

**PETALING TIN BERHAD**

**Quarterly Report on Consolidated Results For the Fourth Quarter Ended 31 October 2008**

**CONDENSED CONSOLIDATED INCOME STATEMENT**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
	(Unaudited) CURRENT YEAR QUARTER  31 Oct 08 <i>RM'000</i>	(Unaudited) PRECEDING YEAR CORRESPONDING QUARTER 31 Oct 07 <i>RM'000</i>	(Unaudited) CURRENT YEAR TO DATE  31 Oct 08 <i>RM'000</i>	(Audited) PRECEDING CORRESPONDING YEAR TO DATE 31 Oct 07 <i>RM'000</i>
Revenue	5,711	11,706	18,193	21,175
Gross Profit	1,372	4,569	3,472	6,721
Other Operating Income	253	22,918	882	23,913
Operating Expenses	(10,205)	(6,086)	(14,578)	(11,485)
(Loss)/ Profit from Operations	(8,580)	21,401	(10,224)	19,149
Finance Cost	(51)	(1)	(78)	(18)
Share of Profits and Losses of Associated Companies	-	-	-	-
(Loss)/ Profit Before Taxation	(8,631)	21,400	(10,302)	19,131
Taxation	4,046	(2,339)	4,006	(2,563)
Net (Loss)/ Profit Attributable to Shareholders of the Company	(4,585)	19,061	(6,296)	16,568
(Loss)/ Earnings Per Share (sen)				
- Basic	(1.33)	5.54	(1.83)	4.81
- Fully Diluted	N/A	5.50	N/A	4.77

(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Statements for the year ended 31 October 2007)

**PETALING TIN BERHAD****Quarterly Report on Consolidated Results For the Fourth Quarter Ended 31 October 2008****CONDENSED CONSOLIDATED BALANCE SHEET**

	<b>(Unaudited)</b>	<b>(Audited)</b>
	AS AT CURRENT FINANCIAL YEAR ENDED 31 October 2008 <b>RM'000</b>	AS AT PRECEDING FINANCIAL YEAR ENDED 31 Oct 2007 <b>RM'000</b>
<b>ASSETS</b>		
Non- Current Assets		
Property, Plant & Equipment	3,070	3,256
Investment In Associated Companies	-	-
Investment Property	138,598	126,182
Land held for property development	234,000	181,647
	<u>375,668</u>	<u>311,085</u>
Current Assets		
Property Development Expenditures	40,484	75,551
Inventories	6,278	7,318
Trade & Other Receivables	32,035	50,896
Short Term Investments	2,309	13,008
Fixed Deposits with Financial Institutions	1,241	1,329
Cash and Bank Balances	2,872	3,794
	<u>85,219</u>	<u>151,896</u>
Total Assets	<u>460,887</u>	<u>462,981</u>
<b>EQUITY AND LIABILITIES</b>		
Share Capital	344,292	344,292
Treasury Shares	(68)	(68)
Reserves	25,999	32,295
Irredeemable Convertible Unsecured Loan Stocks 2000/2010 ("ICULS")	2,100	2,100
Total Equity	<u>372,323</u>	<u>378,619</u>
Non- current Liabilities		
Deferred Taxation	32,754	32,933
Long Term Borrowings	336	340
	<u>33,090</u>	<u>33,273</u>
Current Liabilities		
Trade Payables	7,478	2,948
Other Payables and Accrued Liabilities	12,060	12,779
Borrowings	104	69
Taxation	35,832	35,293
	<u>55,474</u>	<u>51,089</u>
Total Liabilities	88,564	84,362
Total Equity and Liabilities	<u>460,887</u>	<u>462,981</u>
Net Assets Per Share (RM)	1.08	1.10

(The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Statements for the year ended 31 October 2007)

**PETALING TIN BERHAD****Quarterly Report on Consolidated Results For the Fourth Quarter Ended 31 October 2008****CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY****(The figures have not been audited)**

