made in respect of financial obligations arising from the winding up of former subsidiaries of the Group. Annual review of estimates are performed based on latest available information and these provisions are appropriately revised as necessary.

(viii) Amounts due from subsidiaries

The Company determines the recoverability of the amounts due from certain subsidiaries when these debts exceed their capital investments. The Directors are of the opinion that adequate allowances for doubtful debts have been made for the debts due from these subsidiaries to the extent the Company is able to realise these debts through internal group restructuring including possible offsets against debts owed by the Company to certain other subsidiaries, should such need arises.

3. REVENUE

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Property development	7,953	9,185	–	–
Education	9,754	7,950	–	–
Club operations and building maintenance	5,397	6,152	–	–
Interest income	2,829	8,721	1,378	1,226
Dividends from:				
- unquoted Malaysian subsidiaries	–	–	24,500	15,147
- marketable securities	494	274	–	–
Rental income:				
- subsidiaries	–	–	1,416	1,422
- third parties	177	155	2	3
Management fee				
- subsidiaries	–	–	240	240
- jointly controlled entity	227	107	–	–
Others	3,383	5,067	–	–
	30,214	37,611	27,536	18,038

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

4. OTHER INCOME

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Rental income	2,277	2,269	–	–
Gain on disposal of property, plant and equipment	20	9	19	1
Interest income	373	540	303	–
Bad debt recovered	14	3	–	–
Gain on disposal of investment property	207	159	–	–
Gain on disposal of non-current assets classified as held for sale (Note 23(ii))	3,252	3,018	–	–
Gain on disposal of marketable securities	27	–	–	–
Write back of allowance for doubtful debts:				
- subsidiaries	–	–	93	7,547
- others	2,097	401	–	74
Write back of provision for:				
- liquidated ascertained damages (Note 24)	1	6,176	–	–
- property development expenditure (Note 24)	799	1,121	–	–
Write back of impairment loss on investment in a subsidiary (Note 15(a))	–	–	–	20,487
Write back of impairment loss on other investments	8,810	–	8,810	–
Amount received as settlement of litigation cases	–	449	–	–
Deposits forfeited	466	262	–	–
Realised foreign exchange gain:				
- capital distribution by a foreign subsidiary	11,049	–	9,612	–
- others	427	195	427	–
Unrealised foreign exchange gain	–	1,952	–	3,574
Others	1,335	1,318	240	120
	31,154	17,872	19,504	31,803

5. STAFF COSTS

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Wages, salaries and bonus	10,488	10,773	2,316	2,803
Defined contribution retirement plan	1,128	1,117	275	277
Retrenchment benefits	–	652	–	–
Other employment benefits	577	748	122	170
	12,193	13,290	2,713	3,250

Included in staff costs of the Group and of the Company are remunerations (excluding benefits-in-kind) of Executive Directors of the Company amounting to RM1,042,000 (2009: RM1,593,000) and RM650,000 (2009: RM1,098,000) respectively as further disclosed in Note 6 below.



NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

6. DIRECTORS' REMUNERATION

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Executive directors' remuneration (Note 5):				
Other emoluments	1,042	1,593	650	1,098
	1,042	1,593	650	1,098
Non-executive directors' remuneration (Note 8):				
Fees	338	350	338	350
Other emoluments	39	35	39	35
	377	385	377	385
Total directors' remuneration	1,419	1,978	1,027	1,483
Estimated money value of benefits-in-kind	71	85	44	47
Total directors' remuneration including benefits-in-kind	1,490	2,063	1,071	1,530

Details of fees receivable by non-executive directors of the Company during the year are as follows:

	Group/Company	
	2010 RM'000	2009 RM'000
Non-Executive:		
Fees	338	350

The number of directors of the Group and of the Company whose total remuneration during the year fell within the following bands is analysed below:

	Group		Company	
	Number of Directors 2010	2009	Number of Directors 2010	2009
Executive directors:				
RM300,001 - RM400,000	–	1	–	–
RM400,001 - RM500,000	1	–	–	–
RM500,001 - RM600,000	–	–	–	1
RM600,001 - RM700,000	1	2	1	1
Non-Executive directors:				
RM10,001 - RM50,000	5	4	5	4
RM50,001 - RM100,000	3	4	3	4

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

7. FINANCE COSTS

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Redeemable Convertible Secured Loan Stocks ("RCSLS")	894	3,795	894	3,795
Term loans	-	2,194	-	-
Hire purchase and finance lease liabilities	17	37	17	35
	911	6,026	911	3,830

8. PROFIT/(LOSS) BEFORE TAX

The following amounts have been included in arriving at profit/(loss) before tax:

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Non-executive directors' remuneration (Note 6)	377	385	377	385
Auditors' remuneration:				
- Audit fees	176	207	50	57
- Overprovision of prior year audit fees	(41)	(1)	(15)	(2)
- Non-audit fees	34	10	32	6
Impairment losses:				
- Investment in subsidiaries	-	-	-	25,391
- Investment properties	-	344	-	-
- Other investments	65	-	35	-
Property inventories written off	-	222	-	-
Other investment written off	40	-	40	-
Allowance for doubtful debts:				
- Subsidiaries	-	-	556	2,312
- Jointly controlled entity	-	1,000	-	-
- Third parties	685	8,490	84	6,857
Bad debts written off	39	710	-	-
Property, plant and equipment written off	2	4	-	-
Provision for foreseeable loss of charged land (Note 24)	-	16,641	-	-
Realised foreign exchange loss	-	-	-	19
Unrealised foreign exchange loss	200	-	5,323	-
Office rental	24	71	178	176
Other rental expenses	129	160	29	36

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

9. INCOME TAX EXPENSE

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Income tax:				
Malaysian income tax	1,194	852	5,379	731
Foreign income tax	–	1,389	–	–
(Over)/underprovided in prior years	(217)	(194)	790	(364)
	977	2,047	6,169	367
Deferred tax (Note 32):				
Relating to origination and reversal of temporary differences	324	367	–	–
Overprovided in prior years	(33)	(15)	–	–
	291	352	–	–
	1,268	2,399	6,169	367

Domestic income tax is calculated at the Malaysian statutory tax rate of 25% (2009: 25%) of the estimated assessable profit for the year.

Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions. During the current financial year, the income tax rate applicable to subsidiaries in Australia was 30% (2009: 30%).

A reconciliation of income tax expense applicable to profit before tax at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and of the Company is as follows:

	2010 RM'000	2009 RM'000
Group		
Profit before tax	30,950	17,714
Taxation at Malaysian statutory tax rate of 25% (2009: 25%)	7,738	4,429
Effect of:		
- Tax expense arising from differential tax rates in foreign countries	11	245
- Income not subject to tax	(5,654)	(18,235)
- Expenses not deductible for tax purposes	296	15,636
- Utilisation of previously unrecognised tax losses, unabsorbed capital allowances and deductible temporary differences	(899)	(122)
- Deferred tax assets not recognised in respect of current year's tax losses and unabsorbed capital allowances	26	655
- Overprovision of deferred tax in prior years	(33)	(15)
- Overprovision of tax expense in prior years	(217)	(194)
Tax expense for the year	1,268	2,399

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

9. INCOME TAX EXPENSE (CONT'D)

	2010 RM'000	2009 RM'000
Company		
Profit/(loss) before tax	34,388	(36,298)
Taxation at Malaysian statutory tax rate of 25% (2009: 25%)	8,597	(9,075)
Effect of:		
- Income not subject to tax	(4,886)	(7,039)
- Expenses not deductible for tax purposes	1,925	16,871
- Utilisation of previously unrecognised tax losses and unabsorbed capital allowances	(257)	(26)
Under/(over) provision of tax expense in prior years	790	(364)
Tax expense for the year	6,169	367

10. EARNINGS PER SHARE

(a) Basic

Basic earnings per share is calculated by dividing the net profit for the year by the weighted average number of ordinary shares in issue during the financial year.

	2010	Group 2009
Profit attributable to ordinary equity holders of the Company (RM'000)	29,682	15,315
Weighted average number of ordinary shares in issue ('000)	598,305	598,305
Basic earnings per share (sen)	4.96	2.56

(b) Diluted

The Company does not have any potential dilutive ordinary shares as at balance sheet date.

In the previous financial year, no diluted earnings per share was presented as the effect of the Redeemable Convertible Secured Loan Stocks on earnings per share was anti dilutive.

There have been no other transactions involving ordinary shares between the balance sheet date and the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

11. PROPERTY, PLANT AND EQUIPMENT

	Freehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Motor vehicles RM'000	Furniture, fittings and equipment RM'000	Total RM'000
Group						
At 31 March 2010						
Cost						
At 1 April 2009	51,897	31,207	599	1,856	10,492	96,051
Additions	–	–	22	105	691	818
Disposals	–	–	–	(96)	(7)	(103)
Assets written off	–	–	–	–	(79)	(79)
Adjustment	–	–	–	(1)	–	(1)
At 31 March 2010	51,897	31,207	621	1,864	11,097	96,686
Accumulated depreciation and impairment						
At 1 April 2009						
Accumulated depreciation	–	15,166	525	1,224	7,852	24,767
Accumulated impairment	–	6,469	–	–	–	6,469
	–	21,635	525	1,224	7,852	31,236
Depreciation charge for the year	–	469	41	175	740	1,425
Disposals	–	–	–	(96)	(6)	(102)
Assets written off	–	–	–	–	(77)	(77)
At 31 March 2010	–	22,104	566	1,303	8,509	32,482
Represented by:						
Accumulated depreciation	–	15,635	566	1,303	8,509	26,013
Accumulated impairment	–	6,469	–	–	–	6,469
	–	22,104	566	1,303	8,509	32,482
Net carrying amount	51,897	9,103	55	561	2,588	64,204

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

11. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

	Freehold land RM'000	Buildings RM'000	Plant and machinery RM'000	Motor vehicles RM'000	Furniture, fittings and equipment RM'000	Total RM'000
Group (Cont'd)						
At 31 March 2009						
Cost						
At 1 April 2008	51,897	31,163	597	2,102	10,244	96,003
Additions	—	44	2	245	707	998
Disposals	—	—	—	(486)	(56)	(542)
Assets written off	—	—	—	—	(226)	(226)
Effects of deconsolidation of a subsidiary (Note 15(b))	—	—	—	(5)	(171)	(176)
Exchange rate differences	—	—	—	—	(6)	(6)
At 31 March 2009	51,897	31,207	599	1,856	10,492	96,051
Accumulated depreciation and impairment						
At 1 April 2008						
Accumulated depreciation	—	14,684	483	1,232	7,527	23,926
Accumulated impairment	—	6,469	—	—	—	6,469
	—	21,153	483	1,232	7,527	30,395
Depreciation charge for the year	—	482	42	283	742	1,549
Disposals	—	—	—	(286)	(22)	(308)
Assets written off	—	—	—	—	(222)	(222)
Effects of deconsolidation of a subsidiary (Note 15(b))	—	—	—	(5)	(171)	(176)
Exchange rate differences	—	—	—	—	(2)	(2)
At 31 March 2009	—	21,635	525	1,224	7,852	31,236
Represented by:						
Accumulated depreciation	—	15,166	525	1,224	7,852	24,767
Accumulated impairment	—	6,469	—	—	—	6,469
	—	21,635	525	1,224	7,852	31,236
Net carrying amount	51,897	9,572	74	632	2,640	64,815

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

11. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Company	Motor vehicles RM'000	Furniture, fittings and equipment RM'000	Total RM'000
At 31 March 2010			
Cost			
At 1 April 2009	1,541	3,580	5,121
Additions	85	-	85
Disposals	(96)	(1)	(97)
Adjustment	(2)	-	(2)
At 31 March 2010	1,528	3,579	5,107
Accumulated depreciation			
At 1 April 2009	933	2,910	3,843
Depreciation charge for the year	163	327	490
Disposals	(96)	-	(96)
At 31 March 2010	1,000	3,237	4,237
Net carrying amount	528	342	870
At 31 March 2009			
Cost			
At 1 April 2008	1,684	3,589	5,273
Additions	245	3	248
Disposals	(388)	(5)	(393)
Assets written off	-	(7)	(7)
At 31 March 2009	1,541	3,580	5,121
Accumulated depreciation			
At 1 April 2008	877	2,548	3,425
Depreciation charge for the year	245	371	616
Disposals	(189)	(2)	(191)
Assets written off	-	(7)	(7)
At 31 March 2009	933	2,910	3,843
Net carrying amount	608	670	1,278

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

11. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(a) Acquisitions of property, plant and equipment during the financial year were by way of the following:

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Cash	741	778	8	28
Hire purchase arrangement	77	220	77	220
	818	998	85	248

Net carrying amounts of property, plant and equipment of the Group and of the Company held under hire purchase and finance lease arrangements as at balance sheet date are RM527,000 (2009: RM607,000) and RM527,000 (2009: RM607,000) respectively.

