

**PETALING TIN BERHAD**

**CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE FINANCIAL PERIOD ENDED 31 JULY 2010**  
**(The figures have not been audited)**

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 31 JULY 10 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31 JULY 09 RM'000	CURRENT YEAR TO DATE 31 JULY 10 RM'000	PRECEDING YEAR CORRESPONDING YEAR TO DATE 31 JULY 09 RM'000
Revenue	2,939	10,426	23,177	14,850
Gross Profit	1,067	508	4,158	860
Other Operating Income	6,430	175	7,315	440
Operating Expenses	(20,082)	(1,603)	(24,960)	(4,415)
Loss from Operations	(12,585)	(920)	(13,487)	(3,115)
Finance Cost	(158)	(22)	(391)	(54)
Share of Profits and Losses of Associated Companies	-	-	-	-
Loss Before Taxation	(12,743)	(942)	(13,878)	(3,169)
Taxation	2,721	(40)	2,634	(72)
Net Loss Attributable to Shareholders of the Company	(10,022)	(982)	(11,244)	(3,241)
Loss Per Share (sen)				
- Basic	(2.89)	(0.29)	(3.25)	(0.94)
- Fully Diluted	N/A	N/A	N/A	N/A

(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Statements for the year ended 31 October 2009)

**PETALING TIN BERHAD**

**CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 JULY 2010**

	(Unaudited) CURRENT FINANCIAL PERIOD  AS AT 31 JULY 2010 RM'000	(Audited) PRECEDING FINANCIAL YEAR  AS AT 31 OCTOBER 2009 RM'000
<b>ASSETS</b>		
Non- Current Assets		
Property, Plant & Equipment	216	338
Investment in Associated Companies	-	-
Investment Properties	149,282	142,624
Land held for Property Development	216,087	232,189
	365,585	375,151
Current Assets		
Property Development Expenditures	44,592	51,660
Inventories	7,240	5,653
Trade & Other Receivables	27,006	17,063
Short Term Investments	851	1,313
Fixed Deposits with Financial Institutions	1,072	1,075
Cash and Bank Balances	1,381	2,736
	82,142	79,500
Total Assets	447,727	454,651
<b>EQUITY AND LIABILITIES</b>		
Share Capital	346,102	344,292
Treasury Shares	(68)	(68)
Reserves	12,672	23,626
Irredeemable Convertible Unsecured Loan Stocks 2000/2010 ("ICULS")	-	2,100
Total Equity	358,706	369,950
Non- Current Liabilities		
Deferred Taxation	34,128	32,484
Long Term Borrowings	4,664	244
	38,792	32,728
Current Liabilities		
Trade Payables	5,779	3,582
Other Payables and Accrued Liabilities	15,827	13,448
Borrowings	2,510	101
Taxation	26,113	34,842
	50,229	51,973
Total Liabilities	89,021	84,701
Total Equity and Liabilities	447,727	454,651
Net Assets Per Share (RM)	1.04	1.07

(The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Statements for the year ended 31 October 2009)

**PETALING TIN BERHAD**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 JULY 2010**

**(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 2009	344,292	43,664	6,554	2,100	(26,592)	(68)	369,950
Net loss for the period	-	-	-	-	(11,244)	-	(11,244)
ICULS Conversion	1,810	290	-	(2,100)	-	-	-
Realisation of revaluation deficit on sales of development properties	-	-	261	-	(261)	-	-
At 31 July 2010	<u>346,102</u>	<u>43,954</u>	<u>6,815</u>	<u>-</u>	<u>(38,097)</u>	<u>(68)</u>	<u>358,706</u>
At 1 November 2008	344,292	43,664	6,429	2,100	(24,089)	(68)	372,328
Net loss for the period	-	-	-	-	(3,241)	-	(3,241)
Realisation of revaluation deficit on sales of development properties	-	-	(33)	-	33	-	-
At 31 July 2009	<u>344,292</u>	<u>43,664</u>	<u>6,396</u>	<u>2,100</u>	<u>(27,297)</u>	<u>(68)</u>	<u>369,087</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 2009)

**PETALING TIN BERHAD****CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE FINANCIAL PERIOD ENDED 31 JULY 2010**  
**(The figures have not been audited)**

	CURRENT FINANCIAL PERIOD ENDED 31 JULY 2010 RM'000	PRECEDING FINANCIAL PERIOD ENDED 31 JULY 2009 RM'000
<b>Cash Flows From Operating Activities</b>		
Loss before taxation	(13,878)	(3,169)
Adjustment for:-		
Non-Cash Items	(5,539)	292
Non-Operating Items	17,748	(45)
Operating Loss Before Working Capital Changes	(1,669)	(2,922)
Changes in Working Capital		
Net Change in Current Assets	(9,827)	1,911
Net Change in Current Liabilities	4,575	754
Cash Used In Operations	(6,921)	(257)
Taxes Paid	(580)	(787)
Interest Received	20	55
Interest Paid	(365)	(14)
Net Cash Used In Operating Activities	(7,846)	(1,003)
<b>Cash Flows from Investing Activities</b>		
Equity Investments	(809)	(1)
Other Investments	470	2,179
Net Cash (Used In) / Generated From Investing Activities	(339)	2,178
<b>Cash Flows from Financing Activity</b>		
Bank Borrowings	6,830	(81)
Net Cash Generated From / (Used In) Financing Activity	6,830	(81)
Net (Decrease)/Increase in Cash & Cash Equivalents	(1,355)	1,094
Cash & Cash Equivalents at Beginning of the Period	2,736	2,920
Cash & Cash Equivalents at End of the Period	1,381	4,014

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Statements for the year ended 31 October 2009)

**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 Main Market Listing Requirements, and should be read in conjunction with Petaling Tin Berhad’s audited financial statements for the year ended 31 October 2009.

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 2009.

New and revised FRSs, Amendments to FRSs, Issues Committee (“IC”) Interpretations and Technical Releases (“TR”) Not Adopted.

The Malaysian Accounting Standards Board has also issued the following new and revised FRSs, Amendments to FRSs and IC Interpretations and TR that have not been adopted in preparing these financial statements.

	For financial periods beginning on or after
FRS 1 First-time Adoption of Financial Reporting Standards	1 July 2010
FRS 3 Business Combinations	1 July 2010
FRS 4 Insurance Contracts	1 January 2010
FRS 7 Financial Instruments : Disclosures	1 January 2010
FRS 8 Operating Segments	1 July 2009
FRS 101 Presentation of Financial Statements	1 January 2010
FRS 123 Borrowing Costs	1 January 2010
FRS 127 Consolidated and Separate Financial Statements	1 July 2010
FRS 139 Financial Instruments: Recognition and Measurement	1 January 2010
Amendments to FRS 1 First-time Adoption of Financial Reporting Standards and FRS 127 Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	1 January 2010
Amendments to FRS 2 Share-based Payment: Vesting Conditions and Cancellations	1 January 2010
Amendments to FRS 2 Share-based Payment	1 July 2010
Amendments to FRS 5 Non-current Assets Held for Sale and Discontinued Operations	1 July 2010
Amendments to FRS 132 Financial Instruments: Presentation	1 January 2010
Amendments to FRS 138 Intangible Assets	1 July 2010
Amendments to FRS 139 Financial Instruments: Recognition and Measurement, FRS 7 Financial Instruments: Disclosures and IC Interpretation 9 Reassessment of Embedded Derivatives	1 January 2010
Amendments to FRSs contained in the document entitled “Improvements to FRSs (2009)”	1 January 2010
IC Interpretation 9 Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 10 Interim Financial Reporting and Impairment	1 January 2010
IC Interpretation 11 FRS 2 – Group and Treasury Share Transactions	1 January 2010
IC Interpretation 12 Service Concession Arrangements	1 July 2010
IC Interpretation 13 Customer Loyalty Programmes	1 January 2010
IC Interpretation 14 FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	1 January 2010
IC Interpretation 15 Arrangements for the Construction of Real Estate	1 July 2010
IC Interpretation 16 Hedges of a Net Investment in a Foreign Operation	1 July 2010
IC Interpretation 17 Distributions of Non-cash Assets to Owners	1 July 2010
Amendments to IC Interpretation 9: Reassessment of Embedded Derivatives	1 July 2010
TR i-3 Presentation of Financial Statements of Islamic Financial Institution	1 January 2010

**1. Basis of Preparation (Cont'd)**

By virtue of the exemption in FRS 4, 7 and 139, the impact of applying the respective FRSs on these financial statements upon their first adoption as required by paragraph 30(b) of FRS 108, Accounting Policies, Changes in Accounting Estimates and Errors is not disclosed.

