

**TA ENTERPRISE BERHAD (194867-M)**
**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 OCTOBER 2010**

	AS AT END OF CURRENT QUARTER 31/10/2010 RM'000	AS AT PRECEDING FINANCIAL YEAR END 31/01/2010 RM'000 (Restated)	AS AT BEGINNING OF PRECEDING FINANCIAL YEAR END 31/01/2009 RM'000 (Restated)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	1,713,222	1,750,020	556,287
Investment property	186,271	190,955	180,509
Land held for property development	432,076	428,938	427,883
Prepaid land lease payments	229	234	241
Intangible assets	284,493	264,467	110
Associated companies	14,999	15,013	15,056
Jointly controlled operations	46,951	37,199	-
Investments available-for-sale	23,315	21,592	9,989
Financial receivables	1,218	-	-
Deferred tax assets	7,262	7,624	6,910
	<u>2,710,036</u>	<u>2,716,042</u>	<u>1,196,985</u>
<b>Current assets</b>			
Property development costs	13,740	18,575	38,106
Properties & land held for resale	24,406	29,352	6,961
Inventories	2,030	1,721	463
Financial receivables	164,646	190,500	133,077
Trade receivables	685,652	656,995	348,690
Other receivables	98,217	117,779	174,559
Investments held-for-trading	6,429	3,288	2,757
Short term funds	601,080	611,326	767,582
	<u>1,596,200</u>	<u>1,629,536</u>	<u>1,472,195</u>
Assets classified as held for sale	10	-	-
	<u>1,596,210</u>	<u>1,629,536</u>	<u>1,472,195</u>
<b>TOTAL ASSETS</b>	<u>4,306,246</u>	<u>4,345,578</u>	<u>2,669,180</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to equity holders of the Company</b>			
Share capital	1,711,910	1,711,910	1,427,405
Reserves	(246,020)	(178,599)	637,748
	<u>1,465,890</u>	<u>1,533,311</u>	<u>2,065,153</u>
<b>Minority interests</b>	<u>1,169,670</u>	<u>1,085,744</u>	<u>9,091</u>
<b>TOTAL EQUITY</b>	<u>2,635,560</u>	<u>2,619,055</u>	<u>2,074,244</u>
<b>Non-current liabilities</b>			
Deferred tax liabilities	212,697	216,752	17,262
Term loans	599,243	624,726	109,480
	<u>811,940</u>	<u>841,478</u>	<u>126,742</u>
<b>Current liabilities</b>			
Provision for liabilities	-	1,676	1,171
Short term borrowings	65,451	78,073	7,481
Trade payables	642,123	633,098	338,437
Other payables	148,736	166,315	108,239
Income tax payable	2,436	5,883	12,866
	<u>858,746</u>	<u>885,045</u>	<u>468,194</u>
<b>TOTAL LIABILITIES</b>	<u>1,670,686</u>	<u>1,726,523</u>	<u>594,936</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>4,306,246</u>	<u>4,345,578</u>	<u>2,669,180</u>
Net assets value per share (RM)	<u>0.86</u>	<u>0.90</u>	<u>1.45</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 January 2010)



**TA ENTERPRISE BERHAD (194867-M)**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL QUARTER ENDED 31 OCTOBER 2010**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31/10/2010	31/10/2009	31/10/2010	31/10/2009
	RM'000	RM'000	RM'000	RM'000
<b>Profit for the period</b>	26,371	17,672	67,367	79,957
<b>Other comprehensive income/(loss):</b>				
Foreign currency translation differences for foreign operation	43,846	143,085	(22,185)	168,892
Net gain on fair value changes on available-for-sale financial assets	2,012	-	448	-
Income tax relating to components of other comprehensive income	(532)	-	(285)	-
<b>Other comprehensive income/(loss) for the period, net of tax</b>	<u>45,326</u>	<u>143,085</u>	<u>(22,022)</u>	<u>168,892</u>
<b>Total comprehensive income for the period</b>	<u>71,697</u>	<u>160,757</u>	<u>45,345</u>	<u>248,849</u>
Total comprehensive income attributable to:				
Equity holders of the parent	49,992	160,230	32,162	248,201
Minority interests	21,705	527	13,183	648
	<u>71,697</u>	<u>160,757</u>	<u>45,345</u>	<u>248,849</u>

