

Financial Results

Reference No CA-111109-31004

Company Name : **GRAND CENTRAL ENTERPRISES BHD**
Stock Name : GCE
Date Announced : 09/11/2011
Financial Year End : 31/12/2011
Quarter : 3
Quarterly report for the financial period ended : 30/09/2011
The figures : have not been audited

Converted attachment :

Please attach the full Quarterly Report here:

[3rd quarter 2011 KLSE unaudited results.pdf](#)

Remark:

- [DEFAULT CURRENCY](#)
- [OTHER CURRENCY](#)

Currency : Malaysian Ringgit (MYR)

SUMMARY OF KEY FINANCIAL INFORMATION 30/09/2011

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR	PRECEDING YEAR	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	30/09/2011	30/09/2010	30/09/2011	30/09/2010
	\$\$'000	\$\$'000	\$\$'000	\$\$'000
1Revenue	8,586	9,421	27,780	27,975
2Profit/(loss) before tax	4,851	1,154	7,045	3,306
3Profit/(loss) for the	5,848	893	7,132	2,089

period				
4Profit/(loss) attributable to ordinary equity holders of the parent	5,826	874	7,053	2,045
5Basic earnings/(loss) per share (Subunit)	2.96	0.44	3.58	1.04
6Proposed/Declared dividend per share (Subunit)	0.00	0.00	0.00	0.00

	AS AT END OF CURRENT QUARTER	AS AT PRECEDING FINANCIAL YEAR END
7Net assets per share attributable to ordinary equity holders of the parent (\$\$)	1.3100	1.3000

Remarks :

Definition of Subunit:

In a currency system, there is usually a main unit (base) and subunit that is a fraction amount of the main unit.

Example for the subunit as follows:

Country	Base Unit	Subunit
Malaysia	Ringgit	Sen
United States	Dollar	Cent
United Kingdom	Pound	Pence

GRAND CENTRAL ENTERPRISES BHD (131696-V)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2011

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current Year Quarter 30.09.2011 RM'000	Preceding Year Corresponding Quarter 30.09.2010 RM'000	Current Year To Date 30.09.2011 RM'000	Preceding Year Corresponding Period 30.09.2010 RM'000
Continuing operations				
Revenue	8,395	9,421	26,582	27,975
Operating expenses	(7,665)	(8,934)	(24,767)	(25,999)
Other operating income	489	670	1,514	1,377
Finance cost	(1)	(3)	(210)	(47)
Profit before taxation from continuing operations	1,218	1,154	3,119	3,306
Taxation	(47)	(261)	(957)	(1,217)
Profit from continuing operations, net of tax	1,171	893	2,162	2,089
Discontinued operation				
Profit from discontinued operation, net of tax	4,677	-	4,970	-
	5,848		7,132	
Other comprehensive income	-	-	-	-
Total comprehensive income	5,848	893	7,132	2,089
Profit attributable to:				
Owners of the parent	5,826	874	7,053	2,045
Non-controlling interest	22	19	79	44
Profit for the period	5,848	893	7,132	2,089
Earnings per share attributable to owners of the parent (sen)	2.96	0.44	3.58	1.04

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

GRAND CENTRAL ENTERPRISES BHD (131696-V)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2011

	As At End Of Current Quarter 30.09.2011 RM'000	As At End Of Preceding Year End 31.12.2010 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	222,766	241,393
Deferred tax assets	8,967	9,198
	<u>231,733</u>	<u>250,591</u>
Current assets		
Inventories	495	463
Trade and other receivables	4,635	3,992
Cash and cash equivalents	55,071	45,735
	<u>60,201</u>	<u>50,190</u>
TOTAL ASSETS	<u>291,934</u>	<u>300,781</u>
EQUITY AND LIABILITIES		
Equity attributable to Owners of the Parent		
Share capital	197,002	197,002
Reserves	61,896	59,276
	<u>258,898</u>	<u>256,278</u>
Non-controlling interests	2,164	2,085
Total equity	<u>261,062</u>	<u>258,363</u>
Non-current liabilities		
Long term borrowings	59	59
Deferred taxation	25,518	26,559
	<u>25,577</u>	<u>26,618</u>
Current liabilities		
Borrowings	6	8,675
Trade & other payables	5,254	6,841
Current tax payable	35	284
	<u>5,295</u>	<u>15,800</u>
Total liabilities	<u>30,872</u>	<u>42,418</u>
TOTAL EQUITY AND LIABILITIES	<u>291,934</u>	<u>300,781</u>
Net assets per share (RM)	1.31	1.30

