

ASIA PACIFIC LAND BERHAD (4069-K)

(INCORPORATED IN MALAYSIA)

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2006**

	Note	Individual Quarter (Q4)		Cumulative Quarter	
		CURRENT YEAR QUARTER 31/12/2006 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/12/2005 RM'000	CURRENT PERIOD TO DATE 31/12/2006 RM'000	PRECEDING YEAR PERIOD TO DATE 31/12/2005 RM'000
Continuing Operations					
Revenue	10	676	(5,607)	9,429	48,170
Cost of sales		4,624	4,135	(3,990)	(34,063)
Gross Profit / (Loss)		5,300	(1,472)	5,439	14,107
Other income		400	702	3,655	7,201
Administrative expenses		(2,838)	(3,783)	(12,206)	(16,377)
Selling & Marketing expenses		(944)	(1,045)	(4,859)	(5,565)
Other expenses		579	(13,358)	(6,273)	(21,149)
Finance costs		(1,171)	(188)	(2,250)	(684)
Profit/ (Loss) before tax	10	1,326	(19,144)	(16,494)	(22,467)
Income tax expense		7,761	1,854	8,471	2,182
Profit/(Loss) for the period from continuing operations		9,087	(17,290)	(8,023)	(20,285)
Discontinued Operations					
(Loss)/ Profit for the period from a discontinued operation	13	(8,255)	5,311	(25,686)	13,674
Profit/(Loss) for the period		832	(11,979)	(33,709)	(6,611)
Earnings per share attributable to equity holders of the parent:					
Basic, for profit/ (loss) from continuing operations		1.28	(2.43)	(1.13)	(2.86)
Basic, for profit / (loss) from discontinued operations		(1.16)	0.75	(3.62)	1.92
Basic, for the period	27	0.12	(1.69)	(4.75)	(0.93)

The unaudited condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 December 2005 and the accompanying explanatory notes attached to the interim financial statements.

ASIA PACIFIC LAND BERHAD (4069-K)
(INCORPORATED IN MALAYSIA)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2006

Note	← Non-distributable			→	Distributable		Total RM'000
	Share Capital RM'000	Share Premium RM'000	Revaluation Reserve RM'000	Exchange Fluctuation Reserve RM'000	Accumulated Losses RM'000		
At 1 January 2005	710,341	62,372	93,610	6,286	(85,079)	787,530	
Reversal of deficit from previously recognised surplus	-	-	(9,837)	-	-	(9,837)	
Currency exchange translation difference ^	-	-	-	(44)	-	(44)	
Loss after taxation for the financial year	-	-	-	-	(6,611)	(6,611)	
At 31 December 2005	<u>710,341</u>	<u>62,372</u>	<u>83,773</u>	<u>6,242</u>	<u>(91,690)</u>	<u>771,038</u>	
At 1 January 2006	710,341	62,372	83,773	6,242	(91,690)	771,038	
Reversal of Revaluation Reserve	-	-	(5,369)	-	-	(5,369)	
Currency exchange translation difference ^	-	-	-	(33)	-	(33)	
Loss after taxation for the financial year	-	-	-	-	(33,709)	(33,709)	
At 31 December 2006	<u>710,341</u>	<u>62,372</u>	<u>78,404</u>	<u>6,209</u>	<u>(125,399)</u>	<u>731,927</u>	

Note: ^ represents gains not recognised in income statements.

ASIA PACIFIC LAND BERHAD (4069-K)

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UNAUDITED CONDENSED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2006

	12 months ended	
	31/12/2006	31/12/2005
	RM'000	RM'000
Net cash (used in) / generated from operating activities	(33,539)	16,470
Net cash generated from investing activities	48,011	13,560
Net cash generated from /(used in) financing activities	8,021	(36,296)
Net increase/ (decrease) in cash and cash equivalents	<u>22,493</u>	<u>(6,266)</u>
Effect of exchange rate on cash and cash equivalents	(33)	(25)
Cash and cash equivalents at beginning of financial period	70	6,361
Cash and cash equivalents at end of financial period	<u>22,529</u>	<u>70</u>

Cash and cash equivalents at end of financial period comprise of the following:

Cash and bank balances	10,859	4,804
Deposits with licensed banks & finance companies	16,670	229
Bank overdrafts (secured)	(5,000)	(4,963)
	<u>22,529</u>	<u>70</u>

The unaudited condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2005 and the accompanying explanatory notes attached to the interim financial statements.