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 January 2010)

**TA ENTERPRISE BERHAD (194867-M)**
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL QUARTER ENDED 31 OCTOBER 2010**

	Attributable to equity holders of the parent							Distributable		Minority interests	Total Equity
	Non-distributable							Total			
	Share capital	Share premium	Capital reserve	General reserve	Available-for-sale reserve	Translation reserve	Exchange difference recognised in equity	Retained profits/ (accumulated losses)			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 February 2009</b>	1,427,405	63,208	10,324	290	-	31,687	43,389	488,850	2,065,153	9,091	2,074,244
Total comprehensive income for the period	-	-	-	-	-	76,143	92,166	79,892	248,201	648	248,849
Dividend	-	-	-	-	-	-	-	(57,777)	(57,777)	-	(57,777)
Issuance of ordinary shares pursuant to exercise of Warrants 1999/2009	284,505	-	-	-	-	-	-	-	284,505	-	284,505
<b>At 31 October 2009</b>	<b>1,711,910</b>	<b>63,208</b>	<b>10,324</b>	<b>290</b>	<b>-</b>	<b>107,830</b>	<b>135,555</b>	<b>510,965</b>	<b>2,540,082</b>	<b>9,739</b>	<b>2,549,821</b>
<b>At 1 February 2010, as previously reported</b>	<b>1,711,910</b>	<b>63,208</b>	<b>10,324</b>	<b>290</b>	<b>-</b>	<b>186,070</b>	<b>62,555</b>	<b>(501,046)</b>	<b>1,533,311</b>	<b>1,085,744</b>	<b>2,619,055</b>
Effects of adopting FRS 139 (Note A2)	-	-	-	-	1,629	-	-	3,191	4,820	73	4,893
<b>At 1 February 2010, as restated</b>	<b>1,711,910</b>	<b>63,208</b>	<b>10,324</b>	<b>290</b>	<b>1,629</b>	<b>186,070</b>	<b>62,555</b>	<b>(497,855)</b>	<b>1,538,131</b>	<b>1,085,817</b>	<b>2,623,948</b>
Total comprehensive income for the period	-	-	-	-	(33)	27,411	(44,321)	49,105	32,162	13,183	45,345
Dividend	-	-	-	-	-	-	-	(32,098)	(32,098)	-	(32,098)
Dividend to minority interests	-	-	-	-	-	-	-	-	-	(1,635)	(1,635)
Effect of dilution in effective interests in subsidiaries that does not result in a loss of control	-	-	(57)	-	-	(29,376)	-	(42,872)	(72,305)	72,305	-
<b>At 31 October 2010</b>	<b>1,711,910</b>	<b>63,208</b>	<b>10,267</b>	<b>290</b>	<b>1,596</b>	<b>184,105</b>	<b>18,234</b>	<b>(523,720)</b>	<b>1,465,890</b>	<b>1,169,670</b>	<b>2,635,560</b>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 January 2010)

**TA ENTERPRISE BERHAD (194867-M)**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL QUARTER ENDED 31 OCTOBER 2010**

