

TA ENTERPRISE BERHAD (194867-M)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 JANUARY 2015

	AS AT END OF CURRENT QUARTER 31/1/2015 RM'000	AS AT PRECEDING FINANCIAL YEAR END 31/1/2014 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	2,063,257	2,090,875
Investment properties	262,097	221,939
Land held for property development	424,174	415,126
Intangible assets	450,247	284,311
Associated companies	23,652	24,173
Joint ventures	73,278	86,157
Deferred tax assets	12,687	10,253
Investment securities	73,037	68,346
Financial receivables	299,061	380,328
	<u>3,681,490</u>	<u>3,581,508</u>
Current assets		
Property development costs	436,871	195,943
Inventories	52,471	47,998
Financial receivables	96,851	78,903
Trade receivables	524,313	491,697
Other receivables	157,578	129,467
Investment securities	842,387	601,473
Short term funds	585,301	717,918
	<u>2,695,772</u>	<u>2,263,399</u>
TOTAL ASSETS	<u>6,377,262</u>	<u>5,844,907</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	1,711,910	1,711,910
Reserves	116,607	80,571
	<u>1,828,517</u>	<u>1,792,481</u>
Non-controlling interests	<u>1,255,165</u>	<u>1,239,423</u>
TOTAL EQUITY	<u>3,083,682</u>	<u>3,031,904</u>
Non-current liabilities		
Deferred tax liabilities	231,658	231,714
Borrowings	505,175	362,814
Provision for liabilities	-	2,148
	<u>736,833</u>	<u>596,676</u>
Current liabilities		
Borrowings	1,738,750	1,325,215
Provision for liabilities	2,942	3,402
Trade payables	465,024	398,314
Other payables	323,514	474,551
Derivatives	7,853	3,200
Income tax payable	18,664	11,645
	<u>2,556,747</u>	<u>2,216,327</u>
TOTAL LIABILITIES	<u>3,293,580</u>	<u>2,813,003</u>
TOTAL EQUITY AND LIABILITIES	<u>6,377,262</u>	<u>5,844,907</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	<u>1.07</u>	<u>1.05</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 January 2014)

TA ENTERPRISE BERHAD (194867-M)
CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE FINANCIAL PERIOD ENDED 31 JANUARY 2015

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR TO DATE
	31/1/2015 RM'000	31/1/2014 RM'000	31/1/2015 RM'000	31/1/2014 RM'000
Revenue	232,034	281,681	979,503	870,729
Other income	30,455	19,043	176,861	67,481
Other expenses	(269,538)	(243,813)	(892,666)	(699,373)
Profit/(loss) from operations	(7,049)	56,911	263,698	238,837
Finance costs	(13,742)	(11,128)	(48,828)	(41,329)
Share of results in associated companies, net of tax	14	(550)	(521)	(1,057)
Share of results of jointly controlled entities - unincorporated	-	417	-	-
Share of losses in joint venture	(3,021)	(5,132)	(3,021)	(5,185)
Profit/(loss) before tax	(23,798)	40,518	211,328	191,266
Income tax expense	(10,495)	7,216	(60,309)	(12,145)
Profit/(loss) for the period	(34,293)	47,734	151,019	179,121
Profit attributable to:				
Equity holders of the Company	(33,280)	29,207	96,693	137,032
Non-controlling interests	(1,013)	18,527	54,326	42,089
	(34,293)	47,734	151,019	179,121
Earnings per share attributable to equity holders of the Company				
Basic (sen)	(1.94)	1.71	5.65	8.00
Fully diluted (sen)	(1.94)	1.71	5.65	8.00

AS AT END OF CURRENT QUARTER
AS AT PRECEDING FINANCIAL YEAR END

 Net assets per share attributable to ordinary
equity holders of the parent (RM)

1.07

1.05

(The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the year ended 31 January 2014)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 31 JANUARY 2015

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR TO DATE
	31/1/2015 RM'000	31/1/2014 RM'000	31/1/2015 RM'000	31/1/2014 RM'000
Profit/(loss) for the period	(34,293)	47,734	151,019	179,121
Other comprehensive (loss)/income:				
Items that will be reclassified subsequently to profit or loss:				
Foreign currency translation differences for foreign operation	36,641	16,760	(49,554)	(34,757)
Foreign currency translation loss reclassified to profit or loss	30,155	-	9,944	-
Available-for-sale financial assets				
- Net fair value gain/(loss)	(1,037)	486	430	4,525
- Reclassification to profit or loss	-	-	(33)	(124)
Income tax relating to components of other comprehensive income	560	93	(343)	(166)
Other comprehensive (loss)/income for the period, net of tax	66,319	17,339	(39,556)	(30,522)
Total comprehensive (loss)/income for the period	32,026	65,073	111,463	148,599
Total comprehensive (loss)/income attributable to:				
Equity holders of the Company	21,760	42,816	83,943	122,212
Non-controlling interests	10,266	22,257	27,520	26,387
	32,026	65,073	111,463	148,599

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 January 2014)

TA ENTERPRISE BERHAD (194867-M)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 JANUARY 2015**

