

TA ENTERPRISE BERHAD (194867-M)

CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE FINANCIAL QUARTER ENDED 31 OCTOBER 2007

| | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|---|----------------------|--------------------------------------|----------------------|-------------------------------------|
| | CURRENT YEAR QUARTER | PRECEDING YEAR CORRESPONDING QUARTER | CURRENT YEAR TO DATE | PRECEDING YEAR CORRESPONDING PERIOD |
| | 31-10-07 | 31-10-06 | 31-10-07 | 31-10-06 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Revenue | 147,675 | 73,160 | 419,932 | 243,812 |
| Other income | 29,247 | 12,225 | 81,702 | 33,613 |
| Other expenses | (80,007) | (54,551) | (248,382) | (169,638) |
| Profit from operations | 96,915 | 30,834 | 253,252 | 107,787 |
| Finance costs, net | (2,619) | (2,204) | (7,513) | (6,669) |
| Share of results of associated companies | 18 | 32 | 41 | (19) |
| Profit before tax | 94,314 | 28,662 | 245,780 | 101,099 |
| Income tax expense | (22,835) | (5,113) | (59,187) | (15,934) |
| Profit for the period | 71,479 | 23,549 | 186,593 | 85,165 |
| Attributable to: | | | | |
| Equity holders of the parent | 71,398 | 23,512 | 185,799 | 84,945 |
| Minority interests | 81 | 37 | 794 | 220 |
| | 71,479 | 23,549 | 186,593 | 85,165 |
| Earnings per share attributable to equity holders of the parent | | | | |
| Basic (sen) | 5.02 | 1.77 | 13.45 | 6.39 |
| Fully diluted (sen) | 3.58 | 1.77 | 10.23 | 6.39 |

AS AT END OF CURRENT QUARTER

AS AT PRECEDING FINANCIAL YEAR END

Net assets value per share (RM)

1.49

1.40

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

TA ENTERPRISE BERHAD (194867-M)

CONDENSED CONSOLIDATED BALANCE SHEET

| | AS AT END OF CURRENT QUARTER 31-10-07 RM'000 | AS AT PRECEDING FINANCIAL YEAR END 31-01-07 RM'000 (restated) |
|---|---|--|
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 497,334 | 477,607 |
| Investment property | 224,432 | 192,931 |
| Land held for property development | 376,058 | 360,949 |
| Prepaid land lease payments | 11,322 | 10,641 |
| Intangible assets | 285 | 491 |
| Associated companies | 15,272 | 15,231 |
| Other investments | 49,771 | 34,182 |
| Deferred tax assets | 1,048 | 1,097 |
| | <u>1,175,522</u> | <u>1,093,129</u> |
| Current assets | | |
| Property development costs | 90,501 | 95,726 |
| Properties & land held for resale | 9,327 | 11,598 |
| Inventories | 811 | 576 |
| Financial receivables | 194,454 | 308,752 |
| Trade receivables | 1,007,203 | 835,151 |
| Other receivables | 88,150 | 133,831 |
| Short term investments | 2,981 | 6,720 |
| Short term funds | 875,490 | 415,535 |
| | <u>2,268,917</u> | <u>1,807,889</u> |
| Non-current asset classified as held for sale | - | 31,792 |
| | <u>2,268,917</u> | <u>1,839,681</u> |
| TOTAL ASSETS | <u>3,444,439</u> | <u>2,932,810</u> |
| EQUITY AND LIABILITIES | | |
| Equity attributable to equity holders of the Company | | |
| Share capital | 1,426,971 | 1,328,475 |
| Reserves | 702,745 | 534,597 |
| | <u>2,129,716</u> | <u>1,863,072</u> |
| Minority interests | 9,121 | 8,044 |
| Total equity | <u>2,138,837</u> | <u>1,871,116</u> |
| Deferred tax liabilities | 19,537 | 19,564 |
| Term loan | 141,442 | 125,214 |
| | <u>160,979</u> | <u>144,778</u> |
| Current liabilities | | |
| Provision for liabilities | 32 | 970 |
| Short term borrowings | 10,217 | 21,867 |
| Trade payables | 890,913 | 695,135 |
| Other payables | 190,231 | 190,282 |
| Income tax payable | 53,230 | 8,662 |
| | <u>1,144,623</u> | <u>916,916</u> |
| Total liabilities | <u>1,305,602</u> | <u>1,061,694</u> |
| TOTAL EQUITY AND LIABILITIES | <u>3,444,439</u> | <u>2,932,810</u> |
| Net assets value per share (RM) | <u>1.49</u> | <u>1.40</u> |

