

TA ENTERPRISE BERHAD (194867-M)

CONDENSED CONSOLIDATED BALANCE SHEET

| | AS AT END OF CURRENT QUARTER 30-04-09 RM'000 | AS AT PRECEDING FINANCIAL YEAR END 31-01-09 RM'000 |
|---|---|---|
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 919,756 | 546,045 |
| Investment property | 180,911 | 180,509 |
| Land held for property development | 428,073 | 427,883 |
| Prepaid land lease payments | 10,336 | 10,483 |
| Intangible assets | 66,146 | 110 |
| Associated companies | 15,079 | 15,056 |
| Other investments | 12,636 | 9,989 |
| Deferred tax assets | 7,030 | 6,910 |
| | <u>1,639,967</u> | <u>1,196,985</u> |
| Current assets | | |
| Property development costs | 33,784 | 38,106 |
| Properties & land held for resale | 6,961 | 6,961 |
| Inventories | 529 | 463 |
| Financial receivables | 142,376 | 133,077 |
| Trade receivables | 659,522 | 348,690 |
| Other receivables | 114,399 | 174,559 |
| Short term investments | 3,204 | 2,757 |
| Short term funds | 593,915 | 767,582 |
| | <u>1,554,690</u> | <u>1,472,195</u> |
| TOTAL ASSETS | <u>3,194,657</u> | <u>2,669,180</u> |
| EQUITY AND LIABILITIES | | |
| Equity attributable to equity holders of the Company | | |
| Share capital | 1,427,405 | 1,427,405 |
| Reserves | 693,822 | 637,748 |
| | <u>2,121,227</u> | <u>2,065,153</u> |
| Minority interests | <u>9,212</u> | <u>9,091</u> |
| Total equity | <u>2,130,439</u> | <u>2,074,244</u> |
| Non-current liabilities | | |
| Deferred tax liabilities | 17,217 | 17,262 |
| Term loan | 229,240 | 109,480 |
| | <u>246,457</u> | <u>126,742</u> |
| Current liabilities | | |
| Provision for liabilities | 40 | 1,171 |
| Short term borrowings | 58,485 | 7,481 |
| Trade payables | 640,972 | 338,437 |
| Other payables | 111,358 | 108,239 |
| Income tax payable | 6,906 | 12,866 |
| | <u>817,761</u> | <u>468,194</u> |
| Total liabilities | <u>1,064,218</u> | <u>594,936</u> |
| TOTAL EQUITY AND LIABILITIES | <u>3,194,657</u> | <u>2,669,180</u> |
| Net assets value per share (RM) | <u>1.49</u> | <u>1.45</u> |

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

TA ENTERPRISE BERHAD (194867-M)

CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE FINANCIAL QUARTER ENDED 30 APRIL 2009

| | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|---|----------------------|--------------------------------------|----------------------|-------------------------------------|
| | CURRENT YEAR QUARTER | PRECEDING YEAR CORRESPONDING QUARTER | CURRENT YEAR TO DATE | PRECEDING YEAR CORRESPONDING PERIOD |
| | 30-04-09 | 30-04-08 | 30-04-09 | 30-04-08 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Revenue | 72,037 | 116,373 | 72,037 | 116,373 |
| Other income | 9,842 | 7,583 | 9,842 | 7,583 |
| Other expenses | (40,072) | (83,862) | (40,072) | (83,862) |
| Profit from operations | 41,807 | 40,094 | 41,807 | 40,094 |
| Finance costs, net | (2,406) | (1,926) | (2,406) | (1,926) |
| Share of profits/(losses) of associated companies, net of tax | 13 | 21 | 13 | 21 |
| Profit before tax | 39,414 | 38,189 | 39,414 | 38,189 |
| Income tax expense | (9,026) | (9,330) | (9,026) | (9,330) |
| Profit for the period | 30,388 | 28,859 | 30,388 | 28,859 |
| Attributable to: | | | | |
| Equity holders of the parent | 30,457 | 28,736 | 30,457 | 28,736 |
| Minority interests | (69) | 123 | (69) | 123 |
| | 30,388 | 28,859 | 30,388 | 28,859 |
| Earnings per share attributable to equity holders of the parent | | | | |
| Basic (sen) | 2.13 | 2.01 | 2.13 | 2.01 |
| Fully diluted (sen) | 2.13 | 1.93 | 2.13 | 1.93 |