	SHARE CAPITAL	SHARE PREMIUM	RESERVES	ICULS- EQUITY INSTRUMENTS	ACCUMULATED LOSSES	TREASURY SHARES	TOTAL SHAREHOLDERS' EQUITY
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 November 2007	344,292	43,664	5,097	2,100	(16,466)	(68)	378,619
Net loss for the period	-	-	-	-	(6,296)	-	(6,296)
Realisation of revaluation deficit on sales of development properties	-	-	1,333	-	(1,333)	-	-
At 31 October 2008	<u>344,292</u>	<u>43,664</u>	<u>6,430</u>	<u>2,100</u>	<u>(24,095)</u>	<u>(68)</u>	<u>372,323</u>
At 1 November 2006	344,292	43,664	8,668	2,100	(36,869)	(68)	361,787
Effect of adoption FRS 3	-	-	(212)	-	212	-	-
Realisation of revaluation surplus on sales of development properties	-	-	(3,623)	-	3,623	-	-
Transfer from deferred taxation due to changes in tax rate	-	-	264	-	-	-	264
At 1 November 2006 (Restated)	<u>344,292</u>	<u>43,664</u>	<u>5,097</u>	<u>2,100</u>	<u>(33,034)</u>	<u>(68)</u>	<u>362,051</u>
Net profit for the period	-	-	-	-	16,568	-	16,568
At 31 October 2007	<u>344,292</u>	<u>43,664</u>	<u>5,097</u>	<u>2,100</u>	<u>(16,466)</u>	<u>(68)</u>	<u>378,619</u>

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 October 2007)

**PETALING TIN BERHAD****Quarterly Report on Consolidated Cash flow For the Fourth Quarter Ended 31 October 2008****CONDENSED CONSOLIDATED CASH FLOW STATEMENT****(The figures have not been audited)**

	CURRENT FINANCIAL YEAR ENDED 31 October 2008 <b>RM'000</b>	PRECEDING FINANCIAL YEAR ENDED 31 October 2007 <b>RM'000</b>
Cash Flows From Operating Activities		
Net (Loss) / Profit Before Tax	(10,302)	19,131
Adjustment for:-		
Non-Cash Items	7,992	(18,067)
Non-Operating Items	(351)	(238)
Operating (Loss) / Profit Before Working Capital Changes	(2,661)	826
Changes In Working Capital		
Net Change In Current Assets	1,040	13,844
Net Change In Current Liabilities	3,062	(1,398)
Cash Generated From Operations	1,441	13,272
Tax Paid	(779)	(1,027)
Interest Received	373	253
Interest Paid	(22)	(14)
Net Cash Generated From Operations	1,013	12,484
Cash Flow From Investing Activities		
Equity Investments	(12,454)	366
Other Investments	10,608	(11,286)
Net Cash (Used In)/ Generated From Investing Activities	(833)	1,564
Cash Flow From Financing Activities		
Bank Borrowings	(89)	(39)
Net Changes in Cash & Cash Equivalents	(922)	1,525
Cash & Cash Equivalents At Beginning of the Period	3,794	2,269
Cash & Cash Equivalents At End of the Period	2,872	3,794

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Statements for the year ended 31 October 2007)

## Notes

### 1. Basis of Preparation

The quarterly financial statements have been prepared in accordance with Financial Reporting Standards (“FRS”) 134 – Interim Financial Reporting and appendix 9B part A of the Bursa Malaysia Securities Berhad Listing Requirements, and should be read in conjunction with Petaling Tin Berhad’s audited financial statements for the year ended 31 October 2007.

The accounting policies and methods of computation adopted by the Group in this financial report are consistent with those adopted in the financial statements for the year ended 31 October 2007 save for the adoption of the following Financial Reporting Standards (“FRS”) and IC interpretation issued by the Malaysian Accounting Standards Board which are applicable to the Group commencing from the financial year ended 31 October 2008:-

FRS 107	Cash Flow Statements
FRS 112	Income Taxes
FRS 118	Revenue
FRS 119	Employee Benefits
Amendment to FRS 121	The effects of Changes in Foreign Exchange Rates – net investment in foreign operation
FRS 134	Interim Financial Reporting
FRS 137	Provision, Contingent Liabilities and Contingent Assets

The above FRS and IC interpretation do not have any impact on the result and the financial position of the Company and its subsidiary companies for the current quarter and financial year to date.

### 2. Qualification of Financial Statements

The Group’s audited financial statements for the preceding year ended 31 October 2007 was not subject to any qualification.

### 3. Seasonality or Cyclical Factors

The Group’s current quarter and financial year to date performance were not affected nor influenced by seasonal or cyclical factors.

### 4. Items of Unusual Nature and Amount

There were no items affecting the assets, liabilities, equity, net income, or cash flow of the Group that are unusual because of their nature, size or incidence for the current quarter and financial year to date.

### 5. Changes in Estimates

There were no changes in the estimates of amounts reported in the prior interim periods of the current financial year or changes in estimates of amounts reported in the prior financial years that have a material effect in the current quarter and financial year to date.

### 6. Issuance and Repayment of Debt and Equity Securities

There were no issuance and repayments of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current quarter and financial year to date.

