

# MALAYSIAN RESOURCES CORPORATION BERHAD

(Incorporated in Malaysia - Company No.7994-D)

REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

## Condensed Consolidated Statement of Comprehensive Income

In RM'000	Note	Individual Quarter 3 months ended		Cumulative Quarter 12 months ended	
		31.12.2011 (unaudited)	31.12.2010 (unaudited)	31.12.2011 (unaudited)	31.12.2010 (unaudited)
Revenue		470,387	433,118	1,213,077	1,067,579
Expenses		(424,352)	(383,409)	(1,120,057)	(982,902)
Other operating income	13	8,175	10,031	53,765	55,923
Profit from operations		54,210	59,740	146,785	140,600
Finance cost		(9,345)	(7,460)	(35,213)	(31,449)
Share of results of associates		(803)	(486)	(1,469)	(5,530)
Share of results of jointly controlled entities		(1,517)	(2,505)	(2,852)	(6,046)
Profit before tax		42,545	49,289	107,251	97,575
Income tax expense	14	(10,590)	(10,093)	(15,326)	(23,781)
Profit for the financial year		31,955	39,196	91,925	73,794
Other comprehensive income for the financial year, net of tax					
- Revaluation reserve arising from acquisition of subsidiary		-	28,090	-	28,090
- Currency translation differences		736	1,474	419	1,467
- Effect of adoption of FRS 139 by an associate		1,164	-	1,164	-
Total comprehensive income for the financial year, net of tax		33,855	68,760	93,508	103,351
<b>Profit attributable to:</b>					
Equity holders of the Company		26,116	41,502	77,462	67,268
Non-controlling interest		5,839	(2,306)	14,463	6,526
		31,955	39,196	91,925	73,794
<b>Total comprehensive income for the financial period, net of tax:</b>					
Equity holders of the Company		27,792	70,626	78,916	96,385
Non-controlling interest		6,063	(1,866)	14,592	6,966
		33,855	68,760	93,508	103,351
Earnings per share attributable to the ordinary equity holders of the Company (sen)					
- Basic	22	1.88	3.01	5.59	5.19
- Diluted	22	1.88	3.01	5.58	5.18

*The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 December 2010*

# MALAYSIAN RESOURCES CORPORATION BERHAD

(Incorporated in Malaysia - Company No.7994-D)

REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

## Condensed Consolidated Statement of Financial Position

In RM'000	As at 31.12.2011 (unaudited)	As at 31.12.2010 (audited)
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	206,731	198,705
Investment properties	652,976	359,208
Land held for property development	766,400	599,949
Service concession asset	1,265,658	925,047
Associates	117,603	105,605
Jointly controlled entities	96,725	93,398
Available for sale financial assets	577	482
Intangible assets	95,736	58,554
Deferred tax assets	29,452	29,790
	<u>3,231,858</u>	<u>2,370,738</u>
<b>Current assets</b>		
Inventories	16,753	17,865
Properties development costs	408,497	367,139
Trade and other receivables	1,120,472	807,614
Amount due from jointly controlled entities	2,841	21,699
Tax recoverable	10,018	3,673
Financial assets at fair value through profit or loss	4,545	4,608
Deposits, cash and bank balances	616,188	795,004
	<u>2,179,314</u>	<u>2,017,602</u>
<b>TOTAL ASSETS</b>	<b><u>5,411,172</u></b>	<b><u>4,388,340</u></b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	1,386,155	1,382,432
Reserves	(26,032)	(96,207)
	<u>1,360,123</u>	<u>1,286,225</u>
Non-controlling interest	38,131	35,252
<b>Total equity</b>	<b><u>1,398,254</u></b>	<b><u>1,321,477</u></b>
<b>Non-current liabilities</b>		
Loan stock at cost	7,000	9,590
Senior and Junior Sukuk	1,058,485	828,633
Long term borrowings	1,317,688	813,624
Long term liabilities	124,094	119,222
Deferred tax liabilities	50,619	32,912
	<u>2,557,886</u>	<u>1,803,981</u>
<b>Current liabilities</b>		
Trade and payables	777,875	646,117
Other payables	322,261	255,203
Current tax liabilities	2,665	6,931
Short term borrowings	352,231	354,631
	<u>1,455,032</u>	<u>1,262,882</u>
<b>Total liabilities</b>	<b><u>4,012,918</u></b>	<b><u>3,066,863</u></b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b><u>5,411,172</u></b>	<b><u>4,388,340</u></b>
<b>Net assets per share attributable to the equity holders of the Company (sen)</b>	<b><u>98.1</u></b>	<b><u>93.0</u></b>

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 December 2010.