AS AT END OF CURRENT QUARTER

AS AT PRECEDING FINANCIAL YEAR END

Net assets value per share (RM)

1.49

1.45

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

TA ENTERPRISE BERHAD (194867-M)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL QUARTER ENDED 30 APRIL 2009**

| | Attributable to Equity Holders of the Parent | | | | | | Distributable | Minority Interests | Total Equity | |
|---|--|-------------------------|---------------------------|---------------------------|-------------------------------|--|----------------------------|--------------------|--------------|------------------|
| | Non-distributable | | | | | | | | | |
| | Share capital RM'000 | Share premium RM'000 | Capital reserve RM'000 | General reserve RM'000 | Translation reserve RM'000 | Exchange difference recognised in equity RM'000 | Retained profits RM'000 | Total RM'000 | RM'000 | RM'000 |
| At 1 February 2008 | 1,426,971 | 63,263 | 10,324 | 290 | 74,698 | 54,524 | 503,992 | 2,134,062 | 9,122 | 2,143,184 |
| Currency translation differences, representing net gain/(loss) not recognised in the income statement | - | - | - | - | 7,421 | (5,238) | - | 2,183 | 52 | 2,235 |
| Profit for the period | - | - | - | - | - | - | 28,736 | 28,736 | 123 | 28,859 |
| Underaccruals of costs associated with issuance of shares | - | (55) | - | - | - | - | - | (55) | - | (55) |
| At 30 April 2008 | <u>1,426,971</u> | <u>63,208</u> | <u>10,324</u> | <u>290</u> | <u>82,119</u> | <u>49,286</u> | <u>532,728</u> | <u>2,164,926</u> | <u>9,297</u> | <u>2,174,223</u> |
| At 1 February 2009 | 1,427,405 | 63,208 | 10,324 | 290 | 31,687 | 43,389 | 488,850 | 2,065,153 | 9,091 | 2,074,244 |
| Currency translation differences, representing net gain not recognised in the income statement | - | - | - | - | 13,957 | 11,660 | - | 25,617 | 190 | 25,807 |
| Profit/(loss) for the period | - | - | - | - | - | - | 30,457 | 30,457 | (69) | 30,388 |
| At 30 April 2009 | <u>1,427,405</u> | <u>63,208</u> | <u>10,324</u> | <u>290</u> | <u>45,644</u> | <u>55,049</u> | <u>519,307</u> | <u>2,121,227</u> | <u>9,212</u> | <u>2,130,439</u> |

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 January 2009)

TA ENTERPRISE BERHAD (194867-M)

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE FINANCIAL QUARTER ENDED 30 APRIL 2009**

| | 3 months ended | |
|--|--------------------|--------------------|
| | 30-04-09 RM'000 | 30-04-08 RM'000 |
| Operating Activities | | |
| Profit before tax | 39,414 | 38,189 |
| Adjustments for: | | |
| Non-cash items | 13,414 | 9,546 |
| Non-operating items | (6,998) | (5,605) |
| Operating profit before changes in working capital | 45,830 | 42,130 |
| Net change in assets | (300,553) | 42,642 |
| Net change in liabilities | 305,654 | (18,517) |
| Cash generated from operations | 50,931 | 66,255 |
| Interest (paid)/received | 1 | (20) |
| Taxes (paid)/refunded | (5,608) | 8,124 |
| Net cash generated from operating activities | 45,324 | 74,359 |
| Investing Activities | | |
| Equity investments | 4,303 | 7,550 |
| Non-equity investments | (421,675) | (1,636) |
| Net cash (used in)/generated from investing activities | (417,372) | 5,914 |
| Financing Activities | | |
| Equity financing and borrowings | 167,796 | (1,492) |
| Net cash generated from/(used in) financing activities | 167,796 | (1,492) |
| Net (decrease)/increase in Cash & Cash Equivalents during the period | (204,252) | 78,781 |
| Cash & Cash Equivalents at beginning of year | | |
| As previously reported | 397,522 | 379,358 |
| Effects of exchange rate changes | 1,285 | (2,342) |
| As restated | 398,807 | 377,016 |
| Cash & Cash Equivalents at end of current period which exclude monies held in trust, Housing Developer Accounts and fixed deposits pledged to financial institutions | 194,555 | 455,797 |

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

TA ENTERPRISE BERHAD (194867-M)

Quarterly Report for the Period Ended 30 April 2009

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 2009.