	Attributable to equity holders of the Company							Total equity RM'000		
	Share capital RM'000	Share premium RM'000	Capital reserve RM'000	Available-for-sale reserve RM'000	Exchange translation reserve RM'000	Exchange difference recognised in equity RM'000	Accumulated losses RM'000		Total RM'000	Non-controlling interests RM'000
At 1 February 2013, as restated	1,711,910	63,208	10,267	3,496	228,677	35,565	(360,442)	1,692,681	1,230,951	2,923,632
Total comprehensive income for the period	-	-	-	-	-	-	137,032	137,032	42,089	179,121
- Profit for the year	-	-	-	4,092	(19,689)	777	-	(14,820)	(15,702)	(30,522)
- Other comprehensive income	-	-	-	4,092	(19,689)	777	137,032	122,212	26,387	148,599
Transaction with owners	-	-	-	-	-	-	(23,111)	(23,111)	(12,435)	(23,111)
Dividend	-	-	-	-	-	-	-	-	-	(12,435)
Dividend to non-controlling interests	-	-	-	-	-	-	-	-	-	(12,435)
Acquisition of non-controlling interest without a change in control	-	-	-	-	-	-	699	699	(8,399)	(7,700)
Business combination with non-controlling interests	-	-	-	-	-	-	-	-	2,919	2,919
Total transaction with owners	-	-	-	-	-	-	(22,412)	(22,412)	(17,915)	(40,327)
At 31 January 2014	1,711,910	63,208	10,267	7,588	208,988	36,342	(245,822)	1,792,481	1,239,423	3,031,904
At 1 February 2014	1,711,910	63,208	10,267	7,588	208,988	36,342	(245,822)	1,792,481	1,239,423	3,031,904
Total comprehensive income for the period	-	-	-	-	-	-	96,693	96,693	54,326	151,019
- Profit for the year	-	-	-	(334)	(4,163)	(8,253)	-	(12,750)	(26,806)	(39,556)
- Other comprehensive income	-	-	-	(334)	(4,163)	(8,253)	96,693	83,943	27,520	111,463
Transaction with owners	-	-	-	-	-	-	(47,933)	(47,933)	-	(47,933)
Dividend	-	-	-	-	-	-	26	26	-	26
Distribution equalisation in unit trust fund	-	-	-	-	-	-	-	-	(14,450)	(14,450)
Dividend to non-controlling interests	-	-	-	-	-	-	-	-	-	-
Business combination with non-controlling interests	-	-	-	-	-	-	-	-	2,672	2,672
Total transaction with owners	-	-	-	-	-	-	(47,907)	(47,907)	(11,778)	(59,685)
At 31 January 2015	1,711,910	63,208	10,267	7,254	204,825	28,089	(197,036)	1,828,517	1,255,165	3,083,682

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 January 2014)

TA ENTERPRISE BERHAD (194867-M)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 JANUARY 2015**

	12 months ended	
	31/1/2015 RM'000	31/1/2014 RM'000
Operating Activities		
Profit before tax	211,328	191,266
Adjustments for:		
Non-cash items	157,463	(28,504)
Non-operating items	(124,361)	(96,556)
Operating profit before changes in working capital	<u>244,430</u>	<u>66,206</u>
Net decrease/(increase) in assets	(112,222)	208,020
Net (decrease)/increase in liabilities	54,776	(145,102)
Cash generated from operations	<u>186,985</u>	<u>129,124</u>
Interest (paid)/received	102,970	31,799
Taxes (paid)/refunded	(54,913)	(30,463)
Net cash generated from operating activities	<u>235,041</u>	<u>130,460</u>
Investing Activities		
Interest received	35,610	60,539
Acquisition of subsidiary	(21,416)	-
Acquisition of non-controlling interests	-	(7,700)
Dividend received	1,999	665
Investment in joint ventures	-	(1,499)
Development cost on land held for development	(9,048)	(1,350)
Purchase of property, plant and equipment	(48,443)	(47,123)
Proceeds from disposal of property, plant and equipment	1,786	2,373
Purchase of investment properties	(52,599)	(756)
Proceeds from settlement of derivatives	6,968	11,239
Net (purchase)/proceeds from disposal of investment securities	(497,356)	(84,800)
Other receipts/(payments)	(365)	(12)
Net cash (used in)/generated from investing activities	<u>(582,864)</u>	<u>(68,424)</u>
Financing Activities		
Dividend paid	(47,907)	(23,111)
Dividend paid to minority interest	(11,778)	(12,435)
Interest paid	(49,599)	(37,528)
Net drawdown of borrowings	298,521	384,194
Purchase of derivatives	-	(2,865)
(Increase)/decrease in pledged deposits for financing facilities	7	95
Net cash generated from financing activities	<u>189,245</u>	<u>308,350</u>
Net (decrease)/increase in Cash & Cash Equivalents during the period	(158,578)	370,386
Cash & Cash Equivalents at beginning of year		
As previously reported	575,776	204,367
Effects of exchange rate changes	27,385	1,023
As restated	603,161	205,390
Cash & Cash Equivalents at end of current period which exclude monies held in trust, and fixed deposits pledged to financial institutions	<u>444,583</u>	<u>575,776</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 January 2014)

TA ENTERPRISE BERHAD (194867-M)

Quarterly Report for the Financial Period Ended 31 January 2015

NOTES TO THE QUARTERLY REPORT

A1 Basis of Preparation

The quarterly financial statements are unaudited and have 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 financial year ended 31 January 2014.

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 2014, except for the adoption of the following new and revised Financial Reporting Standards (FRSs), Amendments to FRSs and IC interpretations.

		Effective for financial periods beginning on or after
Amendments to FRS 132	Offsetting Financial Assets and Financial Liabilities	1 January 2014
Amendments to FRS 10, FRS 12 and FRS 127	Investments Entities	1 January 2014
Amendments to FRS 136	Recoverable Amount Disclosures for Non-Financial Assets	1 January 2014
Amendments to FRS 139	Novation of Derivatives and Continuation of Hedge Accounting	1 January 2014
IC Interpretation 21	Levies	1 January 2014

The adoption of the above revised standards, amendments/improvements to existing standards and IC Interpretations did not have any significant impact on the financial statements of the Group in the period of initial application.

Malaysian Financial Reporting Standards Framework ("MFRS Framework")

On 19 November 2011, the Malaysian Accounting Standards Board ("MASB") issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards Framework ("MFRS Framework").

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer (herein called 'Transitioning Entities').

On 4 July 2014, the MASB has allowed Transitioning Entities to defer the adoption of the MFRS Framework to annual period on or after 1 January 2014.

On 7 August 2014, MASB has decided to extend the transitional period for another year i.e. the adoption of the MFRS Framework by all entities for annual financial period beginning on or after 1 January 2015.

A2 Changes in Accounting Policies (cont'd.)

Malaysian Financial Reporting Standards Framework (“MFRS Framework”) (cont'd)

On 2 September 2014, MASB has decided to extend the transitional period for another two year i.e. the adoption of the MFRS Framework by all entities for annual financial period beginning on or after 1 January 2017.