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

GRAND CENTRAL ENTERPRISES BHD (131696-V)
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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2011**

	Attributable to Owners of the Parent				Total RM'000	Non-controlling Interest RM'000	Total Equity RM'000
	Share Capital RM'000	Non-Distributable Share Premium RM'000	Capital Reserve RM'000	Distributable Retained Profits RM'000			
9-month quarter ended <u>30 September 2011</u>							
At 1 January 2011	197,002	2,395	5,458	51,423	256,278	2,085	258,363
Profit for the period	-	-	-	7,053	7,053	79	7,132
Dividends	-	-	-	(4,433)	(4,433)	-	(4,433)
At 30 September 2011	197,002	2,395	5,458	54,043	258,898	2,164	261,062
9-month quarter ended <u>30 September 2010</u>							
At 1 January 2010	197,002	2,395	5,458	51,655	256,510	2,141	258,651
Profit for the period	-	-	-	2,045	2,045	44	2,089
Dividends	-	-	-	(4,433)	(4,433)	-	(4,433)
At 30 September 2010	197,002	2,395	5,458	49,267	254,122	2,185	256,307

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

GRAND CENTRAL ENTERPRISES BHD (131696-V)
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**CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2011**

	2011	2010
	9 Months	9 Months
	Ended	Ended
	30.09.2011	30.09.2010
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation from continuing operations	3,119	3,306
Profit before taxation from discontinued operations	3,926	-
Profit before taxation, total	<u>7,045</u>	<u>3,306</u>
Adjustments:-		
Depreciation	4,508	4,720
Gain on disposal of property, plant and equipment	(4,846)	(4)
Inventory written off	-	1
Interest expenses	218	47
Interest income	<u>(768)</u>	<u>(431)</u>
Operating cash flows before changes in working capital	6,157	7,639
Net change in current receivables	(659)	1,668
Net change in current payables	<u>(1,586)</u>	<u>(1,476)</u>
Cash generated from operating activities	3,912	7,831
Interest paid	(219)	(47)
Tax paid, net	<u>(977)</u>	<u>(1,595)</u>
Net cash generated from operating activities	<u>2,716</u>	<u>6,189</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	757	429
Proceeds from disposal of property, plant and equipment	20,207	4
Purchase of property, plant and equipment	<u>(1,242)</u>	<u>(1,121)</u>
Net cash generated from/(used in) investing activities	<u>19,722</u>	<u>(688)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of hire purchase and lease payables	(29)	(86)
Repayment of revolving credit	(100)	-
Dividends paid to shareholders	<u>(4,433)</u>	<u>(4,433)</u>
Net cash used in financing activities	<u>(4,562)</u>	<u>(4,519)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS	17,876	982
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>37,195</u>	<u>32,119</u>
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	<u>55,071</u>	<u>33,101</u>

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

	As At	As At
	30.09.2011	30.09.2010
	RM'000	RM'000
Cash on hand and at banks	5,805	7,844
Deposits with licensed banks	<u>49,266</u>	<u>25,257</u>
Cash and bank balances	<u>55,071</u>	<u>33,101</u>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

PART A - EXPLANATORY NOTES PURSUANT TO FRS 134

1 BASIS OF PREPARATION

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

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2010. 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 year ended 31 December 2010.