(The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the year ended 31 January 2007)

TA ENTERPRISE BERHAD (194867-M)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL QUARTER ENDED 31 OCTOBER 2007**

| | Attributable to Equity Holders of the Parent | | | | | | Distributable | Total | Minority Interests | Total Equity |
|--|--|-------------------------|---------------------------|---|----------------------------------|--------|----------------------------|-----------|-----------------------|-----------------|
| | Non-distributable | | | Exchange difference recognised in equity | | | | | | |
| | Share capital RM'000 | Share premium RM'000 | Capital reserve RM'000 | General reserve RM'000 | Translation reserve RM'000 | RM'000 | Retained profits RM'000 | RM'000 | RM'000 | RM'000 |
| At 1 February 2006 | | | | | | | | | | |
| As previously stated | 1,328,475 | 63,273 | 10,324 | 290 | 80,663 | - | 298,296 | 1,781,321 | 7,462 | 1,788,783 |
| Effects of adopting FRS 121 | - | - | - | - | - | 53,570 | (53,570) | - | - | - |
| At February 2006 (restated) | 1,328,475 | 63,273 | 10,324 | 290 | 80,663 | 53,570 | 244,726 | 1,781,321 | 7,462 | 1,788,783 |
| Effects of adopting FRS 3 | - | - | - | - | - | - | 4,378 | 4,378 | - | 4,378 |
| | 1,328,475 | 63,273 | 10,324 | 290 | 80,663 | 53,570 | 249,104 | 1,785,699 | 7,462 | 1,793,161 |
| Currency translation differences, representing net loss not recognised in the income statement | - | - | - | - | (5,268) | (744) | - | (6,012) | (15) | (6,027) |
| Profit for the period | - | - | - | - | - | - | 84,945 | 84,945 | 220 | 85,165 |
| Total recognised income and expense for the period | - | - | - | - | (5,268) | (744) | 84,945 | 78,933 | 205 | 79,138 |
| Dividend paid | - | - | - | - | - | - | (28,695) | (28,695) | - | (28,695) |
| At 31 October 2006 | 1,328,475 | 63,273 | 10,324 | 290 | 75,395 | 52,826 | 305,354 | 1,835,937 | 7,667 | 1,843,604 |
| At 1 February 2007 | 1,328,475 | 63,273 | 10,324 | 290 | 65,339 | 41,899 | 353,472 | 1,863,072 | 8,044 | 1,871,116 |
| Currency translation differences, representing net gain not recognised in the income statement | - | - | - | - | 32,748 | 23,294 | - | 56,042 | 283 | 56,325 |
| Profit for the period | - | - | - | - | - | - | 185,799 | 185,799 | 794 | 186,593 |
| Total recognised income and expense for the period | - | - | - | - | 32,748 | 23,294 | 185,799 | 241,841 | 1,077 | 242,918 |
| Dividend paid | - | - | - | - | - | - | (73,693) | (73,693) | - | (73,693) |
| Issue of ordinary shares: Conversion of Warrants 1999/2009 | 98,496 | - | - | - | - | - | - | 98,496 | - | 98,496 |
| At 31 October 2007 | 1,426,971 | 63,273 | 10,324 | 290 | 98,087 | 65,193 | 465,578 | 2,129,716 | 9,121 | 2,138,837 |

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

TA ENTERPRISE BERHAD (194867-M)

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE FINANCIAL QUARTER ENDED 31 OCTOBER 2007**