### 7. Dividends Paid

There were no dividends paid during the current quarter and financial year to date.

## 8. Segmental Reporting

### Analysis by Business Segment

#### Current Year to date ended 31 October 2008

	Property Development RM'000	Other Operations RM'000	Total Before Elimination RM'000	Elimination RM'000	Consolidated RM'000
<b>Revenue</b>					
External revenue	18,193	-	18,193	-	18,193
Inter-segment revenue	-	3,207	3,207	(3,207)	-
	<u>18,193</u>	<u>3,207</u>	<u>21,400</u>	<u>(3,207)</u>	<u>18,193</u>
<b>Results</b>					
Segment results	(6,037)	(4,624)	(10,661)	-	(10,661)
Interest expense					(22)
Interest income					373
Dividend revenue					8
Loss before taxation					<u>(10,302)</u>
Income taxes					<u>4,006</u>
Loss after taxation					<u><u>(6,296)</u></u>

#### Preceding Year to date ended 31 October 2007

	Property Development RM'000	Other Operations RM'000	Total Before Elimination RM'000	Elimination RM'000	Consolidated RM'000
<b>Revenue</b>					
External revenue	21,175	-	21,175	-	21,175
Inter-segment revenue	-	3,364	3,364	(3,364)	-
	<u>21,175</u>	<u>3,364</u>	<u>24,539</u>	<u>(3,364)</u>	<u>21,175</u>
<b>Results</b>					
Segment results	24,273	(5,389)	18,884	-	18,884
Interest expense					(14)
Interest income					253
Dividend revenue					8
Profit before taxation					<u>19,131</u>
Income taxes					<u>(2,563)</u>
Profit after taxation					<u><u>16,568</u></u>

The geographical analysis is not presented as the Group's operations are solely based in Malaysia.

## 9. Valuation of Property, Plant and Equipment

The values of property, plant and equipment have been brought forward without amendment from the previous annual financial statements.

## 10. Material Events

The Company announced on 7 December 2007 that its wholly-owned subsidiary, PTB Horticulture Farm Sdn Bhd ("PTBHF") had on even date entered into a Sale & Purchase Agreement with Karambunai Corp Bhd ("KCB") to acquire approximately 8,201.86 square metres of leasehold land in Petaling Jaya together with a four storey building with an annexed single storey warehouse and ancillary building free from all encumbrances for a cash consideration of RM12 million. The acquisition was deemed a related party transaction by virtue of Tan Sri Dr. Chen Lip Keong, Datuk Wan Kassim Bin Ahmed, Chen Yiy Hwuan and Chen Yiy Fon being directors and /or substantial shareholder in both the Company and KCB. The acquisition was subsequently completed on 11 August 2008.

**11. Changes in the Composition of the Group**

There were no changes in the composition of the Group for the current quarter and financial year to date.

**12. Changes in Contingent Liabilities and Contingent Assets**

There was no contingent asset that had arisen since the last annual balance sheet date. There were also no changes in the contingent liabilities since the last annual balance sheet date. The contingent liabilities as at the date of this report are as follows:

- (i.) Certain purchasers have instituted legal proceedings against the subsidiary company, Magilds Park Sdn Bhd., for recovery of progressive payments paid to the subsidiary company amounting to RM314,503 and liquidated ascertained damages of RM92,394 of which RM344,500 has been accrued for in the financial statements.

No additional provision has been made as the legal proceedings are still pending.

- (ii.) A consultant has instituted legal action against the subsidiary company, Magilds Park Sdn. Bhd., for the recovery of debts amounting to RM467,253 of which RM200,000 has been accrued in the financial statements.

The balance of claim amounting to RM267,253 has not been accrued in the financial statements as the outcome of this litigation is still pending.

**13. Capital Commitment**

There were no capital commitment for the purchase of property, plant and equipment not provided for in the interim financial statement.

**14. Subsequent Event**

There were no material events subsequent to the end of the current quarter.

**Additional information required by the Bursa Malaysia's Listing Requirement**

**1. Review of Performance of the Company and its Principal Subsidiaries**

For the current quarter ended 31 October 2008, the Group has recorded a pre-tax loss of RM10,302,339 as compared to pre-tax profit of RM19,131,645 for the preceding year corresponding quarter ended 31 October 2007.

The current quarter's pre tax loss is mainly due to rescission of sale of a development property in its subsidiary company. The pre-tax profit for the preceding year's corresponding quarter was mainly due to recognition of increase in fair value of the Group's investment properties located at Karabunai, Sabah amounting to RM22,655,654 based on market value determined by an independent professional valuer, following the adoption of the fair value model in accordance with FRS 140.

