

TAHPS Group Berhad (37-K)

(formerly known as The Ayer Hitam Planting Syndicate Berhad)

**CONDENSED CONSOLIDATED BALANCE SHEETS
AS AT 30 JUNE 2007**

	Unaudited As at 30.06.2007 RM'000	Audited As at 31.03.2007 RM'000
Property, plant and equipment	37,553	37,628
Investments	192	192
Investment property	3,174	3,178
Land held for property development	164,126	163,619
	<u>205,045</u>	<u>204,617</u>
Current assets		
Property development costs	25,558	24,125
Inventories	19,250	20,264
Receivables	35,234	27,564
Current tax assets	4,777	5,052
Short-term investments	45,381	45,225
Deposits, cash and bank balances	95,923	95,780
	<u>226,123</u>	<u>218,010</u>
Current liabilities		
Payables	27,108	21,569
	<u>27,108</u>	<u>21,569</u>
Net current assets	199,015	196,441
Long-term liabilities		
Deferred tax liabilities	21,251	21,211
	<u>382,809</u>	<u>379,847</u>
Share capital	74,853	74,853
Reserves	307,956	304,994
Total equity attributable to equity holders of the Company	<u>382,809</u>	<u>379,847</u>
Net Assets per share (RM) *	<u>5.11</u>	<u>5.07</u>

* The net assets per share is based on the computation of total assets (including intangibles) minus total liabilities divided by the total number of ordinary shares in circulation.

The condensed consolidated balance sheets should be read in conjunction with the audited financial statements for the financial year ended 31 March 2007 and the accompanying notes.

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**CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE PERIOD ENDED 30 JUNE 2007**

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<u>Current Year Quarter 30 Jun 2007 RM'000</u>	<u>Preceding Year Quarter 30 Jun 2006 RM'000</u>	<u>Current Year To Date 30 Jun 2007 RM'000</u>	<u>Preceding Year To Date 30 Jun 2006 RM'000</u>
Revenue	17,911	24,340	17,911	24,340
Cost of Sales	(10,644)	(14,483)	(10,644)	(14,483)
Gross profit	7,267	9,857	7,267	9,857
Other income	1,289	1,305	1,289	1,305
Administration and other expenses	(4,506)	(5,060)	(4,506)	(5,060)
Profit before taxation	4,050	6,102	4,050	6,102
Taxation	(1,088)	(1,769)	(1,088)	(1,769)
Profit for the period	2,962	4,333	2,962	4,333
Attributable to equity holders of the Company	2,962	4,333	2,962	4,333
Earnings per share attributable to equity holders of the Company	sen	sen	sen	sen
Basic	3.96	5.79	3.96	5.79
Fully diluted	N/A	N/A	N/A	N/A

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

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 JUNE 2007**

	Attributable to equity holders of the Company					Total RM'000
	Share capital	Non-distributable		Distributable		
		Share premium	Revaluation reserve	General reserve	Retained profits	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 April 2007	74,853	92	28,674	250	275,978	379,847
Fair value adjustment for property sold			74		(74)	-
Profit for the period					2,962	2,962
Dividends					-	-
Balance as at 30 June 2007	74,853	92	28,748	250	278,866	382,809
Balance as at 1 April 2006	74,853	92	28,468	250	261,032	364,695
Fair value adjustment for property sold			(118)			(118)
Profit for the period					4,333	4,333
Dividends						-
Balance as at 30 June 2006	74,853	92	28,350	250	265,365	368,910

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

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**CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 30 JUNE 2007**

	3 months ended	
	30 Jun 2007	30 Jun 2006
	RM'000	RM'000
Net cash inflow/(outflow) from operating activities	654	18,144
Net cash inflow/(outflow) from investing activities	(355)	(134)
Net cash inflow/(outflow) from financing activities	-	-
Net increase/(decrease) in cash and cash equivalents	299	18,010
Cash and cash equivalents at 1 April	138,305	124,459
Cash and cash equivalents at 30 June	138,604	142,469
Cash and cash equivalents comprise :		
Short-term deposits	65,660	86,305
Cash and bank balances	30,263	40,496
Bank overdraft	-	(1,632)
Treasury unit trusts	45,381	20,000
	141,304	145,169
Pledged short-term deposits	(2,700)	(2,700)
Cash and cash equivalents	138,604	142,469

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

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 30 JUNE 2007

Part A – Explanatory Notes Pursuant to FRS134

1 Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 March 2007. 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 March 2007.

2 Seasonal or cyclical factors

The Group's results for the current financial quarter were not materially impacted by any seasonal or cyclical factors apart from the plantation segment which is influenced by general climatic conditions, age profile of the oil palms and cyclical production.

3 Unusual items due to their nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the financial period ended 30 June 2007.

4 Changes in estimates

Not applicable.

5 Debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities.

6 Dividends paid

There were no dividends paid in the quarter ended 30 June 2007.

7 Carrying amount of revalued assets

The valuations of property, plant and equipment and investment properties have been brought forward without amendment from the financial report for the year ended 31 March 2007.

8 Subsequent events

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

9 Changes in composition of the Group

There were no changes in the composition of the Group.

10 Changes in contingent liabilities and contingent assets

There were no changes in contingent liabilities or contingent assets since the last annual balance sheet as at 31 March 2007.

