

Interim Report for the  
Second Quarter Ended  
30 June 2011

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**ATIS CORPORATION BERHAD (446118 -T)**  
**INTERIM REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2011**

The figures have not been audited

**CONDENSED CONSOLIDATED INCOME STATEMENT**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To-date	Preceding Year Corresponding Period
	Note 30/06/2011 RM'000	30/06/2010 RM'000	30/06/2011 RM'000	30/06/2010 RM'000
Revenue	194,501	182,422	482,797	314,059
Operating expenses	(184,798)	(169,620)	(447,231)	(293,856)
Other operating Income	1,804	219	2,871	1,367
Profit from operations	11,507	13,021	38,437	21,570
Finance costs	(5,224)	(1,357)	(9,814)	(2,613)
Net gain/(loss) on financial assets and financial liabilities at fair value	0 (263)	273	137	107
Share of profit in associates	(151)	(324)	139	1,325
Profit before taxation	5,869	11,613	28,899	20,389
Income tax expense	17 (4,089)	(3,191)	(10,174)	(5,381)
Profit for the period	<u>1,780</u>	<u>8,422</u>	<u>18,725</u>	<u>15,008</u>
Profit attributable to:				
Owners of the parent	1,787	5,102	9,907	10,841
Non-controlling interest	(7)	3,320	8,818	4,167
Profit for the period	<u>1,780</u>	<u>8,422</u>	<u>18,725</u>	<u>15,008</u>
Earnings per share (sen) :-	25			
(a) Basic	<u>1.22</u>	<u>3.48</u>	<u>6.75</u>	<u>7.41</u>
(b) Fully diluted	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To-date	Preceding Year Corresponding Period
	30/06/2011 RM'000	30/06/2010 RM'000	30/06/2011 RM'000	30/06/2010 RM'000
Profit for the period	1,780	8,422	18,725	15,008
Other Comprehensive Income:				
Foreign exchange translation differences	484	(24)	284	(589)
Fair value of available-for-sale financial assets	(1)	-	-	(6)
Fair value adjustment on cash flow hedge	-	(97)	-	241
Other Comprehensive Income for the period	<u>483</u>	<u>(121)</u>	<u>284</u>	<u>(354)</u>
Total Comprehensive Income for the period	<u>2,263</u>	<u>8,301</u>	<u>19,009</u>	<u>14,654</u>
Total comprehensive income attributable to:				
Owners of the parent	2,041	4,928	10,100	10,689
Non-controlling interest	222	3,373	8,909	3,965
Total comprehensive income for the period	<u>2,263</u>	<u>8,301</u>	<u>19,009</u>	<u>14,654</u>

The Condensed Consolidated Income Statement and Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the Financial Year Ended 31 December 2010.

ATIS CORPORATION BERHAD (446118 -T)  
INTERIM REPORT FOR SECOND QUARTER ENDED 30 JUNE 2011

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	(Unaudited) As at end of current quarter 30/06/2011 RM'000	(Audited) As at preceding financial year ended 31/12/2010 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	69,170	57,665
Investments properties	41,128	38,819
Investment in associates	42,494	34,764
Other investments	42,382	23,565
Intangible assets	32,657	29,875
Land held for property development	132,289	211,426
Deferred tax assets	3,482	11,832
<b>Total non-current assets</b>	<b>363,602</b>	<b>407,946</b>
<b>Current assets</b>		
Inventories	388,822	460,296
Trade receivables	259,211	232,377
Other receivables, deposits and prepayments	42,239	45,928
Current tax assets	4,769	4,238
Assets classified as held for sale	216,528	50,798
Cash and cash equivalents	96,256	135,175
<b>Total current assets</b>	<b>1,007,825</b>	<b>928,812</b>
<b>TOTAL ASSETS</b>	<b>1,371,427</b>	<b>1,336,758</b>
<b>EQUITY AND LIABILITIES</b>		
Share capital	79,934	79,934
Reserves	239,347	229,249
<b>Total equity attributable to shareholders of the company</b>	<b>319,281</b>	<b>309,183</b>
<b>Non-controlling interest</b>	<b>265,940</b>	<b>248,752</b>
<b>Total equity</b>	<b>585,221</b>	<b>557,935</b>
<b>Non-current liabilities</b>		
Loans and borrowings	21 212,572	192,077
Deferred tax liabilities	35,741	44,185
<b>Total non-current liabilities</b>	<b>248,313</b>	<b>236,262</b>
<b>Current liabilities</b>		
Trade payables	108,305	102,061
Other payables and accruals	49,552	53,456
Loans and borrowings	21 317,639	238,389
Derivative financial instrument	5,834	7,477
Current tax liabilities	9,082	10,530
Deferred revenue	47,481	130,648
<b>Total current liabilities</b>	<b>537,893</b>	<b>542,561</b>
<b>Total equity and liabilities</b>	<b>1,371,427</b>	<b>1,336,758</b>
<b>Net assets per share (RM)*</b>	<b>2.17</b>	<b>2.11</b>