# MALAYSIAN RESOURCES CORPORATION BERHAD

(Incorporated in Malaysia - Company No.7994-D)

REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

## Condensed Consolidated Statement of Cash Flows

In RM'000	12 months ended	
	31.12.2011	31.12.2010 (unaudited)
<b>Operating activities</b>		
Cash receipts from customers	1,171,097	784,765
Cash paid to suppliers and employees	(1,687,974)	(1,250,152)
Cash used in operations	(516,877)	(465,387)
Finance cost paid	(2,932)	(4,017)
Taxes paid	(31,415)	(26,590)
<b>Net cash used in operating activities</b>	<b>(551,224)</b>	<b>(495,994)</b>
<b>Investing activities</b>		
Acquisition of equity investments	(152,914)	(60,256)
Disposal of equity investments	235,449	2,490
Dividend received	176	11,270
Non-equity investments	(63,645)	32,132
<b>Net cash generated from/(used in) from investing activities</b>	<b>19,066</b>	<b>(14,364)</b>
<b>Financing activities</b>		
Proceed from issue of share capital	5,266	22,395
Dividend paid to equity holders	(15,571)	(10,280)
Proceeds from right issue	-	510,036
Proceeds from borrowings	822,487	203,817
Repayment of borrowings	(318,867)	(106,275)
Interest paid	(139,973)	(120,563)
Withdrawal of restricted cash	62,618	265,931
<b>Net cash generated from financing activities</b>	<b>415,960</b>	<b>765,061</b>
Net (decrease)/increase in cash and cash equivalent	(116,198)	254,703
Cash and cash equivalents at beginning of the financial year	487,274	232,571
<b>Cash and cash equivalent at end of financial year</b>	<b>371,076</b>	<b>487,274</b>

For the purpose of the statement of cash flows, the cash and cash equivalents comprised the following:

Bank balances and deposits	616,188	795,004
Less: Bank balances and deposits held as security value	(245,112)	(307,730)
	<u>371,076</u>	<u>487,274</u>

*The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 December 2010*

# MALAYSIAN RESOURCES CORPORATION BERHAD

(Incorporated in Malaysia - Company No.7994-D)

REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

## Condensed Consolidated Statement of Changes in Equity

In RM'000	Attributable to equity holders of the Company				Total	Non-controlling interests	Total equity
	Share Capital	Share premium	Other reserves	Accumulated losses			
<b>At 1 January 2011</b>	1,382,432	130,774	38,924	(265,905)	1,286,225	35,252	1,321,477
<b>Comprehensive income</b>							
- Profit for the financial year	-	-	-	77,462	77,462	14,463	91,925
<b>Other comprehensive income</b>							
- Currency translation differences	-	-	290	-	290	129	419
- Effect of adoption of FRS 139 by an associate	-	-	-	1,164	1,164	-	1,164
<b>Total comprehensive income</b>	-	-	290	78,626	78,916	14,592	93,508
<b>Transactions with owners</b>							
Issue of shares							
- exercise of ESOS options	3,723	1,452	-	-	5,175	-	5,175
Employees' share option scheme							
- options granted	-	-	3,858	-	3,858	-	3,858
Issue of shares	-	-	-	-	-	90	90
Acquisition of additional interest in subsidiaries	-	-	1,520	-	1,520	(8,708)	(7,188)
Dividends							
- financial year ended 31 December 2010	-	-	-	(15,571)	(15,571)	-	(15,571)
Profit distribution by a jointly controlled entity							
- financial year ended 31 December 2011	-	-	-	-	-	(3,095)	(3,095)
<b>Total transactions with owners</b>	3,723	1,452	5,378	(15,571)	(5,018)	(11,713)	(16,731)
<b>At 31 December 2011 (unaudited)</b>	1,386,155	132,226	44,592	(202,850)	1,360,123	38,131	1,398,254

# MALAYSIAN RESOURCES CORPORATION BERHAD

(Incorporated in Malaysia - Company No.7994-D)

REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

## Condensed Consolidated Statement of Changes in Equity

In RM'000	Attributable to equity holders of the Company				Total	Non-controlling interests	Total equity
	Share Capital	Share premium	Other reserves	Accumulated losses			
<b>At 1 January 2010</b>	907,625	79,913	7,786	(322,893)	672,431	18,489	690,920
<b>Comprehensive income</b>							
- Profit for the financial year	-	-	-	67,268	67,268	6,526	73,794
<b>Other comprehensive income</b>							
- Revaluation reserve arising from acquisition of subsidiary (previously known as associate)	-	-	28,090	-	28,090	-	28,090
- Currency translation differences	-	-	1,027	-	1,027	440	1,467
Total comprehensive income	-	-	29,117	67,268	96,385	6,966	103,351
<b>Transactions with owners</b>							
Issue of shares							
- right issue	455,389	54,647	-	-	510,036	-	510,036
- exercise of ESOS options	19,418	2,977	-	-	22,395	-	22,395
Share issue expenses	-	(6,763)	-	-	(6,763)	-	(6,763)
Employees' share option scheme							
- options granted	-	-	1,920	-	1,920	-	1,920
Acquisition of additional interest in subsidiaries	-	-	101	-	101	12,901	13,002
Dividends							
- financial year ended 31 December 2009	-	-	-	(10,280)	(10,280)	-	(10,280)
Profit distribution by a jointly controlled entity							
- financial year ended 31 December 2010	-	-	-	-	-	(3,104)	(3,104)
Total transactions with owners	474,807	50,861	2,021	(10,280)	517,409	9,797	527,206
<b>At 31 December 2010 (audited)</b>	<b>1,382,432</b>	<b>130,774</b>	<b>38,924</b>	<b>(265,905)</b>	<b>1,286,225</b>	<b>35,252</b>	<b>1,321,477</b>

*The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2010*

# MALAYSIAN RESOURCES CORPORATION BERHAD

(Incorporated in Malaysia - Company No.7994-D)

REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

## Notes to the Report

### 1. Basis of preparation

The financial report has been prepared in accordance with FRS134, Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad, and should be read in conjunction with the Group's financial statements for the financial year ended 31 December 2010.

The accounting policies and methods of computation adopted for the financial report are consistent with those adopted for the annual financial statements for the financial year ended 31 December 2010, other than for the compliance with the new/revised Financial Reporting Standards (FRS) that came into effect during the financial year under review.

The adoption of the new/revised FRS that came into effect during the financial year under review does not have material effects on the Group's financial result for the financial year under review nor the Group's shareholders' funds as at 31 December 2011.

### 2. Audit report of the preceding annual financial statements

The audit report of the Group's preceding annual financial statements was not subject to any qualification.

### 3. Seasonal or cyclical fluctuations

The businesses of the Group were not materially affected by any seasonal or cyclical fluctuations during the current financial year.

### 4. Items of unusual nature, size or incidence

There were no other items of unusual nature, size or incidence affecting the assets, liabilities, equity, net income or cash flows.

### 5. Material changes in estimates of amounts reported

There were no changes in estimates of amounts reported in prior financial year that would have a material effect in the current financial year.

# MALAYSIAN RESOURCES CORPORATION BERHAD

(Incorporated in Malaysia - Company No.7994-D)

## REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

### Notes to the Report

#### 6. Debt and equity securities

On 30 September 2011, the Company via a Junior Sukuk Transfer Agreement disposed of its entire investment in the Junior Sukuk to The National Agricultural Cooperative Federation (Purchaser) for a cash consideration of RM230 million. The Purchaser is the trustee for HanaDaol Landchip Malaysia JB Private Real Estate Fund Investment Trust No.34 (REF Trust) of Korea.

The Junior Sukuk was issued by the Company's wholly owned subsidiary, MRCB Southern Link Berhad on 23 June 2008.

The Group's disposal of the Junior Sukuk has resulted in the Company realising a net gain of RM33.8 million. In compliance with FRS 139 "Financial Instrument-Recognition and Measurement", the net gain will be recognised at Group level reporting on a deferment basis as yearly finance income over the tenure of the related Junior Sukuk with the final maturity date on 23 December 2027.

Other than the above, there were no other issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the current financial year.

#### 7. Dividends

The Company paid a first and final dividend in respect of the financial year ended 31 December 2010 of 1.5% or 1.5 sen per ordinary share less income tax of 25%, amounting to RM15,570,656 on 4 May 2011.

The Directors recommend the payment of a first and final dividend in respect of the financial year ended 31 December 2011 of 2.0 % or 2.0 sen per ordinary share less income tax of 25%, amounting to approximately RM20.8 million which is subject to the approval of the members at the forthcoming Annual General Meeting.