In the opinion of the Directors, the result for the current quarter and financial year to date have not been affected by any transactions or events of a material or unusual nature which has arisen between 31 October 2008 and the date of this announcement.

**2. Material Changes in the Quarterly Results Compared to the Results of the Preceding Quarter**

For the current quarter ended 31 October 2008, the Group has recorded a pre-tax loss of RM8,631,366 as compared to a pre-tax loss of RM186,815 for the previous quarter ended 31 July 2008. The higher pre-tax loss for this quarter was mainly due to rescission of sale of a development property in its subsidiary company during the quarter.

**3. Prospects for the Next Financial Year**

The Group expects the next financial year to be challenging amidst global financial crisis and economic downturn, and an anticipated slower GDP growth for the nation. Nevertheless, barring unforeseen circumstances, the Group expects to continue generating earnings from its residential developments at Desa Bukit Indah, Sungai Buloh.

**4. Profit Forecast and Profit Guarantee**

Not applicable as the Group did not announce any forecast results or undertake any profit guarantee in respect of the financial year.

**5. Taxation**

	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Corresponding Year To Date
	31 October 08 RM'000	31 October 07 RM'000	31 October 08 RM'000	31 October 07 RM'000
Taxation comprises the followings:				
Malaysian Taxation based on results for the year	12	886	32	964
Originating temporary differences	(198)	1,453	(178)	1,799
Tax Credit	(3,860)	-	(3,860)	-
	<u>(4,046)</u>	<u>2,339</u>	<u>(4,006)</u>	<u>2,563</u>

Although the Group incurred a loss for the current quarter and financial year to date, there is a tax charged due to no group relief that can be utilized to offset against taxable profits of other subsidiaries within the group.



**6. Profit on Sales of Unquoted Investments and/or Properties**

There was no disposal of unquoted investments or properties for the current quarter and financial year to date.

**7. Short term Investments**

a) Quoted Investments in Malaysia

	As At 31 Oct 08
	RM'000
At Costs	549
Add: Additions	1,060
Less: Provision for Diminution in Value	(94)
Less: Disposal during the period	(1,420)
At book value	<u>95</u>
Market value	95
Sales Proceeds	1,563
Less: Quoted Securities at Costs	(1,656)
Loss on Disposal of Quoted Securities	<u><u>(93)</u></u>

Other short term investments include the following:-

- b) Short-term funds placement in fixed income trust fund as at 31 October 2008 amounting to RM2,213,695/- (2007: RM12,459,504/-) bear interest at rates ranging from 3.29% to 3.50% per annum and have an average maturity ranging from 1 to 365 days.

**8. Status of Corporate Proposals**

As at the date of this report, the rescue exercise duly approved by the shareholders at an Extraordinary General Meeting held on 20 August 1999 has been completed, save and except for the transfer of land title of the Ulu Kelang Project, which is in progress.

**9. Group Borrowings and Debt Securities**

Total Group borrowings as at 31 October 2008 are as follows:

	RM'000
<i>Secured</i>	
<i>Long Term Borrowings</i>	
Total outstanding hire purchase liabilities	440
Repayment due within the next 12 months	(104)
Total	<u><u>336</u></u>
<i>Short Term Borrowings</i>	
Current portion of hire purchase liabilities	<u><u>104</u></u>

The above borrowings are denominated in Ringgit Malaysia.

## 10. Off Balance Sheet Financial Instruments

The Group does not have any financial instruments with off balance sheet risk as at the date of this report.

## 11. Cash And Cash Equivalents

	Current Year To Date 31 October 08	Preceding Corresponding Year To Date 31 October 07
	RM'000	RM'000
Fixed Deposits with Financial Institutions	1,241	1,329
Cash and Bank Balances	2,872	3,794
	4,113	5,123
Less: Fixed Deposits under lien	(1,241)	(1,329)
Cash & Cash Equivalents at End of Period	2,872	3,794

## 12. Material Litigation

Save as disclosed below, the Group is not engaged in any material litigation as at the date of this report.