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 2009.

At the date of authorisation of these interim financial statements, the following new FRSs and IC Interpretations were issued but not yet effective and have not been applied by the Group:

| | | Effective for financial periods beginning on or after |
|-------------------------------|--|--|
| FRS 4 | Insurance Contracts | 1 January 2010 |
| FRS 7 | Financial Instruments: Disclosures | 1 January 2010 |
| FRS 8 | Operating Segments | 1 July 2009 |
| FRS 123 | Borrowing Costs | 1 January 2010 |
| FRS 139 | Financial Instruments: Recognition and Measurement | 1 January 2010 |
| Amendments to FRS 2 | Share-based Payment: Vesting Conditions and Cancellations | 1 January 2010 |
| Amendments to FRS 1 | First-time Adoption of Financial Reporting Standards | 1 January 2010 |
| Amendments to FRS 127 | Consolidated and Separate Financial Statements | 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 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 |

A3 Auditors' Report of Previous Annual Financial Statements

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

A4 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.

A5 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.

A6 Changes in Accounting Estimates

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

A7 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.

A8 Dividends Paid

No dividends have been paid since the beginning of the current financial quarter.

A9 Segmental Information

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

| | 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 | 23,167 | 498 | 846 | 11,145 | 18,243 | 18,138 | - | 72,037 |
| Inter-segment sales | - | 1,707 | - | 1,252 | - | - | (2,959) | - |
| Total revenue | 23,167 | 2,205 | 846 | 12,397 | 18,243 | 18,138 | (2,959) | 72,037 |
| Other income | 5,825 | 2,271 | 52 | 478 | 973 | 243 | - | 9,842 |
| Results | | | | | | | | |
| Operating results | 10,946 | 20,325 | 4,517 | 5,467 | 11,863 | 4,493 | - | 57,611 |
| Elimination | 1,599 | (18,827) | (133) | (1,170) | (204) | (1,825) | - | (20,560) |
| Net segment results | 12,545 | 1,498 | 4,384 | 4,297 | 11,659 | 2,668 | - | 37,051 |
| Foreign exchange gains | 92 | 6,116 | - | 43 | - | 88 | - | 6,339 |
| Unallocated costs | | | | | | | | (1,583) |
| Profit from operations | | | | | | | | 41,807 |
| Finance costs, net | | | | | | | | (2,406) |
| Share of results of associated companies, net of tax | | 22 | | (9) | | | | 13 |
| Profit before tax | | | | | | | | 39,414 |
| Income tax expense | | | | | | | | (9,026) |
| Profit for the year | | | | | | | | 30,388 |
| Attributable to: | | | | | | | | |
| Equity holders of the parent | | | | | | | | 30,457 |
| Minority Interests | | | | | | | | (69) |
| | | | | | | | | 30,388 |

A10 Subsequent Events

There were no material events subsequent to the end of the current quarter except for the following:-

a) Warrants 1999/2009

Subsequent to the financial quarter ended 30 April 2009, the Company issued 15,796,997 new ordinary shares for the cash consideration of RM1 per new ordinary share pursuant to the exercise of 15,796,997 warrants by the warrant holders. The number of warrants outstanding and unexercised as at 10 June 2009 is 457,852,329.

b) Proposed acquisition of land

On 26 May 2009, TA First Credit Sdn Bhd, a wholly-owned subsidiary of TA Properties Sdn Bhd, which in turn is a wholly-owned subsidiary of the Company, entered into conditional a Sale and Purchase Agreement with Europlus Corporation Sdn Bhd, to acquire a piece of freehold vacant commercial land measuring approximately 78.70 acres, held under title no. Geran 54344, Lot 15207, Bandar Serendah, Daerah Ulu Selangor, Negeri Selangor Darul Ehsan. The purchase consideration for the proposed acquisition is RM44,890,322.40. The proposed acquisition is still pending the approval of the Foreign Investment Committee and the fulfillment of certain conditions precedent.

c) Proposed establishment of a new employees' share option scheme

On 26 May 2009, the Company proposed to establish a new employees' share option scheme for the granting of option(s) to the eligible employees including Directors of the Company and its subsidiaries who fulfil the eligibility criteria to subscribe for new ordinary share(s) of RM1.00 each in the Company of up to 5% of the issued and paid-up share capital of the Company. The proposed scheme is still pending the approval from the Bursa Securities, shareholders of the Company and other relevant authorities, if required.

d) Acquisition of Flamingo Projects Sdn Bhd

On 28 May 2009, the Company has acquired 2 ordinary shares representing 100% equity interest in Flamingo Projects Sdn Bhd ("Flamingo"), for a total cash consideration of RM2.00. Flamingo was incorporated on 5 May 2009 as private limited company in Malaysia and is an investment holding company.

e) Proposed acquisition of properties

On 1 June 2009, Flamingo Projects Sdn Bhd ("Flamingo"), a wholly-owned subsidiary of the Company, has entered into a conditional Sale and Purchase Agreement with Elite Meridien Sdn Bhd to acquire a piece of freehold land held under Geran 143263, Lot 342, Seksyen 3, Pekan Sungai Penchala, District of Petaling, State of Selangor measuring 3,629 square metres in area together with a four storey commercial building with one level basement car park erected thereon bearing postal address Wisma Dijaya, No.1A, Jalan SS20/1, Damansara Utama, 46400 Petaling Jaya, Selangor. The purchase consideration for the proposed acquisition is RM26,000,000. The proposed acquisition is still pending the approval from the Foreign Investment Committee and the fulfillment of certain conditions precedent.

A11 Changes in the Composition of the Group during the financial quarter

(a) Deregistration of Yorcom No 13 (Pty) Ltd

On 6 March 2009, Yorcom No 13 (Pty) Ltd, a wholly-owned subsidiary of the Company incorporated in South Africa, has been deregistered. As Yorcom No 13 (Pty) Ltd was dormant and inactive, its deregistration has no material financial and operational effects on the Group.

(b) TA Foundation

On 17 April 2009, the Company became a sole corporate member of TA Foundation and had subscribed to the Memorandum of Association of TA Foundation.

TA Foundation, a company limited by guarantee, was incorporated on 22 January 2009 for the purpose of conducting non-profitable and charitable activities, raising, receiving and administering funds solely for medical, educational and charitable purposes and providing relief of poverty, sickness and distress by the provision of such funds.

(c) Acquisition of Raintree Amalgamated Sdn Bhd

On 20 April 2009, TA Global Berhad, a wholly-owned subsidiary of the Company has acquired 2 ordinary shares representing 100% equity interest in Raintree Amalgamated Sdn Bhd ("Raintree"), for a total cash consideration of RM2. Raintree was incorporated on 10 October 2008 as a private limited company in Malaysia and is an investment holding company.

A12 Changes in Contingent Liabilities or Contingent Assets

There were no material changes in contingent liabilities or contingent assets since the last audited financial statements of the Group.

A13 Commitments

The amount of capital commitments not provided for in the interim financial statements as at 30 April 2009 is as follow:

| | RM'000 |
|--|--------------------------|
| Approved and contracted for: | |
| - Computer software | 713 |
| Approved but not contracted for: | |
| - Property, plant and equipment (Renovation) | 2,080 |
| | <hr/> |
| | 2,793 <hr/> <hr/> |

B1 Review of Performance of the Company and its Principal Subsidiaries

The Group reported a pre-tax profit of RM39.4million and a consolidated revenue of RM72.0million for the current first quarter, compared to pre-tax profit of RM38.2million and consolidated revenue of RM116.4million respectively achieved in the previous year's corresponding period. The Group recorded a drop in brokerage income and income from sale of properties as compared to previous year's corresponding period. However, the Group's pre-tax profit in the current quarter improved due to write-back of provision for doubtful debts and impairment losses on investments and foreign exchange translation gain.