\* Net assets per share attributable to shareholders of the Company : Equity attributable to equity holders of the parent/Number of issued and paid-up ordinary shares, net of treasury shares.

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the Financial Year Ended 31 December 2010.

ATIS CORPORATION BERHAD (446118 -T)  
INTERIM REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2011

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Non-Distributable							Distributable		Total Shareholders' Equity RM'000	Non-controlling Interest RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Translation Reserve RM'000	Share Option Reserve RM'000	Treasury Shares RM'000	Hedge Reserve RM'000	Revaluation Reserve RM'000	Fair Value Reserve RM'000	Retained Profits RM'000			
<b>6 months ended 30 June 2010</b>												
Balance at 1 January 2010	79,934	9,220	272	-	(16,832)	(1,883)	-	-	192,031	262,742	33,983	296,725
Net resale of treasury shares	-	-	-	-	1,099	-	-	-	-	1,099	-	1,099
Total comprehensive income for the period	-	-	(387)	-	-	241	-	(6)	10,841	10,689	3,965	14,654
Acquisition of subsidiary	-	-	-	-	-	-	-	-	-	-	3,421	3,421
<b>Balance at 30 June 2010</b>	<b>79,934</b>	<b>9,220</b>	<b>(115)</b>	<b>-</b>	<b>(15,733)</b>	<b>(1,642)</b>	<b>-</b>	<b>(6)</b>	<b>202,872</b>	<b>274,530</b>	<b>41,369</b>	<b>315,899</b>
<b>6 months ended 30 June 2011</b>												
Balance at 1 January 2011	79,934	9,220	(159)	-	(15,731)	-	15,676	(8)	220,251	309,183	248,752	557,935
Repurchase of treasury shares	-	-	-	-	(2)	-	-	-	-	(2)	-	(2)
Total comprehensive income for the period	-	-	193	-	-	-	-	-	9,907	10,100	8,909	19,009
Realisation of revaluation reserve	-	-	-	-	-	-	(6,393)	-	6,393	-	-	-
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	-	3,417	3,417
Acquisition of non-controlling interest	-	-	-	-	-	-	-	-	-	-	(178)	(178)
Subscription of shares in subsidiary by non-controlling interest	-	-	-	-	-	-	-	-	-	-	5,240	5,240
Dividend paid to non-controlling interest	-	-	-	-	-	-	-	-	-	-	(200)	(200)
<b>Balance at 30 June 2011</b>	<b>79,934</b>	<b>9,220</b>	<b>34</b>	<b>-</b>	<b>(15,733)</b>	<b>-</b>	<b>9,283</b>	<b>(8)</b>	<b>236,551</b>	<b>319,281</b>	<b>265,940</b>	<b>585,221</b>

**ATIS CORPORATION BERHAD (446118 -T)**  
**INTERIM REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2011**

The figures have not been audited

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

NOTE	6 months ended 30/06/2011 RM'000	6 months ended 30/06/2010 RM'000
Profit before tax	28,899	20,389
<b>Adjustment for :-</b>		
Depreciation and amortisation	3,506	2,249
Other non-cash items	(1,836)	604
Non-operating items	8,774	1,285
<b>Operating profit before changes in working capital</b>	<b>39,343</b>	<b>24,527</b>
<b>Changes in working capital</b>		
Change in land held for property development	79,137	-
Net change in current assets	(96,309)	(71,493)
Net change in current liabilities	(111,350)	18,706
<b>Net cash used in operating activities</b>	<b>(89,179)</b>	<b>(28,260)</b>
<b>Investing Activities</b>		
Proceeds from disposal of property, plant and equipment	399	1,548
Net cash flow for acquisition in subsidiary companies	(20,492)	(2,444)
Dividends received from an associate	-	1,814
Interest received	164	-
Net cash flow from disposal of subsidiaries	1,824	-
Increase in an investment in an associated company	(7,590)	-
Placement of pledged deposit	1,198	-
Other investment	(27,871)	(6,094)
<b>Net cash used in investing activities</b>	<b>(52,368)</b>	<b>(5,176)</b>
<b>Financing Activities</b>		
(Repayment)/ Net drawdown of bank borrowings and bonds	(11,883)	27,637
Net drawdown/ (repayment) of hire purchase liabilities	4,460	(2,307)
Net drawdown of term loan	108,923	1,712
Dividend paid to non-controlling interest	(200)	-
Repurchase of treasury shares	(2)	-
Resell of treasury shares	-	1,103
Interest paid	(2,557)	(2,613)
<b>Net cash generated from financing activities</b>	<b>98,741</b>	<b>25,532</b>
Net Change in Cash and Cash Equivalents	(42,806)	(7,904)
Cash and Cash Equivalents at beginning of year	124,621	36,650
Cash and Cash Equivalents at end of year	81,815	28,746

**Cash and cash equivalents included in the condensed consolidated statements of cash flows comprise the following statements of financial position amounts:**

	30/06/2011 RM'000	30/06/2010 RM'000
Cash and bank balances (excluding cash and bank balances pledged)	60,340	26,115
Liquid investment	22,682	-
Deposit (excluding deposits pledged)	4,222	2,631
Bank overdrafts	(5,429)	-
	<b>81,815</b>	<b>28,746</b>

**The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the Financial Year Ended 31 December 2010.**

**ATIS CORPORATION BERHAD (446118-T)**  
(Incorporated in Malaysia)

**INTERIM REPORT FOR THE QUARTER ENDED 30 JUNE 2011**

The figures have not been audited.

**1 Notes to the Condensed Financial Statements**

The interim financial report has been prepared in accordance with the requirements of the Financial Reporting Standard (FRS) 134: Interim Financial Reporting issued by Malaysian Accounting Standards Board ("MASB") and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial report should be read in conjunction with the audited financial statements of ATIS Corporation Berhad ("ATIS" or "the Company") for the year ended 31 December 2010.

These explanatory notes attached to the interim financial report provides an explanation of the events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2010.

The same accounting policies and methods of computation adopted by ATIS and its subsidiary companies ("ATIS Group" or "the Group") in this interim financial report are consistent with those adopted in the financial statements for the year ended 31 December 2010, except for those standards, amendments or interpretations which are effective from the annual period beginning 1 July 2010 and 1 January 2011.

The adoptions of these standards, amendments or interpretations have no significant impact on the financial statements of the Group upon their initial application.

The Group had early adopted IC Interpretation 15 ("IC 15"), Agreements for the Construction of Real Estate as a result of the early adoption of the said interpretation by a subsidiary. Pursuant to the adoption of IC 15, revenue recognition for property development activities should be recognised in accordance with the conditions for the sale of goods of para 14 of FRS 118, Revenue and the Group has recognised revenue from property development activities based on completion method.

**2 Qualification of audit report of the preceding annual financial statements**

There were no qualifications of audit report of the preceding annual financial statements.

**3 Seasonality or cyclicity of interim operations**

The operations of the Group are not significantly affected by any seasonality or cyclically factors.

**4 Nature and amount of items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence**

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence.

**5 Changes in estimates of amounts reported in prior interim years of the current financial year-to-date or in prior financial year-to-date**

There was no material changes in estimates in respect of amounts reported in prior interim years of the current financial year-to-date or prior financial year-to-date.

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**6 Issuances, cancellations, repurchases, resale and repayments of debt and equity securities**

There were no issuance, cancellations, resale and repayment of debt and equity securities for the current financial year-to-date except for the following.

(a) Share buybacks

During current quarter, the Company repurchased 1,000 of its issued ordinary shares from the open market at an average price of RM1.08 per share. The total consideration paid for the repurchase including transaction costs was RM1,122 and this was financed by internally generated funds. All ATIS Shares bought back are held as treasury shares in accordance with Section 67A Subsection 3(A)(b) of the Companies Act, 1965. As at 30 June 2011, a total of 13,057,280 ATIS Shares bought back were held as treasury shares.

**7 Dividends paid**

There was no dividend paid in the financial year under review.

**8 Segmental reporting**

Segmental information is presented in respect of the Group's main business segments that are industrial supply and property development.

	<b>Industrial supply</b>	<b>Property development and investment</b>	<b>Consolidated</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Business segments</b>			
Revenue from external customers	356,589	126,208	482,797
Segment result	23,983	14,454	38,437
<b>Results from operating activities</b>			<b>38,437</b>
Interest expenses			(9,814)
Net gain on financial assets and financial liabilities at fair value			137
Share of profit of associate companies			139
<b>Profit before tax</b>			<b>28,899</b>
Tax expense			(10,174)
<b>Profit for the period</b>			<b>18,725</b>

**9 Valuation of property, plant and equipment**

Property, plant and equipment are stated at cost less accumulated depreciation, amortisation and impairment loss.

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**10 Material events not reflected in the financial statements**

The Board is not aware of any material events subsequent to the end of the financial year that have not been reflected in the financial statements for the financial year except for the following:

ATIS will undertake a privatisation exercise via "Selective Capital Repayment" ("SCR").

This corporate exercise is subject to the following approvals:-

1. Security Commission (SC)
2. Shareholders of ATIS via EGM to be convened
3. Existing financiers (banks) and/or creditors of ATIS and/ or its subsidiaries
4. High Court of Malaya
5. Any other relevant regulatory authorities where required

Upon completion of the proposed SCR, ATIS will make an application to Bursa Securities to de-list ATIS's entire issued and paid-up share capital from the official list of Bursa Securities.

This corporate exercise is expected to be completed by first quarter of 2012.

**11 Changes in the composition of the Group**

There were no material changes in the composition of the Group for the current quarter and financial year except for the following:

- (i) In February 2011, Skyline Technology (M) Sdn Bhd, a 51%-owned subsidiary of KVC Industrial Supplies Sdn Bhd ("KVC"), which is a 64%-owned subsidiary of ATIS has incorporated Skyline Technology Engineering Sdn Bhd ("STESB") by a subscription of its entire total issued and paid-up capital of 100,000 ordinary shares of RM1.00 each at par.
- (ii) In April 2011, KVC entered into separate Sale and Purchase Agreements with Khong Lee Mee , Tham Kin Foong (John), Chong Wai Tat @ Choong Wai Tat, Yeoh Cheng Twan @ Yeoh Kong Liang and Yeoh Kim Wah @ Yeoh Kim Hoe (hereinafter collectively referred to as "the Former Shareholders") for the purpose of acquiring 2,766,043 ordinary shares of RM1.00 each in the share capital of Syarikat See Wide Letrik Sdn Bhd ("SSWLSB") from the Former Shareholders for a total cash consideration of RM22,100,000.00 thereby resulting in SSWLSB becoming a 85%-owned subsidiary of KVC.
- (iii) In May 2011, KVC acquired an additional 82,000 ordinary share of RM1.00 each, representing 10% of the total paid-up capital of Li Tech Switchgear (M) Sdn Bhd ("LTSSB") for a total cash consideration of RM199,919. Following the acquisition of 10% equity interest, LTSSB became a 61.22%-owned subsidiary of KVC.
- (iv) In May 2011, the Company accepted an offer by Ideal Region Sdn Bhd for the purchase of 2,004,900 ordinary shares of RM1.00 each representing 4.01% of the total issued and paid-up share capital in ATIS IDR Ventures Sdn Bhd ("AIV") for cash consideration of RM2,004,900. Following the disposal of 4.01% equity interest, ATIS's shareholdings in AIV will reduce to 51.00% of the issued and paid-up share capital of AIV.
- (v) In May 2011, the Group's subsidiary, Pembangunan Bandar Mutiara Sdn Bhd ("PBM") acquired 2,302,400 ordinary shares of RM1.00 each in Palmington Sdn Bhd ("Palmington") for a cash consideration of RM2,340,000, representing 40% of the equity interest in Palmington. Pursuant to the acquisition, Palmington has become a 40%-owned associate company of PBM.