# MALAYSIAN RESOURCES CORPORATION BERHAD

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REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

## Notes to the Report

### 8. Segmental reporting

	Engineering and Construction RM'000	Property development RM'000	Infrastructure and environmental RM'000	Building services RM'000	Investment holding and others RM'000	Group RM'000
<b>12 months ended 31.12.2011</b>						
Total revenue	1,362,396	481,629	28,619	94,415	28,344	1,995,403
Inter-segment revenue	(711,436)	(7,920)	-	(34,740)	(28,230)	(782,326)
External revenue	650,960	473,709	28,619	59,675	114	1,213,077
Segment results	12,167	124,683	(1,390)	7,044	(19,642)	122,862
Interest income						23,923
Finance cost						(35,213)
Share of results of jointly controlled entities and associates	(186)	(4,135)	-	-	-	(4,321)
Profit before tax						107,251
<b>12 months ended 31.12.2010</b>						
Total revenue	1,126,623	210,777	103,476	76,876	33,140	1,550,892
Inter-segment revenue	(409,007)	(10,318)	-	(31,557)	(32,431)	(483,313)
External revenue	717,616	200,459	103,476	45,319	709	1,067,579
Segment results	65,035	48,553	3,059	1,521	(8,415)	109,753
Interest income						30,847
Finance cost						(31,449)
Share of results of jointly controlled entities and associates	(1,316)	(8,116)	(2,144)	-	-	(11,576)
Profit before tax						97,575



# MALAYSIAN RESOURCES CORPORATION BERHAD

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REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

## Notes to the Report

### 9. Valuations of property, plant and equipment

The valuations of property, plant and equipment have been brought forward without any material amendments from the previous financial statements.

### 10. Material events subsequent to the financial year

There are no material subsequent events to be disclosed.

### 11. Changes in the composition of the Group

- (a) The Company had on 29 March 2011 entered into a Joint Venture & Shareholders' Agreement (JVSA) with Ekovest Bhd to form Ekovest-MRCB JV Sdn Bhd (EMJV) (formerly known as KL Bund Sdn Bhd) in relation to the River of Life project. Pursuant to the JVSA, the Company will hold 40% equity interest in EMJV. The JVSA will enable both parties to regulate their rights and obligations as shareholders of EMJV which will act as the project delivery partner for the river corridor transformation project.

The joint venture was completed on the same date.

- (b) On 7 April 2011, the Company entered into a Share Sale Agreement with 3 individuals to acquire the entire equity interest represented by 200,000 ordinary shares of RM1.00 each in 59 iNC Sdn Bhd (59iNC) for a cash consideration of up to RM110 million.

59iNC has a conditional approval from the land office to be the legal and beneficial owner of 3 plots of vacant government land at Mukim Setapak measuring 27.41 acres for mixed development.

The acquisition was completed on the same date. As at to-date, 59iNC has obtained legal title to the said land.

- (c) The Company had on 11 April 2011 entered into a Joint Venture & Shareholders' Agreement with DMIA Sdn Berhad to set up a 70:30 shareholding joint venture company named Country Annexe Sdn Bhd (CASB).

On 5 July 2011, CASB entered into a Land Swap Privatisation Agreement with the Government of Malaysia and Syarikat Tanah dan Harta Sdn Bhd for the Little India project in Jalan Tun Sambanthan.

The joint venture was completed on 5 July 2011.

# MALAYSIAN RESOURCES CORPORATION BERHAD

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## REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

### Notes to the Report

#### 11. Changes in the composition of the Group (continue)

- (d) The Company had on 7 October 2011 entered into a Share Sale Agreement with Pembinaan Redzai Sdn. Bhd. to acquire its entire 9.62% equity interest in Kuala Lumpur Sentral Sdn Bhd (KLSSB) represented by 4,810,000 ordinary shares of RM1.00 each and RM2,590,000 loan stock together with accrued loan stock interest for a purchase consideration of RM12.5 million.

Upon completion of the acquisition, the Company's effective equity interest in KLSSB will be increased from 64.38% to 74%.

The acquisition was completed on 29 December 2011.