The adoption of the other FRSs, Amendments to FRSs and IC Interpretations and TR are not expected to have any significant impact on the results and financial position of the Group upon their initial application, except for FRS101 contained in "Improvements to FRSs (2009)" as indicated below:-

**FRS 101 Presentation of Financial Statements**

The revised FRS 101 requires owner and non-owner changes in equity to be presented separately. The statement of changes in equity will include only details of transactions with owners, with all non-owner changes in equity presented as a single line item. In addition, the revised standard introduces the statement of comprehensive income: It presents all times of income and expense recognized in income statements, together with all other items of recognized income and expense, either in one single statement, or in two linked statements. The Company is currently evaluating the format to adopt. New terminologies will replace 'balance sheet' with 'statement of financial position' and 'cash flow statement' with 'statement of cash flows'.

**2. Qualification of Financial Statements**

The Group's audited financial statements for the preceding year ended 31 October 2009 was not subject to any qualification.

**3. Seasonality or Cyclicity 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 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 July 2010

	Property Development RM'000	Other Operations RM'000	Total Before Elimination RM'000	Elimination RM'000	Consolidated RM'000
<b>Revenue</b>					
External revenue	23,177	-	23,177	-	23,177
Inter-segment revenue	-	2,888	2,888	(2,888)	-
	<u>23,177</u>	<u>2,888</u>	<u>26,065</u>	<u>(2,888)</u>	<u>23,177</u>
<b>Results</b>					
Segment results	(10,678)	(2,860)	(13,538)	-	(13,538)
Interest expense					(360)
Interest income					20
Dividend revenue					-
Loss before taxation					<u>(13,878)</u>
Income taxes					<u>2,634</u>
Loss after taxation					<u><u>(11,244)</u></u>

#### Preceding Year to date ended 31 July 2009

	Property Development RM'000	Other Operations RM'000	Total Before Elimination RM'000	Elimination RM'000	Consolidated RM'000
<b>Revenue</b>					
External revenue	14,850	-	14,850	-	14,850
Inter-segment revenue	-	2,176	2,176	(2,176)	-
	<u>14,850</u>	<u>2,176</u>	<u>17,026</u>	<u>(2,176)</u>	<u>14,850</u>
<b>Results</b>					
Segment results	137	(3,351)	(3,214)	-	(3,214)
Interest expense					(14)
Interest income					55
Dividend revenue					4
Loss before taxation					<u>(3,169)</u>
Income taxes					<u>(72)</u>
Loss after taxation					<u><u>(3,241)</u></u>

The geographical analysis is not presented as the Group's operations are 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 24 July 2009 that its wholly owned subsidiary, Majurama Developments Sdn Bhd had on even date entered into a Sale & Purchase Agreement with FACB Land Sdn Bhd, a wholly-owned subsidiary of Karambunai Corp Bhd ("KCB") to acquire approximately 8,790 square metres of leasehold land held under H.S. (M) 19319, P.T. 16028, Mukim Petaling, Negeri Selangor for a cash consideration of RM1,655,000. 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 shareholders in both the Company and KCB. The acquisition has not been finalised as at the date of this report.

**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:

A purchaser has 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.

**13. Capital Commitment**

The amount of commitment for the purchase of leasehold land held under H.S. (M) 19319, P.T. 16028, Mukim Petaling, Negeri Selangor, not provided for in the interim financial statements as at 31 July 2010 is as follow:-

	RM'000
Approved and contracted for	<u>1,655</u>

**14. Significant Event**

The Detachable Warrants 2000/2010 of the Company were issued on 2 February 2000 and were constituted by a Deed Poll dated 18 January 2000 executed by the Company. Each warrant entitled its registered holder to subscribe for one new ordinary share of RM1.00 each in the Company at the exercise price of RM1.16 per new ordinary share by payment in cash during the exercise period. Exercise of the Warrants allowed at any time up to expiry of 10 years following the date of issue.