The Group falls within the scope definition of Transitioning Entities and have opted to defer adoption of the new MFRS Framework. Accordingly, the Group will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 January 2018. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

The Group considers that it is achieving its scheduled milestones and expects to be in a position to fully comply with the requirements of the MFRS Framework for the financial year ending 31 January 2018.

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 financial 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 reporting date.

A8 Dividends Paid

A final single-tier dividend of 2.80% on 1,711,909,630 ordinary shares for financial year ended 31 January 2014 (2.80 sen per ordinary shares), amounted to RM47,933,463 was paid on 25 July 2014.

A9 Segmental Information

Segment revenue and segment results for the current financial year 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	132,929	91,084	40,546	49,773	200,370	464,801	-	979,503
Inter-segment sales	93	232,186	10,463	26,059	55		(268,856)	-
Total revenue	<u>133,022</u>	<u>323,270</u>	<u>51,009</u>	<u>75,832</u>	<u>200,425</u>	<u>464,801</u>	<u>(268,856)</u>	<u>979,503</u>
Other income	27,423	4,921	135,417	1,673	5,724	1,703	-	176,861
Results								
Net segment results	35,001	(19,476)	142,892	11,998	41,844	87,266	-	299,525
Foreign exchange (losses)/gains	1,161	(13,433)	15,710	94	-	(2,751)	-	781
Unallocated costs								<u>(36,608)</u>
Profit from operations								263,698
Finance costs	(812)	(25,081)	(3,741)	(7,867)	(6,054)	(5,273)	-	(48,828)
Share of results of associated companies	-	-	-	(71)	(450)	-	-	(521)
Share of results of joint venture	-	-	-	(3,021)	-	-	-	<u>(3,021)</u>
Profit before tax								211,328
Income tax expense								<u>(60,309)</u>
Profit for the year								<u>151,019</u>
Attributable to:								
Equity holders of the Company								96,693
Non-controlling interests								<u>54,326</u>
								<u>151,019</u>

A10 Subsequent Events

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

A11 Changes in the Composition of the Group

Acquisition of non-controlling interests

- On 17 February 2014, TA Global announced that TA First Credit Sdn Bhd ("TAFC") has acquired 1 ordinary share of RM1.00 each representing 50% equity interest in TFC Nominees (Asing) Sdn Bhd ("TFC Nominees") for a total consideration of RM1.00. TFC Nominees is currently dormant. Prior to acquisition, TAFC is holding 50% equity interest in TFC Nominees. Pursuant to the acquisition, TFC Nominees shall be a wholly-owned subsidiary of TAFC and TA Global shall be the ultimate holding of TFC Nominees.
- On 17 February 2014, TA Global announced that TA Properties Sdn Bhd ("TAP") has acquired 490,000 ordinary shares of RM1.00 each representing 49% equity interest in Binaprestij Maju Sdn Bhd ("Binaprestij") for a total consideration of RM1.00. Binaprestij's principal activity is general construction and is currently inactive. Prior to acquisition, TAP is holding 51% equity interest in Binaprestij. Pursuant to the acquisition, TAP shall be a wholly-owned subsidiary of Binaprestij and TA Global shall be the ultimate holding of Binaprestij.

A11 Changes in the Composition of the Group (cont'd.)

Acquisition of a Foreign Subsidiary – Maxfine International Limited (“Maxfine”)

On 7 March 2014, ERF Properties Sdn Bhd, a wholly-owned subsidiary of Cosmic Legion Sdn Bhd, which in turn is a wholly-owned subsidiary of TA Properties Sdn Bhd, which in turn is a wholly-owned subsidiary of TA Global has acquired 1 share of HK\$1.00 each representing 100% equity in Maxfine, a foreign subsidiary, for a total consideration of HK\$1.00. Maxfine’s principal activity is investment holding.

Dissolution of a Foreign Subsidiary – Aava Whistler Holdings Ltd

On 15 May 2014, TA Global announced that Aava Whistler Holdings Ltd, a wholly-owned subsidiary of TA Global which was incorporated in Canada, had been dissolved.

As Aava Whistler Holdings Ltd is inactive, its dissolution will have no material financial and operational effect on the Group.

Completion of Payment of the Acquisition of the Little Bay Cove Residential Project (“the Project”) in Sydney, Australia and Acquisition of Foreign Subsidiary – Charter Hall Opportunity Fund No.5 (“CHOF5”) Little Bay Pty Ltd

On 30 May 2014, TA Global announced that:

- (a) Crystal Ingenious Sdn Bhd (“CISB”), the wholly-owned subsidiary of TA Global Group has acquired 100% of the issued shares of CHOF5 Little Bay Pty Ltd (“LBPL”) comprising of 100 ordinary for a total consideration of A\$3.00. This takes into account all liabilities of LBPL in respect of the following:
 - (i) The repayment of the principal amount of A\$77.6 million owing by LBPL to Westpac Banking Corporation (“Westpac”) under the Westpac Note Facility Deed dated 12 April 2011 as amended from time to time between LBPL, Westpac, CHOF5 Little Bay Finance Pty Limited, CHOF5 and Charter Hall Holdings Pty Ltd (“CHH”);
 - (ii) The refund of A\$7.7 million to CHOF5 being CHOF5’s voluntary prepayment to Westpac in October 2012;
 - (iii) TA Antarabangsa Development Ltd (“TAADL”) Mezzanine Loan of A\$72.0mil; and
 - (iv) CHOF5's existing Mezzanine Loan of A\$72.0mil granted to LBPL under the Mezzanine Loan Agreement dated 18 October 2010 between CHOF5 and LBPL for the provision of debt funding required by LBPL for the development of the Project (“CHOF5 Mezzanine Loan”).
- (b) CISB has purchased the CHOF5 Mezzanine Loan from CHOF5 for a total consideration of A\$12.5mil as adjusted. CISB notes that the total consideration of A\$12.5mil is subject to adjustment depending on the final project costs established once the final subdivision is achieved.
- (c) CHOF5 has novated to CISB all its rights under the CHOF5 Mezzanine Loan and a Deed of Charge dated 20 December 2010 between LBPL and CHOF5. The CHOF5 Mezzanine Loan and TAADL Mezzanine Loan structure will continue to be in place following completion of the Proposed Acquisition.
- (d) CHH has novated to TA Global Development Pty Ltd (“TAGDPL”) CHH's interests under the Development Management Agreement dated 18 October 2010 between TAGDPL, CHH and LBPL for the provision of services by TAGDPL and CHH to LBPL relating to the development of the Project.