	9 months ended	
	31/10/2010 RM'000	31/10/2009 RM'000
<b>Operating Activities</b>		
Profit before tax	85,688	105,156
Adjustments for:		
Non-cash items	23,495	64,571
Non-operating items	(3,780)	(12,351)
Operating profit before changes in working capital	<u>105,403</u>	<u>157,376</u>
Net change in assets	(44,729)	(140,697)
Net change in liabilities	(10,230)	282,786
Cash generated from operations	<u>50,444</u>	<u>299,465</u>
Interest (paid)/received	(6,825)	(1,623)
Taxes paid	(21,326)	(34,797)
Net cash generated from operating activities	<u>22,293</u>	<u>263,045</u>
<b>Investing Activities</b>		
Equity investments	5,635	14,103
Non-equity investments	(13,456)	(608,638)
Net cash used in investing activities	<u>(7,820)</u>	<u>(594,535)</u>
<b>Financing Activities</b>		
Transactions with shareholders (see Note)	(32,098)	(57,777)
Equity financing and borrowings	(42,266)	620,622
Decrease/(Increase) in pledged deposits for financing facilities	1,801	(1,165)
Net cash (used in)/generated from financing activities	<u>(72,563)</u>	<u>561,680</u>
Net (decrease)/increase in Cash & Cash Equivalents during the period	(58,090)	230,190
Cash & Cash Equivalents at beginning of year		
As previously reported	337,066	397,522
Effects of exchange rate changes	(5,610)	3,311
As restated	331,456	400,833
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>273,365</u>	<u>631,023</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 January 2010)

Note: Dividends paid to shareholders

# TA ENTERPRISE BERHAD (194867-M)

## Quarterly Report for the Period Ended 31 October 2010

Notes (in compliance with FRS 134)

### A1 Basis of Preparation

The quarterly financial statements are 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 statements should be read in conjunction with the Group's audited financial statements for the year ended 31 January 2010.

### 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 2010, except for the adoption of the following new and revised Financial Reporting Standards (FRSs), Amendments to FRSs and IC interpretations.

		<b>Effective for financial periods beginning on or after</b>
FRS 4	Insurance Contracts	1 January 2010
FRS 7	Financial Instruments: Disclosures	1 January 2010
FRS 8	Operating Segments	1 July 2009
FRS 101	Presentation of Financial Statements (revised)	1 January 2010
FRS 123	Borrowing Costs	1 January 2010
FRS 139	Financial Instruments: Recognition and Measurement	1 January 2010
Amendments to FRS 1 and FRS 127	First-time Adoption of Financial Reporting Standards and Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	1 January 2010
Amendments to FRS 2	Share-based Payment: Vesting Conditions and Cancellations	1 January 2010
Amendments to FRS 117	Leases	1 January 2010
Amendments to FRS 132	Financial Instruments: Presentation	1 January 2010
Amendments to FRS 139, FRS 7 and IC Interpretation 9	Financial Instruments: Recognition and Measurement, Disclosures and Reassessment of Embedded Derivatives	1 January 2010
Improvements to FRSs	Improvements to FRSs (2009)	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
TR I - 3	Presentation of Financial Statements of Islamic Financial Institutions	1 January 2010

Other than for the application of FRS 8, FRS 101, Amendments to FRS 117 and FRS 139, the application of the above FRSs, Amendments to FRSs and IC Interpretations did not result in any significant changes in the accounting policies and presentation of the financial results of the Group.

**(a) FRS 8: Operating Segments**

FRS 8 requires identification and reporting of operating segments based on internal reports that are regularly reviewed by the entity's chief operating decision maker in order to allocate resources to the segment and to assess its performance.

The Group presents its segment information based on its business segments for its internal reporting purposes and the format, the basis of measurement of segment results, segment assets and segment liabilities are the same as that for external reporting purposes.

As this is a disclosure standard, there is no impact on the financial position or financial performance of the Group.

**(b) FRS 101: Presentation of Financial Statements (revised)**

The revised FRS 101 separates owner and non-owner changes in equity. Therefore, the consolidated statement of changes in equity will now only include details of transactions with owners. All non-owner changes in equity are presented as a single line labelled as total comprehensive income.

The standard also introduces the statement of comprehensive income; presenting all items of income and expense recognised in the income statement, together with all other items of recognised income and expense, either in one single statement, or in two linked statements. The Group has elected to present in two linked statements. In addition, the adoption of the standard has resulted in consolidated balance sheet now renamed as consolidated statement of financial position.

There is no impact on the results of the Group since these changes affects only the presentation of items of income and expenses.