2 CHANGES IN ACCOUNTING POLICIES

The significant accounting policies applied in the interim financial statements are consistent with those adopted in the most recent audited financial statements for the year ended 31 December 2010 except for the adoption of the following:

FRSs, Amendments to FRSs and Interpretations

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)
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
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
TR 3	Guidance on Disclosures of Transition of IFRSs
TR i-4	Shariah Compliant Sale Contracts

Effective for financial periods beginning on or after 30 August 2010:

Amendments to IC Interpretation 15 Agreements for the Construction of Real Estate

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 1	Additional Exemptions for First-time Adopters
Amendments to FRS 1	First-time Adoption of Financial Reporting Standards
Amendments to FRS 2	Group Cash-settled Share-based Payment Transactions
Amendments to FRS 3	Business Combinations
Amendments to FRS 7	Improving Disclosures about Financial Instruments
Amendments to FRS 7	Financial Instruments-Disclosures
Amendments to FRS 101	Presentation of Financial Statements
Amendments to FRS 121	The Effect of Changes in Foreign Exchange Rates
Amendments to FRS 128	Investments in Associates
Amendments to FRS 131	Interests in Joint Ventures
Amendments to FRS 132	Financial Instruments: Presentation
Amendments to FRS 134	Interim Financial Reporting
Amendments to FRS 139	Financial Instruments: Recognition and Measurement

2 CHANGES IN ACCOUNTING POLICIES (CONT'D.)

FRSs, Amendments to FRSs and Interpretations (cont'd.)

Effective for financial periods beginning on or after 1 January 2011 (cont'd.):

IC Interpretation 4	Determining whether an Arrangement contains a Lease
IC Interpretation 18	Transfers of Assets from Customers
IC Interpretation 13	Customer Loyalty Programmes
IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments
Amendments to IC Interpretation 14	Prepayments of a Minimum Funding Requirement

Effective for financial periods beginning on or after 1 January 2012:

Amendments to FRS 124	Related Party Disclosures
IC Interpretation 15	Agreements for the Construction of Real Estate
Amendments to IC Interpretation 15	Agreements for the Construction of Real Estate

The above FRSs, Amendments to FRSs and Interpretations have no significant impact on the financial statements of the Group upon their initial application.

3 AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements for the year ended 31 December 2010 was not qualified.

4 SEGMENTAL REPORTING

There is no segmental reporting as the Group's activities are in the hotel business conducted within Malaysia.

5 UNUSUAL ITEMS

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period under review because of their nature, size or incidence.

6 CHANGES IN ESTIMATES

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

7 SEASONAL OR CYCLICAL FACTORS

The operations of the Group are not subject to seasonality/cyclicality of operations.

8 DIVIDENDS PAID

There were no dividends paid during the current quarter.

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9 CARRYING AMOUNT OF REVALUED ASSETS

The valuation of land and buildings of the Group which represent hotel properties have been brought forward without amendment from the most recent annual audited financial statements for the year ended 31 December 2010.

10 DEBT AND EQUITY SECURITIES

There were no issuances and repayment of debts and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the current quarter under review.

11 CHANGES IN COMPOSITION OF THE GROUP

There were no changes in the composition of the Group for the current financial period to date.

12 CAPITAL COMMITMENTS

There are no authorised capital expenditure that has been provided for in the financial statements.

13 CONTINGENT LIABILITIES

	As At End Of Current Quarter 30.09.2011 RM'000
Guarantees by the Company extended to financial institutions for facilities granted to the subsidiaries	<u>13,800</u>

14 SUBSEQUENT EVENTS

There are no material events subsequent to the end of the period under review that have not been reflected in the quarterly financial statements.

GRAND CENTRAL ENTERPRISES BHD (131696-V)
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PART B - EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

15 PERFORMANCE REVIEW

During the period ended 30 September 2011, the Group achieved a total revenue of RM27.8 million (2010: RM28.0 million) of which RM1.2 million attributable from discontinued operation effective 30 July 2011 and total profit before taxation of RM7.0 million (2010: profit before taxation of RM3.3 million) of which RM3.9 million attributable from discontinued operation. Refer to note 22 for further details.

In the opinion of the Directors, the results for the financial period under review have not been affected by any transaction or event of a material or unusual nature.

16 COMMENTS ON MATERIAL CHANGES IN PROFIT BEFORE TAXATION

The higher profit before taxation was mainly due to gain on disposal of property, plant and equipment from discontinued operation amounting to RM4.8 million.

17 PROSPECTS

Barring any unforeseen circumstances, the Directors anticipate the performance of the Group to remain challenging.

18 PROFIT FORECAST

The Group has not provided any profit forecast in a public document.