(b) Certain freehold land and building have been pledged as security for borrowings as follows:

	Group	
	2010 RM'000	2009 RM'000
Charged for borrowings of the Group		
Freehold land	–	14,644
Building	–	9,342
Charged for borrowings of a former subsidiary		
Freehold land	16,641	16,641
	16,641	40,627

The building represents a school building complex situated on a State Government's land. Further information is provided in Note 2.5(a)(v).

Full provision for loss has been made for the freehold land charged for borrowings of a former subsidiary as disclosed in Note 24.

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

12. LAND HELD FOR PROPERTY DEVELOPMENT AND PROPERTY DEVELOPMENT COSTS

(a) Land held for property development

	Freehold Land RM'000	Development Costs RM'000	Total RM'000
Group			
At 31 March 2010			
Cost			
At 1 April 2009	12,841	21,521	34,362
Additions	–	250	250
Transferred to property development costs (Note 12(b))	(1,883)	(5,890)	(7,773)
Transferred to investment properties (Note 13)	(137)	(587)	(724)
At 31 March 2010	10,821	15,294	26,115

	Freehold Land RM'000	Leasehold Land RM'000	Development Costs RM'000	Total RM'000
Group				
At 31 March 2009				
Cost				
At 1 April 2008	12,841	116,033	146,186	275,060
Additions	–	–	959	959
Effects of deconsolidation of a subsidiary (Note 15(b))	–	(116,033)	(125,624)	(241,657)
At 31 March 2009	12,841	–	21,521	34,362
Accumulated impairment losses				
At 1 April 2008	–	68,439	125,624	194,063
Effects of deconsolidation of a subsidiary (Note 15(b))	–	(68,439)	(125,624)	(194,063)
At 31 March 2009	–	–	–	–
Net carrying amount	12,841	–	21,521	34,362

In the previous financial year, freehold land together with development were pledged as securities for borrowings granted to the Group as disclosed in Note 26.

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

12. LAND HELD FOR PROPERTY DEVELOPMENT AND PROPERTY DEVELOPMENT COSTS (CONT'D)

(b) Property development costs

	Freehold Land RM'000	Development Cost RM'000	Total RM'000
Group			
At 31 March 2010			
Cumulative property development cost			
At 1 April 2009	–	–	–
Cost incurred during the year	–	4,333	4,333
Transferred from land held for property development (Note 12(a))	1,883	5,890	7,773
At 31 March 2010	1,883	10,223	12,106
Cumulative cost recognised in income statement			
At 1 April 2009	–	–	–
Recognised during the year	–	(2,078)	(2,078)
At 31 March 2010	–	(2,078)	(2,078)
Property development costs at 31 March 2010	1,883	8,145	10,028
Property development costs at 31 March 2009	–	–	–

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

13. INVESTMENT PROPERTIES

	Freehold land RM'000	Freehold buildings RM'000	Leasehold buildings RM'000	Assets under construction RM'000	Total RM'000
Group					
At 31 March 2010					
Cost					
At 1 April 2009	11,988	2,692	1,144	–	15,824
Disposal	–	(309)	–	–	(309)
Transferred from land held for property development (Note 12(a))	137	–	–	587	724
Additions	–	–	–	1,837	1,837
Reclassified as non-current assets held for sale (Note 23)	–	–	(696)	–	(696)
At 31 March 2010	12,125	2,383	448	2,424	17,380
Accumulated depreciation and impairment					
At 1 April 2009					
Accumulated depreciation	–	877	23	–	900
Accumulated impairment	–	197	344	–	541
Depreciation charge for the year	–	1,074	367	–	1,441
Disposals	–	48	16	–	64
Disposals	–	(101)	–	–	(101)
Reclassified as non-current assets held for sale (Note 23)	–	–	(206)	–	(206)
At 31 March 2010	–	1,021	177	–	1,198
Represented by:					
Accumulated depreciation	–	824	15	–	839
Accumulated impairment	–	197	162	–	359
	–	1,021	177	–	1,198
Net carrying amount	12,125	1,362	271	2,424	16,182

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

13. INVESTMENT PROPERTIES (CONT'D)

	Freehold land RM'000	Freehold buildings RM'000	Leasehold buildings RM'000	Total RM'000
Group (Cont'd)				
At 31 March 2009				
Cost				
At 1 April 2008	13,086	8,268	–	21,354
Acquired from a former subsidiary which went into liquidation during the year	–	–	1,144	1,144
Disposals	–	(307)	–	(307)
Reclassified as non-current assets held for sale (Note 23)	(1,098)	(5,269)	–	(6,367)
At 31 March 2009	11,988	2,692	1,144	15,824
Accumulated depreciation and impairment				
At 1 April 2008	–	4,575	–	4,575
Accumulated depreciation	–	197	–	197
Accumulated impairment	–	–	–	–
Depreciation charge for the year	–	4,772	–	4,772
Impairment loss recognised in income statement	–	583	23	606
Disposals	–	–	344	344
Disposals	–	(95)	–	(95)
Reclassified as non-current assets held for sale (Note 23)	–	(4,186)	–	(4,186)
At 31 March 2009	–	1,074	367	1,441
Represented by:				
Accumulated depreciation	–	877	23	900
Accumulated impairment	–	197	344	541
	–	1,074	367	1,441
Net carrying amount	11,988	1,618	777	14,383

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

13. INVESTMENT PROPERTIES (CONT'D)

	Freehold land RM'000	Freehold buildings RM'000	Total RM'000
Company			
At 31 March 2010			
Cost			
At 1 April 2009/31 March 2010	11,988	20,720	32,708
Accumulated depreciation and impairment			
At 1 April 2009			
Accumulated depreciation	-	4,908	4,908
Accumulated impairment	-	6,469	6,469
	-	11,377	11,377
Depreciation charge for the year	-	414	414
At 31 March 2010	-	11,791	11,791
Net carrying amount	11,988	8,929	20,917
At 31 March 2009			
Cost			
At 1 April 2008/31 March 2009	11,988	20,720	32,708
Accumulated depreciation and impairment			
At 1 April 2008			
Accumulated depreciation	-	4,494	4,494
Accumulated impairment	-	6,469	6,469
	-	10,963	10,963
Depreciation charge for the year	-	414	414
At 31 March 2009	-	11,377	11,377
Net carrying amount	11,988	9,343	21,331

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

13. INVESTMENT PROPERTIES (CONT'D)

- (a) In the previous financial year, certain land and buildings of the subsidiaries were pledged as securities for borrowings obtained. The net book value of these land and buildings were as follows:

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Freehold land	–	11,988	–	11,988
Freehold buildings	–	849	–	9,343
	–	12,837	–	21,331

- (b) The fair value of investment properties of the Group and of the Company are RM16,471,000 (2009: RM15,016,000) and RM21,350,000 (2009: RM23,000,000) respectively. Fair value is arrived at by reference to market evidence of transaction prices for similar properties and is performed by registered independent valuers having an appropriate recognised professional qualification and recent experience in the location and category of the properties being valued. In the absence of current prices in an active market of the kind described above for certain investment properties, fair value is arrived at by reference to the value-in-use of those investment properties.
- (c) In respect of the Company, freehold buildings refers to a school building complex with an aggregate carrying value of RM8,929,000 (2009: RM9,343,000) situated on a State Government's land. Further information is provided in Note 2.5(a)(v).

14. PREPAID LAND LEASE PAYMENTS

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
At beginning of year	96	59	58	59
Transferred from non-current assets classified as held for sale (Note 23)	1,862	–	–	–
Acquired from a former subsidiary which went into liquidation during the year	–	38	–	–
Transferred to non-current assets classified as held for sale (Note 23)	(24)	–	–	–
Amortisation for the year	(165)	(1)	(1)	(1)
At end of year	1,769	96	57	58
Analysed as:				
Long term leasehold	12	38	–	–
Short term leasehold	1,757	58	57	58
	1,769	96	57	58

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

15. INVESTMENTS IN SUBSIDIARIES

	Company	
	2010 RM'000	2009 RM'000
Unquoted shares, at cost	341,679	407,551
Less: Accumulated impairment losses	(139,289)	(139,289)
	<u>202,390</u>	<u>268,262</u>

Details of the subsidiaries are as follows:

Name of Subsidiaries	Principal Activities	Country of Incorporation	Proportion of Ownership Interest	
			2010 %	2009 %
Associated Commercial Incorporated	Dormant	British Virgin Islands	100.0	100.0
Banjara Marketing Services Ltd	Dormant	British Virgin Islands	100.0	100.0
Bestform Limited	Investment holding	Isle of Man	100.0	100.0
Bright Term Sdn Bhd	Property development	Malaysia	100.0	–
Clarity Crest Sdn Bhd	Cultivation of rubber and oil palm	Malaysia	100.0	100.0
Jade Commercial Ventures Ltd	Dormant	British Virgin Islands	100.0	100.0
L&G Resources (1994), Inc.	Investment holding	USA	100.0	100.0
Land & General Properties Sdn Bhd	Property development	Malaysia	100.0	100.0
Land & General Australia (Holdings) Pty Ltd	Investment holding	Australia	100.0	100.0
Landgen Property Management Sdn Bhd	Property management	Malaysia	100.0	100.0
Lang Education Holdings Sdn Bhd	Investment holding	Malaysia	100.0	100.0

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

15. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Name of Subsidiaries	Principal Activities	Country of Incorporation	Proportion of Ownership Interest	
			2010 %	2009 %
Lang Furniture (Pahang) Sdn Bhd	Dormant	Malaysia	100.0	100.0
Nexus Investments International Limited	Dormant	British Virgin Islands	100.0	100.0
Premier Link Resources Ltd	Dormant	British Virgin Islands	100.0	100.0
Sri Damansara Sdn Bhd	Property development	Malaysia	100.0	100.0
Syarikat Trimal Sdn Bhd	Property development	Malaysia	100.0	100.0
Synergy Score Sdn Bhd	Investment holding	Malaysia	100.0	100.0
Winlink Pte Ltd*	Dormant	Singapore	100.0	100.0
Subsidiary of L&G Resources (1994), Inc.:				
L&G Display Technologies, Inc.	Dormant	USA	100.0	100.0
Subsidiaries of Land & General Australia (Holdings) Pty Ltd:				
Lang Melbourne Pty Ltd	Dormant	Australia	100.0	100.0
World Trade Centre Holdings Pty Ltd	Dormant	Australia	100.0	100.0
Flinders Wharf Pty Ltd	Dormant	Australia	100.0	100.0
Flinders Wharf One Pty Ltd	Dormant	Australia	100.0	100.0
Flinders Wharf Two Pty Ltd	Dormant	Australia	100.0	100.0
Flinders Wharf Land Pty Ltd	Dormant	Australia	100.0	100.0
PLR Mayfields Pty Ltd	Dormant	Australia	100.0	100.0

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

15. INVESTMENTS IN SUBSIDIARIES (CONT'D)

Name of Subsidiaries	Principal Activities	Country of Incorporation	Proportion of Ownership Interest	
			2010 %	2009 %
Subsidiary of Lang Education Holdings Sdn Bhd:				
Lang Education Sdn Bhd	Education services	Malaysia	100.0	100.0
Subsidiary of Sri Damansara Sdn Bhd:				
Sri Damansara Club Bhd	Management of club activities	Malaysia	100.0	100.0
Subsidiaries of Syarikat Trimal Sdn Bhd:				
Mentari Unggul Sdn Bhd	Dormant	Malaysia	70.0	70.0
Tinvein Nominees Sdn Bhd	Investment holding	Malaysia	100.0	100.0
Subsidiary of World Trade Centre Holdings Pty Ltd:				
Lang Australia Pty Ltd	Dormant	Australia	100.0	100.0
Subsidiary of Tinvein Nominees Sdn Bhd:				
Navistar Sdn Bhd	Property development	Malaysia	100.0	100.0

* Audited by a firm of auditors other than member firms of Ernst & Young Global.

