

TA ENTERPRISE BERHAD (194867-M)

CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE FINANCIAL QUARTER ENDED 31 JULY 2009

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31-07-09	31-07-08	31-07-09	31-07-08
	RM'000	RM'000	RM'000	RM'000
Revenue	122,575	166,780	194,612	283,153
Other income	17,091	9,756	26,933	17,339
Other expenses	(93,617)	(110,133)	(133,689)	(193,995)
Profit from operations	46,049	66,403	87,856	106,497
Finance costs, net	(3,593)	(1,316)	(5,999)	(3,242)
Share of profits/(losses) of associated companies, net of tax	32	(50)	45	(29)
Profit before tax	42,488	65,037	81,902	103,226
Income tax expense	(10,591)	(15,445)	(19,617)	(24,775)
Profit for the period	31,897	49,592	62,285	78,451
Attributable to:				
Equity holders of the parent	31,850	49,566	62,307	78,302
Minority interests	47	26	(22)	149
	31,897	49,592	62,285	78,451
Earnings per share attributable to equity holders of the parent				
Basic (sen)	2.06	3.47	4.19	5.49
Fully diluted (sen)	2.04	3.47	4.19	5.37

AS AT END OF CURRENT QUARTER

AS AT PRECEDING FINANCIAL YEAR END

Net assets value per share (RM)

1.46

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 BALANCE SHEET

	AS AT END OF CURRENT QUARTER 31-07-09 RM'000	AS AT PRECEDING FINANCIAL YEAR END 31-01-09 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	998,218	546,045
Investment property	197,001	180,509
Land held for property development	428,193	427,883
Prepaid land lease payments	10,205	10,483
Intangible assets	70,428	110
Associated companies	15,102	15,056
Other investments	106,168	9,989
Deferred tax assets	11,015	6,910
	<u>1,836,330</u>	<u>1,196,985</u>
Current assets		
Property development costs	23,195	38,106
Properties & land held for resale	6,961	6,961
Inventories	1,293	463
Financial receivables	157,064	133,077
Trade receivables	744,911	348,690
Other receivables	156,057	174,559
Short term investments	3,814	2,757
Short term funds	780,992	767,582
	<u>1,874,287</u>	<u>1,472,195</u>
TOTAL ASSETS	<u>3,710,617</u>	<u>2,669,180</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	1,711,910	1,427,405
Reserves	788,097	637,748
	<u>2,500,007</u>	<u>2,065,153</u>
Minority interests	<u>9,498</u>	<u>9,091</u>
Total equity	<u>2,509,505</u>	<u>2,074,244</u>
Non-current liabilities		
Deferred tax liabilities	16,966	17,262
Term loan	252,389	109,480
	<u>269,355</u>	<u>126,742</u>
Current liabilities		
Provision for liabilities	1,538	1,171
Short term borrowings	21,919	7,481
Trade payables	759,203	338,437
Other payables	138,038	108,239
Income tax payable	11,059	12,866
	<u>931,757</u>	<u>468,194</u>
Total liabilities	<u>1,201,112</u>	<u>594,936</u>
TOTAL EQUITY AND LIABILITIES	<u>3,710,617</u>	<u>2,669,180</u>
Net assets value per share (RM)	<u>1.46</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 STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL QUARTER ENDED 31 JULY 2009**

	Attributable to Equity Holders of the Parent						Distributable	Minority Interests	Total Equity	
	Non-distributable			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 31 July 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	-	-	-	-	61,262	26,780	-	88,042	429	88,471
Profit/(loss) for the period	-	-	-	-	-	-	62,307	62,307	(22)	62,285
Issuance of ordinary shares pursuant to exercise of Warrants 1999/2009	284,505	-	-	-	-	-	-	284,505	-	284,505
At 31 July 2009	<u>1,711,910</u>	<u>63,208</u>	<u>10,324</u>	<u>290</u>	<u>92,949</u>	<u>70,169</u>	<u>551,157</u>	<u>2,500,007</u>	<u>9,498</u>	<u>2,509,505</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 31 JULY 2009**