- (a) On 12 April 1996, Lam Hong Kee Sdn. Bhd. (“LHKSB”) entered into a Sale and Purchase Agreement with Magilds Park Sdn. Bhd. (“MPSB”), a subsidiary of the Company, for the purchase of an industrial lot held under the land title H.S.(D) 37590 Lot No. 19694, Mukim of Batu, District of Gombak, Selangor Darul Ehsan at the purchase price of RM786,258. On 18 April 2000, LHKSB as the Plaintiff filed a suit against MPSB. LHKSB is claiming, among others for a refund of RM314,503 which they have paid in respect of the progressive payment towards the purchase price and a claim for the sum of RM92,394 being interest of the progressive purchase price paid. Upon MPSB’s application, the High Court has on 22 September 2004 struck out the Plaintiff’s claim with costs. However, the Plaintiff is entitled to appeal to the Court of Appeal against the High Court’s decision and has done so on 21 October 2004. The matter is now pending hearing at the Court of Appeal on a date to be fixed by the Court of Appeal.

Provision has been made in the accounts of MPSB in accordance to legal advice.

- (b) In 2003, Newmet Konsultan (“Plaintiff”) filed a suit against Magilds Park Sdn. Bhd. (“MPSB”), a subsidiary of the Company, claiming for RM467,252.50 being the professional fees claimed to be owed by MPSB for services rendered of which RM200,000 has been accrued in the financial statements. MPSB’s solicitors had filed appearance and defense on behalf of MPSB. The matter is currently fixed for the full trial before the High Court Judge on 26/04/2010 and 27/04/2010. The parties are in the process of finalizing the evidential documents as well as the disputed issues to be determined by the Court.
- (c) On 19 August 2005, Majurama Developments Sdn Bhd (“MDSB”) , a subsidiary of the company, entered into a Sale & Purchase Agreements with Barter Fortune Sdn. Bhd. (“BFSB”), for the disposal of 275 parcels of leasehold land within Mukim Ampangan, District of Seremban, State of Negeri Sembilan at a price of RM15,552,075. On 13 June 2007, MDSB and BFSB entered into a Supplemental Agreement (“SA”) of which one of the terms was BFSB to provide a bank guarantee to the sum of RM315,000 granted by BFSB’s banker CIMB Bank to MDSB upon fulfillment of certain obligation on the part of MDSB towards BFSB.

Subsequently when MDSB exercised the bank guarantee upon fulfillment of its obligation under the SA, CIMB Bank together with BFSB refused to honour the bank guarantee and payment.

MDSB has filed a legal suit against BFSB by way of a writ and statement of claim with the Alor Star High Court on 11 September 2008 on grounds that BFSB failed to settle the outstanding sum of RM315,000 and CIMB Bank for not releasing the bank guarantee sum. Further thereto, CIMB Bank filed its Defence which did not disclose much of a defence save for an argument as to whether the sum of RM315,000.00 is payable pursuant to the terms of the Bank Guarantee which invites an application under Order 14A of the Rules of the High Court 1980 which was filed with the Alor Setar High Court on 1 December 2008.

## 12. Material Litigation (cont'd)

BFSB has entered their appearance but have yet to file their defence resulting in an application filed under Order 14 of the Rules for Summary Judgment application with Alor Star High Court on 10 December 2008 on the basis that they have no defence to MDSB.

The matter is presently awaiting the Court to process both the Order 14 and Order 14A applications and to revert with hearing dates for both applications.

## 13. Dividend

There was no dividend proposed or declared for the current quarter and financial year to date.

## 14. Loss Per Share

- (a) The calculation of basic loss per share for the current quarter and financial year to date are based on the Group loss after tax of RM4,584,519 for the current quarter and RM6,295,380 for the financial year to date divided by 344,020,635 shares, being the weighted average ordinary shares in issue excluding the weighted average treasury shares held by the Company. The calculation of basic earnings per share for the preceding year corresponding quarter and year to date are based on Group profit after tax of RM19,061,063 and RM16,568,396 divided by weighted average ordinary shares in issue of 344,213,430.
- (b) The fully diluted loss per share for the current quarter and financial year to date are not presented as the assumed conversion of the outstanding ICULS and reissue of the treasury shares are anti-dilutive. The fully diluted earnings per shares for the preceding year correspondence quarter and financial year to date are based on the Group profit after tax of RM19,061,063 and RM16,521,228 respectively divided by weighted average ordinary shares in issue of 346,664,035 for the preceding year correspondence quarter and financial year to date on the assumption that the outstanding 2,100,000 nominal value of ICULS (2000/2010) have been exercise and converted into new ordinary shares of RM1.00 each in the Company and reissue of 271,700 treasury shares on 1 November 2007.

By Order of The Board

**PETALING TIN BERHAD**

**LAM HOI KHONG**  
**Chief Financial Officer**  
Petaling Jaya, Selangor  
Date: