

TALAM CORPORATION BERHAD (1120-H)**Condensed Consolidated Income Statements****For the financial period ended 31 July 2007***(The figures have not been audited)*

	Individual period		Cumulative period	
	Current year quarter 31-07-07	Preceding year corresponding quarter 31-07-06	Current year to-date 31-07-07	Preceding year corresponding period 31-07-06
	RM'000	RM'000	RM'000	RM'000
Continuing Operations				
Revenue	59,825	52,487	82,735	124,136
Cost of sales	(50,927)	(27,734)	(65,549)	(68,409)
Gross profit	8,898	24,753	17,186	55,727
Other income	30,006	2,091	48,787	2,769
Administrative and other expenses	(18,647)	(25,008)	(32,645)	(50,633)
Loss/(gain)on deconsolidation/disposal of subsidiaries	0	3,242	(982)	3,242
Finance costs	(19,054)	(12,456)	(33,119)	(21,244)
Share of results of jointly controlled entities	224	(47)	265	(54)
Profit/(loss) before tax	1,427	(7,425)	(508)	(10,193)
Income tax (expense)/credit	(236)	2,635	2,179	354
Profit/(loss) for the year	1,191	(4,790)	1,671	(9,839)
Attributable to:				
Equity holders of the Company	1,085	(4,755)	2,181	(9,771)
Minority interest	106	(35)	(510)	(68)
	1,191	(4,790)	1,671	(9,839)
Profit/(loss) per share attributable to equity holders of the Company:				
Basic (sen)	0.17	(0.76)	0.35	(1.56)
Diluted (sen)	0.17	not applicable	0.34	not applicable

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 January 2007.

The above condensed consolidated income statements as of 31 July 2007 has been reviewed by the auditors whose report dated 25 September 2007 expressed a qualified conclusion.

TALAM CORPORATION BERHAD (1120-H)**Condensed Consolidated Balance Sheet**
As at 31 July 2007

	Unaudited as at end of current quarter 31-07-07 RM000	Audited as at preceding financial year end 31-01-07 RM000
ASSETS		
Non-current assets		
Property, plant and equipment	193,788	196,458
Land held for property development	1,103,267	1,155,469
Investment properties	84,533	84,622
Prepaid lease payments	11,474	11,821
Interest in jointly controlled entities	9,843	9,328
Other investment	76,332	76,332
Sinking funds held by trustees	22	6,810
Total non-current assets	<u>1,479,259</u>	<u>1,540,840</u>
Current assets		
Property development costs	1,206,606	1,202,717
Inventories	60,951	71,291
Current tax assets	4,617	4,728
Trade and other receivables	342,407	343,947
Cash and bank balances	25,272	15,282
Assets classified as held for sale	97,921	40,049
Total current assets	<u>1,737,774</u>	<u>1,678,014</u>
TOTAL ASSETS	<u>3,217,033</u>	<u>3,218,854</u>
EQUITY AND LIABILITIES		
Capital and Reserves		
Share capital	642,423	642,423
Treasury shares	(844)	(844)
Reserves	(313,059)	(313,363)
Equity attributable to equity holders of the Company	<u>328,520</u>	<u>328,216</u>
Minority interest	14,497	14,750
Total equity	<u>343,017</u>	<u>342,966</u>
Non-current liabilities		
Borrowings	144,656	144,776
Other long term payables	76,018	76,620
Deferred tax liabilities	2,211	4,116
	<u>222,885</u>	<u>225,512</u>
Current liabilities		
Provision for liabilities	106,927	130,172
Borrowings	680,341	694,250
Trade and other payables	1,233,300	1,199,924
Deferred progress billings	444,920	444,920
Current tax liabilities	180,350	181,110
Liabilities directly associated with assets classified as held for sale	5,293	-
	<u>2,651,131</u>	<u>2,650,376</u>
Total liabilities	<u>2,874,016</u>	<u>2,875,888</u>
TOTAL EQUITY AND LIABILITIES	<u>3,217,033</u>	<u>3,218,854</u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	<u>0.52</u>	<u>0.52</u>

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 January 2007.

The above condensed balance sheet as of 31 July 2007 has been reviewed by the auditors whose report dated 25 September 2007 expressed a qualified conclusion.

TALAM CORPORATION BERHAD (1120-H)

Condensed Consolidated Statement of Changes in Equity

For the financial period ended 31 July 2007

(The figures have not been audited)

	<----- Non-Distributable Reserve ----->						Distributable				
	Share Capital RM '000	Treasury Shares RM '000	Capital Reserve RM '000	Share Premium RM'000	Foreign Exchange Reserve RM'000	Equity Component of ICULS RM '000	Relating to Assets Held for Sale RM '000	Reserve Retained Earnings / (Accumulated Losses) RM'000	Attributable to Equity Holders of the Company Total RM '000	Minority Interest RM'000	Total Equity RM '000
At 1 February 2006	641,028	(844)	11,201	124,551	33,418	652	-	(489,766)	320,240	19,158	339,398
Foreign currency translation , representing net income recognised directly in equity	-	-	-	-	1,073	-	-	-	1,073	259	1,332
Loss for the period	-	-	-	-	-	-	-	(9,771)	(9,771)	(68)	(9,839)
Total recognised income and expenses for the period	-	-	-	-	1,073	-	-	(9,771)	(8,698)	191	(8,507)
Conversion of 7% ICULS 2003/2006	685	-	-	-	-	(685)	-	-	-	-	-
Equity component of 7% ICULS 2003/2006	-	-	-	-	-	33	-	-	33	-	33
At 31 July 2006	641,713	(844)	11,201	124,551	34,491	-	-	(499,537)	311,575	19,349	330,924
At 1 February 2007	642,423	(844)	11,201	124,551	32,414	-	-	(481,529)	328,216	14,750	342,966
Foreign currency translation	-	-	-	-	(1,877)	-	-	-	(1,877)	257	(1,620)
Amount recognised directly in equity relating to assets classified as held for sale	-	-	-	-	(22,500)	-	22,500	-	-	-	-
Net income recognised directly in equity	-	-	-	-	(24,377)	-	22,500	-	(1,877)	257	(1,620)
Profit for the year	-	-	-	-	-	-	-	2,181	2,181	(510)	1,671
Total recognised income and expenses for the period	-	-	-	-	(24,377)	-	22,500	2,181	304	(253)	51
At 31 July 2007	642,423	(844)	11,201	124,551	8,037	-	22,500	(479,348)	328,520	14,497	343,017

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 January 2007.

TALAM CORPORATION BERHAD (1120-H)

Condensed consolidated cash flow statement

For the financial period ended 31 July 2007

(The figures have not been audited)

	Current year to-date RM '000	Preceding year corresponding period RM '000
Net cash generated from operating activities	1,102	59,286
Net cash generated from/(used in) investing activities	17,758	(60,441)
Net cash (used in)/generated from financing activities	(7,246)	735
Net increase/(decrease) in cash and cash equivalents	<u>11,614</u>	<u>(420)</u>
Effects of exchange rate changes	(1,620)	1,332
Cash and cash equivalents at beginning of the financial year	4,098	720
Cash and cash equivalents at end of the financial period	<u>14,092</u>	<u>1,632</u>

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

Cash and bank balances	16,980	16,046
Deposits	8,292	59,092
	<u>25,272</u>	<u>75,138</u>
Bank overdrafts	(11,189)	(14,889)
	<u>14,083</u>	<u>60,249</u>
Cash and bank balances classified as held for sale	9	-
Less : Short term deposit restricted in use	-	(58,617)
	<u>14,092</u>	<u>1,632</u>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 January 2007.