	6 months ended	
	31-07-09 RM'000	31-07-08 RM'000
Operating Activities		
Profit before tax	81,902	103,226
Adjustments for:		
Non-cash items	63,674	20,676
Non-operating items	(9,153)	(8,316)
Operating profit before changes in working capital	136,423	115,586
Net change in assets	(306,563)	196,814
Net change in liabilities	450,565	(215,300)
Cash generated from operations	280,425	97,100
Interest (paid)/received	10	(44)
Taxes (paid)/refunded	(26,284)	24,606
Net cash generated from operating activities	254,151	121,662
Investing Activities		
Equity investments	(82,267)	(48,318)
Non-equity investments	(527,014)	(6,139)
Net cash used in investing activities	(609,281)	(54,457)
Financing Activities		
Equity financing and borrowings	423,519	(963)
Increase in pledged deposits for financing facilities	(8,662)	-
Net cash generated from/(used in) financing activities	414,857	(963)
Net increase in Cash & Cash Equivalents during the period	59,727	66,242
Cash & Cash Equivalents at beginning of year		
As previously reported	397,522	379,358
Effects of exchange rate changes	4,980	5,523
As restated	402,502	384,881
Cash & Cash Equivalents at end of current period which exclude monies held in trust, Housing Developer Accounts and fixed deposits pledged to financial institutions	462,230	451,123

(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 31 July 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 except for the following:

Warrants 1999/2009

During the financial quarter ended 31 July 2009, the Company issued 284,504,792 new shares (current year to date: 284,504,792 shares) for the cash consideration of RM1 per new ordinary share pursuant to the exercise of 284,504,792 warrants (current year to date: 284,504,792 warrants) by the warrant holders. The warrants expired on 24 June 2009. All warrants not exercised as at the expiry date had lapsed, became null and void and ceased to be exercisable.

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	65,275	3,299	2,040	26,366	44,478	53,154	-	194,612
Inter-segment sales	-	5,879	-	15,863	-	-	(21,742)	-
Total revenue	65,275	9,178	2,040	42,229	44,478	53,154	(21,742)	194,612
Other income	19,570	3,725	813	1,587	88	1,150	-	26,933
Results								
Operating results	33,064	70,333	7,723	14,643	23,458	4,629	-	153,850
Elimination	3,723	(65,800)	6	(5,480)	(1,222)	-	-	(68,773)
Net segment results	36,787	4,533	7,729	9,163	22,236	4,629	-	85,077
Foreign exchange gains	291	5,481	-	3	-	10	-	5,785
Unallocated costs								(3,006)
Profit from operations								87,856
Finance costs, net								(5,999)
Share of results of associated companies, net of tax		23		22				45
Profit before tax								81,902
Income tax expense								(19,617)
Profit for the year								62,285
Attributable to:								
Equity holders of the parent								62,307
Minority Interests								(22)
								62,285

A10 Subsequent Events

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

(a) Acquisition of Quayside Gem Limited

On 24 August 2009, the Company entered into a Sale and Purchase Agreement with LaSalle Asia Opportunity II SARL of Centre Place de Paris, 41 Avenue de la Liberte, Luxemburg, L-1931, Luxembourg to purchase the entire issued shares of Quayside Gem Limited (“QGL”), a company incorporated in Mauritius, comprising 50,569,495 ordinary shares of US\$1.00 each for a cash consideration based on an aggregate sum of S\$260,042,883 with S\$250,000,000 being the agreed value for the Property plus the Adjusted Consideration of S\$10,042,883 as at 31 July 2009. The aggregate purchase sum of S\$260,042,883 is equivalent to RM635,804,858.94 at current exchange rate of RM2.445 to S\$1.00.

QGL owns 100% of the equity of Merchant Quay Pte. Ltd. (“MQPL”), a Singapore company comprising of 52,899,332 ordinary shares of S\$1.00 each. MQPL is the registered owner of the Hotel and Business of Swissotel Merchant Court Singapore.

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

a) Acquisition of Flamingo Projects Sdn Bhd

On 28 May 2009, the Company 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. Flamingo will be the registered owner of a four storey commercial building bearing postal address Wisma Dijaya, No.1A, Jalan SS20/1, Damansara Utama, 46400 Petaling Jaya, Selangor.