ASIA PACIFIC LAND BERHAD (4069-K)

(INCORPORATED IN MALAYSIA)

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2006

		UNAUDITED AS AT END OF FINANCIAL YEAR 31/12/2006 RM'000	AUDITED AS AT PRECEDING FINANCIAL YEAR ENDED 31/12/2005 RM'000 Restated
ASSETS			
Non-Current Assets			
Property, plant and equipment	11	26,653	323,366
Land held for property development		137,006	167,691
Investment properties	11	2,500	473,368
Prepaid lease payments		100,514	85,865
Other investments		50	50
Available for sale financial assets		680,000	-
Deferred tax assets		22,843	22,080
		969,566	1,072,420
Current Assets			
Property development costs		149,272	145,371
Inventories		41,085	26,939
Trade receivables		18,250	37,742
Other receivables		28,609	15,583
Prepaid lease payment		1,933	1,651
Deposits with licensed banks & finance companies		16,670	229
Cash and bank balances		10,859	4,804
		266,678	232,319
Total Assets		1,236,244	1,304,739
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the parent			
Share capital		710,341	710,341
Share premium		62,372	62,372
Other reserves		84,613	90,015
Retained earnings		(125,399)	(91,690)
		731,927	771,038
Non-Current Liabilities			
Long term borrowings	23	340,802	299,332
Deferred tax liabilities		24,531	49,681
		365,333	349,013
Current Liabilities			
Short term borrowings	23	18,500	51,580
Trade payables		22,905	34,180
Other payables		51,968	68,394
Provisions for taxation		28,876	30,534
		122,249	184,688
Liabilities directly associated with the assets classified as held for sale		16,735	-
		138,984	184,688
Total Liabilities		504,317	533,701
TOTAL EQUITY AND LIABILITIES		1,236,244	1,304,739
Net assets per share (RM)		1.0304	1.0854

The unaudited condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 December 2005 and the accompanying explanatory notes attached to the interim financial statements.

ASIA PACIFIC LAND BERHAD (4069-K)

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PART A - EXPLANATORY NOTES PURSUANT TO FRS 134

1 Basis of Preparation

The interim financial statements have been prepared under the historical cost convention except for the revaluation of freehold land included within property, plant and equipment and the following assets and liabilities that are stated at fair values: available for sale financial assets and investment properties.

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2005. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2005.

2 Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2005 except for the adoption of the following new/revised Financial Reporting Standards effective for financial period beginning 1 January 2006:

FRS 2	Share- based Payment
FRS 3	Business Combinations
FRS 5	Non-current Assets Held for Sale and Discontinued Operations
FRS101	Presentation of Financial Statements
FRS102	Inventories
FRS108	Accounting Policies, Changes in Estimates and Errors
FRS110	Events after the Balance Sheet Date
FRS116	Property, Plant and Equipment
FRS121	The Effects of Changes in Foreign Exchange Rates
FRS127	Consolidated and Separate Financial Statements
FRS128	Investments in Associates
FRS131	Interests in Joint Ventures
FRS132	Financial Instruments: Disclosure and Presentation
FRS133	Earnings Per Share
FRS136	Impairment of Assets
FRS138	Intangible Assets
FRS140	Investment Property

In addition to the above, the Group has also taken the option of early adoption of FRS 117 Leases for the financial period beginning 1 January 2006.

The adoption of FRS 2, 3, 102, 108, 110, 116, 121, 127, 128, 131, 132, 133, 136, 138 and 140 does not have significant financial impact on the group. The principal effect of the changes in accounting policies resulting from the adoption of the other new/ revised FRSs are discussed below:

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PART A - EXPLANATORY NOTES PURSUANT TO FRS 134

2 Changes in Accounting Policies (cont'd)

(a) FRS 5: Non - current Assets Held for Sale and Discontinued Operations

The Group has applied FRS 5 prospectively in accordance with its transitional provisions, which has resulted in a change in accounting policy on the recognition of a discontinued operation. Prior to 1 January 2006, under the previous FRS 135, the Group would have recognised a discontinued operation at the earlier of the date the Group enters into a binding sale agreement and the date the board of directors have approved and announced a formal disposal plan. FRS 5 requires a component of an entity to be classified as discontinued when the criteria to be classified as held for sale have been met or it has been disposed of. Such a component represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of the component or is a subsidiary acquired exclusively with a view to resale. The result of this change in accounting policy is that a discontinued operation is recognised by the Group at a later point than under the previous FRS 135 due to the stricter criteria in FRS 5.