**(c) Amendments to FRS 117: Leases 'Improvements to FRSs (2009)'**

The Amendment clarifies the classification of leases of land and requires entities with leases of land to reassess the classification of leasehold land as finance lease or operating lease based on the extent of risks and rewards associated with the land. Leasehold land which in substance is a finance lease will be reclassified to property, plant and equipment. The adoption of this Amendment has resulted in a change in accounting policy which is applied retrospectively in accordance with the transitional provisions.

The effects of the reclassification on the consolidated statement of financial position as at 31 January 2010 are as follows:-

	Consolidated Balance Sheet (as previously reported) RM'000	Effects of adoption of Amendment to FRS 117 RM'000	Consolidated Statement of Financial Position (as restated) RM'000
Property, plant and equipment	1,378,869	371,151	1,750,020
Prepaid land lease payments	371,385	(371,151)	234

#### **(d) FRS 139: Financial Instruments – Recognition and Measurement**

FRS 139 sets out the new requirements for the recognition and measurement of the Group's financial instruments. Financial instruments are recorded initially at fair value. Subsequent measurement of the financial instruments at the reporting date reflects the designation of the financial instruments.

##### Financial assets

Financial assets are classified as financial assets at fair value through profit or loss, loans and receivables, held to maturity investments, available-for-sale ("AFS") financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

The Group's financial assets include short term funds, financial, trade and other receivables, investments available-for-sale and investments held-for-trading.

##### i) Financial, trade and other receivables

Prior to the adoption of FRS 139, financial, trade and other receivables were stated at gross receivables less provision for doubtful debts. Under FRS 139, these receivables are initially measured at fair value plus transaction costs and subsequently at amortised cost using effective interest rate (EIR) method. Gains and losses arising from the derecognition of the receivables, EIR amortisation and impairment losses are recognised in the income statements.

##### ii) Investments available-for-sale

Prior to the adoption of FRS 139, non-current investments were accounted for at cost adjusted for amortisation of premium and accretion of discount less impairment or at the lower of cost and market value. Under FRS 139, investments available-for-sale are measured at fair value plus transaction costs initially and subsequently, at fair value. Equity investments that do not have a quoted market price in an active market and whose fair value cannot be reliably measured are measured at cost. Changes in fair values of equity investment of which fair value can be reliably measured are recognised in other comprehensive income, together with the related currency translation differences, until the investments are disposed of or until the investments are determined to be impaired, at which time the cumulative gain or loss previously reported in other comprehensive income are included in the income statement.

Investment in available-for-sale debt securities are initially measured at fair value plus transaction costs and subsequently at amortised cost using EIR method. Gains and losses arising from the derecognition of the investment, EIR amortisation and impairment losses are recognised in the income statement.

##### iii) Investments held-for-trading

Prior to the adoption of FRS 139, quoted securities intended for short term investments were accounted for at cost less impairment or at the lower of cost and market value. Under FRS 139, all short term quoted investments with fair valuation readily available were marked to market, using the latest market bid price. Changes in fair values are recognised in the income statements.



### Financial liabilities

Financial liabilities are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

The Group's financial liabilities include trade and other payables and borrowings. Under FRS 139, these financial liabilities are to be carried at amortised cost using EIR method.

### Financial Impact

In accordance with the transitional provisions for first time adoption of FRS 139, the above changes are applied prospectively and the comparatives as at 31 January 2010 are not restated. Instead, the changes have been accounted for by restating the following opening balances in the statement of financial position as at 1 February 2010.

	<b>As Previously reported RM'000</b>	<b>Effects of adoption of FRS 139 RM'000</b>	<b>As restated RM'000</b>
Investments available-for-sale	-	23,590	23,590
Investments held-for-trading	-	6,310	6,310
Other investments	21,592	(21,592)	-
Short term investments	3,288	(3,288)	-
Financial receivables	190,500	243	190,743
Deferred tax liabilities	216,752	369	217,121
Accumulated losses	(501,046)	3,191	(497,855)
Available-for-sale reserve	-	1,629	1,629
Minority interests	1,085,744	73	1,085,817

In addition, these changes in accounting policies have the effect of decreasing the profit before tax for the current quarter and year-to-date by RM0.4million and RM4.1million respectively, as stated below:-