- (e) The Company had on 9 November 2011 applied to Companies Commission of Malaysia to effect its thirteen (13) wholly owned subsidiaries under members' voluntary liquidation pursuant to section 254(1)(b) of the Companies Act, 1965 i.e. Harmonic Fairway Sdn. Bhd., MR Enterprises Sdn. Bhd., MR Management Sdn. Bhd., MR Properties Sdn. Bhd., MRCB Cahaya Mutiara Sdn. Bhd., MRCB Dotcom Sdn. Bhd., MRCB Energy International Sdn. Bhd., MRCB Intelligent System and Control Sdn. Bhd., MR Trading Sdn. Bhd., Semasa ACE Urusharta Sdn. Bhd., Seri Iskandar Utilities Corporation Sdn. Bhd., Syarikat Gemilang Quarry Sdn. Bhd. and Taiyee Development Sdn. Bhd.

As at to-date, these subsidiaries are still in the process of liquidation.

#### 12. Contingent liabilities or contingent assets

The Group's contingent liabilities, which comprised trade and performance guarantees, amounted to RM308.1 million as at 31 December 2011 (as compared to RM334.5 million as at 31 December 2010). There are no material contingent assets to be disclosed.

#### 13. Other operating income

Included in the other operating income for the current financial period are exceptional gains arising from recovery of the full redemption monies of RM5.3 million received from the Group's investment in an associate that was impaired in previous years.

# MALAYSIAN RESOURCES CORPORATION BERHAD

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REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

## Notes to the Report

### 14. Income tax expenses

In RM'000	Individual Quarter		Cumulative Quarter	
	3 months ended	3 months ended	12 months ended	12 months ended
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
In Malaysia				
Taxation				
- current year	(11,030)	(10,252)	(22,972)	(24,509)
- over provision in prior years	(54)	92	1,344	661
Deferred tax	494	67	6,302	67
	<u>(10,590)</u>	<u>(10,093)</u>	<u>(15,326)</u>	<u>(23,781)</u>

The effective tax rate for the current financial year is lower than the statutory rate of taxation principally due to the availability of unutilised tax losses to set off against the taxable profits of few subsidiaries.

The reversal of deferred tax liabilities was mainly due to current financial year tax losses of a subsidiary.

# MALAYSIAN RESOURCES CORPORATION BERHAD

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## REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

### Notes to the Report

#### 15. Corporate Proposals

The Board had on 11 August 2011 approved the revised utilisation of proceeds from the Rights Issue (RI) as disclosed in the Circular to shareholders dated 4 December 2009 and the Abridged Prospectus dated 2 February 2010 in the following manner:-

- The allocation of RM65 million which was originally earmarked for investments in building services, environmental engineering and infrastructure to be expanded to include utilisation for investment in prime land for property development.
- The savings of about RM337,000 in expenses relating to the RI to be utilised for working capital.

The status of utilisation of proceeds of the RI raised in March 2010 is tabulated as follows:

	Original proposed utilisation	Revised proposed utilisation	Amount utilized as at 31.12.2011
	RM'000	RM'000	RM'000
<b>Equity investment in Nu Sentral Sdn Bhd</b>	85,000	85,000	85,000
<b>Capital expenditure in relation to future business expansion:</b>			
Investment in prime land for property development	315,000	} 380,000	} 380,000
Investment in environmental engineering and infrastructure	15,000		
Investment in building services	50,000		
Working capital requirements, general corporate purposes and capital expenditures	37,940	38,277	38,277
<b>Estimated expenses in relation to the Rights Issue</b>	7,100	6,763	6,763
<b>Total</b>	<b>510,040</b>	<b>510,040</b>	<b>510,040</b>

Other than the above, there was no other corporate proposal announced that is yet to be completed.

# MALAYSIAN RESOURCES CORPORATION BERHAD

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## Notes to the Report

### 16. Group borrowings

The tenure of the Group borrowings classified as short and long terms are as follows:

	As at 31.12.2011 RM'000	As at 31.12.2010 RM'000
<b>Secured</b>		
Short term	337,231	276,054
Long term	2,376,173	1,642,257
<b>Unsecured</b>		
Short term	15,000	78,577

The Group borrowings are all denominated in Ringgit Malaysia.

### 17. Material litigation

The Group is engaged in various litigations arising from its business transactions, the claims thereon amounting to approximately RM97.4 million. The Board of Directors has been advised on these claims for which reasonable defences exist and claims that are pending amicable settlement. On this basis, the Board of Directors is of the opinion that the said litigations would not have a material effect on the financial position or the business of the Group. On the other hand, the Group has also filed some claims, some of them are counter claims amounting to approximately RM12.7 million arising from its business transactions.

### 18. Comparison with immediate preceding corresponding quarter's results

For the current quarter, the Group continued to achieve stable level of revenue on the back of on-going activities. The Group recorded a slightly lower profit before taxation amounting to RM42.5 million for the current 4th quarter ended 31 December 2011 compared to RM49.3 million recorded in the preceding corresponding 4th quarter ended 31 December 2010.