An item is classified as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. The assets and liabilities of a discontinued operation (a disposal group) that are classified as held for sale are measured in accordance with FRS 5. Immediately before reclassification as held for sale, the carrying amounts of all the assets and liabilities in the disposal group is measured in accordance with applicable FRSS. Then, on initial classification as held for sale, the disposal group is recognised at the lower of carrying amount and fair value less costs to sell.

(b) FRS 101: Presentation of Financial Statements

The adoption of the revised FRS 101 has affected the presentation of minority interest, share of net after tax results of associates and other disclosures. In the consolidated balance sheet, minority interests are now presented within total equity. In the consolidated income statement, minority interests are presented as an allocation of the total profit or loss for the period. A similar requirement is also applicable to the statement of changes in equity. FRS 101 also requires disclosure, on the face of the statement in equity, total recognised income and expenses for the period, showing separately the amounts attributable to equity holders of the parent and to minority interest.

The current period's presentation of the Group's financial statements is based on the revised requirements of FRS101, with the comparatives restated to conform with the current period's presentation.

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PART A - EXPLANATORY NOTES PURSUANT TO FRS 134

2 Changes in Accounting Policies (cont'd)

(c) FRS 117: Leases

The adoption of the revised FRS 117 has resulted in a retrospective change in the accounting policy relating to the reclassification of leasehold land. The up-front payments made for the leasehold land represents prepaid lease payments and are amortised on a straight line basis over the lease term. A lease of land and building is apportioned into a lease of land and a lease of building in proportion to the relative fair values of the leasehold interests in the land element and the building element of the lease at the inception of the lease. Prior to 1 January 2006, leasehold land was classified as property, plant and equipment and was stated at cost and valuation less accumulated depreciation and impairment losses. Certain leasehold land was last revalued in 2005.

Upon the adoption of the revised FRS 117 at 1 January 2006, the unamortised revalued amount of leasehold land is retained as the surrogate carrying amount of prepaid lease payments as allowed by the transitional provisions of FRS117. The reclassification of leasehold land as prepaid lease payments has been accounted for retrospectively and as disclosed in Note 3, certain comparative amounts as at 31 December 2005 have been restated.

3 Comparatives

The following comparative amounts have been restated due to the adoption of new and revised FRS 117:-

	Previously stated	FRS 117 (Note 2 (c))	Restated
	RM'000	RM'000	RM'000
At 31 December 2005			
Property, plant and equipment	410,882	(87,516)	323,366
Prepaid lease payments			
- Non Current Assets	-	85,865	85,865
- Current Assets	-	1,651	1,651

4 Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the year ended 31 December 2005 was not qualified.

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PART A - EXPLANATORY NOTES PURSUANT TO FRS 134

5 Comments About Seasonal or Cyclical Factors

The business operations of the Group during the financial year under review have not been materially affected by any seasonal or cyclical factors other than the hotel performance which is usually influenced positively by the festive seasons and holidays.

6 Unusual Items Due to Their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group that are unusual due to their nature, size or incidence for the current quarter.

7 Changes in Estimates

There were no other changes in estimated that have had a material effect in the current quarter results.

8 Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debts and equity securities for the current financial year to date.

9 Dividends Paid

There were no dividends paid during the financial period under review.

10 Segmental Information

	3 months ended		12 months ended	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
	RM'000	RM'000	RM'000	RM'000
Segment Revenue				
Revenue from continuing operations:				
Hotel	-	-	-	-
Property Development	2,702	(5,345)	14,009	52,131
Property Investment	125	125	500	500
Others	991	1,656	5,051	5,400
Total revenue including inter- segment sales	3,818	(3,564)	19,560	58,031
Elimination of inter-segment sales	(3,142)	(2,043)	(10,131)	(9,861)
Total revenue from continuing operations	676	(5,607)	9,429	48,170
Revenue from discontinued operation	15,341	16,245	58,754	63,688
	16,017	10,638	68,183	111,858

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PART A - EXPLANATORY NOTES PURSUANT TO FRS 134