	<b>Current quarter RM'000</b>	<b>Year to date RM'000</b>
Gain/(loss) arising from financial receivables	49	(2,672)
Loss arising from investments held-for-trading	(419)	(1,454)
<b>Net loss</b>	<b>(370)</b>	<b>(4,126)</b>

### **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.

**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 dividend has been paid during 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
<b>Revenue</b>								
External sales	88,216	7,448	1,778	50,022	60,590	231,142	-	439,196
Inter-segment sales	(14)	39,682	243	24,462	37	91,111	(155,521)	-
Total revenue	88,202	47,130	2,021	74,484	60,627	322,253	(155,521)	439,196
<b>Other income</b>								
	16,211	4,548	2,027	2,058	201	4,793	-	29,838
<b>Results</b>								
Operating results	23,902	39,359	823	22,521	25,315	128,172	-	240,092
Elimination	7,848	(36,155)	(581)	(6,821)	(1,571)	(87,120)	-	(124,400)
Net segment results	31,750	3,204	242	15,700	23,744	41,052	-	115,692
Foreign exchange (losses)/gains	2,178	(10,189)	-	520	-	3,301	-	(4,190)
Unallocated costs								(8,819)
Profit from operations								102,683
Finance costs	(56)	(6,315)	-	(4,010)	-	(6,600)	-	(16,981)
Share of results of associated companies, net of tax	-	-	-	(14)	-	-	-	(14)
Profit before tax								85,688
Income tax expense								(18,321)
Profit for the year								67,367
<b>Attributable to:</b>								
Equity holders of the Parent								49,105
Minority Interests								18,262
								67,367

## A10 Subsequent Events

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

- On 8 November 2010, TA Global Berhad had acquired the entire issued shares of Quaywest Limited (“QW”), a company incorporated in Mauritius, comprising 100 ordinary shares of USD\$ 1.00 each for cash consideration of USD\$ 100.00. The principal activity of QW is investment holding.
- On 1 December 2010, QW had acquired the entire issued shares of Merchant Court Pte Ltd (“MC”), a company incorporated in Singapore, comprising 1 ordinary share of S\$ 1.00 each for cash consideration of S\$ 1.00. The principal activity of MC is operating hotel with restaurant.

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

- (a) On 17 August 2010, the Company had completed the disposal of 50,569,495 ordinary shares of USD\$ 1.00 each in Quayside Gem Limited (“QGL”) representing 100% of the issued shares of QGL to TA Global Berhad. QGL holds 100% in Merchant Quay Pte Ltd, a Singapore incorporated company, which operates hotel operation of Swissotel Merchant Court Hotel in Singapore.

The intra-group disposal in the consideration of RM 651,831,492 was settled by issuance of 560,360,000 ordinary shares of RM0.50 each of TA Global Berhad, assignment of banking loan and certain inter company loans.

The above exercise will have no material financial and operation effect on the Group except for dilution of earning of 26.6% to minority interest in future.

- (b) TA Global Berhad had acquired 2 ordinary shares of AUD\$ 1.00 each representing 100% equity interest in TA Global Development Pty Ltd (“TAGD”), an Australian subsidiary, for a total cash consideration of AUD\$ 2.00 on 13 September 2010. The principal activity of TAGD is property development management.

As TAGD is inactive, it will have no material financial and operational effect on the Group.

## 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 October 2010 is as follow:

	<b>RM'000</b>
<b>Approved and contracted for:</b>	
- Computer software	713
- Property sponsorship/alliance arrangement in Australia	148,260
	<hr/>
	148,973
	<hr/>

## B1 Review of Performance of the Company and its Principal Subsidiaries

The Group reported a pre-tax profit of RM36.5million and a consolidated revenue of RM153.2million for the current third quarter, compared to pre-tax profit of RM23.3million and consolidated revenue of RM118.2million respectively achieved in the previous year's corresponding period. The Group recorded higher revenue and pre-tax profit in current quarter mainly due to higher contribution from TA Global Group as compared to the previous year's corresponding period. The contribution from the TA Global Group was higher because the Group had higher number of hotels in operation subsequent to the Group's hotel acquisition exercises.

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

	Current Quarter 31 October 2010 <b>RM'000</b>	Year To Date 31 October 2010 <b>RM'000</b>
Revenue	153,294	439,196
Other income		
- Write-back of provision for financial receivables	(117)	-
- Interest income from financial institutions	1,432	5,138
- Other interest income	3,359	3,619
- Gain on disposal of short term and other investments	5,538	10,071
- Rental income	1,505	3,455
- Others	3,316	7,555
	15,033	29,838
Other expenses		
- Amortisation and depreciation	(16,267)	(49,802)
- Cost of properties sold	(11,702)	(33,537)
- Contract cost	-	(3)
- Remisiers', agents' and futures brokers' commissions	(7,684)	(20,310)
- Hotel operational expenses (include hotel personnel cost)	(61,155)	(162,822)
- Personnel and others	(26,469)	(85,533)
- Fair value loss on revaluation of investments	(986)	(1,454)
- Provision for impairment loss on receivables	(2,732)	(8,700)
- Foreign exchange gain/(loss)	1,285	(4,190)
	(125,710)	(366,351)
Finance costs, net	(6,118)	(16,981)
Share of results of associated companies, net of tax	(42)	(14)
Profit before tax	36,457	85,688

Profit in the current financial period to date was contributed by the business segments of stockbroking and property activities of TA Global Group. TA Global Group's hotel operation was the main contributor to the Group's profit, leading at approximately 35% of the Group's pre-tax 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 RM36.5 million in the current third quarter as compared with a pre-tax profit of RM12.1 million in the preceding second quarter. The increase in the Group's profit was mainly due to the increase in contribution from hotel and stockbroking operations as well as the higher foreign exchange translation gain.

## **B3 Prospects for the current financial year**

The domestic economy has shown resilience for the past few months and the level of domestic consumer spending has been encouraging. The confidence of the market could be seen in the recent gradual climb of the Malaysia Ringgit and KLCI. This has prompted the Malaysia Institute of Economic Research to recently revise its forecast on the growth percentage of 2010 Gross Domestic Product ("GDP") upward to 6.5% recently. The average volume traded in the Bursa has been on an uptrend since this February, except for the down trend in the month of May and June due to the World Cup. The strong interest in Malaysian equity market is expected to prevail for the rest of this financial year due to the country's strong economic fundamentals and ample liquidity in the system.

TA Global Group will benefit from the improved property markets in the local and overseas countries where the Group has investment in. The Group is however concerned about the European sovereign debts and the tightening economic measures undertaken by the Chinese Government.

Barring unforeseen circumstances, the Group expects to perform satisfactorily for the current financial year ending 31 January 2011.

## **B4 Variance between Actual Profit and Forecast Profit**

Not applicable.

## **B5 Taxation**

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

	Current quarter <b>RM'000</b>	Year to date <b>RM'000</b>
Estimated tax charge for the period		
Malaysian income tax	10,713	20,616
Foreign tax	977	2,810
Deferred tax	(1,604)	(3,663)
Over-provision in prior year	-	(1,442)
	10,086	18,321

**B5 Taxation (Cont'd.)**

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

	Current quarter <b>RM'000</b>	Year to date <b>RM'000</b>
Profit before taxation	36,457	85,688
Taxation at the statutory income tax rate of 25%	9,114	21,422
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	972	(1,659)
Over-provision in prior year	-	(1,442)
Tax expense for the financial period	10,086	18,321

**B6 Sale of Unquoted Investments and/or Properties**

There were no sale of unquoted investments and properties during the financial period ended 31 October 2010.