- (i) Land & General Australia (Holdings) Pty Ltd ("LGAH"), a wholly-owned subsidiary of the Company, had on 12 June 2009, 31 July 2009 and 17 November 2009 made capital distributions of 27,132,000 ordinary shares, 1,065,000 ordinary shares and 1,132,000 ordinary shares of AUD1 each respectively, to the Company resulting in an aggregate reduction in LGAH's share capital from 40,000,000 shares to 10,671,000 shares. The capital distributions amounting to AUD29,329,000 or RM83,484,000 have resulted in an aggregate realised foreign exchange gains of RM9,612,000 to the Company and a realisation of foreign exchange reserve of RM1,437,000 to the Group.
- (ii) On 5 March 2010, Clarity Crest Sdn Bhd ("CCSB"), a wholly-owned subsidiary of the Company, issued 1,000,000 ordinary shares of RM1.00 each and 7,000,000 Class B redeemable preference shares of RM1.00 each. The issuance of the ordinary shares and Class B redeemable preference shares were affected via the capitalisation of loans and advances made by the Company to CCSB.

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

15. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(a) Key assumptions used in impairment calculations

Management determined the recoverable amount of these investments in subsidiaries based on the individual assets' value in use and the probability of the realisation of the assets. The present value of the future cash flows to be generated by the asset is the asset's value in use, and it is assumed to be the same as the net worth of the asset as at balance sheet date. An impairment loss is recognised immediately in the income statement if the recoverable amount is less than the carrying amount.

Resulting from the above, the Company recognised impairment losses of RM25,391,000 in the previous financial year. The Company also wrote back impairment loss of RM20,487,000 in the previous year primarily due to the revision in the estimate of the timing of receipt of net cash from the relevant subsidiary in the computation of value-in-use.

(b) Liquidation of a subsidiary

On 31 July 2008, the High Court of Malaya granted a Winding-up Petition served on Bandar Sungai Buaya Sdn Bhd ("BSB"). Effective from that date, the financial position and results of BSB ceased to be consolidated with the Group.

- (i) The following results of BSB were consolidated into the Group's financial results for the financial year ended 31 March 2009:

	1 April 2008 to 31 July 2008 (date of cessation of control) RM'000
Revenue	-
Other income	338
Other expenses	(1,077)
	<hr/>
Operating loss	(739)
Finance costs	(2,195)
	<hr/>
Loss before tax	(2,934)
Income tax expense	-
	<hr/>
Loss for the period	(2,934)
	<hr/>

- (ii) The gain on deconsolidation of BSB was derived as follows:

	31 July 2008 (date of cessation of control) RM'000
Property, plant and equipment (Note 11)	-
Land held for property development (Note 12(a))	47,594
Current assets	1,762
Current liabilities	(237,957)
	<hr/>
Net liabilities deconsolidated	(188,601)
Inter-company balance fully provided as doubtful debts	117,575
Realisation of profits on sales of property inventories	(141)
	<hr/>
Gain on deconsolidation to the Group	(71,167)
	<hr/>



NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

15. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(b) Liquidation of a subsidiary (Cont'd)

- (iii) The cash and cash equivalents of BSB excluded from Group's cash position as at the date the liquidation proceedings commenced are as follows:

	As at date of deconsolidation RM'000
Cash at banks (includes current accounts held under Housing Development (Control and Licensing) Act 1966)	387

Due to the financial obligations provided to the financial institutions of this former subsidiary, the Company has provided RM41,611,000 as financial obligation during the financial year ended 31 March 2009 as disclosed in Note 24.

BSB's material litigations at the end of the previous financial year were as follows:

- (1) On 28 August 2001, Citibank Malaysia Berhad ("Citibank") served an Originating Summons on BSB, claiming for the term loan of RM29.0 million, seeking among others, that the land held under H.S.(D) No. 10778, PT No. 10452, Mukim Serendah and H.S.(D) No. 10779, PT No. 10453, Mukim Serendah charged to Citibank, be sold by public auction pursuant to Sections 256 and 257 of the National Land Code to satisfy the sum secured under the charge being RM12.0 million under the Syndicated Revolving Credit Facility (Facility B) and RM5.0 million under the Revolving Secured Credit Facility (Facility C), excluding all interest, costs and expenses incurred.

On 23 October 2002, the Court granted Order in Terms of the Originating Summons whereby the lands be sold by public auction pursuant to Sections 256 and 257 of the National Land Code to satisfy the sum secured under the charge including all interest, costs and expenses incurred. Eight (8) attempts to auction off the lands were conducted on 14 February 2004, 28 April 2004, 5 August 2004, 15 December 2004, 9 March 2005, 6 June 2005, 6 September 2005 and 16 January 2007 with the reserve price being set at RM124.5 million, RM103.0 million, RM92.7 million, RM72.1 million, RM64.9 million, RM58.4 million, RM52.6 million and RM43.3 million respectively. All were unsuccessful.

Citibank and OCBC Bank Berhad ("OCBC") had on 17 September 2007 issued the Notices under Section 218 of the Companies Act, 1965. Citibank is demanding RM23,316,000 being sums due as at 1 August 2007 and OCBC is demanding RM16,382,000 being sums due as at 1 August 2007.

On 27 May 2008, BSB was served with a Winding-up Petition by Citibank and OCBC which was presented to the High Court of Malaya on 9 May 2008. On 31 July 2008, the High Court granted the Winding-up Petition served on BSB.

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

15. INVESTMENTS IN SUBSIDIARIES (CONT'D)

(b) Liquidation of a subsidiary (Cont'd)

- (2) On 7 October 2005, BSB was served a Writ of Summons by RHB Bank Berhad ("RHB") claiming the following:
- (i) the sum of RM12.4 million owing under the Overdraft Facility as at 30 June 2005 together with interest at the rate of 3.50% per annum above the Base Lending Rate of RHB (prevailing at 6.00% per annum as at 30 June 2005) on a monthly rest from 1 July 2005 until date of full payment; and
 - (ii) the sum of RM22.4 million owing under the Term Loan Facility as at 30 June 2005 together with interest at the rate of 3.50% per annum above the Base Lending Rate of RHB (prevailing at 6.00% per annum as at 30 June 2005) on a monthly rest from 1 July 2005 until the date of full payment plus cost and other relief.

Judgement has been granted in favour of RHB. BSB has been served with a Letter of Demand on 17 January 2006 for the judgement sum.

- (3) On 27 March 2006, RHB commenced an action against BSB by way of Originating Summons for an order for sale of the charged property over the land known as H.S. (D) No. 10785, Lot 10460, Mukim Serendah, Daerah Hulu Selangor.

On 29 March 2007, the Court granted Order in Terms of the Originating Summons whereby the lands be sold by public auction pursuant to Sections 256 and 257 of the National Land Code to satisfy the sum secured under the charge being RM10.0 million under the Overdraft Facility and RM15.7 million under the Term Loan Facility, excluding all interest, costs and expenses incurred. On 11 December 2007 the Court granted the Order for Sale and fixed 27 March 2008 as the auction date with a reserve price of RM23.2 million. On the said date there were no bidders. RHB has since filed an application for a new auction date and reserve price and on 29 July 2008, the Court fixed the auction reserve price at RM20.9 million and the auction date to be held on 2 September 2008.

At the end of previous financial year, BSB had delivered all relevant documents pertaining to the suits above to the Liquidators. Any subsequent monitoring and updates of these legal suits above should be undertaken by the Liquidators.

16. INVESTMENT IN ASSOCIATES

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Unquoted shares, at cost:				
- In Malaysia	535	535	500	500
- Outside Malaysia [^]	-	-	-	-
Share of post-acquisition profit	940	940	-	-
	1,475	1,475	500	500
Less: Accumulated impairment losses	(1,475)	(1,475)	(500)	(500)
	-	-	-	-

[^] The cost of the investment is less than RM1,000



NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

16. INVESTMENT IN ASSOCIATES (CONT'D)

Details of the associates are as follows:

Name of Associates	Principal Activity	Country of Incorporation	Proportion of Ownership Interest	
			2010 %	2009 %
C.I. Damansara Quarry Sdn Bhd	Dormant	Malaysia	35.0	35.0
Projass Langbuilt Sdn Bhd	Dormant	Malaysia	50.0	50.0
FW Financing Solutions Pty Ltd	Dormant	Australia	50.0	50.0

The Group's interests in the associates is analysed as follows:

	Group	
	2010 RM'000	2009 RM'000
Share of net assets	-	-

The summarised financial information of the associates is as follows:

	Group	
	2010 RM'000	2009 RM'000
Assets and liabilities		
Current assets	2,862	2,865
Total assets	2,862	2,865
Current liabilities	(35)	(36)
Total liabilities	(35)	(36)
Results		
Revenue	-	-
Loss for the year	(2)	(1)

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

17. INVESTMENT IN JOINTLY CONTROLLED ENTITIES

	Group	
	2010 RM'000	2009 RM'000
Unquoted shares at cost *	–	–
Share of post-acquisition reserves	(4,771)	(5,327)
	(4,771)	(5,327)

* The costs of these investments are less than RM1,000

Details of the jointly controlled entities are as follows:

Name of Jointly Controlled Entities	Principal Activity	Country of Incorporation	Proportion of Ownership Interest	
			2010 %	2009 %
Hidden Valley Australia Pty Ltd	Property development	Australia	50.0	50.0
Elite Forward Sdn Bhd	Property development	Malaysia	50.0	–

The Group together with its joint venture partners have undertaken to support financially their investments in the jointly controlled entities of Hidden Valley Australia Pty Ltd and Elite Forward Sdn Bhd, for the next twelve months up to 31 March 2011.

The following amounts represent the Group's share of assets, liabilities, revenue and expenses of the jointly controlled entities:

	Group	
	2010 RM'000	2009 RM'000
Non-current assets	12,085	7,309
Current assets	18,774	12,314
Non-current liabilities	(22,810)	(19,567)
Current liabilities	(12,820)	(5,383)
Net liabilities	(4,771)	(5,327)
Revenue	10,107	9,023
Expenses	(8,618)	(8,167)
Profit before tax	1,489	856
Income tax expense	–	–
Profit for the year	1,489	856

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

18. OTHER INVESTMENTS

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Non-current				
Unquoted shares, at cost				
- former subsidiaries *	232,155	234,955	208,555	208,555
- third parties	10,454	10,454	8,636	8,636
Quoted shares, at cost				
- outside Malaysia	11,876	11,879	11,846	11,846
Investment in transferable club memberships	533	601	250	318
	255,018	257,889	229,287	229,355
Less: Accumulated impairment losses	(242,891)	(254,454)	(217,270)	(226,063)
	12,127	3,435	12,017	3,292
Market values of quoted shares:				
- outside Malaysia	15,764	4,265	15,074	3,211

* Included in unquoted shares at cost are the following former subsidiaries currently in liquidation:

Name of Company	Classification
Exotic Acres Sdn. Bhd.	Members voluntary winding up
US Furniture Industries, Inc.	Deregistered
L&G Resort Sdn Bhd	Court winding up
Lang Furniture (Selangor) Sdn Bhd	Court winding up
Bandar Sungai Buaya Sdn Bhd	Court winding up
Lembah Beringin Sdn Bhd	Receivers and Managers appointed and under court winding up

During the current financial year, the Group and Company recognised a write back of impairment loss from a quoted foreign investment of RM8,685,000 based on the quoted market price as at balance sheet date. The Group and the Company also wrote back impairment losses for investments in club membership of RM125,000 based on indicative market value.