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 31 July 2009 is as follow:

	RM'000
Approved and contracted for:	
- Computer software	713
- Property, plant and equipment (Renovation)	366
Approved but not contracted for:	
- Property, plant and equipment (Hotel) *	624,294
	<hr/>
	625,373

* This proposed acquisition, as announced on 24 August 2009, is still pending the approval of the shareholders of the Company at an Extraordinary General Meeting to be convened at a date to be determined.

B1 Review of Performance of the Company and its Principal Subsidiaries

The Group reported a pre-tax profit of RM42.5million and a consolidated revenue of RM122.6million for the current second quarter, compared to pre-tax profit of RM65.0million and consolidated revenue of RM166.8million respectively achieved in the previous year's corresponding period. Although brokerage income and gain on disposal of investments were higher in the current quarter, the Group recorded a drop in revenue made in property development as compared to previous year's corresponding period. The reduction in pre-tax profit in the current quarter was also cushioned by write-back of provision for doubtful debts and impairment losses on investments.

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

	Second Quarter	
	Current Year 31 July 2009 RM'000	Preceding Year 31 July 2008 RM'000
Revenue	122,575	166,780
Other income		
- Write-back of provision on financial receivables	10	5
- Interest income from financial institutions	2,222	5,754
- Other interest income	803	1,094
- Accretion on discounts of investments	-	1,756
- Gain on disposal of short term and other investments	11,450	634
- Others	2,606	513
	17,091	9,756
Other expenses		
- Amortisation and depreciation	(10,791)	(9,186)
- Cost of properties sold	(13,798)	(46,159)
- Contract cost	(1,781)	(3,497)
- Remisiers', agents' and futures brokers' commissions	(13,375)	(5,419)
- Hotel operational expenses (include hotel personnel cost)	(34,271)	(15,354)
- Personnel and others	(27,770)	(17,044)
- Write-back/(Provision) for doubtful debts	4,272	(2,156)
- Write-back/(Provision) for impairment loss on investments	4,451	(10,953)
- Provision for impairment loss on properties	-	(2,992)
- Foreign exchange gain/(loss)	(554)	2,627
	(93,617)	(110,133)
Finance costs, net	(3,593)	(1,316)
Share of results of associated companies, net of tax	32	(50)
Profit before tax	42,488	65,037

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 69% 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 RM42.5 million in the current second quarter as compared with a pre-tax profit of RM39.4 million in the preceding first quarter. The increase in the Group's profit was mainly attributable to the higher income from stockbroking arm, in line with the improvement in performance of the financial markets in Malaysia and Hong Kong.

B3 Prospects for the current financial year

Since last quarter, the economy and business sentiments have improved. The Group has recovered some of the impairment losses previously made on its investment and financial receivables. The Group's stockbroking division has also performed better this quarter.

Barring unforeseen circumstances, the Group expects to perform well 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 RM'000	Year to date RM'000
Estimated tax charge for the period		
Malaysian income tax	10,466	19,036
Foreign tax	191	810
Deferred tax	(66)	(190)
(Over)provision in prior year	-	(39)
	<hr/> 10,591	<hr/> 19,617

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

	Current Quarter RM'000	Year to date RM'000
Profit before taxation	<hr/> 42,488	<hr/> 81,902
Taxation at the statutory income tax rate of 25%	10,622	20,476
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	(31)	(820)
(Over)provision in prior year	-	(39)
Tax expense for the financial period	<hr/> 10,591	<hr/> 19,617

B6 Sale of Unquoted Investments and/or Properties

There were no sale of unquoted investments and properties during the financial period ended 31 July 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 RM'000	Year to date RM'000
Total purchases	90,000	90,156
Total sales	3,652	8,820
Loss on sale of quoted securities	71	112

b) Total investments in quoted securities held by the Group as at 31 July 2009 are as follows:-

	Local Stockbroking Subsidiary RM'000	Others RM'000	Total RM'000
Quoted securities, at cost	4,333	125,651	129,984
Less : Provision for impairment losses	(1,029)	(22,222)	(23,251)
Quoted securities, at book value	<u>3,304</u>	<u>103,429</u>	<u>106,733</u>
Market value of quoted securities	<u>3,305</u>	<u>105,377</u>	<u>108,682</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) 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.
- b) 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.