**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 <b>RM'000</b>	Year to date <b>RM'000</b>
Total purchases	290	290
Total sales	2,002	12,306
(Loss)/gain on sale of quoted securities	(2)	87

b) Total investments in quoted securities held by the Group as at 31 October 2010 are as follows:-

	Local Stockbroking Subsidiary <b>RM'000</b>	Others <b>RM'000</b>	Total <b>RM'000</b>
Quoted securities, at cost	6,968	27,168	34,136
Less : Provision for impairment losses	(3,306)	(7,070)	(10,376)
Add/(less) : Fair value adjustment	-	(1,187)	(1,187)
Quoted securities, at book value/market value	3,662	18,911	22,573

## **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) In the AGM held on 31 July 2009, the shareholders of the Company approved the establishment of a new employees’ share option scheme (“ESOS”) 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 ESOS is currently pending implementation and no options have been granted to any eligible employees.



## B9 Group Borrowings and Debt Securities

Total Group borrowings as at 31 October 2010 were as follows:-

	Secured <b>RM'000</b>
<i>Long Term Borrowings</i>	
Foreign currency loans	599,243
<i>Short Term Borrowings</i>	
Foreign currency loan	24,913
Revolving credit	40,538
	<hr/>
	664,694
<hr/>	
Denomination of secured foreign currency loan: -	
<i>Long Term Loan</i>	
C\$ 34,123,335	103,858
A\$ 46,500,000	140,611
S \$ 148,100,000	354,774
<i>Short Term Borrowings</i>	
C\$ 2,833,490	8,624
S\$ 6,800,000	16,289

The secured foreign currency loan denominated in C\$ of the Group consist of the following:-

- (a) A 15-year term loan (C\$35,219,022) 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.
- (b) Three 5-year term loans (total of C\$ 1,737,803) which will mature on 1 March 2015. The loans are subject to a variable interest rate of prime rate minus 0.1%. The term loans are secured by mortgage and general security agreements in respect of the 3 residential properties in Canada.

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 is a 5-Year term loan with a scheduled principal repayment S\$1,700,000 at the end of each of the 3 months from 30 November 2009. The interest applicable on the loan is the aggregate of the margin rate of 1.5%p.a and the SWAP rate.

## B10 Material Litigation

As at 8 December 2010, there were no changes in material litigation since the last annual reporting date of 31 January 2010.

**B11 Dividend**

No dividend has been declared as at the date of this announcement.

**B12 Disclosure of derivatives**

There were no outstanding derivatives as at 8 December 2010.

**B13 Disclosure of gains/losses arising from fair value changes of financial liabilities**

There were no gains/losses arising from fair value changes of financial liabilities for the current financial quarter.

**B14 Earnings Per Share (EPS) attributable to the equity holders of the parent**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter 31 October 2010	Preceding year corresponding quarter 31 October 2009	Current year to date 31 October 2010	Preceding year corresponding period 31 October 2009
<b>Basic earnings per share</b>				
Profit for the period (RM'000) - attributable to equity holders	15,976	17,585	49,105	79,892
Weighted average number of ordinary shares in issue ('000)	1,711,910	1,711,910	1,711,910	1,562,420
Basic earnings per share (sen)	<u>0.93</u>	<u>1.03</u>	<u>2.87</u>	<u>5.11</u>
<b>Diluted earnings per share</b>				
Profit for the period (RM'000) - attributable to equity holders	15,976	17,585	49,105	79,892
Weighted average number of ordinary shares in issue ('000)	1,711,910	1,711,910	1,711,910	1,562,420
Effects of dilution – Warrants 1999/2009	-	-	-	-
Adjusted weighted average number of ordinary shares in issue and issuable	1,711,910	1,711,910	1,711,910	1,562,420
Diluted earnings per share (sen)	<u>0.93</u>	<u>1.03</u>	<u>2.87</u>	<u>5.11</u>

Basic earnings per share was calculated based on the Group's profit attributable to equity holders of the Company divided by the weighted average number of ordinary shares outstanding during the reporting period.

**B14 Earnings Per Share (EPS) attributable to the equity holders of the parent (Cont'd)**

Diluted earnings per share were not computed for the current and preceding year as the Company does not have any dilutive potential ordinary shares in issue as at the end of the reporting period.

BY ORDER OF THE BOARD  
Yong Kim Kiong

Kuala Lumpur  
14 December 2010