10 Segmental Information (Cont'd)

Segment Results	3 months ended		12 months ended	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
	RM'000	RM'000	RM'000	RM'000
Results from continuing operations:				
Hotel	(0)	22	(1)	4,024
Property Development	3,901	(6,554)	(15,341)	(10,739)
Property Investment	114	2,319	475	2,679
Others	(551)	3,916	(893)	2,177
	3,464	(298)	(15,760)	(1,859)
Eliminations	(967)	(18,658)	1,515	(19,924)
Total results from continuing operations	2,497	(18,956)	(14,244)	(21,783)
Results from discontinued operation	(21,964)	5,082	(35,443)	19,814
	(19,467)	(13,874)	(49,687)	(1,969)

11 Carrying Amount of Revalued Assets

The valuations of property, plant and equipment and investment properties have been brought forward without amendment from the financial statements for the year ended 31 December 2005 except for Empire Tower and City Square Shopping Complex which has been revalued at net realisable value as disclosed in Note 22.

The carrying values of Motor Vehicles has been restated at its residual value.

12 Changes in the Composition of the Group

There were no material changes in the composition of the Group during the financial year including business combinations, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operations except as disclosed in Note 22 and as follows:-

(a) Acquisition of a wholly owned subsidiary of Kenson Development Limited

The Company had on 1 December 2006 acquired the entire issued and paid up share capital of Kenson Development Limited, a company incorporated in Hong Kong comprising one (1) ordinary share of HK\$1.00 for a cash consideration of HK\$1.00.

Kenson Development Limited was incorporated on 27 July 2005. It has an authorised share capital of HK\$10,000.00 divided into 10,000 ordinary shares of HK\$1.00 each. Kenson Development Limited is currently a dormant company and is intended for use as an investment holding company.

(b) Acquisition of a wholly owned subsidiary of Platinum Landmark (Changshu) Limited

The Group has via its wholly owned subsidiary company, Platinum Landmark Sdn. Bhd. incorporated a company in Changshu, China under the name of Platinum Landmark (Changshu) Limited ("PLCL") with a registered share capital of USD8.2 million on 19 December 2006. The Certificate of Registration of PLCL was received by the Company on 26 December 2006. Under the local regulations in Changshu, PLCL will have 3 months from the date of registration to pay up to 15% of its registered capital and the balance by 24 months. The intended principal activities of PLCL are property development and property investment.

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PART A - EXPLANATORY NOTES PURSUANT TO FRS 134

13 Discontinued Operation

On 15 August 2006, the Group publicly announced the decision to dispose of its City Square Centre, comprising of the City Square Shopping Complex, Empire Tower office building and the Crown Princess Hotel. This Proposed Disposal is expected to complete by middle of the second quarter of 2007. As at 31 December 2006, the properties were classified as a disposal group held for sale.

The revenue, results and cash flows of the discontinued operation were are follows:

	3 months ended		12 months ended	
	31.12.2006	31.12.2005	31.12.2006	31.12.2005
	RM'000	RM'000	RM'000	RM'000
Revenue	15,341	16,245	58,754	63,688
(Loss)/ profit before tax	(23,411)	3,909	(40,192)	15,213
Income tax expense	15,156	1,402	14,506	(1,539)
(Loss)/ profit for the period from a discontinued operation	(8,255)	5,311	(25,686)	13,674
Cash flows from operating activities	8,295	10,947	6,109	14,992
Cash flows from investing activities	(1,237)	(3,177)	(1,237)	(3,302)
Cash flows from financing activities	(957)	(12,055)	(739)	(11,412)
Total cash flows	6,101	(4,285)	4,133	278

14 Changes in Contingent Liabilities and Contingent Assets

The secured guarantee given by a subsidiary company to a third party for rights to enter and construct a road on the third party's land totaling RM4.2 million has been withdrawn. Except as stated herein, there were no changes in contingent liabilities since 31 December 2005.

15 Subsequent Events

There were no material transactions or events subsequent to the financial year ended 31 December 2006 till 28 February 2007 (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report) except as disclosed in Note 22.

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PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

16 Performance Review

The Group registered profit before taxation of RM1.3 million for the current quarter under review as compared to a loss of RM19.1 million for the corresponding quarter last year.