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

19. INVENTORIES

	Group	
	2010 RM'000	2009 RM'000
Cost:		
Properties held for sale	25,338	27,272
Consumables	15	183
	25,353	27,455
Net realisable value:		
Properties held for sale	1,248	2,633
Agricultural produce	-	5
	1,248	2,638
	26,601	30,093

The carrying value of the inventories pledged as security for borrowings granted to the Group are as follows:

	Group	
	2010 RM'000	2009 RM'000
Properties held for sale	-	25,010
	-	25,010

As at balance sheet date, carrying amounts of property inventories in excess of a year amounted to RM26,586,000 (2009: RM29,905,000).

Although the directors acknowledged that certain of these properties held for sale are slow-moving, the Directors believe that the Group will be able to realise all of its properties held for sale above their costs in the ordinary course of business.

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

20. TRADE AND OTHER RECEIVABLES

	Note	Group		Company	
		2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Current					
Trade receivables					
Third parties		7,134	5,613	–	–
Stakeholders sum		80	80	–	–
Accrued billings		–	750	–	–
Less: Allowance for doubtful debts		(810)	(1,717)	–	–
Trade receivables, net		6,404	4,726	–	–
Other receivables					
Amounts due from related parties:					
Subsidiaries	(b)	–	–	103,737	106,773
Jointly controlled entities	(c)	23,908	13,588	–	–
Associates		1,193	1,193	1,119	1,119
		25,101	14,781	104,856	107,892
Deposits		1,149	1,315	325	326
Prepayments		469	516	122	147
Other receivables					
Former subsidiaries	(d)	449,708	449,685	423,227	423,143
Others	(e)	12,696	17,355	214	1,109
		489,123	483,652	528,744	532,617
Less: Allowance for doubtful debts		(461,413)	(461,790)	(503,053)	(502,506)
Other receivables, net		27,710	21,862	25,691	30,111
		34,114	26,588	25,691	30,111

(a) Credit risk

The Group controls its credit risk by the application of credit approvals, limits and monitoring procedures. Credit evaluations are performed on all customers requiring credit over a certain amount and strictly limiting the Group's associations to business partners with high credit worthiness. Trade receivables are monitored on an ongoing basis.

Generally, the Group does not require collateral in respect of its financial assets.

Other than the amounts due from joint venture entities, the Group is not duly exposed to any individual customer or counter party nor does it have any major concentration of credit risk related to any financial instrument asset.

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

20. TRADE AND OTHER RECEIVABLES (CONT'D)

(b) Amounts due from related parties

Amounts due from all related parties are non-interest bearing and repayable on demand. All related parties receivables are unsecured and are to be settled in cash.

(c) Amounts due from joint venture entities

The non-trade amounts due from joint venture entities are in respect of capital contribution and the amounts are unsecured, non-interest bearing and repayable on demand.

The Directors assessed the recoverability of the amounts owing based on their assessment of the discounted cash flow analysis from the joint ventures' operations. In the previous financial year, the Group made an allowance for doubtful debts of RM1,000,000 as disclosed in Note 8.

(d) Amounts due from former subsidiaries

Included in amounts due from former subsidiaries of the Group and of the Company are RM434,804,000 (2009: RM434,820,000) and RM408,883,000 (2009: RM408,798,000) respectively from companies which are currently in liquidation. The recoverability of these amounts are dependent on the abilities of the respective liquidators to fetch the best prices for the underlying assets of the companies. Notwithstanding this, the Company has fully provided for the amounts due from these former subsidiaries.

Included in the amount due from a former subsidiary is a debt of RM14,344,000 (2009 : RM14,344,000) which is secured by partially completed buildings belonging to the said former subsidiary. These buildings are situated on a piece of land which does not belong to the said former subsidiary. The said debt was previously subjected to interest of 7.5% per annum. Additional interest of 10% per annum was imposed on defaulted payments.

The former subsidiary is currently disputing this debt owing to the Group and the Company. The Directors of the Company have obtained legal opinion on this subject matter and their solicitors were of the view that the subject matter in dispute may need to be referred to and interpreted by the Court. Notwithstanding the uncertainty arising from the outcome of this dispute, the Directors of the Company will endeavour to recover the full amount due from the former subsidiary although full allowance for doubtful debts have been made in respect of this debt.

- (e) In the previous year, included in other receivables is an amount of RM4,192,000 held under a trust account pursuant to the Group's Debt Restructuring Agreement. Pursuant to the redemption of all outstanding Redeemable Convertible Secured Loan Stocks ("RCSLS") by the Company during the year, the trust account has been dissolved and the Group has received the money held under the trust account together with interest income earned therein.

Further details on related party transactions are disclosed in Note 35.

Other information on financial risks of other receivables are disclosed in Note 38.

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

21. MARKETABLE SECURITIES

	Group	
	2010 RM'000	2009 RM'000
Quoted, at cost	–	51,280
Analysed as:		
At market value	–	51,240

Investment in marketable securities represents fund placements in various unit trust funds in Malaysia.

During the year, the Group earned dividend income of RM494,000 (2009: RM274,000) and made a total gain of disposal from its marketable securities of RM27,000 (2009: RM Nil), as disclosed in Notes 3 and 4.

In the opinion of the Directors, the difference between the carrying amount of the marketable securities and market value for marketable securities in the previous financial year was due to short term market fluctuations in the value of these investments. All investments have been fully disposed of during the financial year.

22. DEPOSITS, CASH AND BANK BALANCES

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Cash on hand and at banks	3,549	4,574	307	407
Deposits with financial institutions	133,145	118,946	77,049	37,643
Cash and cash equivalents	136,694	123,520	77,356	38,050

(i) Included in cash at banks of the Group are amounts of RM28,000 (2009: RM1,127,000) held under the Housing Development Accounts (“HDA Account”) pursuant to Section 7A of the Housing Development (Control and Licensing) Act 1966 (Act 118) and therefore restricted from use in other operations.

(ii) In the previous financial year, the following amounts were held in Escrow Accounts pursuant to a Debt Restructuring Agreement (“DRA”), as disclosed in Notes 26 and 27.

(a) cash at banks of the Group and of the Company of RM3,000 respectively.

(b) deposits with financial institutions of the Group and of the Company of RM43,125,000 and RM2,719,000 respectively.

The application of the monies was governed by the DRA.

(iii) Deposits of the Group and of the Company amounting to RM121,000 (2009: RM120,000) and RM59,000 (2009: RM57,000) respectively, are pledged to banks as security deposits for bank guarantees.

(iv) Included in cash at bank and deposits with financial institutions of the Group are amounts of RM1,000 (2009: RM1,000) and RM1,255,000 (2009: RM1,223,000) respectively held under a trust account pursuant to a Trust Deed dated 11 September 1994 in relation to a membership scheme of a subsidiary, Sri Damansara Club Berhad. The application of the monies is governed by the Trust Deed Agreement.

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

22. DEPOSITS, CASH AND BANK BALANCES (CONT'D)

- (v) Included in cash at bank and deposits with financial institutions of the Group are sinking funds of RM26,000 (2009: RM19,000) and RM1,432,000 (2009: RM1,227,000) respectively maintained by a subsidiary, Sri Damansara Club Berhad, for the purpose of repair and maintenance of properties.

Other information on financial risks of cash and cash equivalents are disclosed in Note 38.

The weighted average effective interest rates of deposits at the balance sheet date were as follows:

	Group		Company	
	2010 % per annum	2009 % per annum	2010 % per annum	2009 % per annum
Licensed banks	2.36	3.11	2.33	2.45

The average maturities of deposits as at the end of the financial year were as follows:

	Group		Company	
	2010 Days	2009 Days	2010 Days	2009 Days
Licensed banks	107	123	186	91

23. NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

	Note	Group	
		2010 RM'000	2009 RM'000
At carrying value:			
Leasehold land and building	(i)	514	–
Freehold land and building	(ii)	–	2,181
Leasehold land	(iii)	–	1,862
		514	4,043

- (i) On 21 July 2009 and 25 March 2010, Sri Damansara Sdn Bhd, a wholly-owned subsidiary of the Company, entered into Sale and Purchase Agreements with three (3) individual buyers for the disposal of 2 units of terrace houses and a double storey shop-office for an aggregate consideration of RM580,000. As the conditions precedents of these transactions have not been completed, any gain or loss on disposals of these properties is only expected to be reflected in the financial year ending 31 March 2011.
- (ii) On 30 March 2009, SDSB entered into a Sale and Purchase Agreement with Isu Nagasari Sdn Bhd, to dispose of a parcel of freehold land together with the building erected on the said land, for a cash consideration of RM5,500,000. The disposal was completed on 28 October 2009 and resulted in a net gain of RM3,252,000 to the Group as disclosed in Note 4.
- (iii) On 11 March 2008, Lang Furniture (Pahang) Sdn Bhd ("LFPSB"), a wholly-owned subsidiary of the Company, entered into a Sale and Purchase Agreement ("SPA") with Waras Wijaya Sdn Bhd ("WWSB") for the disposal of two parcels of leasehold land for a total cash consideration of RM4,250,000. On 16 April 2009, LFPSB obtained consent to transfer the said properties to WWSB from the state land office. However, WWSB failed to settle the balance purchase price and on 24 August 2009, the SPA was terminated. Deposits received of RM425,000 was recognised as income as disclosed in Note 4. Consequently the assets were reclassified to prepaid land lease payments as disclosed in Note 14.

In the previous financial year, the leasehold land in item (iii) above were pledged as securities for borrowings granted to the Group.

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

24. PROVISIONS

	Property Development Expenditure RM'000	Liquidated Ascertained Damages RM'000	Provision for Promotional Costs RM'000	Provision for Litigation Claims RM'000	Provision for Financial Obligation RM'000	Foreseeable Loss of Charged Land RM'000	Total RM'000
Group							
At 1 April 2009	5,797	1,306	-	23	41,611	16,641	65,378
Additional provisions	2,587	-	1,908	-	-	-	4,495
Utilisation of provisions	(237)	(8)	-	-	-	-	(245)
Write back (Note 4)	(799)	(1)	-	-	-	-	(800)
At 31 March 2010	7,348	1,297	1,908	23	41,611	16,641	68,828
At 31 March 2010							
Non-current	-	-	1,489	-	-	-	1,489
Current	7,348	1,297	419	23	41,611	16,641	67,339
	7,348	1,297	1,908	23	41,611	16,641	68,828

	Property Development Expenditure RM'000	Liquidated Ascertained Damages RM'000	Provision for Litigation Claims RM'000	Provision for Financial Obligation RM'000	Foreseeable Loss of Charged Land RM'000	Total RM'000
Group						
At 1 April 2008		20,233	7,534	136	-	27,903
Additional provisions		-	-	-	41,611	16,641
Utilisation of provisions	(518)	(12)	(66)	-	-	(596)
Write back (Note 4)	(1,121)	(6,176)	-	-	-	(7,297)
Effects of deconsolidation of a subsidiary (Note 15(b))	(12,797)	(40)	(47)	-	-	(12,884)
At 31 March 2009		5,797	1,306	23	41,611	16,641
At 31 March 2009						
Non-current		-	-	-	-	-
Current		5,797	1,306	23	41,611	16,641
		5,797	1,306	23	41,611	16,641

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

24. PROVISIONS (CONT'D)

	Provision for Financial Obligation	
	2010 RM'000	2009 RM'000
Company		
At beginning of year	41,611	–
Additional provisions	–	41,611
At end of year	41,611	41,611

(a) Property development expenditure

Provision for property development expenditure is the estimated costs to be incurred for completed projects and project in progress.

This provision is provided based on the total estimated development costs to be incurred as at year end for all the property development projects.