On 2 February 2010, the numbers of unexercised Detachable Warrants 2000/2010 of the Company were 40,334,824 and there were no Warrants exercised on or before the expiry date.

On 2 February 2010, RM2,100,000 nominal value of ICULS were converted into 1,810,344 ordinary shares of RM1.00 each of the Company at a conversion price of RM1.16 per share. These new shares rank pari passu in all respect with the existing ordinary shares of the Company.



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

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

For the current year to date under review, the Group recorded revenue of RM23,176,987 and a loss before taxation of RM13,877,591 as compared to revenue of RM14,849,609 and a loss before taxation of RM3,168,754 for the preceding year to date.

The Group revenue mainly contributed by revenue generated from the new residential development of 126 units Double Storey Link Houses and sales of industrial lots at Desa Bukit Indah and Magilds Industrial Park, Sungai Buloh, and revenue from the sale of project development land at Taman Kelab Ukay, Ampang. The higher loss before taxation for the current quarter and period to date was mainly due to rescission of sale of a development property by a subsidiary company net off by the fair value adjustment arising from revaluation of investment properties recognized in other operating income.

In the opinion of the Directors, the result for the current quarter and financial year to date has not been affected by any transactions or events of a material or unusual nature which has arisen between 31 July 2010 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 July 2010, the Group has recorded a loss before taxation of RM12,742,672 as compared to a loss before taxation of RM468,330 for the previous quarter ended 30 April 2010. The higher loss before taxation for the current quarter is mainly due to rescission of sale of a development property by a subsidiary company net off by the fair value adjustment arising from revaluation of investment properties recognized in other operating income.

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

Barring unforeseen circumstances, the Group expects its result of the next financial period to remain relatively unchanged with the sales of its remaining residential development properties at Desa Bukit Indah.

**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 July 2010 RM'000	31 July 2009 RM'000	31 July 2010 RM'000	31 July 2009 RM'000
Taxation comprises the followings:				
Malaysian Taxation based on results for the year	-	(29)	-	(61)
Originating temporary differences	(1,557)	(11)	(1,644)	(11)
Tax Credit	4,278	-	4,278	-
Tax credit /(expenses)	2,721	(40)	2,634	(72)

**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**

Short term investments include short-term funds placement in fixed income trust fund as at 31 July 2010 amounting to RM851,361 (2009 : RM254,298) which earn interest at rates ranging from 2.39% to 2.46% 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 the progress. The Group has on 6 November 2009 submitted to the Authorities the application for subdivision of individual titles for the Ulu Kelang Project.

**9. Group Borrowings and Debt Securities**

Total Group borrowings as at 31 July 2010 are as follows:

Secured	RM'000
<i>Long Term Borrowings</i>	
Total outstanding term loan liabilities	6,909
Repayment due within the next 12 months	(2,403)
Total outstanding term loan liabilities	<u>4,506</u>
Total outstanding hire purchase liabilities	265
Repayment due within the next 12 months	(107)
	<u>158</u>
Total Long Term Borrowings	<u><u>4,664</u></u>
<i>Short Term Borrowings</i>	
Total outstanding term loan liabilities	2,403
Total outstanding hire purchase liabilities	107
Total Short Term Borrowings	<u><u>2,510</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 July 10	Preceding Financial Year To Date 31 July 09
	RM'000	RM'000
Fixed Deposits with Financial Institutions	1,072	1,036
Cash and Bank Balances	1,381	4,014
	2,453	5,050
Less: Fixed Deposits under lien	(1,072)	(1,036)
Cash & Cash Equivalents at End of Period	1,381	4,014

**12. Dividend**

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

**13. 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 RM10,022,150 for the current quarter and RM11,244,042 for the financial year to date divided by 346,102,679 shares, being the weighted average ordinary shares in issue excluding the weighted average treasury shares held by the Company. The calculation of basic loss per share for the preceding year corresponding quarter and year to date are based on Group loss after tax of RM982,584 and RM3,240,606 divided by weighted average ordinary shares in issue of 344,020,635 shares.
- (b) The fully diluted loss per share for the current quarter and financial year to date and the preceding year corresponding quarter and financial year to date are not presented as the assumed conversion of the reissue of the treasury shares are anti-dilutive.

By Order of The Board

**PETALING TIN BERHAD**

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