A11 Changes in the Composition of the Group (cont'd.)

Completion of Payment of the Acquisition of the Little Bay Cove Residential Project (“the Project”) in Sydney, Australia and Acquisition of Foreign Subsidiary – Charter Hall Opportunity Fund No.5 (“CHOF5”) Little Bay Pty Ltd (cont'd)

As completion has taken place, LBPL is now the wholly-owned subsidiary of CISB and TA Global Group has a 100% interest in LBPL, the Property and the Project. Pursuant to the completion of the acquisition of LBPL by CISB on 30 May 2014, the name of LBPL shall be simultaneously changed to TA Little Bay Pty Limited.

LBPL (A.C.N. 125 760 483) was incorporated on 4 June 2007 as a proprietary company limited by shares in Victoria, Australia under the Corporations Act 2001. Its issued and paid-up share capital comprises 100 ordinary shares of A\$0.02 each. LBPL is the registered proprietor and beneficial owner of the Little Bay project land located at Anzac Parade, Little Bay, New South Wales (“the Property”). LBPL was incorporated to hold and develop the Property and its activities relates solely to the Property.

The Group has also obtained the approval from Foreign Investment Review Board for the aforesaid acquisition.

The acquisition had contributed the following results to the Group:

	2015
	RM'000
Revenue	<u>6,364</u>
Profit for the period	<u>68</u>

The assets and liabilities arising from the acquisitions were as follows:

	Fair value recognised on acquisition RM'000	Acquiree's carrying amount RM'000
Development properties	330,434	330,434
Other receivables	99	99
Short term funds	<u>11,194</u>	<u>11,194</u>
	<u>341,727</u>	<u>341,727</u>
Trade and other payables	240,610	240,610
Borrowings	<u>236,672</u>	<u>236,672</u>
	<u>477,282</u>	<u>477,282</u>
Net liabilities	(135,555)	
Purchased goodwill	<u>168,165</u>	
Total cost of acquisition	<u>32,610</u>	

A11 Changes in the Composition of the Group (cont'd.)

Completion of Payment of the Acquisition of the Little Bay Cove Residential Project (“the Project”) in Sydney, Australia and Acquisition of Foreign Subsidiary – Charter Hall Opportunity Fund No.5 (“CHOF5”) Little Bay Pty Ltd (cont'd)

The net cash flow on acquisition is as follows:

	RM'000
Purchase consideration satisfied by cash	32,610
Less: Cash and cash equivalents of subsidiaries acquired	(11,194)
	<u>21,416</u>

If the acquisition had occurred on 1 February 2014, the Group revenue and profit for the period from 1 February 2014 to 31 January 2015 would have been RM6,363,766 and RM68,462 respectively.

The acquisition of the assets and liabilities were accounted on a provisional basis. The purchase price allocation ("PPA") exercise, fair value adjustments to the assets and liabilities of the subsidiaries and allocation of goodwill to specific Cash Generating Unit will be finalised by the mid of the next financial year as allowed by FRS3 Business Combinations (revised).

Incorporation of General Partner and Formation of Limited Partnership

Pursuant to the proposed acquisition of the Trump International Hotel, 1151 West Georgia, Vancouver, B.C. by Maxfine from West Georgia Development Limited Partnership announced on 12 July 2014, TA Global had, on 17 September 2014 announced that a General Partner has been incorporated and a Limited Partnership has been formed, as detailed below:-

Incorporation of General Partner – TA Hotel GP Ltd.

TA Hotel GP Ltd. (the “General Partner”) was incorporated under the Business Corporations Act on 15 September 2014 with the British Columbia Registrar of Companies under the incorporation number of BC1013525.

The principal activity of TA Hotel GP Ltd. is to carry on the business of the Partnership in relation to the Proposed Acquisition.

The shareholder of TA Hotel GP Ltd. is TA Management Ltd, a subsidiary of TA Global. The current issued and paid-up capital of TA Hotel GP Ltd. is C\$1.00 divided into one (1) common share of C\$1.00 each issued to TA Management Ltd.

Formation of Limited Partnership – TA Hotel Management Limited Partnership

TA Hotel GP Ltd. and TA Management Ltd (“TAML”) had on 15 September 2014 formed a Limited Partnership under the name of TA Hotel Management Limited Partnership (“TAHLP” or “Partnership”) pursuant to the laws of the Province of British Columbia and pursuant to Sections 51(2) and 51(4) of the Partnership Act of British Columbia, R.S.B.C. 1996, c.348 as amended from time to time and any re-enactment thereof (“Act”).

The following units in TAHLP have also been issued with the formation of the Partnership:-

- (a) 100 Class “A” Units to TAML at C\$1.00 per unit; and
- (b) 1 Class “B” Unit to TA Hotel GP Ltd. at C\$1.00 per unit.

A11 Changes in the Composition of the Group (cont'd.)

Acquisition of a subsidiary - Total Ingenious Sdn Bhd

On 31 October 2014, the Company acquired 2 ordinary shares representing 100% equity interest in Total Ingenious Sdn. Bhd. for a total cash consideration of RM2.00.

Total Ingenious (Company No. 1107852-M) was incorporated on 5 September 2014 as a private limited company in Malaysia pursuant to the Companies Act, 1965. The authorised share capital of Total Ingenious is RM400,000 divided into 400,000 shares of RM1.00 each. The current issued and paid-up capital of Total Ingenious is RM2.00. Total Ingenious is a general trading, investments and properties company.

None of the Directors, substantial shareholders and/or persons connected with them has any direct or indirect interest in the aforesaid acquisition.

Intercompany disposal/acquisition of subsidiaries

(i) Disposal of TA Financial Services Pty Ltd. ("TAFS") to Total Ingenious Sdn. Bhd. ("Total Ingenious")

On 2 December 2014, TA International entered into a Sale and Purchase Agreement with Total Ingenious, a wholly-owned subsidiary of the Company, to dispose 1,325,000 ordinary shares representing 100% of the issued and paid-up capital in TAFS, for a total consideration of RM1,540,437.