Except for the disposal of trust units in WHT, all other proposed disposals are still pending for completion as at the date of this quarterly report.

(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 approved by the Ministry of International Trade and Industry Malaysia (“MITI”) on 24 August 2009 was 460,000,000 TA Global’s ordinary shares of RM0.50 each or approximately 12.78% of the total issued and paid-up share capital of TA Global, to be allocated as follows:-

- Up to 90,000,000 Offer Shares, representing approximately 2.5% of TA Global's enlarged issued and paid up share capital, to Malaysian Bumiputera Public;
- Up to 360,000,000 Offer Shares, representing approximately 10.0% of TA Global's enlarged issued and paid up share capital, to MITI approved Bumiputera institutions and investors; and
- Up to 10,000,000 Offer Shares, representing approximately 0.28% of the enlarged issued and paid up share capital of TA Global, to eligible Directors and Employees of the Group and TAE Group and/or Business Associates of the Group.

(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.

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

In the AGM held on 31 July 2009, the shareholders of the Company approved the establishment of 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. As at 21 September 2009, no option has been granted to the employees.

B9 Group Borrowings and Debt Securities

Total Group borrowings as at 31 July 2009 were as follows:-

	Secured RM'000	Unsecured RM'000
<i>Long Term Borrowings</i>		
Foreign currency loans	252,389	-
<i>Short Term Borrowings</i>		
Foreign currency loan	20,725	-
Bank overdraft	-	1,194
	<u>273,114</u>	<u>1,194</u>
Denomination of secured foreign currency loans: -		
<i>Long Term Loans</i>		
C\$ 35,889,351	116,981	-
A\$ 46,500,000	135,408	-
<i>Short Term Borrowings</i>		
C\$ 2,603,381	8,486	-
S\$ 5,000,000	12,239	-

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.

The secured foreign currency loan denominated in S\$ of the Group, which will mature on 27 August 2009, is secured by way of deposit pledged to financial institution, at interest rate of 0.78% per annum.

B10 Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments as at 21 September 2009.

B11 Material Litigation

As at 21 September 2009, there were no changes in material litigation since the last annual balance sheet date of 31 January 2009.

B12 Dividend

Dividends paid on 3 September 2009 were approved by the shareholders at the Company's Annual General Meeting on 31 July 2009, in respect of the year ended 31 January 2009 being final dividend of 4.5% less 25% taxation (3.375 sen net per ordinary share), on 1,711,909,630 ordinary shares, amounting to RM57,776,935.

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 QUARTER		CUMULATIVE QUARTER	
	Current year quarter 31 July 2009	Preceding year corresponding quarter 31 July 2008	Current year to date 31 July 2009	Preceding year corresponding period 31 July 2008
Basic earnings per share				
Profit for the period (RM'000) - attributable to equity holders	31,850	49,566	62,307	78,302
Weighted average number of ordinary shares in issue ('000)	1,543,542	1,427,255	1,486,436	1,427,114
Basic earnings per share (sen)	<u>2.06</u>	<u>3.47</u>	<u>4.19</u>	<u>5.49</u>
Diluted earnings per share				
Profit for the period (RM'000) - attributable to equity holders	31,850	49,566	62,307	78,302
Weighted average number of ordinary shares in issue ('000)	1,543,542	1,427,255	1,486,436	1,427,114
Effects of dilution – Warrants 1999/2009	19,123	911	634	31,353
Adjusted weighted average number of ordinary shares in issue and issuable	1,562,665	1,428,166	1,487,070	1,458,467
Diluted earnings per share (sen)	<u>2.04</u>	<u>3.47</u>	<u>4.19</u>	<u>5.37</u>

For the purpose of calculating diluted earnings per share for the current and corresponding financial period, 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.

BY ORDER OF THE BOARD
Yong Kim Kiong

Kuala Lumpur
28 September 2009