11 Capital commitments

The amount of commitments not provided for in the interim financial statements as at 30 June 2007 is as follows:

	RM'000
Approved and contracted to lease a piece of leasehold land for 40 years	<u>2,250</u>

12 Significant Related Party Transactions

None.

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 30 JUNE 2007

13 Segmental information - By business segments

3 months ended 30 June 2007	Property development RM'000	Construction RM'000	Plantation RM'000	Consolidated RM'000
Revenue				
External customers	15,499	1,600	561	17,660
Unallocated revenue	-	-	-	251
Total Revenue	15,499	1,600	561	17,911
Results				
Segment results	3,480	(98)	233	3,615
Unallocated income				1,380
Unallocated expenses				(945)
Taxation				(1,088)
Profit for the period				2,962
As at 30 June 2007				
Assets				
Segment assets	290,282	15,408	2,871	308,561
Unallocated assets				122,607
Total assets				431,168
Liabilities				
Segment liabilities	18,965	7,308	12	26,285
Unallocated liabilities				22,074
Total liabilities				48,359

3 months ended 30 June 2006				
Revenue				
External customers	21,096	2,563	562	24,221
Unallocated revenue	-	-	-	119
Total Revenue	21,096	2,563	562	24,340
Results				
Segment results	5,600	(114)	261	5,747
Unallocated income				1,054
Unallocated expenses				(699)
Taxation				(1,769)
Profit for the period				4,333
As at 30 June 2006				
Assets				
Segment assets	317,195	8,998	3,202	329,395
Unallocated assets				112,213
Total assets				441,608
Liabilities				
Segment liabilities	38,870	5,924	20	44,814
Unallocated liabilities				27,884
Total liabilities				72,698

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 30 JUNE 2007

Part B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia

14 Auditors' Report on preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 March 2007 was not qualified.

15 Review of performance (current quarter and year to date)

In the first quarter ended 30 June 2007, the Group recorded a revenue of RM17.91 million and a pre-tax profit of RM4.05 million mainly arising from progress billings for the period. The results for the year to date were in line with the progress billings and profit recognized on the development projects as well as the contribution from construction projects in progress.

16 Material changes in profit/(loss) before taxation vs. preceding quarter

Pre-tax profit increased by RM0.81 million in the quarter ended 30 June 2007 from RM3.24 million in the preceding quarter mainly due to higher sales of completed units.

17 Commentary on prospects – current financial year

The overall performance of the Group will depend substantially on the performance of the property development business units. The Government's series of measures and initiatives to innovate the property sector and to cut bureaucracy in the industry are being implemented. These initiatives together with the exemption from Real Property Gains Tax and the relaxation of Foreign Investment Committee guidelines augur well for the property industry and will benefit the Group.

18 Statement of the board of directors' opinion as to whether the revenue or profit estimate, forecast, projection or internal targets are likely to be achieved

Not applicable. The Company has not announced or disclosed any estimates, forecasts, projections or internal targets.

19 Taxation

	Quarter 3 months ended 30.06.2007 RM'000	Year to date 3 months ended 30.06.2007 RM'000
Malaysian income tax	<u>1,088</u>	<u>1,088</u>

The effective tax rate of the Group approximates the statutory tax rate.

20 Sale of unquoted investments and/or properties

There was no sale of any unquoted investments. Properties sold were in the ordinary course of business of the Group.

21 Quoted securities

There were no purchases or sales of quoted securities for the current quarter and financial year to date.

	As at 30.06.2007 RM'000
Investment in quoted securities:	
At cost	106
At carrying value/book value	106
At market value	<u>4,138</u>

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 30 JUNE 2007

22 Corporate proposals

(a) Status of corporate proposals

On 15 September 2006, the Company entered into a Memorandum of Understanding (MOU) with Tacorp Holdings Sdn Bhd to jointly develop about four acres of leasehold land in Mukim Sungai Karang, Daerah Kuantan, Pahang as a hotel and resort. Subsequently, on 12 December 2006 the Company entered into a joint venture agreement with YAM Tengku Abdullah ibni Al-Marhum Sultan Abu Bakar to develop a luxury boutique hotel resort through the Company's subsidiary, Ayer Hitam Resorts Sdn Bhd.

As at 22 August 2007, the planning approval for the development of the hotel resort has been granted.

(b) Status of utilisation of proceeds
Not applicable.

23 Group borrowings and debt securities

There were no group borrowings and debt securities as at 30 June 2007.

24 Off balance sheet financial instruments

There were no off balance sheet financial instruments as at 22 August 2007.

25 Material litigation

There were no changes in material litigation since the date of the last annual balance sheet on 31 March 2007.

26 Dividend

No interim ordinary dividend has been declared for the first quarter ended 30 June 2007. The first and final dividend totaling RM10.26 million for the financial year ended 31 March 2007 was approved on 24 July 2007; comprising a tax exempt dividend of 10 sen (2006: 5 sen) per share and a gross dividend of 5 sen (2006: 5 sen) per share less tax at 26% (2006: 28%). The first and final dividend was paid on 8 August 2007.

27 Earnings per share

Basic

Basic earnings per share is calculated by dividing the net profit for the period by the weighted average number of shares in issue during the period.

	Quarter 3 months ended 30.06.2007	Year to date 3 months ended 30.06.2007
Net profit for the period (RM'000)	2,962	2,962
Weighted average number of ordinary shares in issue ('000)	74,853	74,853
Basic earnings per share (sen)	3.96	3.96

28 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 29 August 2007.