(b) Liquidated ascertained damages

Provision for liquidated ascertained damages is in respect of property development projects undertaken by the Group. The provision is recognised for expected liquidated ascertained damages claims based on the terms of the applicable sale and purchase agreements.

(c) Provision for promotional costs

Provision for promotional costs are costs incurred that are associated with the sale of development units. These amounts are estimates of the obligations to be undertaken by the property development company.

The provision is based on the estimates of the obligations to be undertaken by a subsidiary for each relevant purchase, the terms and the respective sale agreement for each purchaser.

(d) Provision for litigation claims

Provision for litigation claims is the estimated litigation claims to be incurred in relation to various litigations currently undertaken by the companies within the Group with the assistance of the solicitors in charge of the relevant cases.

(e) Provision for financial obligation

This is the estimated financial liability, as assessed by the Directors, arising from the liquidation of a subsidiary in the previous financial year. Further details on liquidation of the subsidiary are disclosed in Note 15(b).

The provision is based on the total amount owing by the former subsidiary to the financial institutions.

(f) Foreseeable loss of charged land

This is the estimated loss as provided for several parcels of freehold land pledged as securities for borrowings granted to a former subsidiary.

The provision is based on the aggregated carrying value of the pledged freehold land.

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

25. TRADE AND OTHER PAYABLES

	Note	Group		Company	
		2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Current					
Trade payables					
Third parties	(a)	3,836	2,739	–	–
Progress billings in respect of property development costs		10,330	–	–	–
		<u>14,166</u>	<u>2,739</u>	<u>–</u>	<u>–</u>
Other payables					
Amount due to related parties:					
Subsidiaries	(b)	–	–	132,810	116,132
Other payables	(c)	8,603	8,477	1,273	668
Accruals		1,093	1,991	503	1,150
		<u>9,696</u>	<u>10,468</u>	<u>134,586</u>	<u>117,950</u>
		<u>23,862</u>	<u>13,207</u>	<u>134,586</u>	<u>117,950</u>

(a) Trade payables

Trade payables are non-interest bearing and the normal trade credit terms granted to the Group is 30 days.

(b) Amounts due to related parties

Amounts due to related parties are non-interest bearing and are repayable on demand. The amounts are unsecured and are to be settled in cash.

(c) Other payables

- (i) Included in other payables of the Group are refundable deposits amounting to RM1,168,000 (2009: RM1,201,000) and RM1,118,000 (2009: RM1,035,000) in relation to club membership deposits in a subsidiary, Sri Damansara Club Berhad, and student enrolment deposits in a subsidiary, Lang Education Sdn Bhd ("LESB"), respectively.
- (ii) Included in other payables of the Group are student fees received in advance by LESB amounting to RM1,959,000 (2009: RM1,827,000).

Further details on related party transactions are disclosed in Note 35.

Other information on financial risks of other payables are disclosed in Note 38.

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

26. BORROWINGS

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Short term borrowings				
Secured:				
Redeemable Convertible Secured Loan Stocks ("RCSLS") (Note 27)	–	66,748	–	66,748
Hire purchase and finance lease liabilities (Note 28)	154	139	154	139
	154	66,887	154	66,887
Long term borrowings				
Secured:				
Redeemable Convertible Secured Loan Stocks ("RCSLS") (Note 27)	–	4,962	–	4,962
Hire purchase and finance lease liabilities (Note 28)	330	415	330	415
	330	5,377	330	5,377
Total borrowings				
Redeemable Convertible Secured Loan Stocks ("RCSLS") (Note 27)	–	71,710	–	71,710
Hire purchase and finance lease liabilities (Note 28)	484	554	484	554
	484	72,264	484	72,264
Maturity of borrowings:				
Within one year	154	66,887	154	66,887
More than 1 year and less than 2 years	154	5,101	154	5,101
More than 2 years and less than 5 years	176	276	176	276
	484	72,264	484	72,264

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

26. BORROWINGS (CONT'D)

The weighted average effective interest rates at the balance sheet date for borrowings, excluding hire purchase and finance lease liabilities, were as follows:

	Group		Company	
	2010	2009	2010	2009
	% per annum	% per annum	% per annum	% per annum
Redeemable Convertible Secured Loan Stocks ("RCSLS")	N/A	5.00	N/A	5.00

The RCSLS were previously secured by certain assets of the Group and of the Company as disclosed in Notes 11(b), 12(a), 13(a), 19 and 23. Proceeds from sale of these assets are deposited in Escrow Accounts as disclosed in Notes 20(e) and 22(ii).

Other information on financial risks of borrowings are disclosed in Note 38.

27. REDEEMABLE CONVERTIBLE SECURED LOAN STOCKS ("RCSLS")

The Company entered into a Debt Restructuring Agreement ("DRA") on 28 February 2002, for the settlement of the amount owing by the Company and certain of its subsidiary companies to their financial institution lenders and Euro Convertible Bondholders. Pursuant to the DRA, on 30 July 2003 the Company issued 16,883,720 nominal value of RCSLS A of RM1.00 each and issued 304,078,917 nominal value of RCSLS B of RM1.00 each. The details of the RCSLS A and RCSLS B are as follows:

	RCSLS A	RCSLS B	Total nominal value '000	Group/Company	
	at RM1.00 each nominal value '000	at RM1.00 each nominal value '000		2010 Total RM'000	2009 Total RM'000
At beginning of year	1,664	70,046	71,710	71,710	83,729
Repayment	(1,664)	(70,046)	(71,710)	(71,710)	(12,019)
At end of year	-	-	-	-	71,710

The main features and tenure for the various RCSLS are stated below:

RCSLS A:

- Series 1 - 5 years from the date of issue
- Series 2 - 7 years from the date of issue

RCSLS B:

- Series 1 - 6 years from the date of issue (inclusive) of the RCSLS B Series 2 & 3
- Series 2 - 3 years from the date of issue
- Series 3 - 7 years from the date of issue

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

27. REDEEMABLE CONVERTIBLE SECURED LOAN STOCKS ("RCSLS") (CONT'D)

The maturity date for the various RCSLS are as follows:

RCSLS A:

- Series 1 - date falling on the 5th anniversary from the date of issue
- Series 2 - date falling on the 7th anniversary from the date of issue

RCSLS B:

- Series 1 - date falling on the 6th anniversary from the date of issue
- Series 2 - date falling on the 3rd anniversary from the date of issue
- Series 3 - date falling on the 7th anniversary from the date of issue

During the tenure of the RCSLS, unless previously redeemed, converted or repurchased, the RCSLS shall be redeemed in seven annual instalments.

The RCSLS bore interest at 5% per annum payable semi-annually in arrears in each year calculated from the date of issue on 30 July 2003.

The RCSLS were convertible into new shares in the Company at the conversion price, the higher of the weighted average market price of the 5 preceding days or RM1.00 nominal amount of the RCSLS, for every one ordinary shares of RM1.00 each, at the option of the holder anytime on or after its issuance date up to the trading day immediately preceding the maturity date.

On or any time after the date of issue of the RCSLS but before the maturity date, if the closing market price of the shares of the Company for 40 consecutive trading days is at least 180% of the conversion price of RM1.00 during the conversion period, all outstanding RCSLS can be converted into shares in the Company at the conversion price.

The new ordinary shares issued from the conversion of RCSLS may be deemed fully paid and rank pari passu with all existing ordinary shares of the Company.

The RCSLS were secured by way of fixed charges over specific assets of the Group, as disclosed in Notes 11(b), 12(a), 13(a), 19 and 23.

On 30 June 2009, the Company redeemed all outstanding RCSLS of RM71,710,000.



NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

28. HIRE PURCHASE AND FINANCE LEASE LIABILITIES

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Future minimum lease payments:				
Not later than 1 year	172	154	172	154
Later than 1 year and not later than 5 years	370	462	370	462
	542	616	542	616
Less: Future finance charges	(58)	(62)	(58)	(62)
Present value of finance lease liabilities (Note 26)	484	554	484	554
Analysis of present value of finance lease liabilities:				
Not later than 1 year	154	139	154	139
Later than 1 year and not later than 5 years	330	415	330	415
	484	554	484	554
Less: Amount due within 12 months (Note 26)	(154)	(139)	(154)	(139)
Amount due after 12 months (Note 26)	330	415	330	415

The hire purchase and finance lease liabilities bore interest rates ranging 2.2% to 3.2% (2009: 2.2% to 3.2%) per annum.

Other information on financial risks of hire purchase and finance lease liabilities are disclosed in Note 38.

29. SHARE CAPITAL

	Number of Ordinary Shares '000	Amount RM'000
Authorised:		
At 1 April 2008/31 March 2009		
Ordinary shares of RM1 each	1,000,000	1,000,000
Adjustment due to par value reduction to RM0.20 each	4,000,000	-
Ordinary shares of RM0.20 each		
At 31 March 2010	5,000,000	1,000,000

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

29. SHARE CAPITAL (CONT'D)

	Number of Ordinary Shares		Amount	
	2010 '000	2009 '000	2010 RM'000	2009 RM'000
Issued and fully paid:				
At beginning of year				
Ordinary shares of RM1 each	598,305	598,305	598,305	598,305
During the year				
Capital reduction exercise	–	–	(478,644)	–
At end of year				
Ordinary shares of RM0.20 each (2009 : RM1.00 each)	598,305	598,305	119,661	598,305

The Company obtained approvals for its capital reduction exercise from the shareholders and the High Court of Malaya on 7 August 2009 and 7 October 2009 respectively. The effects of the capital reduction exercise were as follows :

- The Memorandum of Association of the Company was amended to reflect the reduction of par value of the authorised share capital of the Company from RM1.00 to RM0.20; thereby increasing the number of authorised shares from 1,000,000,000 to 5,000,000,000.
- The issued and paid-up share capital of the Company was reduced from RM598,305,000 comprising 598,305,000 ordinary shares of RM1.00 each to RM119,661,000 comprising 598,305,000 ordinary shares of RM0.20 each by the cancellation of RM0.80 of the par value of each ordinary share. The credits of RM478,644,000 arising from the aforementioned share capital reduction exercise and a partial reduction of the share premium of the Company of RM115,967,000 were applied to eliminate the accumulated losses of the Company.

30. RESERVES

	Note	Group	
		2010 RM'000	2009 RM'000
Capital reserve	(a)	8,633	6,633
Foreign exchange reserve	(b)	11,677	9,685
		20,310	16,318

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

30. RESERVES (CONT'D)

The movements in each category of reserve were as follows:

(a) Capital reserve

	Note	Group	
		2010 RM'000	2009 RM'000
At beginning of year		6,633	4,674
Appropriation of profit to capital reserve for a subsidiary due to redemption of preference shares in a subsidiary		2,000	2,000
Effects of deconsolidation of a subsidiary	15(b)	-	(41)
At end of year		8,633	6,633

(b) Foreign exchange reserve

	Note	Group	
		2010 RM'000	2009 RM'000
At beginning of year		9,685	26,718
Translation difference on net equity of foreign operations		3,429	(17,033)
Effect of capital distributions from a foreign subsidiary	15(i)	(1,437)	-
At end of year		11,677	9,685

The foreign exchange reserve comprises all foreign exchange differences arising from the translation of the financial statements of foreign operations.

31. RETAINED EARNINGS/ACCUMULATED LOSSES

Presently, Malaysian companies adopt the full imputation system. In the Budget 2008, the Government announced the proposal to introduce the single tier tax system for companies effective from the year of assessment 2009. Under the proposed single tier system, the Company shall not be entitled to deduct tax on dividend paid, credited or distributed to its shareholders, and such dividends paid, credited or distributed by the Company will be exempted from tax in the hands of the shareholders. However, there will be a transitional period of six years, expiring on 31 December 2013, to allow companies to pay franked dividends to their shareholders under limited circumstances. Companies also have an irrevocable option to disregard the Section 108 balance and opt to pay dividends under the single tier system. This proposed change in the tax law also provides for the Section 108 balance to be locked in as at 31 December 2007.