Overall, the Property Development Division has recorded a slight increase in profit due to the progress of construction works coupled with increase sales for MyHabitat Serviced Residence during the current quarter performance under review, whereas the Hotel and Property Investment Divisions has maintained its revenue contribution to the Group as compared to the corresponding quarter last year.

In addition to the above, the Group has recorded a profit of RM0.5 million from the disposal of a piece of land in Kota Kinabalu through a wholly owned subsidiary.

17 Variations of Results Against The Preceding Quarter

The Group shows revenue of RM0.7 million for the current quarter and a profit of RM9.1 million in the current quarter as compared to RM1.5 million revenue and loss of RM7.1 million recorded in the immediate preceding quarter. The current quarter Group profit of RM9.1 million was mainly due to the additional deferred tax assets on unabsorbed losses from the property division.

18 Prospects

The Proposed Disposal is expected to be completed by the middle of the second quarter of 2007. Upon Completion of the Proposed Disposal, there will be no earnings contribution by City Square Centre for the remaining period of 2007. This loss in potential earnings contribution by City Square Centre will be partly offset by the interest savings arising from the repayment of the bank borrowings as well as interest income from the placement of surplus funds with financial institutions pending any new investments to be entered into.

The Property Development Division is expected to further improve in the year 2007 as the construction progress of MyHabitat Serviced Residences advances. Additional resources will be put into our township development, Bandar Tasik Puteri, to further improve its existing facilities and infrastructure. The Group will continue to focus on its product development, improvement to its costs structure and marketing strategies for its Bandar Tasik Puteri township development so as to keep up with its competitors.

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PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

19 Profit Forecast and Profit Guarantee

The disclosure requirements for explanatory notes for the variance of actual profit after tax and minority interest and forecast profit after tax and minority interest and for the shortfall in profit guarantee are not applicable.

20 Taxation

	3 months ended 31.12.2006 RM'000	12 months ended 31.12.2006 RM'000
Income tax		
Charge for the year	100	120
Over provided in prior years	(97)	(263)
	<u>3</u>	<u>(142)</u>
Deferred tax		
Due to origination and reversal of timing differences	(1,820)	(2,384)
Over provided in prior years	(5,944)	(5,944)
	<u>(7,764)</u>	<u>(8,329)</u>
	<u>(7,761)</u>	<u>(8,471)</u>

The effective rate of taxation of the Group is lower than the statutory rate of taxation due to utilisation of losses from property division as group relief and reversal of over provision of deferred tax in prior years.

21 Sale of Unquoted Investments and/or Properties

There were no sales of unquoted investments and properties (classified under property, plant and equipment or investment properties) during the financial year ended 31 December 2006 except as disclosed in Note 22.

ASIA PACIFIC LAND BERHAD (4069-K)

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PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

22 Status of Corporate Proposals

The following are the corporate proposals that have been announced by the Company but not completed as at 28 February 2007, the latest practicable date which shall not be earlier than 7 days from the date of this announcement:-

Disposal of Investment Properties and Hotel

City Square Properties Sdn. Bhd., APL Hotel Sdn. Bhd. and Empire Tower (Malaysia) Sdn. Bhd., all wholly owned subsidiaries of Asia Pacific Land Berhad had on 15 August 2006 entered into an agreement with MGP 1 (MAL) Sdn. Bhd. (formerly known as Affluent Impact Sdn. Bhd.), to dispose the City Square Centre comprising of City Square Shopping Complex, Crown Princess Hotel and Empire Tower office block, all located at Jalan Tun Razak, 50400 Kuala Lumpur for a total consideration of RM680 million, the breakdown of which are as follows:-

- i) City Square Shopping Complex will be disposed at a sale consideration of RM170.0 million and its audited net book value as at 31 December 2005 is RM175.4 million with a loss on disposal of RM5.4 million which has been set off against the Revaluation Reserves in the second quarter.
- ii) Crown Princess Hotel will be disposed at a sale consideration of RM240 million which is same with its audited net book value as at 31 December 2005 of RM240 million.
- iii) Empire Tower will be disposed at a sale consideration of RM270 million as compared to its audited net book value as at 31 December 2005 is RM293 million. The impairment in value of RM23 million has been provided in the second quarter.