Analysis of the profit before tax for the current first quarter:

| | First Quarter | |
|---|--|--|
| | Current Year 30 April 2009 RM'000 | Preceding Year 30 April 2008 RM'000 |
| Revenue | 72,037 | 116,373 |
| Other income | | |
| - Write-back of provision on financial receivables | 1 | 5 |
| - Interest income from financial institutions | 3,586 | 4,813 |
| - Other interest income | 1,042 | 1,084 |
| - Gain on disposal of short term and other investments | 3,896 | 1,133 |
| - Others | 1,317 | 548 |
| | 9,842 | 7,583 |
| Other expenses | | |
| - Amortisation and depreciation | (6,931) | (7,312) |
| - Cost of properties sold | (5,989) | (25,443) |
| - Contract cost | (371) | (3,150) |
| - Remisiers', agents' and futures brokers' commissions | (5,474) | (6,616) |
| - Hotel operational expenses (include hotel personnel cost) | (12,369) | (14,965) |
| - Personnel and others | (23,544) | (21,133) |
| - Write-back/(Provision) for doubtful debts | 5,401 | (2,068) |
| - Write-back/(Provision) for impairment loss on investments | 2,866 | (272) |
| - Foreign exchange gain/(loss) | 6,339 | (2,903) |
| | (40,072) | (83,862) |
| Finance costs, net | (2,406) | (1,926) |
| Share of results of associated companies, net of tax | 13 | 21 |
| Profit before tax | 39,414 | 38,189 |

Profit in the current financial period to date was contributed by all business segments of the Group, with stockbroking operations and property development activities leading at approximately 61% of the Group's profit.

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

The Group registered a pre-tax profit of RM39.4 million in the current first quarter as compared with a pre-tax loss of RM20.0 million in the preceding fourth quarter. Although the Group reported lower revenue from property development, pre-tax results had improved due to non-provision of doubtful debts on financial receivables, write-back of provision for impairment losses on investments, higher revenue from stockbroking units and foreign exchange translation gain in the current first quarter.

B3 Prospects for the current financial year

In line with the global economic downturn, the business activities of various segments of the Group are affected. However, economic stimulus measures taken by governments of major countries should cushion the severity and duration of the downturn. In the light of the economic challenges, the Group will focus on carrying out prudent management practices, acquiring undervalued assets, and coming out with more attractive marketing initiatives.

Barring unforeseen circumstances, the Group expects to withstand these economic challenges and continue to perform satisfactorily for the financial year ending 31 January 2010.

B4 Variance between Actual Profit and Forecast Profit

Not applicable.

B5 Taxation

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

| | Current quarter/ Year to date RM'000 |
|-------------------------------------|---|
| Estimated tax charge for the period | |
| Malaysian income tax | 8,570 |
| Foreign tax | 619 |
| Deferred tax | (124) |
| (Over)provision in prior year | (39) |
| | <hr/> <u>9,026</u> |

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

| | Current quarter/ Year to date RM'000 |
|---|---|
| Profit before taxation | <hr/> 39,414 |
| Taxation at the statutory income tax rate of 25% | 9,854 |
| 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 | (789) |
| (Over)provision in prior year | (39) |
| Tax expense for the financial period | <hr/> <u>9,026</u> |

B6 Sale of Unquoted Investments and/or Properties

There were no sale of unquoted investments and properties during the financial period ended 30 April 2009.