The Company did not elect for the irrevocable option to disregard the Section 108 balance. Accordingly, during the transitional period, the Company may utilise the credit in the Section 108 balance as at 31 December 2007 to distribute cash dividend payments to ordinary shareholders as defined under the Finance Act 2007. As at 31 March 2010, the Company has sufficient credit in the Section 108 balance and balance in the tax exempt account of RM64,402,000 (2009: RM67,812,000) and RM85,370,000 (2009: RM85,370,000) respectively to pay franked dividends out of its entire retained earnings.

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

32. DEFERRED TAX

	Group	
	2010	2009
	RM'000	RM'000
At beginning of year	84	419
Recognised in income statement (Note 9)	(291)	(352)
Exchange differences	1	17
	<hr/>	<hr/>
At end of year	(206)	84
	<hr/>	<hr/>
Presented after appropriate offsetting as follows:		
Deferred tax assets	3	84
Deferred tax liabilities:		
- subject to income tax	(209)	-
	<hr/>	<hr/>
	(206)	84
	<hr/>	<hr/>

The components of deferred tax liabilities and assets during the financial year prior to set-offs are as follow:

Deferred tax assets of the Group:

	Provisions	Unused tax	Total
	RM'000	losses	RM'000
	RM'000	RM'000	RM'000
At 1 April 2009	6	78	84
Recognised in income statement	(4)	(78)	(82)
Exchange difference	1	-	1
	<hr/>	<hr/>	<hr/>
At 31 March 2010	3	-	3
	<hr/>	<hr/>	<hr/>
At 1 April 2008	-	491	491
Recognised in income statement	6	(413)	(407)
	<hr/>	<hr/>	<hr/>
At 31 March 2009	6	78	84
	<hr/>	<hr/>	<hr/>

Deferred tax liabilities of the Group:

	Property, plant and equipment
	RM'000
At 1 April 2009	-
Recognised in income statement	(209)
	<hr/>
At 31 March 2010	(209)
	<hr/>

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

32. DEFERRED TAX (CONT'D)

Deferred tax liabilities of the Group: (Cont'd)

	Others RM'000
At 1 April 2008	72
Recognised in income statement	(55)
Exchange difference	(17)
At 31 March 2009	-

Deferred tax assets have not been recognised in respect of the following items:

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Unused tax losses	51,465	50,698	-	-
Unabsorbed capital allowances	13,909	15,034	3,579	4,608
Other deductible temporary differences	23,259	26,380	-	-
	88,633	92,112	3,579	4,608

The unused tax losses and unabsorbed capital allowances of the Group are available indefinitely for set-offs against future taxable profits of the respective subsidiaries, subject to no substantial changes in shareholdings of the respective subsidiaries under the Income Tax Act, 1967 and guidelines issued by the tax authorities.

33. CAPITAL COMMITMENTS

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Capital expenditure				
Approved but not contracted for:				
- property, plant and equipment	67	108	-	51
Share of capital commitment of jointly controlled entity	1,855	-	-	-
	1,922	108	-	51

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

34. MATERIAL LITIGATIONS

- (a) Sri Damansara Sdn Bhd (“SDSB”), a wholly-owned subsidiary of the Company, was served with a Section 218 notice dated 11 November 2002 pursuant to the Companies Act, 1965 in respect of the payment of RM2.5 million alleged to be due to Brunfield Engineering Sdn Bhd (“BESB”) for works it has undertaken. Following this notice, the Company and SDSB have served a Writ of Summons dated 30 November 2002 on BESB, pursuant to which the Company and SDSB applied for inter alia, an interim injunction against BESB in order that BESB is restrained from proceeding with a winding-up petition against SDSB until this claim has been arbitrated. SDSB’s application for the injunction was allowed on 12 August 2003. BESB has filed an appeal at the Court of Appeal to set aside the injunction order, but did not take any steps thereafter to prosecute the appeal.

On 23 September 2003, the Court ordered the Company to be struck off as a party to the suit. The court has at the request of BESB’s counsel, granted an adjournment of the hearing on 24 March 2004 to enable BESB to concede to SDSB’s claim and settle the issue of cost. On 11 August 2004, the court dismissed SDSB’s application under Order 14 with cost and proceeded to fix 3 June 2005 as the date for case management wherein the Court is expected to give its decisions. SDSB has instructed its solicitors to proceed to set down the matter for trial.

The matter was set down for trial on 5, 6 and 7 April 2010. The parties agreed to settle the matter wherein both parties were to withdraw their respective claims with no order as to cost. The Court on 5 April 2010, allowed the withdrawal and recorded consent judgment on the following terms :-

- (i) The Section 218 Notice under the Companies Act, 1965 issued by BESB be withdrawn and cancelled;
 - (ii) The Writ of Summons filed by the Company and SDSB be withdrawn and struck off;
 - (iii) Cost to be borne by each party;
 - (iv) No further claims are to be made by each party against the other in relation to this matter.
- (b) Las Maha Corporation Sdn Bhd (“Las Maha”) entered into a contract with SDSB on 21 January 2000 to carry out construction and completion of building and relevant infrastructure works of the development project in Bandar Sri Damansara for a contract sum of RM11.5 million. Due to late delivery of the project SDSB has imposed liquidated damages on Las Maha for late completion of the project.

On 2 April 2004, Las Maha sent a Notice of Arbitration to SDSB alleging, inter alia, that SDSB was not entitled for any damages for late completion of the project as Las Maha had achieved Practical Completion of works within reasonable time. In view of this SDSB decided to refer the matter to Arbitration. Las Maha is claiming for the sum of RM2.2 million and SDSB has submitted a counter-claim for the amount of RM4.8 million, being liquidated damages claim of RM2.8 million and other claims totalling RM2.0 million.

SDSB was subsequently informed by its solicitors that Las Maha had been wound up on 15 February 2005. SDSB’s solicitors have filed the proof of debt on 20 February 2006. The Provisional Liquidator has yet to call for a Creditors Meeting.

- (c) A claim of RM6.7 million was made against Navistar Sdn Bhd (“Navistar”) a wholly-owned subsidiary of the Company, by AK2 Runding Sdn Bhd (“AK2”). The claim is for purported fees due and outstanding for unpaid balance of professional fees for architectural consultancy services rendered for a proposed three stage commercial development then undertaken by Navistar.

AK2 served the Writ of Summons dated 20 August 2008 on Navistar and Navistar had responded. The matter is fixed for fifth case management on 18 August 2010.

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

35. RELATED PARTY DISCLOSURES

- (a) In addition to the transactions detailed elsewhere in the financial statements, the Group and the Company had the following transactions with related parties during the financial year:

	Group	
	2010 RM'000	2009 RM'000
Management fee paid by jointly controlled entity	227	107
Progress billings billed to a member of key management for properties under construction	101	-

During the financial year, a member of the key management personnel purchased a property from Sri Damansara Sdn Bhd, a wholly-owned subsidiary of the Company for RM337,000. The transaction was entered into in the ordinary course of business with terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

	Company	
	2010 RM'000	2009 RM'000
Rental income from subsidiaries	1,416	1,422
Gross dividends from subsidiaries	24,500	15,147
Management fees from a subsidiary	240	240
Rental expense paid to a subsidiary	(178)	(176)

- (b) **Compensation of key management personnel**

The remuneration of Directors and other members of key management during the year was as follows:

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Short term employee benefits	1,891	1,939	1,189	1,196
Post-employment benefits:				
Defined contribution plan	224	238	143	145
Other benefits	115	608	77	561
	2,230	2,785	1,409	1,902

Included in the total key management personnel are:

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Directors' remuneration	1,113	1,678	694	1,145

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

36. SIGNIFICANT EVENTS

- (a) On 3 November 2009, Synergy Score Sdn. Bhd, a wholly-owned subsidiary of the Company, entered into a Joint Venture cum Shareholders' Agreement with Forward Splendour Sdn Bhd ("FSSB") to govern a 50:50 jointly controlled entity, Elite Forward Sdn Bhd ("EFSB") which is principally a property development company. FSSB is a related company of Mayland Parkview Sdn Bhd, which in turn is a major shareholder of the Company.

On the same date, EFSB entered into a conditional Sale & Purchase Agreement ("SPA") with Sazean Holdings Sdn Bhd for the proposed acquisition of a freehold land situated in Ampang for a total consideration of RM55,000,000.

Approvals from the Foreign Investment Committee and shareholders of the Company were obtained on 18 November 2009 and 3 February 2010 respectively. On 18 May 2010, the Company announced that the land acquisition had been completed with the fulfilment of all the conditions precedent as set out in the SPA.

The details of the joint venture are disclosed in Note 17.

- (b) On 6 January 2010, the Company acquired the entire issue and paid up share capital comprising 2 ordinary shares of RM1.00 each fully paid in Bright Term Sdn Bhd ("BTSB"). BTSB was incorporated in Malaysia under the Companies Act, 1965 on 22 October 2009. The authorised share capital is RM100,000 divided into 100,000 ordinary shares of RM1.00 each. Currently BTSB has not commenced business operations.

37. SUBSEQUENT EVENTS

- (a) On 10 May 2010, Elite Forward Sdn Bhd ("EFSB"), a 50% joint venture entity of the Group, obtained full release of its fixed loan facility of RM38,500,000 for the acquisition of a freehold land situated in Ampang. The Company acts as a joint corporate guarantor, in proportion to its shareholdings in EFSB, for a total sum of RM19,250,000 of the said fixed loan facility.
- (b) On 30 April 2010, Bright Term Sdn Bhd ("BTSB") a wholly-owned subsidiary of the Company, submitted a tender with earnest monies amounting to RM1,250,000 to acquire few parcels of land (measuring in aggregate approximately 200 acres) and the related assets on those land located in Seremban, Negeri Sembilan from a company under liquidation. The total purchase consideration amounted to RM25,000,000. Subsequently on 15 June 2010, the Company was notified of its successful bid and was required to pay the balance deposit of RM1,250,000 within 30 days. The Company is in the process of obtaining an extension of time from the said liquidator to comply with the terms of tender.

38. FINANCIAL INSTRUMENTS

(a) Financial risk management objectives and policies

The Group's financial risk management policy seeks to ensure that adequate financial resources are available for the development of the Group's businesses whilst managing its interest rate risks, foreign currency risk, liquidity risk and credit risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below. It is the Group's policy not to engage in speculative transactions.



NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

38. FINANCIAL INSTRUMENTS (CONT'D)

(b) Interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group's interest-bearing financial assets are mainly short term in nature and have been mostly placed in fixed deposits.

The Group's primary interest rate risk relates to interest-bearing borrowings. Borrowings at floating rates expose the Group to cash flow interest rate risk. Borrowings obtained at fixed rates expose the Group to fair value interest rate risk.

The information on maturity dates and effective interest rates of financial assets and liabilities are disclosed in their respective notes.

(c) Foreign currency risk

The Group is exposed to currency risk as a result of foreign currency transactions entered into by subsidiaries in currencies other than their functional currency. Foreign currency denominated assets and liabilities together with expected cash flows from anticipated transactions denominated in foreign currency give rise to foreign exchange exposures. Foreign exchange exposures in transactional currencies other than the functional currency of the operating entities are kept to an acceptable level.

The Company has a number of investments in foreign subsidiaries whose net assets are exposed to currency translation risk.

The currency exposure profile of financial assets and financial liabilities of the Group and of the Company are as follows:

	Group		Company	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Functional Currency				
Other Receivables				
Australian Dollar	15,599	17,039	—	973
US Dollar	10	12	—	—
Sterling Pound	1	21	—	—
Singapore Dollar	4	3	—	—
	15,614	17,075	—	973
Cash and Cash Equivalents				
Australian Dollar	3,305	72,927	—	—
Sterling Pound	3,404	3,877	—	—
	6,709	76,804	—	—
Other Payables				
Australian Dollar	204	455	—	—
US Dollar	35	33	—	—
Sterling Pound	1	2	—	—
Singapore Dollar	10	39	—	—
	250	529	—	—

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

38. FINANCIAL INSTRUMENTS (CONT'D)

(d) Liquidity Risk

The Group manages its debt maturity profile, operating cash flows and the availability of funding so as to ensure that refinancing, repayment and funding needs are met. As part of its overall liquidity management, the Group maintains sufficient levels of cash or cash convertible investments to meet its working capital requirements.