#### **11 Changes in the composition of the Group (Cont'd)**

(vi) KVC has on 28 June 2011 entered into the Share Sale Agreement with Messrs Yap Wan Loong and Stella Tan Mei Lee for the proposed disposal of KVC's entire shareholdings in the following wholly-owned subsidiaries for a total cash consideration of RM1,959,238.26:-

1. KVC Industrial Supplies (Kuantan) Sdn Bhd
2. KVC Industrial Supplies (Johor) Sdn Bhd
3. KVC Industrial Supplies (Melaka) Sdn Bhd
4. KVC Industrial Supplies (N.S.) Sdn Bhd
5. KVC Industrial Supplies (Perak) Sdn Bhd
6. KVC Maritime Supplies And Engineering Sdn Bhd
7. KVC Electrical Components Sdn Bhd

#### **12 Changes in contingent liabilities or contingent assets**

There were no material changes in contingent liabilities or contingent assets since the date of the last audited financial statements to 12.08.2011, being the date not earlier than 7 days from the date of issuance of this interim report.

#### **13 Review of performance**

For the current financial year to date, the Group recorded revenue of RM482.8 million. This represents an increase of RM168.7 million or 53.7% as compared to the preceding year corresponding period. The Group pre-tax profit recorded at RM28.9 million against RM20.4 million in the preceding year corresponding period. The increase of revenue and pre-tax profit was mainly contributed by Nadayu Properties Berhad (formerly known as Mutiara Goodyear Development Berhad), a subsidiary of ATIS which was acquired at the end of third quarter of last financial year.

#### **14 Comparison with preceding quarter's results**

The Group's revenue decreased by RM93.8 million or -32.5% to RM194.5 million as compared to RM288.3 million in the preceding quarter. The decrease of revenue mainly due to no revenue recognised from property development activities as there was no project completed in this quarter. For Industry Supply segment, indeed the revenue increased by 20% if compared to preceding quarter;

Net profit after non-controlling interest ("net profit") of the Group reported at RM1.8 million which was decreased by RM6.3 million or -78.0% as compared to net profit of RM8.1 million in the preceding quarter. The decline of profit was mainly due to there was no profit contributed by property development activities in this quarter as there was no project completed in this quarter.

#### **15 Prospects**

In view of the current economic environment, the Board of Directors is reviewing of the Group's prospects. Barring any unexpected changes to the business environment, the management anticipates its performance for the remaining period of the year to be satisfactory.

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**16 Profit forecast/profit guarantee**

This note is not applicable.

**17 Tax expense**

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<u>Current Year Quarter</u>	<u>Preceding Year Corresponding Quarter</u>	<u>Current Year To-date</u>	<u>Preceding Year Corresponding Period</u>
	<b>30.06.2011</b>	<b>30.06.2010</b>	<b>30.06.2011</b>	<b>30.06.2010</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
In respect of current year:				
- income tax	5,064	3,142	10,382	5,220
- deferred tax	(975)	(1)	(208)	11
- associate company	-	50	-	150
	<u>4,089</u>	<u>3,191</u>	<u>10,174</u>	<u>5,381</u>

**18 Sale of unquoted investments and/or properties**

The results for the current quarter do not include any profit or loss on sale of unquoted investments and /or properties, which are not in the ordinary course of business of the Group except the loss of RM26,348 incurred on sales of property by Skyline Technology (M) Sdn Bhd, a 51%-owned subsidiary of KVC Industrial Supplies Sdn Bhd ("KVC"), which is a 64%-owned subsidiary of ATIS.