(ii) Disposal of TA Antarabangsa Ltd ("TAAL") to Total Ingenious

On 2 December 2014, TA International entered into a Sale and Purchase Agreement with Total Ingenious, to dispose 74,631 shares, divided into 1 ordinary share and 74,630 preference shares representing 100% of the issued and paid-up capital in TAAL, for a total consideration of RM105,144,357.

(iii) Disposal of Winner Star to Total Ingenious

On 2 December 2014, TA International entered into a Sale and Purchase Agreement with Total Ingenious, to dispose 1 ordinary share representing 100% of the issued and paid-up capital in Winner Star, for a total consideration of RM1.

(iv) Disposal of Philippine TA Securities Inc. ("PTASI") to Total Ingenious

On 2 December 2014, TA International entered into a Sale and Purchase Agreement with Total Ingenious, to dispose 497,494 common shares representing 100% of the issued and paid-up capital in PTASI, for a total consideration of RM1,943,789.

(v) Disposal of TA International Investment Limited ("TAII") to Total Ingenious

On 2 December 2014, TA International and TA Nominees entered into a Sale and Purchase Agreement with Total Ingenious, to dispose 28,126,888 shares divided into 2 ordinary shares and 28,126,888 preference shares, representing 100% of the issued and paid-up capital in TAII, for a total consideration of RM12,227,416.

The above Intercompany Disposals/Acquisitions did not have any financial effects on the Group.

A11 Changes in the Composition of the Group (cont'd.)

Deregistration/striking off of subsidiaries

(i) *Deregistration of TA Centre (Proprietary) Limited (“TA Centre”)*

On 31 December 2014, TA Global announced that TA Centre, a wholly-owned foreign subsidiary of TA Global, has been deregistered by the Commissioner of Companies and Intellectual Property Commission of South Africa.

(ii) *Deregistration of TA Investment Holdings South Africa Limited (“TA Investment Holdings”) and TA Antarabangsa Finance South Africa Limited (“TA Antarabangsa Finance”)*

On 31 December 2014, the Company announced that TA Investment Holdings and TA Antarabangsa Finance, both of which are wholly-owned foreign subsidiaries of the Company, have been deregistered by the Commissioner of Companies and Intellectual Property Commission of South Africa.

(iii) *Striking off of TA Development Lanka (Private) Limited (“TA Development Lanka”) and Indian Ocean Lanka (Private) Limited (“Indian Ocean Lanka”)*

On 31 December 2014, the Company announced that TA Development Lanka and Indian Ocean Lanka, both of which are wholly-owned foreign subsidiaries of the Company, have been struck off from the register under section 487(3) of the Companies Act No.17 of 1982 of the Register of Companies, Sri Lanka.

Other than a reclassification of the cumulative exchange differences relating to foreign operations from equity to income statement amounted to approximately RM30.2million, as TA Centre, TA Investment Holdings, TA Antarabangsa Finance, TA Development Lanka and Indian Ocean Lanka were dormant, their deregistration/striking off did not have material financial and operational effect on the Group.

Conversion of TAG’s Irredeemable Convertible Preference Shares “ICPS” to Ordinary Shares

During the financial year ended 31 January 2015, TA Global issued 262,041,902 ordinary shares pursuant to the conversion of ICPS by the ICPS holders. The conversion is satisfied by surrendering 1 ICPS of RM0.50 each in TA Global for each new TA Global’s ordinary share of RM0.50 each.

The conversion above had resulted in the Company’s effective interest in TA Global to decrease from 63.29% at the beginning of the financial year to 60.17% as at 31 January 2015.

A12 Changes in Contingent Liabilities or Contingent Assets

During the current financial quarter, the Phuket Revenue Office raised a withholding tax claim in respect of a Group subsidiary, Siam Resorts Co., Ltd (“SRC”), in respect of waived interest for loans extended by the predecessor owner of the Movenpick Resort (“WHT Claim”). Our advisors estimated the amount of the WHT Claim as at the reporting date to be about THB 114,351,602.

The Group does not admit liability on the WHT Claim by the Phuket Revenue Office and will take appropriate measures upon seeking advice on the matter. Under the relevant provisions of the Tax Covenant in the sale and purchase agreement with the predecessor owner of SRC, the Group has full recourse against the predecessor owner for the WHT Claim and hence, the Group has issued a notice of dispute to the predecessor owner.

As a result, no provision has been recognised and this will be reassessed during the next financial quarter.

There were no other contingent liabilities or contingent assets except as disclosed above and material litigation as disclosed in Note B8.

A13 Commitments

The amount of capital commitments not provided for in the interim financial statements as at 31 January 2015 is as follow:

	<u>RM'000</u>
Approved and contracted for:-	
- Renovation	15,203
- Intangible assets	334
	<u>15,537</u>

B1 Performance Analysis of the Group's Operating Segments

Analysis of the profit before tax for the current and preceding year's fourth quarter:

	Current Year Quarter 31 January 2015 RM'000	Preceding Year Corresponding Quarter 31 January 2014 RM'000	Current Year To Date 31 January 2015 RM'000
Revenue	232,034	281,681	979,503
Other income			
- Interest income from overdue financial receivables	15,825	3,938	101,535
- Interest income from financial institutions	2,780	2,840	10,978
- Interest income from a joint venture in which the Group has 65% interest	-	252	-
- Interest income from investment securities	5,482	3,394	25,171
- Other interest income	201	142	896
- Gain on disposal of investment securities	3,359	1,074	24,306
- Realised fair value gain on derivatives	1,382	5,711	6,968
- Rental income	857	579	3,401
- Others	569	1,113	3,606
	30,455	19,043	176,861
Other expenses			
- Amortisation and depreciation	(20,659)	(21,655)	(79,356)
- Cost of properties and building materials sold	(23,990)	(33,529)	(156,712)
- Remisiers', agents' and futures brokers' commissions	(7,912)	(8,117)	(37,577)
- Hotel operational expenses (include hotel personnel cost)	(84,485)	(87,374)	(320,188)
- Personnel and others	(63,093)	(69,881)	(177,597)
- Acquisition-related costs	-	-	(27,168)
- Fair value gain/(loss) on revaluation of investments	(32,997)	(12,937)	(93,192)
- Unrealised fair value gain/(loss) on derivatives	(2,691)	(2,463)	(4,050)
- Reversal/ (Allowance) of impairment loss on receivables	193	30,556	3,837
- Impairment loss on investment securities	(1,411)	(1,056)	(1,444)
- Impairment loss on intangible asset	-	(18,794)	-
- Foreign exchange gain/(loss)	(32,493)	(18,563)	781
	(269,538)	(243,813)	(892,666)
Finance costs	(13,742)	(11,128)	(48,828)
Share of results of associated companies	14	(550)	(521)
Share of results of jointly controlled entities - unincorporated	-	417	-
Share of results of joint venture	(3,021)	(5,132)	(3,021)
Profit/(loss) before tax	(23,798)	40,518	211,328

B1 Performance Analysis of the Group's Operating Segments (cont'd)

The Group reported loss before tax of RM23.8million and revenue of RM232.0million for the current fourth quarter, compared to profit before tax of RM40.5million and revenue of RM281.7million respectively achieved in the previous year's corresponding quarter.

Credit and lending and investment holding are the main divisions that caused the drop in Group's results in the current fourth quarter.

The performance of the Group, analysed by its key operating segments is as follows:-

Broking and financial services

Profit before tax of the broking and financial services division increased by 38% to RM5.6million in the current year's fourth quarter as compared to the previous year's corresponding quarter.

For the current year-to-date, this division reported a higher profit before tax of RM35.4mil, as compared to RM27.9mil in the preceding year.

The improvement in results was primarily contributed by the increase in brokerage and commission income.

Investment holding

Investment holding division reported loss before tax of RM66.7million in the current year's fourth quarter, as compared to profit before tax of RM34.3million in the previous year's corresponding quarter.

Despite higher investment interest income, the current year's fourth quarter results was dragged down by foreign exchange losses realized upon the dissolution of foreign subsidiaries and fair value loss on investment securities.

For the current year-to-date, this division reported loss before tax of RM58.0million, as compared to loss before tax of RM2.6million in the preceding year.

Despite higher investment interest income and fair value gain on derivatives, current year's loss before tax was higher primarily attributable to higher fair value loss on investment securities, and acquisition related cost incurred.

Credit and lending

For the current year's fourth quarter, credit and lending division contributed RM29.9million profit before tax to the Group, as compared to profit before tax of RM72.2million in the previous year's corresponding quarter.

Despite higher investment interest income, current year's fourth quarter results was dragged down by higher fair value loss on derivative and investment securities, and lower loan recovery income.

This division achieved a current year-to-date profit before tax of RM154.9million, as compared to RM107.3million in the preceding year.

Despite higher fair value loss on derivatives and investment securities, the division's performance was boosted by loan recovery, foreign exchange gain on translation of AUD and CAD denominated balances, and higher investment interest income.

B1 Performance Analysis of the Group's Operating Segments (cont'd)

Property investment

Property investment division reported profit before tax of RM0.1million in the current year's fourth quarter, as compared to loss before tax of RM0.5million in the previous year's corresponding quarter.

For the current year-to-date, the division achieved profit before tax of RM4.2mil as compared to the preceding year-to-date profit of RM3.9million.

Property investment division has registered relatively stable performance over the period under review.

Property development

Property development division registered a slightly lower profit before tax of RM12.0million in the current year's fourth quarter, as compared to RM12.4million in previous year's corresponding quarter.

However, the division achieved a higher year-to-date profit before tax of RM35.8million, as compared to RM25.8million in the preceding year.

The increase in year-to-date profit before tax was mainly due to the progressive sales and construction of the ongoing development project in Damansara Avenue, and profit recognition of a project in Canada.

Hotel operations

Hotel operations division registered net operating profit of RM26.7million in the current year's fourth quarter, as compared to RM10.4million in the previous year's corresponding quarter.

For the current year-to-date, this division achieved net operating profit of RM82.0million, as compared to RM73.4million in the preceding year.

Despite lower occupancy of the Movenpick Resort, the overall results had improved in the absence of purchased goodwill impairment.

With a lower foreign exchange loss on translation of USD against THB, the current year fourth quarter and year-to-date profit before tax had increased by RM24.4mil and RM26.1million respectively, as compared to the preceding year.

B2 Material Changes in Profit Before Tax for the Current Quarter Compared with the Preceding Quarter

The Group reported loss before tax of RM23.8million in the current year's fourth quarter as compared to profit before tax of RM73.2million in the preceding quarter.

Despite lower fair value loss on investment securities, and higher profit from property development arms and hotel division, the Group's results had dropped primarily due to lower loan recovery and higher foreign exchange loss.

B3 Prospects for the next financial year

Although the recovery in the US economy is gaining momentum, the global economy is expected to remain subdued in view of the lower oil prices and China's slowdown in growth. Domestic's economy is expected to be more challenging due to slower export growth, lower investments in oil and gas industry resulting from declining oil prices and anticipated moderate private consumption following the implementation of Goods and Services Tax ("GST") on 1st April 2015.

The Prospects for each business division is summarized below: -

Broking and financial services

The equity market could turn choppy in the first half of 2015 due to uncertainties induced by the implementation of GST, deflationary concerns in Europe and Japan, and worries about faster than expected rise in US interest rates.

However, higher disposable income arising from the sharp pullback in crude oil prices, fresh liquidity injection from QE in the Eurozone, easing policy induced restrains in China and sustained fiscal and monetary measures in Japan are seen as strong external catalysts that could drive the benchmark index higher in the year 2015, on the back of unwavering domestic activities.

Our latest branch in Georgetown, Penang, commenced operations in January 2015. We will continue with our strategy of setting up branches as well as increase fee based activities to boost our profits.

The investment management unit will focus on expanding private mandate and corporate sales business with aggressive marketing effort via the introduction of good incentives. We will also attract and grow agency force to expand third party funds platform. We target to improve market share by tying up with more banks and distributors, as well as apply for financial planning license to sell our products.