19 INCOME TAX EXPENSE

Taxation includes:

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current Year Quarter 30.09.2011 RM'000	Preceding Year Quarter 30.09.2010 RM'000	Current Year To Date 30.09.2011 RM'000	Preceding Year Corresponding Period 30.09.2010 RM'000
Continuing operations				
Current period's provision	195	282	968	1,014
Deferred taxation	94	133	231	357
Overprovision in respect of previous year	(242)	(154)	(242)	(154)
	47	261	957	1,217
Discontinued operation				
Deferred taxation	(1,041)	-	(1,041)	-
Overprovision in respect of previous year	(3)	-	(3)	-
	(997)	261	(87)	1,217

20 UNQUOTED INVESTMENTS AND PROPERTIES

There were no purchases or sales of unquoted investments and properties for the current financial period to date.

GRAND CENTRAL ENTERPRISES BHD (131696-V)
(Incorporated in Malaysia)

21 QUOTED INVESTMENTS

There were no purchase or disposal of quoted investments for the current financial period to date.

22 CORPORATE PROPOSALS

On 23 May 2011, the Company's wholly owned subsidiary company, Grand Central (K.L.) Sdn. Bhd. had entered into a Sale and Purchase Agreement to dispose the property of a hotel building erected on a piece of land held under Titles Nos. CT 14677 Lot No. 787, CT 14678 Lot No. 788, CT 14679 Lot No. 789, CT 17481 Lot No. 816, CT 17482 Lot No. 817 and CT 17483 Lot No. 818 all situated at Bandar Kuala Lumpur District of Kuala Lumpur Wilayah Persekutuan Kuala Lumpur to an unrelated party, Sani Hotel Sdn. Bhd. for the total cash consideration of RM20,200,000 (Ringgit Malaysia Twenty Million and Two Hundred Thousand) only for cash.

The disposal was completed on 26 September 2011.

The results of Grand Central (K.L.) Sdn. Bhd. for the period ended 30 September 2011 are as follows:

	Current Year To Date 30.09.2011 RM'000
Revenue	1,198
Operating expenses	(2,150)
Other operating income	4,886
Finance cost	(8)
Profit before tax from discontinued operation	<u>3,926</u>
Taxation	<u>1,044</u>
Profit from discontinued operation, net of tax	<u><u>4,970</u></u>

23 BORROWINGS

	As At End Of Current Quarter 30.09.2011 RM'000	As At End Of Preceding Year End 31.12.2010 RM'000
Short Term Borrowings		
Revolving credit	-	100
Secured bank overdrafts	-	8,540
Lease and hire purchase creditors	<u>6</u>	<u>35</u>
	6	8,675
Long Term Borrowings		
Lease and hire purchase creditors	<u>59</u>	<u>59</u>
	<u><u>65</u></u>	<u><u>8,734</u></u>

24 OFF BALANCE SHEET FINANCIAL INSTRUMENTS

The Group does not have any financial instruments with off balance sheet risk as at 30 September 2011.

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25 CHANGES IN MATERIAL LITIGATION

There are no changes in material litigation, including the status of pending material litigation as at the date of this report.

26 DIVIDEND PAYABLE

No interim ordinary dividend has been declared for the financial period ended 30 September 2011 (30 September 2010: Nil).

27 EARNINGS PER SHARE

Earnings per share is calculated by dividing profit for the period attributable to ordinary equity holders of the Company by the number of ordinary shares in issue during the financial period.

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	Current Year Quarter 30.09.2011	Preceding Year Quarter 30.09.2010	Current Year To Date 30.09.2011	Preceding Year Corresponding Period 30.09.2010
Profit attributable to ordinary equity holders of the Company (RM'000)	5,826	874	7,053	2,045
Number of ordinary shares in issue ('000)	197,002	197,002	197,002	197,002
Earnings per share (sen)	2.96	0.44	3.58	1.04

28 REALISED AND UNREALISED PROFITS DISCLOSURE

	As At End Of Current Quarter 30.09.2011 RM'000	As At End Of Preceding Year End 31.12.2010 RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	65,630	63,842
- Unrealised	(13,610)	(14,442)
	52,020	49,400
Add: Consolidated adjustments	2,023	2,023
Retained profits as per financial statements	54,043	51,423

29 AUTHORISATION FOR ISSUE

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 9 November 2011.