**19 Purchase /Disposal of quoted securities**

(a) There were no purchases or disposals of quoted securities during the current quarter and financial year to date under review except for the following:

The increase of quoted securities of RM21,000 in this quarter was through the Group's newly acquired subsidiary i.e. Syarikat See Wide Letrik Sdn Bhd.

(b) The Group's investment in quoted securities as at the end of the reporting year are as follows:

	<b>RM'000</b>
At Cost	<u>50</u>
At Book Value/Carrying amount	<u>42</u>
At Fair Value	<u>42</u>

**ATIS CORPORATION BERHAD (446118-T)**  
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**20 Status of corporate proposals**

<b>Date of Announcement</b>	<b>Subject</b>	<b>Status</b>
17 February 2011	<p>Skyline Technology (M) Sdn Bhd, a 51%-owned subsidiary of KVC Industrial Supplies Sdn Bhd ("KVC"), which is a 64%-owned subsidiary of ATIS has incorporated Skyline Technology Engineering Sdn Bhd ("STESB") by a subscription of its entire total issued and paid-up capital of 100,000 ordinary shares of RM1/- each at par.</p> <p>STESB was incorporated on 11 February 2011.</p>	Completed
11 April 2011	<p>KVC has on 9 April 2011 entered into separate Sale and Purchase Agreements with Khong Lee Mee , Tham Kin Foong (John), Chong Wai Tat @ Choong Wai Tat, Yeoh Cheng Twan @ Yeoh Kong Liang and Yeoh Kim Wah @ Yeoh Kim Hoe (hereinafter collectively referred to as "the Former Shareholders") for the purpose of acquiring 2,766,043 ordinary shares of RM1.00 each in the share capital of Syarikat See Wide Letrik Sdn Bhd ("SSWLSB") from the Former Shareholders for a total cash consideration of RM22,100,000.00 thereby resulting in SSWLSB becoming a 85%-owned subsidiary of KVC.</p>	Completed
14 April 2011	<p>On 14 April 2011, the Group's subsidiary, Pembangunan Bandar Mutiara Sdn. Bhd. subscribed for 3 million new redeemable preferred shares of USD0.01 par value, issued at USD1.00 each in Agathis One Ltd at a total cash consideration of USD3 million, equivalent to about RM9,126,086.</p>	Completed
4 May 2011	<p>On 4 May 2011, the Group's subsidiary, Pembangunan Bandar Mutiara Sdn Bhd ("PBM") subscribed for 2,302,400 ordinary shares of RM1.00 each in Palmington Sdn Bhd ('Palmington') for a cash consideration of RM2,340,000, representing 40% of the equity interest in Palmington. Palmington is a private company incorporated in Malaysia with a paid-up share capital of RM5,756,000 comprising of 5,756,000 ordinary shares of RM1.00 each. Palmington is principally involved in property development.</p>	Completed

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**20 Status of corporate proposals (Cont'd)**