| | 9 months ended | |
|--|--------------------|--------------------|
| | 31-10-07 RM'000 | 31-10-06 RM'000 |
| Operating Activities | | |
| Profit before tax | 245,780 | 101,099 |
| Adjustments for: | | |
| Non-cash items | 5,767 | 13,480 |
| Non-operating items | (70,788) | (24,723) |
| Operating profit before changes in working capital | <u>180,759</u> | <u>89,856</u> |
| Changes in working capital | | |
| Net change in current assets | (184,231) | (340,083) |
| Net change in current liabilities | 194,827 | 51,442 |
| Cash generated from/(used in) operations | <u>191,355</u> | <u>(198,785)</u> |
| Interest received | 21,977 | 3,773 |
| Taxes paid | (15,596) | (4,891) |
| Net cash generated from/(used in) operating activities | <u>197,736</u> | <u>(199,903)</u> |
| Investing Activities | | |
| Equity investments | 42,204 | 22,196 |
| Non-equity investments | 15,063 | 6,614 |
| Net cash generated from investing activities | <u>57,267</u> | <u>28,810</u> |
| Financing Activities | | |
| Transactions with shareholders (see Note) | (73,693) | (28,695) |
| Equity financing and borrowings | 85,116 | (124) |
| Decrease in pledged deposits for financing facilities | 12,645 | 400 |
| Net cash generated from financing activities | <u>24,068</u> | <u>(28,419)</u> |
| Net increase/(decrease) in Cash & Cash Equivalents during the period | 279,072 | (199,512) |
| Cash & Cash Equivalents at beginning of year | | |
| As previously reported | 174,347 | 440,986 |
| Effects of exchange rate changes | 2,646 | (1,282) |
| As restated | 176,993 | 439,704 |
| Cash & Cash Equivalents at end of current period which exclude monies held in trust, Housing Developer Accounts and fixed deposits pledged to financial institutions | <u>456,064</u> | <u>240,192</u> |

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

Note: Dividends paid to shareholders

TA ENTERPRISE BERHAD (194867-M)

Quarterly Report for the Period Ended 31 October 2007

Notes (in compliance with FRS 134)

A1 Basis of Preparation

The quarterly financial report is unaudited and has been prepared in accordance with Financial Reporting Standard (FRS) 134: Interim Financial Reporting and Paragraph 9.22 of the Bursa Malaysia Securities Berhad Listing Requirements. The quarterly financial report should be read in conjunction with the Group's audited financial statements for the year ended 31 January 2007.

A2 Changes in Accounting Policies

The accounting policies and methods of computation adopted by the Group in these quarterly financial statements are consistent with those adopted in the audited financial statements for the year ended 31 January 2007 except for the adoption of the following new / revised Financial Reporting Standards ("FRS") effective for our financial year beginning 1 February 2007:

| | |
|---------|---------------------------|
| FRS 117 | Leases |
| FRS 124 | Related Party Disclosures |
| FRS 119 | Employee Benefits |

The adoption of FRS 124 and FRS 119 do not have significant financial impact on the Group. The principal effect of the change in accounting policy resulting from the adoption of FRS 117: Leases is stated below:

FRS 117: Leases

The adoption of the revised FRS 117 has resulted in a retrospective change in the accounting policy relating to the classification of leasehold land. The up-front payments made for the leasehold land represent prepaid lease payments and are amortised on a straight-line basis over the lease term. Leases of land and buildings are now classified separately where leasehold buildings can remain to be classified as property, plant and equipment.

Prior to 1 February 2007, leasehold land of the Group were classified as either property, plant and equipment which were stated at cost less accumulated depreciation and impairment losses or land held for property development less accumulated amortisation and impairment losses.

Upon the adoption of the revised FRS 117 at 1 February 2007, the unamortised amounts of leasehold land are retained as the surrogate carrying amounts of prepaid lease payments as allowed by the transitional provisions of FRS 117. The reclassification of leasehold land as prepaid lease payments has been accounted for retrospectively and as disclosed in Note A3, certain comparative amounts as at 31 January 2007 have been restated.

A3 Comparatives

The following comparative amounts have been restated due to the adoption of new FRS 117:

| | Previously stated RM'000 | Adjustments FRS 117 (Note A2) RM'000 | Restated RM'000 |
|------------------------------------|---|---|----------------------------|
| At 31 January 2007 | | | |
| Property, plant and equipment | 487,993 | (10,386) | 477,607 |
| Land held for property development | 361,204 | (255) | 360,949 |
| Prepaid land lease payments | - | 10,641 | 10,641 |

A4 Auditors' Report of Previous Annual Financial Statements

The auditors' report of the preceding annual financial statements was not qualified.

A5 Seasonal or Cyclical Factors

The Group's operations are not affected by any seasonal or cyclical factors other than the volatility in the trading volume and share prices on the Bursa Malaysia and the seasonal factors that affect the occupancy and room rates of the Group's hotel operations in Australia.