The Group will continue its expansion plan on its derivative trading and commodity products and services.

Credit and Lending

The credit and lending division will increase financing activities by providing term loans to business enterprises for their working capital and to individuals for their investments.

The Group expects a higher business turnover by focussing on the above areas in the next financial year.

Property Investment

The Group is projected to experience a lower income contribution from overseas and local property investments for the next financial year in the light of expected upgrading works to be undertaken at some of our investment properties. On completion of these upgrading works, the Group is confident that the upgraded investment properties will generate higher return in the future.

Property development

Due to challenging economic outlook, stringent mortgage approval, cooling measures introduced by the Government and the wait-and see approach adopted by property investors upon the implementation of GST, property sales are forecasted to decline. The Group will continue to focus on its Damansara Avenue development and Dutamas project and hope to roll out new launches from these projects for the financial year. We are confident that our sales from these new launches will be encouraging. In addition, the Group will also be developing its land within the vicinity of Kuala Lumpur City Center.

B3 Prospects for the current financial year (cont'd)

Hotel Operations

The Group's hospitality businesses located in Singapore, Australia, Canada, China and Thailand will continue to generate stable recurrent income stream for the Group. Improved result is expected from our hotel in Thailand which was affected by political unrest, refurbishment and upgrading works during the financial year ended 31 January 2014/15. Lower income contribution is expected from our hotel properties located in Sydney and Singapore due to upcoming major refurbishment works to be undertaken in this financial year.

As the Group continuously seeks to grow, the Group will continue to explore and evaluate opportunities to acquire new hotels to expand existing hotels portfolio and to enhance revenue contribution from our hospitality business.

Barring any unforeseen circumstances, the Group will continue to be profitable in the financial year ending 31 January 2016.

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	11,141	52,219
- Foreign tax	(2,293)	7,293
Deferred tax	(1,927)	(2,777)
(Over)/under provision in prior year		
- Malaysian income tax	2,925	2,925
- Foreign tax	649	649
	<u>10,495</u>	<u>60,309</u>

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

	Current quarter RM'000	Year-to-date RM'000
Profit before taxation	<u>(23,798)</u>	<u>211,328</u>
Taxation at the statutory income tax rate of 25%	(5,950)	52,832
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 purpose	16,445	7,477
Tax expense for the financial period	<u>10,495</u>	<u>60,309</u>

B6 Corporate Proposals

Status of Corporate Proposals

All corporate proposals announced have been completed at the date of this quarterly report.

B7 Group Borrowings and Debt Securities

Total Group borrowings as at 31 January 2015 were as follows:-

	Secured RM'000	Unsecured RM'000
<i>Long term borrowings</i>		
Foreign currency loans	861,354	-
Revolving credits	99,805	-
<i>Short term borrowings</i>		
Foreign currency loans and revolving credits (including share of joint operation's loan)	888,202	42,564
Loans and revolving credits	252,000	100,000
	<u>2,101,361</u>	<u>142,564</u>

Denomination of foreign currency loans and revolving credits:-

<i>Long-term borrowings</i>		RM'000
C\$	52,702,375	151,034
RMB	16,000,000	9,288
S\$	169,700,000	455,984
A\$	86,933,338	245,048
		<u>861,354</u>
<i>Short-term borrowings</i>		
C\$	65,497,840	187,704
S\$	177,700,000	477,480
A\$	35,151,600	56,521
US\$	109,674,618	397,899
RMB	16,000,000	9,288
HK\$	8,613,151	4,031
EUR	29,274,746	120,463
GBP	16,607,557	90,800
		<u>1,344,186</u>

Loans and revolving credits denominated in RM bear interest rates ranging from 4.1% to 4.7% per annum, of which RM351,805,000 are secured by corporate guarantee and certain properties in Kuala Lumpur.

Secured foreign currency loans and revolving credits of the Group are as follows:-

(1) Loans denominated in C\$

- (a) A 15-year term loan (C\$22,521,440) will mature on 5 December 2020;
- (b) A 20-year term loan (C\$35,071,930) will mature on 5 June 2016;

The above term loans (a) & (b) are secured against a freehold land and building in Canada and the assignment of rentals and general security agreement over the aforesaid land and building.

B7 Group Borrowings and Debt Securities (cont'd)

(1) Loans denominated in C\$ (cont'd)

- (c) Three 5-year term loans (total of C\$ 1,649,483) will mature on 1 March 2015. The loans are currently in the process of being renewed.

The loans are secured by mortgage and general security agreements in respect of the 3 residential properties in Canada.

- (d) Short term revolving credits (C\$43,730,000) of which C\$2,980,000 is secured by new first all-monies charge over the ordinary shares of a subsidiary and mortgage over a hotel in Singapore, and C\$40,750,000 is secured against a hotel in Australia.

The revolving credits bear average interest rate of 2.5% per annum.

- (e) Share of joint operation's loan (C\$15,227,362) has matured on November 2014 and the Group is in receipt of an extension of loan tenure for another four months.

The loan bears interest rate ranging 3.7% to 4.1% per annum and is secured by a land in Canada.

(2) Loan denominated in S\$

A 5-year term loan (S\$177,700,000) with a scheduled principal repayment S\$1,700,000 at the end of each of the 3 months from 30 November 2009 matured on 30 November 2014. The loan is refinanced till 30 November 2018, bears average interest rate of 1.7% per annum, and is secured by new first all-monies charge over the ordinary shares of a subsidiary and mortgage over a hotel in Singapore.

(3) Loan denominated in A\$

- (a) A floating rate bill facility amounting to A\$15,100,000 will mature on 28 February 2015. The Group has successfully extended the maturity to 28 February 2018. The loan is secured against a hotel in Australia.

The loan bears an average interest rate of 4.6% per annum.

- (b) Short term revolving credit (A\$20,051,600) is secured against a hotel in Australia.

The revolving credit bears an average interest rate of 4.2% per annum.

- (c) A 2-year term loan amounting to A\$86,933,338 will mature on 30 May 2016. The loan bears average interest rate of 4.5% per annum and is secured by mortgage over certain development properties.