<b>Date of Announcement</b>	<b>Subject</b>	<b>Status</b>
4 May 2011	On 4 May 2011, PBM entered into a Shareholders' Agreement with Tambun Indah Land Berhad, the remaining shareholder of Palmington Sdn. Bhd. ('Palmington') with an equity interest of 60%, to facilitate the arrangement between PBM and Tambun Indah Land Berhad to jointly develop land identified as 'Parcel R1', 'Parcel R2', 'Parcel R3', 'Parcel C' and 'Amenities Land' measuring approximately 526.7531 acres, situated in an ongoing township development known as Bandar Tasek Mutiara, Seberang Perai, Penang (Project Lands). In connection with the said joint development, PBM also had on even date entered into a Master Agreement and five separate Sale and Purchase Agreements with Palmington for the proposed disposal by PBM of the Project Lands to Palmington for an aggregate cash consideration of RM233,223,021. PBM will in accordance to the terms of Shareholders' Agreement be obliged to provide advances to Palmington and corporate guarantee in respect of banking facilities to be obtained to finance the payment of the balance of the disposal consideration, proportionate to its shareholding in Palmington.	On-going
18 May 2011	ATIS has on 18 May 2011 accepted an offer by Ideal Region Sdn Bhd for the purchase from ATIS of 2,004,900 ordinary shares of RM1.00 each representing 4.01% of the total issued and paid-up share capital in ATIS IDR Ventures Sdn Bhd, a 55.01% subsidiary of ATIS for cash consideration of RM2,004,900.	Completed
25 May 2011	ATIS's subsidiary Nadayu Properties Berhad ("Nadayu") (formerly known as Mutiara Goodyear Development Berhad) has on 25 May 2011 accepted the Offer Letter dated 19 May 2011 from UDA Holdings Berhad for the proposed acquisition of the freehold land measuring 3.56 acres held under 5 titles identified as Lot 3347 No. Geran 71811, Lot 3348 No. Geran 71812, Lot 3344 No. Geran 71808, Lot 3345 No. Geran 71809 and PT 435 HSD 116208 all in Seksyen 41, Mukim Bandar Kuala Lumpur, Daerah Kuala Lumpur, Wilayah Persekutuan for a total cash consideration of RM215.5 million.	Unsuccessful



**ATIS CORPORATION BERHAD (446118-T)**  
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**20 Status of corporate proposals (Cont'd)**

<b>Date of Announcement</b>	<b>Subject</b>	<b>Status</b>
26 July 2011	<p>On 26 July 2011, Nadayu's subsidiary Puncak Kencana Sdn. Bhd. (PK) entered into the SPAs with Park Access Sdn. Bhd. for the proposed disposal of the following properties for a total cash consideration of RM42,642,000 :</p> <ul style="list-style-type: none"> <li>i) a unit of office lot bearing the postal address of No. H-21B-03, Block H, Dataran Prima, Jalan PJU 1/37, 47301 Petaling Jaya, Selangor and 60 car park bays situated on the ground level adjacent to Block G, Block H and Block I of Dataran Prima Phase 1.</li> <li>ii) a unit of office lot bearing the postal address of No. F1-5B-05, Block F1, Dataran Prima, Jalan PJU 1/42, 47301 Petaling Jaya, Selangor and 777 car park bays situated on the ground level adjacent to Block E and Block F of Dataran Prima Phase 2 and Basement 1 and Basement 2 levels of Block E and F and all fixtures and fittings, plant machineries and equipments and movable chattels (if any), attached or erected on Block F Office Lot and Block E and F Car Park Bays.</li> <li>iii) a unit of office lot bearing the postal address of No. C2-25B-02, Block C2, Dataran Prima, Jalan PJU 1/39, 47301 Petaling Jaya, Selangor and 939 car park bays situated on the ground level adjacent to Block C and Block D of Dataran Prima Phase 3 and Basement 1 and Basement 2 levels of Block C and D and all fixtures attached or erected on Block C Office Lot and Block C and D Car Park Bays.</li> <li>iv) a unit of office lot bearing the postal address of B-3A-05, Tower B, Menara Prima, Jalan PJU 1/39, 47301 Petaling Jaya, Selangor and 1,311 car park bays located on the ground level adjacent to Tower A and Tower B of Menara Prima and Basement, Level 2, Level 3 and Level 3A of Prima Avenue and all fixtures attached or erected on Menara Prima Office Lot and Prima Avenue Car Park Bays.</li> </ul> <p>The proposed disposal is subject to approval to be obtained from Nadayu's shareholders at an EGM to be convened on 24 August 2011.</p>	On-going

**ATIS CORPORATION BERHAD (446118-T)**  
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**20 Status of corporate proposals (Cont'd)**