A6 Unusual Items Affecting the Financial Statements

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

A7 Changes in Accounting Estimates

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

A8 Debt and Equity Securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities since the last annual balance sheet date except for the following:

Warrants 1999/2009

During the financial quarter ended 31 October 2007, the Company issued 4,287,000 new shares (cumulative quarters: 98,496,136 shares) for the cash consideration of RM1 per new ordinary share pursuant to the exercise of 4,287,000 warrants (cumulative quarters: 98,496,136 warrants) by the warrant holders. The number of warrants outstanding and unexercised as at 31 October 2007 is 474,083,326.

A9 Dividends Paid

Dividends paid on 2 August 2007 were declared on 17 May 2007, in respect of the year ended 31 January 2007 being final dividend of 7% less 26% taxation (5.18 sen per ordinary share), on 1,422,637,838 ordinary shares, amounting to RM73,692,641.

A10 Segmental Information

Segment revenue and segment results for the current financial period to date:

| | Stock broking and financial services | Investment holding and Others | Credit and lending | Property investment | Property development | Hotel operations | Elimination | Consolidated |
|---|--|-------------------------------------|--------------------------|------------------------|-------------------------|---------------------|-------------|--------------|
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Revenue | | | | | | | | |
| External sales | 211,462 | 5,926 | 13,509 | 35,104 | 92,372 | 61,559 | - | 419,932 |
| Inter-segment sales | 631 | 5,220 | - | 3,563 | 317 | 11,920 | (21,651) | - |
| Total revenue | 212,093 | 11,146 | 13,509 | 38,667 | 92,689 | 73,479 | (21,651) | 419,932 |
| Other income | 43,577 | 4,432 | 24,853 | 4,964 | 1,454 | 2,422 | - | 81,702 |
| Results | | | | | | | | |
| Operating results | 131,899 | (4,424) | 48,036 | 18,026 | 45,154 | 15,836 | - | 254,527 |
| Foreign exchange gains | 161 | 1,900 | - | 298 | - | 37 | - | 2,396 |
| Net segment results | 132,060 | (2,524) | 48,036 | 18,324 | 45,154 | 15,873 | - | 256,923 |
| Unallocated costs | | | | | | | | (3,671) |
| Finance costs, net | | | | | | | | (7,513) |
| Share of results of associated companies | | 16 | | 25 | | | | 41 |
| Profit before tax | | | | | | | | 245,780 |
| Income tax expense | | | | | | | | (59,187) |
| Profit for the period | | | | | | | | 186,593 |
| Attributable to: | | | | | | | | |
| Equity holders of the parent | | | | | | | | 185,799 |
| Minority Interests | | | | | | | | 794 |
| | | | | | | | | 186,593 |

A11 Valuations of Property, Plant and Equipment

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

In accordance with the Group's policy, property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

A12 Subsequent Events

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

A13 Changes in the Composition of the Group

There were no changes in the composition of the Group during the interim period.

A14 Changes in Contingent Liabilities or Contingent Assets

As disclosed during the last audited financial statements ended 31 January 2007, TA Antarabangsa Finance South Africa Limited, a wholly owned subsidiary incorporated in The Republic of South Africa, had provided an indemnity to the purchaser of TA Securities South Africa Limited, a former wholly-owned subsidiary incorporated in The Republic of South Africa which was disposed during the financial year ended 31 January 2001, for any potential claims against the latter arising from events occurring before the agreed disposal date.

On 22 May 2007, the only potential claim amounting to ZAR1,600,000 (RM775,200 equivalent) was withdrawn by the plaintiff with the release of a Court Order, and each party was to pay its own costs.

Except as disclosed above, there were no other changes in contingent liabilities or contingent assets since the last audited financial statements of the Group.

A15 Commitments

There were no commitments not provided for in the current financial period.

B1 Review of Performance of the Company and its Principal Subsidiaries

The Group reported a pre-tax profit of RM94.3million and a consolidated revenue of RM147.7million for the current third quarter, compared to RM28.7million and RM73.2million respectively achieved in the previous year's corresponding period. The increase in pre-tax profit in current year was mainly attributable to increased brokerage income due to higher trading volumes, higher recovery of financial receivables and higher profit from property development activities.

For the current financial year to date, the Group recorded a pre-tax profit of RM245.8million, an increase of 143% over the previous year's corresponding pre-tax profit of RM101.1million.