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/ Year to date RM'000 |
|-----------------------------------|---|
| Total purchases | 156 |
| Total sales | 5,168 |
| Loss on sale of quoted securities | 41 |

b) Total investments in quoted securities held by the Group as at 30 April 2009 are as follows:-

| | Local Stockbroking Subsidiary RM'000 | Others RM'000 | Total RM'000 |
|--|--|-------------------------|------------------------|
| Quoted securities, at cost | 4,489 | 35,997 | 40,486 |
| Less : Provision for impairment losses | (1,804) | (26,108) | (27,912) |
| Quoted securities, at book value | <u>2,685</u> | <u>9,889</u> | <u>12,574</u> |
| Market value of quoted securities | <u>2,686</u> | <u>11,700</u> | <u>14,386</u> |

B8 Corporate Proposals

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.
- c) Proposed corporate exercises and public listing of TA Global Berhad ("TA Global")
- (i) Proposed disposals of investment in subsidiaries and a trust to TA Global

During the financial year ended 31 January 2009, TA Global, a wholly-owned subsidiary of the Company, had submitted the proposals below which were approved by the Securities Commission and other relevant authorities for:

- The Proposed Disposal of 10,000,000 ordinary shares of RM1.00 each and 689,489 non-cumulative redeemable preference shares ("NCRPS") of RM1.00 each in TA Properties Sdn. Bhd. ("TAP"), representing 100% of the existing issued and paid-up share capital of TAP from the Company to TA Global;
- The Proposed Disposal of 25,000 ordinary shares of RM1.00 each in Sanjung Padu (M) Sdn. Bhd. ("SP"), representing 49% equity interest in SP, from the Company to TA Global;
- The Proposed Disposal of 64,510,755 trust units in Wales House Trust ("WHT"), representing 50% equity interest in WHT, from the Company to TA Global;

- The Proposed Acquisition by the Company of 1 ordinary share of HK\$1.00 each and 2,881 NCRPS of HK\$1.00 each in Ace Fit International Limited ("Ace Fit"), representing 100% of the existing issued and paid-up share capital of Ace Fit from its present shareholder, TAP.

The above Proposed Intercompany Disposals/Acquisition are for a total consideration of RM1,725,781,814 to be satisfied by the issuances of 2,236,199,996 new ordinary shares of RM0.50 each in TA Global at an issue price of RM0.50 each to be credited as fully paid-up capital and 1,215,363,632 new irredeemable convertible preference shares of RM0.50 each ("ICPS") in TA Global at an issue price of RM0.50 each.

The above-mentioned Proposed Disposals to a subsidiary are subject to the approval of shareholders of the Company at a date to be determined.

(ii) Proposed disposals of properties to TA Global

During the financial year ended 31 January 2009, TA Global had submitted the proposal below which was approved by the Securities Commission and other relevant authorities, for the Proposed Purchase of Taman Duta Residences (Nos 28, 28A and 30, Persiaran Duta, Taman Duta), 2 pieces of leasehold land with residential house No. 30 situated on Lot 37717 (formerly PT22) HS(D) 63, Mukim and District of Kuala Lumpur and houses Nos 28 and 28A situated on Lot 37716 PN 10009, Mukim and District of Kuala Lumpur from the Company for a total consideration of RM26,900,000, to be satisfied by the issuance of 53,800,000 new ordinary shares at an issue price of RM0.50 each to be credited as fully paid-up share capital of TA Global. The abovementioned Proposed Disposal of Properties is subject to the approval of shareholders of the Company at a date to be determined.

(iii) Proposed rights issue and proposed revised rights issue of TA Global

During the financial year ended 31 January 2009, TA Global had obtained the approval of Securities Commission and other relevant authorities for the Proposed Rights Issue of 860,000,000 new ordinary shares of RM0.50 per share at an issue price of RM0.50 per ordinary share to the Company, being the sole shareholder of TA Global, on the basis of approximately 10 new ordinary shares for approximately every existing 27 ordinary shares held by the Company in TA Global after the Proposed Disposals (c)(i) and (ii) above, for a total cash consideration of RM430,000,000.

On 20 March 2009, TA Global revised the number of the Proposed Rights Issue downwards to 260,546,896 new ordinary shares of RM0.50 each and the basis of rights issue changed to 1 new ordinary share for approximately every 8.8 existing ordinary shares held in TA Global after the Proposed Disposals, which had been approved by the Securities Commission on 6 May 2009.