The net proceeds arising from the proposed disposal will be utilised as follows:-

	RM 'mil
Repayment of bank borrowings and interest of AP Land Group	335.54
Future investment	203.36
Working capital	106.50
Estimated expenses of the proposed disposal	34.60
	<u>680.00</u>

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PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

22 Status of Corporate Proposals (cont'd)

The following approvals for the Proposed Disposal have been obtained :-

- a. On 14 December 2006, the approval from the Securities Commission (SC) was obtained with the following conditions:-
 - (i) the Company to seek SC's prior approval in respect of the utilisation of proceeds for future investment once identified,
 - (ii) MIMB Investment Bank Berhad (formerly known as Malaysian International Merchant Bankers Berhad) (MIMB) / the Company to fully comply with the relevant requirements pertaining to the implementation of the Proposed Disposal as stipulated in the SC Guidelines and
 - (iii) MIMB/ the Company to inform the SC upon completion of the Proposed Disposal.

- b. the Foreign Investment Committee (FIC) for the proposed acquisition of City Square Centre by MGP 1, has been obtained on 13 October 2006, with the following condition:-
 - (i) MGP 1 to have at least 30% Bumiputra Equity before 31 December 2008, and
 - (ii) MGP 1 to increase its paid- up capital to at least RM250,000 within 6 months from the date of the FIC approval.

- c. Approval has been obtained by MGP 1 (MAL) Sdn. Bhd. on 19 January 2007 from the State Authorities under Sec. 433(B) of the National Land Code, 1965 for the proposed acquisition of the properties.

- d. The Shareholders of Asia Pacific Land has granted its approval for the disposal of City Square Centre at an Extraordinary General Meeting of the Company held on 10 January 2007.

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PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

23 Borrowings and Debt Securities

	As at 31.12.2006 RM'000
Short Term Borrowings :	
Secured	
Bank overdrafts	5,000
Bridging loan	5,385
Short term portion of long term loan	7,718
Hire purchase payables	397
Total	<u>18,500</u>
Long Term Borrowings :	
Secured	
Term loans	339,862
Hire purchase payables	940
Total	<u>340,802</u>
Total Borrowings	<u>359,302</u>

There is no foreign loan included in the above borrowings.

24 Off Balance Sheet Financial Instruments

The Group has no financial instruments with off balance sheet risk as at 28 February 2007, the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report.

25 Changes in Material Litigation

- (a) There were no changes in material litigation since the previous quarter ended 30 September 2006 in respect of the Company and 4 of its subsidiaries together with Low Yat Construction Company Sdn Berhad vs.Kumpulan Jurutera Maju Sdn. Bhd., Setegap Bhd, The Universal Builder Sdn. Bhd. (the first suit) and Datuk Bandar Kuala Lumpur (the Second Suit) for negligence and nuisance in connection to the construction of an underpass along Jalan Tun Razak at the main frontage and access road to City Square Centre. Both matters have been fixed for mention on 1 March 2007 and 4 September 2007 respectively.
- (b) A wholly owned subsidiary of Asia Pacific Land Berhad, Rawang Lakes Sdn. Bhd. (RLSB) is counter claiming for special /general damages and losses arising from a breach of contract in response to a claim by RLSB's ex-contractor, Mampu Jaya Sdn. Bhd. (MJSB), for the payment in respect of workdone. RLSB will be finalising its counter claim quantum before the case management which has been fixed on 26 June 2007 and actual trial that have been fixed on 5 to 8 July 2010. Concurrently, RLSB has also obtained a judgment against MJSB in respect of a related suit and has filed a petition for winding up which is fixed for hearing on 18 April 2007.

ASIA PACIFIC LAND BERHAD (4069-K)

(INCORPORATED IN MALAYSIA)

PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

26 Dividend Payable

The Board of Directors does not recommend any dividend payment for the fourth quarter ended 31 December 2006.

27 Earnings per Share

The basic earnings per share for the periods are based on the Group's loss after taxation for the year divided by the number of ordinary shares of the company in issue during the periods as follows:

	3 months ended 31.12.2006	12 months ended 31.12.2006
Profit/(loss) for the period (RM'000)	832	(33,709)
No. of ordinary shares in issue ('000)	710,341	710,341
Basic earnings/(loss) per share (sen)	<u>0.12</u>	<u>(4.75)</u>

Fully diluted earnings per share is not shown as the effect of the assumed full exercise of Employees' Share Option Scheme is anti- dilutive.

28 Authorised for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 28 February 2007.

By Order of the Board

Mdm Chan Kam Lye
Company Secretary

28 February 2007