(e) Credit risk

Credit risks, or the risk of counterparties defaulting, are controlled by the application of credit approvals, limits and monitoring procedures. Credit risks are minimised and monitored by limiting the Group's associations to business partners with appropriate creditworthiness. Trade receivables are monitored on an ongoing basis via Group management reporting procedures.

Other than the amount due from joint venture entities and amount due from former subsidiaries, the Group does not have any significant exposure to any individual customer or counterparty nor does it have any major concentration of credit risk related to any financial instruments.

(f) Fair values

The carrying amounts of financial assets and liabilities of the Group and of the Company at the balance sheet date approximate their fair values except for the followings:

	Group		Company	
	Carrying Amount RM'000	Fair Value RM'000	Carrying Amount RM'000	Fair Value RM'000
At 31 March 2010				
Financial Assets				
Non-current unquoted shares	251	+	171	+
Amounts due from subsidiary companies	–	–	25,250	#
	251	–	25,421	–
Financial Liabilities				
Amounts due to subsidiary companies	–	–	132,810	#

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

38. FINANCIAL INSTRUMENTS (CONT'D)

(f) Fair values (Cont'd)

	Group		Company	
	Carrying Amount RM'000	Fair Value RM'000	Carrying Amount RM'000	Fair Value RM'000
At 31 March 2009				
Financial Assets				
Non-current unquoted shares	241	+	131	+
Amounts due from subsidiary companies	-	-	28,750	#
	241	-	28,881	-
Financial Liabilities				
Redeemable Convertible Secured Loan Stocks ("RCSLS")	71,710	71,451	71,710	71,451
Amounts due to subsidiary companies	-	-	116,132	#
	71,710	71,451	187,842	71,451

+ It is not practicable to estimate the fair values of the Group's and the Company's non-current unquoted shares because of the lack of quoted market prices and the inability to estimate their fair value without incurring excessive costs.

It is not practical to estimate the fair values of amounts due from/(to) subsidiary companies due to principally the lack of fixed repayment terms entered into by the parties involved and the inability to estimate fair value without incurring excessive cost. However, the Company does not anticipate the carrying amount of these financial instruments to be significantly different from the values that would eventually be settled or received.

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

38. FINANCIAL INSTRUMENTS (CONT'D)

(f) Fair values (Cont'd)

The methods and assumptions used by management to determine fair values of financial instruments other than those whose carrying amounts reasonably approximate their fair values are as follows:

(i) Cash and cash equivalents, trade and other receivables/payables and short term borrowings

The carrying amounts approximate fair values due to the relatively short term maturity of these financial instruments.

(ii) Other investments

The fair value of quoted shares is determined by reference to stock exchange quoted market bid prices at the close of the business on the balance sheet date.

(iii) Borrowings

The fair value of borrowings is estimated by discounting the expected future cash flows using the current interest rates for assets and liabilities with similar risk profiles.

39. SEGMENT INFORMATION

(a) Business segments

The Group adopts business segment analysis as its primary reporting format and geographical segment as its secondary reporting format.

The Group is organised on a worldwide basis into two major business segments:

- (i) Properties - property development, property investments and land cultivation
- (ii) Education - education services

Other operations of the Group are mainly investment holding and do not constitute a separate reportable segment.

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

39. SEGMENT INFORMATION (CONT'D)

(a) Business segments (Cont'd)

	Properties RM'000	Education RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
31 March 2010					
Revenue					
Sales to external customers	17,135	9,754	2	–	26,891
Interest and dividend income	1,780	148	1,395	–	3,323
Inter-segment sales	195	–	26,156	(26,351)	–
Total revenue	19,110	9,902	27,553	(26,351)	30,214
Results					
Segment results	10,010	4,377	5,342	–	19,729
Net unallocated income					10,643
Finance costs					(911)
Share of profit of jointly controlled entities					1,489
Profit before tax					30,950
Income tax expense					(1,268)
Net profit for the year					29,682
Assets					
Segment assets	208,174	3,378	116,796	–	328,348
Unallocated assets					1,993
Investment in jointly controlled entities					(4,771)
Total assets					325,570
Liabilities					
Segment liabilities	46,003	3,245	43,926	–	93,174
Unallocated liabilities					554
Total liabilities					93,728
Other segment information					
Capital expenditure	130	605	83	–	818
Depreciation and amortisation	229	356	1,069	–	1,654
Impairment losses	30	35	–	–	65
Net allowance for doubtful debts	(1,471)	14	84	–	(1,373)
Other investment written off	–	–	40	–	40

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

39. SEGMENT INFORMATION (CONT'D)

(a) Business Segments (Cont'd)

	Properties RM'000	Education RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
31 March 2009					
Revenue					
Sales to external customers	20,663	7,950	3	–	28,616
Interest and dividend income	7,351	146	1,498	–	8,995
Inter-segment sales	1,405	–	16,809	(18,214)	–
Total revenue	29,419	8,096	18,310	(18,214)	37,611
Results					
Segment results	2,128	2,981	(43,968)	–	(38,859)
Net unallocated income					61,743
Finance costs					(6,026)
Share of profit of jointly controlled entity					856
Profit before tax					17,714
Income tax expense					(2,399)
Net profit for the year					15,315
Assets					
Segment assets	272,336	9,094	71,185	–	352,615
Unallocated assets					4,284
Investment in jointly controlled entity					(5,327)
Total assets					351,572
Liabilities					
Segment liabilities	31,679	2,966	116,204	–	150,849
Unallocated liabilities					555
Total liabilities					151,404
Other segment information					
Capital expenditure	57	707	234	–	998
Depreciation and amortisation	820	305	1,031	–	2,156
Impairment losses	344	–	–	–	344
Net allowance for doubtful debts	3,332	11	6,456	–	9,799
Provision for foreseeable loss of charged land	–	–	16,641	–	16,641
Properties inventories written off	222	–	–	–	222

NOTES TO THE FINANCIAL STATEMENTS

- 31 MARCH 2010 (CONT'D)

39. SEGMENT INFORMATION (CONT'D)

(b) Geographical segments

The Group's business segments operate in the three main geographical areas:

- (i) Malaysia - mainly property development
- (ii) Australia - property development and investment holding
- (iii) United States of America and Others - investment holding

	Malaysia RM'000	Australia RM'000	United States of America and Others RM'000	Consolidated RM'000
31 March 2010				
Revenue				
Sales to external customers	26,891	–	–	26,891
Interest income	2,620	686	17	3,323
Total revenue	29,511	686	17	30,214
Assets				
Segment assets	306,320	18,573	3,455	328,348
Unallocated assets				1,993
Investment in jointly controlled entities				(4,771)
Total assets				325,570
Capital Expenditure	818	–	–	818
31 March 2009				
Revenue				
Sales to external customers	28,174	442	–	28,616
Interest income	3,373	5,350	272	8,995
Total revenue	31,547	5,792	272	37,611
Assets				
Segment assets	258,628	90,032	3,955	352,615
Unallocated assets				4,284
Investment in jointly controlled entity				(5,327)
Total assets				351,572
Capital Expenditure	998	–	–	998

ANALYSIS OF SHAREHOLDINGS

AS AT 30 JULY 2010

Authorised Share Capital : RM1,000,000,000 consisting of 5,000,000,000 Ordinary Shares of RM0.20 each
 Issued and Paid Up Capital : RM119,660,906 consisting of 598,304,530 Ordinary Shares of RM0.20 each
 Class of Shares : Ordinary Shares of RM0.20 each

Voting Rights

On show of hands : one (1) vote for every member of the Company present in person or by proxy
 On a poll : one (1) vote for each share held

DISTRIBUTION OF SHAREHOLDINGS

Category	No. of Shareholders	% of Shareholders	No. of Shares	% of Issued Share Capital
1 - 99	170	0.74	5,208	0
100 - 1,000	4,844	21.05	4,668,349	0.78
1,001 - 10,000	13,298	57.80	63,958,219	10.69
10,001 - 100,000	4,239	18.43	133,911,844	22.38
100,001 - less than 5% of issued shares	454	1.97	236,905,760	39.60
5% and above of issued shares	2	0.01	158,855,150	26.55
TOTAL	23,007	100.00	598,304,530	100.00

SUBSTANTIAL SHAREHOLDERS

	Names	Direct	NO. OF SHARES		%
			Indirect		
1	Mayland Parkview Sdn Bhd	101,380,000	–		16.94
2	Employees Provident Fund Board	58,975,150	–		9.86
3	Tan Sri Azmi Wan Hamzah	3,000,000	32,283,882		5.90

DIRECTORS' SHAREHOLDINGS

	Names	DIRECT		INDIRECT	
		No. of Shares	%	No. of Shares	%
1	Dato' Hj Zainal Abidin Putih	–	–	–	–
2	Low Gay Teck	–	–	–	–
3	Ferdaus Mahmood	–	–	–	–
4	General (Rtd) Tan Sri Borhan Hj Ahmad	–	–	–	–
5	Dato' Ir Dr A Bakar Jaafar	–	–	–	–
6	Lau Tiang Hua	–	–	–	–
7	Dato' Muhammad Khairun Aseh	–	–	–	–
8	Dato' Hj Ikhwan Salim Dato' Hj Sujak	–	–	–	–
9	YM Tengku Maruan Tengku Ariff	2,000	negligible	–	–
10	Wing Kwan Winnie Chiu	–	–	101,380,000*	16.94
11	Hoong Cheong Thard	–	–	–	–

Note : * Deemed interest through Mayland Parkview Sdn Bhd

ANALYSIS OF SHAREHOLDINGS

AS AT 30 JULY 2010 (CONT'D)

LIST OF TOP 30 SHAREHOLDERS AT 30 JULY 2010

No.	Name	Holdings	%
1	MAYLAND PARKVIEW SDN BHD	101,380,000	16.94
2	EMPLOYEES PROVIDENT FUND BOARD	57,475,150	9.61
3	MALAYASSET VENTURES SDN BHD	27,620,913	4.62
4	ONG LEE VENG @ ONG CHUAN HENG	12,128,000	2.03
5	MAYBAN NOMINEES (TEMPATAN) SDN BHD AVENUE INVEST BERHAD FOR KUMPULAN WANG AMANAH PENCEN	7,500,000	1.25
6	RHB CAPITAL NOMINEES (ASING) SDN BHD RHB BANK (L) LTD	6,572,180	1.10
7	LEMBAGA TABUNG HAJI	5,493,700	0.92
8	CIMSEC NOMINEES (ASING) SDN BHD EXEMPT AN FOR CIMB SECURITIES (SINGAPORE) PTE LTD	4,749,030	0.79
9	CITIGROUP NOMINEES (ASING) SDN BHD EXEMPT AN FOR OCBC SECURITIES PRIVATE LIMITED	4,319,455	0.72
10	CARTABAN NOMINEES (ASING) SDN BHD UNION BANK FOR ACADIAN EMERGING MARKETS PORTFOLIO	4,219,800	0.71
11	HSBC NOMINEES (ASING) SDN BHD HSBC-FS FOR ASIAN SMALLER COMPANIES FUND	4,000,000	0.67
12	HSBC NOMINEES (ASING) SDN BHD TNTC FOR GOVERNMENT OF SINGAPORE INVESTMENT CORPORATION PTE LTD	4,000,000	0.67
13	MENTA CONSTRUCTION SDN BHD	3,963,000	0.66
14	NIK AWANG @ WAN AZMI BIN WAN HAMZAH	3,000,000	0.50
15	PERLIS STATE ECONOMIC DEVELOPMENT CORPORATION	2,748,727	0.46
16	UNITED EARTHWORK SDN BHD	2,612,000	0.44
17	JF APEX NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR LOO KHEE KWONG @ DANNY LOO	2,260,200	0.38
18	RHB CAPITAL NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR PHOA BOON TING (CEB)	2,248,700	0.38
19	CIMSEC NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR CHONG FOOT LAN	2,100,000	0.35
20	ROHAS SDN BHD	2,000,000	0.33
21	YTL POWER INTERNATIONAL BERHAD	1,700,000	0.28
22	CARTABAN NOMINEES (ASING) SDN BHD EXEMPT AN FOR BANK SARASIN-RABO (ASIA) LIMITED	1,667,886	0.28
23	PUBLIC INVEST NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR YEAP GEK @ YEAP POH CHIM	1,521,200	0.25
24	EMPLOYEES PROVIDENT FUND BOARD	1,500,000	0.25
25	HSBC NOMINEES (ASING) SDN BHD HSBC-FS FOR ASEAN EMERGING COMPANIES GROWTH FUND LTD	1,478,000	0.25
26	PERMODALAN NASIONAL BERHAD	1,433,000	0.24
27	TONG SIEW KHEY @ TONG SIEW KHENG	1,386,000	0.23
28	HLG NOMINEE (ASING) SDN BHD EXEMPT AN FOR UOB KAY HIAN PTE LTD (A/C CLIENTS)	1,210,500	0.20
29	HLB NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR BAKAT IMPIAN SDN BHD	1,200,000	0.20
30	ALLIANCEGROUP NOMINEES (TEMPATAN) SDN BHD PLEDGED SECURITIES ACCOUNT FOR ONG YOONG NYOCK (8039533)	1,200,000	0.20