(4) Loans denominated in US\$

Short-term loans amounting to US\$109,674,618 are on rollover basis. The loans are secured against certain investment securities, and bear interest rates ranging from 0.3% to 0.7% per annum.

(5) Loans denominated in RMB

Two term loans (total of RMB32,000,000) carry maturities from 20 December 2015 to 24 April 2016.

The loans are subject to average interest rate of 6.7% per annum, and are secured against a hotel building and land use rights in China.

B7 Group Borrowings and Debt Securities (cont'd)

(6) Loans denominated in HK\$

Short-term loans amounting to HK\$8,613,151 are on rollover basis. The loans are secured against certain investment securities and bear average interest of 0.45% per annum.

(7) Loans denominated in EUR

Short-term loans amounting to EUR29,274,746 are on rollover basis. The loans are secured against certain investment securities and bear interest rate ranging from of 0.2% to 0.5% per annum.

(8) Loans denominated in GBP

Short-term loans amounting to GBP16,607,557 are on rollover basis. The loans are secured against certain investment securities and bear interest rate ranging from of 0.7% to 0.8% per annum.

B8 Material Litigation

As at 18 March 2015, there were no changes in material litigation since the last annual reporting date of 31 January 2014, except for the following:-

On 24 December 2014, a Writ of Summons and Statement of Claim Kuala Lumpur High Court Civil Suit No. 22NCVC-583-12/2014 ("Suit") was served on TA First Credit Sdn Bhd ("TAFC") as the Defendant.

The Plaintiffs in this Suit are 164 purchasers of properties in Damansara Idaman. In TAFC's opinion as advised by its solicitors, the Plaintiffs' claim is without basis as it is not in accordance with the Sale and Purchase Agreements (SPAs) and Deed of Mutual Covenants (DMCs) signed between TAFC and the Plaintiffs and the collateral contracts as alleged by the Plaintiffs are without merit. The Plaintiffs claim is for direct damages of RM10 million, general damages, interest and specific performance.

In view of the fact that the claims of the Plaintiffs are not consistent with the provisions of the SPAs and the DMCs and in the absence of merit for the alleged collateral contracts and given that the a majority of the purchasers/residents of Damansara Idaman have failed to pay their monthly maintenance charges and sinking fund contributions, TAFC has on 19 January 2015 counterclaimed for:

- (i) Outstanding maintenance charges and sinking fund amounting to RM747,752.16 as at 14.01.2015 which are due and owing by the purchasers and/or residents of Damansara Idaman;
- (ii) Vesting Order to hand over the management of the Damansara Idaman to the Plaintiffs and/or in the alternative to Damansara Idaman Owners and Residents' Association ("DIORA");
- (iii) the payment of the shortfall amount of RM393,261.00 incurred by TAFC in providing the maintenance and upkeep of Damansara Idaman for the enjoyment of the purchasers and/or residents of Damansara Idaman;
- (iv) General damages; and
- (v) Loss of repute/image (RM164 million) suffered by TAFC and its related entities pursuant to the false allegations and claims made by the Plaintiffs against TAFC.

The Management has made no provision for any liability in the financial statements because based on legal advice it is unlikely the Plaintiffs will succeed the Suit against TAFC.

B9 Dividend

No further dividend is declared as at the date of this announcement other than as stated in Note A8 on dividend paid.

B10 Disclosure of derivatives

Types of derivatives/Maturity	Contract/Notional value	Fair value asset/(liability)
Geared Equity Accumulators - Less than 1 year	RM152,002,453	(RM1,093,100)
Geared Equity Decumulators - Less than 1 year	RM66,976,444	(RM2,832,404)
Foreign Currency Forwards - Less than 1 year	RM94,777,678	(RM2,679,670)

The Group has entered into accumulators, decumulators and forwards which formed part of the Group's investment portfolio with a view to maximise the Group's performance.

The above contracts are entered into in accordance with the Group's risk management policies and are executed with credit-worthy financial institutions.

These contracts are stated at fair values, using valuation technique with market observable inputs. Derivatives with positive market values are included under current assets and derivatives with negative market values are included under current liabilities. Any changes in fair values during the period are taken directly into the income statement.

B11 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.

B12 Disclosure of realised and unrealised profits/(losses)

Bursa Malaysia Securities Berhad (“Bursa Malaysia”) has, on 25 March 2010 and 20 December 2010, issued directives requiring all listed corporations to disclose the breakdown of retained profits or accumulated losses into realised and unrealised in quarterly reports and annual audited financial statements.

The breakdown of retained profits of the Group as at the reporting date, into realised and unrealised profits are as follows:

	Current quarter	As at the end of last financial year
	<u>RM'000</u>	<u>RM'000</u>
Total retained profits/(accumulated losses) of the Company and its subsidiaries:		
-Realised	1,130,613	973,103
-Unrealised	(220,508)	(120,850)
	<u>910,105</u>	<u>852,253</u>
Total share of retained profits of associated companies:		
-Realised	1,303	1,824
-Unrealised	78	78
	<u>1,381</u>	<u>1,902</u>
Total share of losses in joint venturer		
- Realised	(8,253)	(5,232)
	<u>903,233</u>	<u>848,923</u>
Less: Consolidation adjustments	(1,100,269)	(1,094,745)
Total (accumulated losses)/retained profits as per Statement of Financial Position	<u>(197,036)</u>	<u>(245,822)</u>

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter 31 Jan 2015	Preceding year corresponding quarter 31 Jan 2014	Current year to date 31 Jan 2015	Preceding year corresponding period 31 Jan 2014
Basic earnings per share				
Profit for the period (RM'000) - attributable to equity holders of the Company	(33,280)	29,207	96,693	137,032
Weighted average number of ordinary shares in issue ('000)	1,711,910	1,711,910	1,711,910	1,711,910
Basic earnings per share (sen)	<u>(1.94)</u>	<u>1.71</u>	<u>5.65</u>	<u>8.00</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.

Diluted earnings per share were not computed for the current and preceding period 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
Chuah Wen Pin

Kuala Lumpur
31 March 2015