On 15 May 2009, TA Global further revised the number of Proposed Rights Issue to 269,974,638 new ordinary shares of RM0.50 each and the basis of rights issue changed to 1 new ordinary share for approximately every 8.48 existing ordinary shares held in TA Global after the Proposed Disposals, which is pending the approval of the Securities Commission. The Proposed Rights Issue is also subject to the approval of shareholders of the Company at a date to be determined.

(iv) Proposed public issue of TA Global that was subsequently cancelled

During the financial year ended 31 January 2009, TA Global had obtained the approval of Securities Commission for the Proposed Public Issue of 350,000,000 new ordinary shares of RM0.50 each or approximately 10% of its enlarged issued and paid-up share capital (after the Proposed IPO) of TA Global at an indicative IPO price of RM0.50 per ordinary share to Malaysian Public, Eligible Directors and Employees of the TA Global Group and TA Enterprise Berhad Group and/or Business Associates of the TA Global Group, Bumiputera Investors and Identified Investors, for a total cash consideration of RM175,000,000.

On 20 March 2009, TA Global revised the proposal by cancelling the Proposed Public Issue. The revision had been approved by the Securities Commission on 6 May 2009.

(v) Proposed capitalisation of intercompany balances and proposed revised capitalization of intercompany balances

On 20 March 2009, TA Global proposed for the capitalisation of an amount owing by TA Properties Sdn. Bhd. to TA Centre Berhad, amounting to RM224,727,000 via the issuance of 449,453,104 new TA Global ordinary shares of RM0.50 each to the Company. The proposal had been approved by the Securities Commission on 6 May 2009.

On 15 May 2009, TA Global further proposed for the capitalisation of an amount owing to the Company, amounting to RM295,286,129 via the issuance of 590,572,258 new TA Global ordinary shares of RM0.50 each to the Company, which is pending the approval of the Securities Commission.

Both the abovementioned Proposed Capitalisation of Intercompany Balances are subject to the approval of shareholders of the Company at a date to be determined.

(vi) Proposed offer for sale and proposed revised offer for sale of shares in TA Global

During the financial year ended 31 January 2009, the Company had obtained the approval of the Securities Commission for the Proposed Offer for Sale of 875,000,000 ordinary shares of RM0.50 each in TA Global, representing 30% of the enlarged issued and paid-up share capital of TA Global at an issue price of RM0.50 per share for a total cash consideration of RM437,500,000 to Bumiputera Investors approved by the Ministry of International Trade and Industry.

On 20 March 2009, TA Global revised the number of the Proposed Offer for Sale upwards to 900,000,000 ordinary shares of RM0.50 each, which represents 30% of the enlarged issued and paid-up share capital of TA Global. The revision had been approved by the Securities Commission on 6 May 2009.

On 15 May 2009, TA Global further revised the number of the Proposed Offer for Sale upwards to 1,090,000,000 ordinary shares of RM0.50 each, which represents 30% of the enlarged issued and paid-up share capital of TA Global, which is pending the approval of the Securities Commission. The Proposed Offer for Sale is also subject to the approval of shareholders of the Company at a date to be determined.

(vii) Proposed listing of and quotation for ordinary shares of TA Global

During the financial year ended 31 January 2009, TA Global had obtained the approval of the Securities Commission for the Proposed Listing of and Quotation for 3,500,000,000 ordinary shares of RM0.50 each in TA Global on the Main Market (formerly known as the Main Board) of Bursa Malaysia Securities Berhad at an Initial Offering Price of RM0.50 per share, subject to certain terms and conditions as specified by the Securities Commission.

On 20 March 2009, TA Global revised the number of ordinary shares of RM0.50 each downwards to 3,000,000,000 ordinary shares. The revision had been approved by the Securities Commission on 6 May 2009.

On 15 May 2009, TA Global further revised the number of ordinary shares of RM0.50 each upwards to 3,600,000,000 ordinary shares, which is pending the approval of the Securities Commission. The Proposed Offer for Sale is also subject to the approval of shareholders of the Company at a date to be determined.

(viii) Proposed distribution-in-specie of shares in TA Global

The Company had on 4 September 2008 announced the planned capital distribution of up to 1,425,791 of ordinary shares of TA Global, representing up to 40.7% equity interest in TA Global and all the ICPS of TA Global to shareholders of the Company, upon the completion of the corporate exercises stated in (c)(i) to (vii) above. The proposed distribution-in-specie will result in TA Global group being deconsolidated as subsidiaries of the Company and accounted for as associates of the Company.