Analysis of the profit before tax for the current third quarter and year-to-date:

| | CURRENT QUARTER 31 Oct 2007 RM'000 | YEAR TO DATE 31 Oct 2007 RM'000 |
|--|---|--|
| Revenue | 147,675 | 419,932 |
| Other income | | |
| - Recovery of financial receivables | 11,492 | 22,131 |
| - Interest income from financial institutions | 5,092 | 12,141 |
| - Gain on disposal of investments | 10,050 | 39,669 |
| - Gain on disposal of non-current asset held for sale | - | 2,178 |
| - Gain on disposal of land held for resale | 480 | 480 |
| - Others | 2,133 | 5,103 |
| | 29,247 | 81,702 |
| Other expenses | | |
| - Amortisation and depreciation | (7,614) | (22,813) |
| - Cost of properties sold | (15,787) | (42,597) |
| - Remisiers', agents' and futures brokers' commissions | (19,540) | (66,850) |
| - Hotel operational expenses | (14,239) | (40,701) |
| - Personnel and others | (31,470) | (91,984) |
| - Write-back on provision for doubtful debts | 9,044 | 14,679 |
| - Provision for impairment loss on investments | (687) | (513) |
| - Foreign exchange gains | 286 | 2,397 |
| | (80,007) | (248,382) |
| Finance costs, net | (2,619) | (7,513) |
| Share of results of associated companies | 18 | 41 |
| Profit before tax | 94,314 | 245,780 |

Profit in the current financial period to date was mainly contributed by the Group's stockbroking operations, property development activities, short term financing activities, property investment and hotel operations in Australia.

B2 Material Changes in Pre-tax Profit for the Current Quarter Compared with the Preceding Quarter

The Group registered a higher pre-tax profit of RM94.3 million in the current third quarter as compared with a pre-tax profit of RM75.1 million in the preceding second quarter. The lower trading volumes in the local stockmarket during the third quarter resulted in reduced brokerage income but this was compensated by higher contribution from credit and lending and property development segments.

B3 Prospects for the current financial year

The US subprime mortgage crisis and rising oil prices as well as their impacts to the world economy shall continue to be closely watched by the global financial markets. The aforesaid economic issues make the business environment challenging. However, with a prudent management approach coupled with the Group's quite-well diversified businesses, the Board is of the view that the Group could still perform well for the next quarter.

B4 Variance between Actual Profit and Forecast Profit

Not applicable.

B5 Taxation

a) Taxation for the current financial period is as follows:

| | Current quarter RM'000 | Year to date RM'000 |
|-------------------------------------|---------------------------|------------------------|
| Estimated tax charge for the period | | |
| Malaysian income tax | 20,812 | 53,816 |
| Foreign tax | 2,285 | 5,423 |
| Deferred tax | (262) | (52) |
| | <u>22,835</u> | <u>59,187</u> |

b) A reconciliation between the statutory and effective tax rate:

| | Current quarter RM'000 | Year to date RM'000 |
|---|---------------------------|------------------------|
| Profit before taxation | <u>94,314</u> | <u>245,780</u> |
| Taxation at the statutory income tax rate of 26% | 24,522 | 63,903 |
| Adjustments mainly due to the utilisation of previously unabsorbed tax losses and capital allowances, certain income not subject to tax net of certain expenses not deductible for tax purposes | (1,687) | (4,716) |
| Tax expense for the financial period | <u>22,835</u> | <u>59,187</u> |

B6 Sale of Unquoted Investments and/or Properties

| | Current quarter RM'000 | Year to date RM'000 |
|--|---------------------------|------------------------|
| Profit on sale of unquoted investments | - | 439 |
| Profit on sale of land held for sale | 480 | 480 |
| Profit on sale of property classified as non-current asset held for sale | - | 2,178 |

B7 Quoted Securities

a) Details of purchases and disposals of quoted securities held by the Group for the current financial period are as follows:-

| | Current quarter RM'000 | Year to date RM'000 |
|-------------------------------------|---------------------------|------------------------|
| Total purchases | - | 30,000 |
| Total sales | 10,451 | 24,310 |
| Profit on sale of quoted securities | 4,069 | 15,074 |

b) Total investments in quoted securities held by the Group as at 31 October 2007 are as follows:-

| | Local Stockbroking Subsidiary RM'000 | Others RM'000 | Total RM'000 |
|--|---|------------------|-----------------|
| Quoted securities, at cost | 2,531 | 35,511 | 38,042 |
| Less : Provision for impairment losses | (7) | (2,561) | (2,568) |
| Quoted securities, at book value | <u>2,524</u> | <u>32,950</u> | <u>35,474</u> |
| Market value of quoted securities | <u>2,606</u> | <u>36,065</u> | <u>38,671</u> |

B8 Status of Corporate Proposals

All corporate proposals announced have been completed at the date of this quarterly report except for the following:-

- a) partially completed Special Bumiputra Issue first implemented in 1997;
- b) On 21 March 2003, TA Securities Holdings Berhad (“TASH”) submitted an application for Universal Broker (“UB”) status to the Securities Commission (“SC”). On 11 August 2003, TASH received approval from the SC subject to the fulfillment of certain conditions imposed on TASH.