The lower profit reported was due to recognition of full cost for variation order claims of which recovery of the same are pending clients' approval.

# MALAYSIAN RESOURCES CORPORATION BERHAD

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REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

## Notes to the Report

### 19. Review of performance

The Group recorded revenue and profit before taxation of RM1,213.1 million and RM107.3 million for the current financial year ended 31 December 2011 as compared to RM1,067.6 million and RM97.6 million recorded in the preceding financial year ended 31 December 2010. The improved performance in revenue and profitability in the current financial year was due to higher contribution from the Group's on-going and encouraging strata offices sales from property development projects at Kuala Lumpur Sentral.

However, this was offset by lower revenue from the infrastructure and environmental segment due to completion of existing environmental projects.

### 20. Prospects

Moving forward to 2012, the Group expects to deliver another year of revenue growth, driven by on-going property development projects in Kuala Lumpur Sentral, outstanding construction order book and the opening of the Eastern Dispersal Link Expressway (EDL).

However, given the intense competition within the construction industry and the anticipated start up losses from the EDL, the Board expects the profitability growth for the Group to be challenging.

### 21. Variance on forecast profit/profit guarantee

Not applicable.

# MALAYSIAN RESOURCES CORPORATION BERHAD

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REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

## Notes to the Report

### 22. Earning per share (EPS)

#### Basic EPS

The basic EPS is calculated by dividing the net profit for the current financial period by the weighted average number of shares issued during the current financial period.

	Individual Quarter		Cumulative Quarter	
	3 months ended	3 months ended	12 months ended	12 months ended
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
Net profit for the financial year attributable to the owners of the parent (RM'000)	26,116	41,502	77,462	67,268
Weighted average number of ordinary shares in issue ('000)	1,386,126	1,378,850	1,384,969	1,296,145
Basic EPS (sen)	1.88	3.01	5.59	5.19

#### Diluted EPS

For the purpose of calculating diluted EPS, the weighted average number of ordinary shares issued during the current financial year were adjusted for the dilutive effects of all potential ordinary shares that were still in the market i.e. share options (ESOS) granted to employees.

	Individual Quarter		Cumulative Quarter	
	3 months ended	3 months ended	12 months ended	12 months ended
	31.12.2011	31.12.2010	31.12.2011	31.12.2010
Net profit for the financial year attributable to the owners of the parent (RM'000)	26,116	41,502	77,462	67,268
Weighted average number of ordinary shares issued ('000)	1,386,126	1,378,850	1,384,969	1,296,145
Adjustment for ESOS ('000)	2,138	1,732	2,138	1,732
Weighted average number of ordinary shares issued ('000)	1,388,264	1,380,582	1,387,107	1,297,877
Diluted EPS (sen)	1.88	3.01	5.58	5.18

# MALAYSIAN RESOURCES CORPORATION BERHAD

(Incorporated in Malaysia - Company No.7994-D)

REPORT FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2011

## Notes to the Report

### 23. Breakdown of realised and unrealised profit or loss

The breakdown of the accumulated losses of the Group as at 31 December 2011, into realised and unrealised, pursuant to a directive issued by Bursa Malaysia Securities Berhad are as follows;

	Accumulated quarter ended 31.12.2011 (RM'000)	Accumulated quarter ended 31.12.2010 (RM'000)
Total accumulated losses:		
- Realised	(108,636)	(277,125)
- Unrealised	(30,913)	(12,805)
Total share of accumulated profit or losses from associates:		
- Realised	(5,657)	(969)
- Unrealised	-	-
Total share of accumulated losses from jointly controlled entities:		
- Realised	(5,463)	(6,268)
- Unrealised	-	-
Add: Consolidation adjustments	(52,181)	31,262
<b>Total Group accumulated losses</b>	<b>(202,850)</b>	<b>(265,905)</b>

The analysis of realised and unrealised accumulated losses is compiled based on Guidance on Special Matter No.1, Determination of Realised and Unrealised Profit or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Listing Requirements as issued by the Malaysian Institute of Accountants.

The disclosure above is solely for compliance with the directive issued by the Bursa Malaysia Securities Berhad and should not be used for any other purpose.

By Order of the Board

**Mohd Noor Rahim Yahaya**  
Company Secretary

**Kuala Lumpur**  
**8 February 2012**