The proposed capital distribution prior to the revision was to be carried out via:

- a reduction of the share capital of the Company from RM1.00 per share to RM0.50 per share amounting up to RM950,527,000;
- a reduction of share premium reserve of the Company by RM63,265,000; and
- a reduction in the retained earnings of the Company by an amount not exceeding RM187,676,000.

On 20 March 2009, the Company revised the proposal by replacing the capital reduction exercise with the distribution of shares of TA Global and ICPS of TA Global, as dividend-in-specie out from the Company's retained earnings account. The proposal had been approved by the Securities Commission on 6 May 2009.

On 15 May 2009, the Company revised the proposal, by revising the number of ordinary shares and ICPS of TA Global made available as dividend-in-specie out from the Company's retained earnings account to RM1,140,632,498 respectively. The revision is pending the approval of the Securities Commission. The proposed dividend-in-specie will also require the approval of shareholders of the Company at a date to be determined.

B9 Group Borrowings and Debt Securities

Total Group borrowings as at 30 April 2009 were as follows:-

| | Secured RM'000 | Unsecured RM'000 |
|---|-------------------|---------------------|
| <i>Long Term Borrowings</i> | | |
| Foreign currency loans | 229,240 | - |
| <i>Short Term Borrowings</i> | | |
| Foreign currency loan | 7,644 | - |
| Bank overdraft | - | 841 |
| Revolving credit | 50,000 | - |
| | <u>236,884</u> | <u>841</u> |
| Denomination of secured foreign currency loans: - | | |
| <i>Long Term Loans</i> | | |
| C\$ 36,551,795 | 108,596 | - |
| A\$ 46,500,000 | 120,644 | - |
| <i>Short Term Borrowings</i> | | |
| C\$ 2,572,754 | 7,644 | - |

The secured foreign currency loan denominated in C\$ 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.

The secured foreign currency loan denominated in A\$ of the Group is a 3-year Multi-Option (floating and/or fixed rate) Bill Facility which will mature on 28 February 2012. The loan is secured against a freehold hotel land and building in Australia.

B10 Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments as at 10 June 2009.

B11 Material Litigation

As at 10 June 2009, there were no changes in material litigation since the last annual balance sheet date of 31 January 2009.

B12 Dividend

On 15 May 2009, based on the recommendation of the Board of Directors, a final dividend of 4.5% less 25% taxation (3.375 sen net per ordinary share) in respect of the financial year ended 31 January 2009 was declared. The final dividend is subject to shareholders' approval at the forthcoming Annual General Meeting.

No further dividend is declared as at the date of this announcement other than as stated above.

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

| | INDIVIDUAL/ CUMULATIVE QUARTER | |
|--|---|--|
| | Current quarter/year to date 30 April 2009 | Preceding quarter/year corresponding period 30 April 2008 |
| Basic earnings per share | | |
| Profit for the period (RM'000) - attributable to equity holders | 30,457 | 28,736 |
| Weighted average number of ordinary shares in issue ('000) | 1,427,405 | 1,426,971 |
| Basic earnings per share (sen) | <u>2.13</u> | <u>2.01</u> |
| Diluted earnings per share | | |
| Profit for the period (RM'000) - attributable to equity holders | 30,457 | 28,736 |
| Weighted average number of ordinary shares in issue ('000) | 1,427,405 | 1,426,971 |
| Effects of dilution – Warrants 1999/2009 | - | 61,794 |
| Adjusted weighted average number of ordinary shares in issue and issuable | 1,427,405 | 1,488,765 |
| Diluted earnings per share (sen) | <u>2.13</u> | <u>1.93</u> |

For the purpose of calculating diluted earnings per share, the weighted average number of ordinary shares in issue during the corresponding period of preceding year had been adjusted for the dilutive effects of all potential ordinary shares resulting from conversion of Warrants 1999/2009.

As for the current financial period, 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
17 June 2009