An appeal seeking exemption/waiver of the aforesaid conditions was made by TASH and on 18 March 2004, SC varied the earlier conditional approval by retaining all the conditions previously imposed, except the condition that TASH, instead of Datuk Tiah Thee Kian (“Datuk”), would now provide a written declaration to the SC on the effective beneficial shareholding of Datuk in the Company.

Following the 18 March 2004 letter from SC and pursuant to the various appeals made by TASH to the SC on the same subject matter, the SC on 18 October 2004, consented to the following:

- (i) That Datuk and persons connected with him shall assign the voting rights of the shares in excess of 20% of their collective shareholding in the Company (“the excess shares”) to a firm of independent trustees before TASH is given the status of UB; and
- (ii) That Datuk shall have full discretion to dispose the excess shares in the Company as he deems fit to persons other than himself, his nominees and persons connected with him within two years from the date of TASH being given the UB status.

B9 Group Borrowings and Debt Securities

Total Group borrowings as at 31 October 2007 were as follows:-

| | Secured RM'000 | Unsecured RM'000 |
|--|-------------------|---------------------|
| <i>Long Term Loan</i> | | |
| Foreign currency loan | 141,442 | - |
| <i>Short Term Borrowings</i> | | |
| Foreign currency loan | 8,397 | - |
| Bank overdraft | 1,820 | - |
| | <u>10,217</u> | <u>-</u> |
| Denomination of foreign currency loan: - | | |
| <i>Long Term Loan</i> | | |
| C\$ 40,365,972 | 141,442 | - |
| <i>Short Term Borrowings</i> | | |
| C\$ 2,396,415 | 8,397 | - |

The foreign currency loan of the Group is a 15-year term loan which will mature on 1 December 2020. The fixed interest rate of 4.79% per annum on the loan is compounded semi-annually and payable monthly together with principal amount. The term loan is secured against a freehold land and building in Canada and the assignment of rentals and general security agreement over the aforesaid land and building.

B10 Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments as at 6 December 2007.

B11 Material Litigation

As at 6 December 2007, there were no changes in material litigation since the last annual balance sheet date of 31 January 2007.

B12 Dividend

No interim ordinary dividend has been declared for the financial period ended 31 October 2007 (31 October 2006: Nil)

B13 Earnings Per Share (EPS) attributable to the equity holders of the parent

| | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|--|--|---|--|--|
| | Current year quarter 31 Oct 2007 | Preceding year corresponding quarter 31 Oct 2006 | Current year to date 31 Oct 2007 | Preceding year corresponding period 31 Oct 2006 |
| Basic earnings per share | | | | |
| Profit for the period (RM'000) - attributable to equity holders | 71,398 | 23,512 | 185,799 | 84,945 |
| Weighted average number of ordinary shares in issue ('000) | 1,423,566 | 1,328,475 | 1,381,387 | 1,328,475 |
| Basic earnings per share (sen) | <u>5.02</u> | <u>1.77</u> | <u>13.45</u> | <u>6.39</u> |
| Fully diluted earnings per share | | | | |
| Profit for the period (RM'000) - attributable to equity holders | 71,398 | 23,512 | 185,799 | 84,945 |
| Weighted average number of ordinary shares in issue ('000) | 1,991,858 | 1,328,475 | 1,815,854 | 1,328,475 |
| Fully diluted earnings per share (sen) | <u>3.58</u> | <u>1.77</u> | <u>10.23</u> | <u>6.39</u> |

For the purpose of calculating diluted earnings per share for the current financial year, the weighted average number of ordinary shares in issue during the period has been adjusted for the dilutive effects of all potential ordinary shares resulting from conversion of Warrants 1999/2009. As for the corresponding financial year, the dilutive effects of all the outstanding warrants have not been taken into account as the conversion of these warrants are anti-dilutive.

BY ORDER OF THE BOARD
Yong Kim Kiong

Kuala Lumpur
13 December 2007