LIST OF PROPERTIES

- AS AT 31 MARCH 2010

LOCATION	HECTARES	DESCRIPTION	NET BOOK VALUE RM'000
Ladang Kerling Mukim Kerling District of Ulu Selangor Selangor	1,009.71	Freehold rubber and oil palm estate land	48,146
Bandar Sri Damansara Housing Development Project Balance of development land in Mukim Sungai Buloh District of Petaling Gombak, Selangor	12.00	Freehold development land	19,255
Lot. 2058 & 2059, Mukim Tebrau Daerah Johor Bahru Johor	5.56	Vacant freehold lands	11,988
Sekolah Sri Bestari, Persiaran Margosa Bandar Sri Damansara Kuala Lumpur	–	Private school building complex Age of buildings: 10-12 years	8,928
Lot Nos. 659, 663, 664 & 665 Mukim Sungai Petani District of Kuala Muda Kedah	14.71	Freehold development land	6,859
Lot 23304, Persiaran Perdana Bandar Sri Damansara Kuala Lumpur	14.48	Sri Damansara Club clubhouse situated on freehold land Age of buildings: 14 years	3,889
Lot 33, Villa Putera Condominium Jalan Tun Ismail Kuala Lumpur	0.09	Residential and commercial units on freehold land Age of buildings: 17-18 years	1,363
H.S. (D) 1349 P.T. 269 Lot No. 40, Mukim Songsang District of Temerloh Pahang	6.07	Leasehold land expiring in 2040	1,118
H.S. (D) 2220 P.T. 378 Lot No. 43, Mukim Songsang District of Temerloh Pahang	0.81	Leasehold land expiring in 2044	581
No. 1, Jalan Kesumbasari 3 Bandar Sungai Buaya 48010 Rawang, Selangor	0.04	Shop office on leasehold land expiring in 2095	392

Note:

The List of Properties is in accordance with Appendix 9C (Part A) of the Listing Requirements of Bursa Malaysia Securities Berhad

NOTICE OF ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the 47th Annual General Meeting of Land & General Berhad will be held at the Saga Room, the Sri Damansara Club, Lot 23304, Persiaran Perdana, Bandar Sri Damansara, 52200 Kuala Lumpur on Wednesday, 29 September 2010 at 10.00 a.m. for the following purposes:-

1. To receive and adopt the Audited Financial Statements for the financial year ended 31 March 2010 and the Reports of the Directors and Auditors thereon **(Resolution 1)**
2. To approve the payment of Directors' fees **(Resolution 2)**
3. To re-elect the following Directors pursuant to Article 93 of the Articles of Association of the Company:
 - (i) Mr Low Gay Teck **(Resolution 3)**
 - (ii) Dato' Ir Dr A Bakar Jaafar **(Resolution 4)**
 - (iii) Dato' Hj Ikhwan Salim Dato' Hj Sujak **(Resolution 5)**
4. To re-elect the following Directors pursuant to Article 98 of the Articles of Association of the Company:
 - (i) Dato' Hj Zainal Abidin Putih **(Resolution 6)**
 - (ii) Mr Hoong Cheong Thard **(Resolution 7)**
5. To re-appoint Messrs Ernst & Young as Auditors of the Company and to authorise the Directors to fix their remuneration **(Resolution 8)**
6. **AS SPECIAL BUSINESS**

To consider and if thought fit, to pass the following Resolution:-

Allotment and issue of shares pursuant to Section 132D of the Companies Act, 1965 **(Resolution 9)**

"**THAT** pursuant to Section 132D of the Companies Act, 1965, the Directors be and are hereby authorised to issue shares in the Company at any time until the conclusion of the next Annual General Meeting and upon such terms and conditions and for such purposes as the Directors may in their absolute discretion deem fit, provided that the aggregate number of shares to be issued does not exceed 10% of the issued share capital of the Company for the time being, subject always to the approval of all relevant regulatory bodies being obtained for such allotments and issues."
7. To transact any other business for which due notice shall have been given

By order of the Board

LIM FONG EEN
Company Secretary
(MAICSA 0785833)

Kuala Lumpur
7 September 2010

NOTICE OF ANNUAL GENERAL MEETING (CONT'D)

Notes:-

- (i) A member entitled to attend and vote at this Meeting is entitled to appoint a proxy or proxies to attend and vote in his stead. A proxy need not be a member of the Company.
- (ii) A member shall not be entitled to appoint more than two proxies.
- (iii) Where a member appoints two proxies, the appointment shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy.
- (iv) The instrument appointing a proxy in the case of an individual shall be signed by the appointer or his attorney, and in the case of a corporation either under its common seal or signed by its attorney or by an officer on behalf of the corporation.
- (v) The Proxy Form, duly completed, must be deposited at the Registered Office of the Company at Level 5, Block D, Sri Damansara Business Park, Persiaran Industri, Bandar Sri Damansara, 52200 Kuala Lumpur not less than 48 hours before the time set for holding the Meeting or any adjournment thereof.
- (vi) Explanatory Note on Special Business:-

Resolution 9 - Allotment and issue of shares pursuant to Section 132D of the Companies Act, 1965

Proposed Resolution 9 is a renewal of the Section 132D mandate obtained from the Shareholders of the Company at the previous Annual General Meeting and, if passed, will give the Directors of the Company, from the date of the above Meeting, authority to allot and issue ordinary shares in the Company up to an amount not exceeding in total 10% of the issued share capital of the Company for purpose of acquiring assets which may be through joint-venture or in partnership with third parties and/or for such other purposes as the Directors consider would be in the interest of the Company. This authority will, unless revoked or varied by the Company in General Meeting, expire at the next Annual General Meeting.

Since the previous Annual General Meeting, there was no issuance of new ordinary shares by the Company pursuant to the Section 132D mandate and the Directors do not intend to utilise the Section 132D mandate from the date of issuance of this Annual Report up to the expiry date of the existing mandate.



STATEMENT ACCOMPANYING NOTICE OF 47TH ANNUAL GENERAL MEETING

1. DIRECTORS STANDING FOR RE-ELECTION AT THE 47TH ANNUAL GENERAL MEETING OF THE COMPANY

- **Directors retiring pursuant to Article 93 of the Articles of Association and seeking re-election are as follows:-**

- (i) Mr Low Gay Teck;
- (ii) Dato' Ir Dr A Bakar Jaafar; and
- (iii) Dato' Hj Ikhwan Salim Dato' Hj Sujak.

- **Directors retiring pursuant to Article 98 of the Articles of Association and seeking re-election are as follows:-**

- (i) Dato' Hj Zainal Abidin Putih; and
- (ii) Mr Hoong Cheong Thard.

2. PROFILES OF DIRECTORS WHO ARE STANDING FOR RE-ELECTION

The profiles of Directors standing for re-election are set out on pages 5, 7, 8 and 10.

3. DETAILS OF ATTENDANCE OF DIRECTORS AT BOARD MEETINGS

A total of 6 Board Meetings were held during the financial year ended 31 March 2010.

The record of attendance of Board Meetings of the Directors standing for re-election at the 47th Annual General Meeting is disclosed in the Statement of Corporate Governance under the section entitled "Board Meetings" on page 18.

4. PLACE, DATE AND TIME OF GENERAL MEETINGS HELD DURING THE FINANCIAL YEAR

Date	Time	Place
7 August 2009	10.00 a.m.	The Saga Room, The Sri Damansara Club, Lot 23304, Persiaran Perdana, Bandar Sri Damansara, 52200 Kuala Lumpur
16 September 2009*	10.00 a.m.	The Saga Room, The Sri Damansara Club, Lot 23304, Persiaran Perdana, Bandar Sri Damansara, 52200 Kuala Lumpur
3 February 2010	10.00 a.m.	The Saga Room, The Sri Damansara Club, Lot 23304, Persiaran Perdana, Bandar Sri Damansara, 52200 Kuala Lumpur

* 46th Annual General Meeting



LAND & GENERAL BERHAD
(Company No.: 5507 - H)
(Incorporated in Malaysia)

PROXY FORM

I/We
(FULL NAME IN BLOCK LETTERS)

of
(ADDRESS IN FULL)

.....
being a member/members of LAND & GENERAL BERHAD hereby appoint
(FULL NAME IN BLOCK LETTERS)

or failing him, the Chairman of the Meeting as my/our proxy/proxies to vote for me/us and on my/our behalf at the 47th Annual General Meeting of Land & General Berhad to be held at the Saga Room, the Sri Damansara Club, Lot 23304, Persiaran Perdana, Bandar Sri Damansara, 52200 Kuala Lumpur on Wednesday, 29 September 2010 at 10.00 a.m. and at any adjournment thereof.

My/our proxy/proxies shall vote as indicated below:-

RESOLUTIONS		For	Against
1	Adoption of Audited Financial Statements and Reports		
2	Payment of Directors' fees		
	To re-elect the following Directors:-		
3	Mr Low Gay Teck		
4	Dato' Ir Dr A Bakar Jaafar		
5	Dato' Hj Ikhwan Salim Dato' Hj Sujak		
6	Dato' Hj Zainal Abidin Putih		
7	Mr Hoong Cheong Thard		
8	Re-appointment of Auditors		
9	Authority to allot and issue shares pursuant to Section 132D, Companies Act 1965		

(Please indicate with an "X" in the spaces provided how you wish your votes to be cast on the resolutions specified. If you do not do so, your proxy/proxies will vote or abstain from voting at his/her/their discretion.)

No. of Shares	
---------------	--

Signature :

Date :

- (i) A member entitled to attend and vote at this Meeting is entitled to appoint a proxy or proxies to attend and vote in his stead. A proxy need not be a member of the Company.
- (ii) A member shall not be entitled to appoint more than two proxies.
- (iii) Where a member appoints two proxies, the appointment shall be invalid unless he specifies the proportion of his holdings to be represented by each proxy.
- (iv) The instrument appointing a proxy in the case of an individual shall be signed by the appointer or his attorney, and in the case of a corporation either under its common seal or signed by its attorney or by an officer on behalf of the corporation.
- (v) The Proxy Form, duly completed, must be deposited at the Registered Office of the Company at Level 5, Block D, Sri Damansara Business Park, Persiaran Industri, Bandar Sri Damansara, 52200 Kuala Lumpur not less than 48 hours before the time set for holding the Meeting or any adjournment thereof.



Please fold here

Stamp

The Company Secretary
LAND & GENERAL BERHAD (5507-H)
Level 5, Block D
Sri Damansara Business Park
Persiaran Industri
Bandar Sri Damansara
52200 Kuala Lumpur
MALAYSIA

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