<b>Date of Announcement</b>	<b>Subject</b>	<b>Status</b>
4 August 2011	<p>Board of Directors of ATIS ("Board") wishes to announce that the Board had on 4 August 2011, received a letter from Evolusi Impian Sdn Bhd ("EISB") on behalf of the Non-Entitled Shareholders (as set out in Section 2.2 of the announcement dated 4 August 2011), being the major shareholder of ATIS and its parties acting in concert, requesting for the Company to undertake a selective capital repayment exercise pursuant to Section 64 of the Companies Act, 1965 ("Act"), subject to the Non-Entitled Shareholders obtaining the approval from the Securities Commission Malaysia ("SC") for the Proposed Exemption (details as set out in Section 3 of the announcement) ("Offer Letter").</p> <p>The Board, save for the Interested Directors (as set out in Section 6 of the announcement) wishes to announce that it has decided to present the Proposed SCR to ATIS' shareholders for their consideration.</p>	On-going

**21 Group's borrowings and debt securities**

Particulars of the Group's loans and borrowings as at 30 June 2011 are as follows:-

	<b>RM'000</b>
<u>Current portion</u>	
Banker's acceptances and trust receipts	129,320
Hire purchase liabilities	3,338
Bank overdrafts	5,429
Revolving credits	27,131
Foreign loan against import	2,513
Term loans	149,908
	<u>317,639</u>
<u>Non-current portion</u>	
Term loans	204,210
Bridging loan	5,321
Hire purchase liabilities	3,041
	<u>212,572</u>
	<u>530,211</u>

**ATIS CORPORATION BERHAD (446118-T)**  
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**21 Group's borrowings and debt securities (Cont'd)**

The above Group's borrowings are denominated in the following currencies:

	<b>RM'000</b>
Malaysian Ringgit	455,664
US Dollar	70,894
Singapore Dollar	3,653
	<u>530,211</u>

**22 Off balance sheet risk financial instruments**

There were no financial instruments with off balance sheet risk as at 12.08.2011 (being the latest practicable date which is not earlier than 7 days from the date of issuance of this interim report).

**23 Changes in material litigations**

There were no impending material litigations as at 12.08.2011 (being the latest practicable date which is not earlier than 7 days from the date of issuance of this interim report).

**24 Dividend**

No dividend has been recommended by the Board for the current quarter and financial year-to-date.



**ATIS CORPORATION BERHAD (446118-T)**  
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**25 Earnings per share (EPS)**

**(a) Basic EPS**

The calculations of the basic earnings per share of the Group is based on the net profit attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding during the period.

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.06.11 RM'000	Preceding Year Corresponding Quarter 30.06.10 RM'000	Current Year To-date 30.06.11 RM'000	Preceding Year Corresponding Period 30.06.10 RM'000
<b>Basic EPS</b>				
Net profit attributable to owner of the parents	1,787	5,102	9,907	10,841
Adjusted Weighted average number of ordinary shares in issue	146,811	146,649	146,811	146,277
Basic EPS (sen)	1.22	3.48	6.75	7.41

**(b) Diluted EPS**

Not applicable as there was no dilutive potential ordinary shares for the current period and financial year-to-date.

**ATIS CORPORATION BERHAD (446118-T)**  
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**26 Realised and unrealised profits/ losses**

	<b>As at 30.06.11 RM'000</b>	<b>As at 31.12.10 RM'000</b>
Total retained profits of the Company and its subsidiaries:		
- Realised	467,856	389,568
- Unrealised	4,315	13,578
	<u>472,171</u>	<u>403,146</u>
Total share of retained profits from associated companies:		
- Realised	13,014	7,029
- Unrealised	1,369	984
Less: Consolidation adjustments	(250,003)	(190,908)
Total group retained profits as per consolidated accounts	<u>236,551</u>	<u>220,251</u>

By Order of the Board  
ATIS Corporation Berhad

Teoh Phaik Ai  
Financial Controller

Selangor Darul Ehsan  
19 August 2011