

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 JULY 2012

	AS AT END OF CURRENT QUARTER 31/7/2012 RM'000	AS AT PRECEDING FINANCIAL YEAR END 31/1/2012 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	2,213,170	1,938,364
Investment property	190,591	188,335
Land held for property development	414,298	412,231
Prepaid land lease payments	217	221
Intangible assets	367,171	294,501
Land use rights	7,415	7,510
Associated companies	25,533	26,270
Jointly controlled operations	98,937	87,506
Investment securities	170,831	121,863
Financial receivables	280,852	266,648
Deferred lease registration fee	167	
Deferred tax assets	6,754	7,147
	<u>3,775,936</u>	<u>3,350,596</u>
Current assets		
Property development costs	26,884	35,105
Properties & land held for resale	40,668	39,628
Inventories	4,737	2,489
Financial receivables	68,694	69,784
Trade receivables	53,852	27,934
Investment securities	22,200	27,371
Other receivables	56,370	56,344
Due from related companies	27,891	41,890
Short term funds	108,627	99,028
	<u>409,923</u>	<u>399,573</u>
TOTAL ASSETS	<u>4,185,859</u>	<u>3,750,169</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	2,660,862	2,660,862
Reserves	(201,270)	(277,344)
	<u>2,459,592</u>	<u>2,383,518</u>
Non-controlling interest	-	-
Preference shares issued by subsidiaries	57,988	57,988
TOTAL EQUITY	<u>2,517,580</u>	<u>2,441,506</u>
Non-current liabilities		
Deferred tax liabilities	266,229	234,682
Borrowings	1,038,283	800,124
	<u>1,304,512</u>	<u>1,036,247</u>
Current liabilities		
Provision for liabilities	2,587	2,224
Borrowings	158,387	119,608
Trade payables	70,220	47,373
Other payables	105,405	89,935
Due to related companies	18,663	3,367
Derivatives	-	1,736
Income tax payable	8,505	8,173
	<u>363,767</u>	<u>272,416</u>
TOTAL LIABILITIES	<u>1,668,279</u>	<u>1,308,663</u>
TOTAL EQUITY AND LIABILITIES	<u>4,185,859</u>	<u>3,750,169</u>
Net assets value per ordinary share (RM)	<u>0.45</u>	<u>0.43</u>
Net assets value per share (inclusive of ordinary shares and ICPS)	<u>0.46</u>	<u>0.45</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 January 2012)

TA GLOBAL BERHAD (828855-P)

CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE FINANCIAL QUARTER ENDED 31 JULY 2012

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31/7/2012 RM'000	31/7/2011 RM'000	31/7/2012 RM'000	31/7/2011 RM'000
Revenue	147,776	128,047	293,795	265,217
Other income	5,486	6,285	11,621	9,922
Other expenses	(144,566)	(89,968)	(267,710)	(184,914)
Profit from operations	8,696	44,364	37,706	90,225
Finance costs	(7,535)	(5,978)	(14,457)	(12,219)
Share of results of associated companies	(203)	671	(737)	693
Share of results of jointly controlled operations	-	-	-	-
Profit before tax	958	39,057	22,512	78,699
Income tax expense	(1,782)	(9,373)	(5,756)	(18,905)
Profit for the period	(824)	29,684	16,756	59,794
Profit attributable to: Owners of the parent	(824)	29,684	16,756	59,794
Earnings per share attributable to owners of the parent				
Basic (sen)	(0.02)	0.56	0.31	1.12
Fully diluted (sen)	(0.02)	0.56	0.31	1.12

	AS AT END OF CURRENT QUARTER	AS AT PRECEDING FINANCIAL YEAR END
Net assets value per share (RM)	0.45	0.43
Net assets value per share (RM) (inclusive of ordinary shares and ICPS)	0.46	0.45

(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 31 January 2012)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL QUARTER ENDED 30 APRIL 2012

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/7/2012 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/7/2011 RM'000	CURRENT YEAR TO DATE 31/7/2012 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/7/2011 RM'000
Profit for the period	(824)	29,684	16,756	59,794
Other comprehensive income/(loss):				
Foreign currency translation differences for foreign operation	76,431	(4,847)	58,837	47,934
Net gain/ (loss) on fair value changes on available-for-sale financial assets	1,253	1,137	641	1,093
Income tax relating to components of other comprehensive income	(364)	(284)	(160)	(273)
Other comprehensive income/(loss) for the period, net of tax	<u>77,320</u>	<u>(3,994)</u>	<u>59,318</u>	<u>48,754</u>
Total comprehensive income for the period	<u>76,496</u>	<u>25,690</u>	<u>76,074</u>	<u>108,548</u>
Total comprehensive income attributable to:				
Owners of the parent	<u>76,496</u>	<u>25,690</u>	<u>76,074</u>	<u>108,548</u>
	<u>76,496</u>	<u>25,690</u>	<u>76,074</u>	<u>108,548</u>

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 January 2012)

TA GLOBAL BERHAD (828855-P)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL QUARTER ENDED 31 JULY 2012**

	Share capital		Capital reserve		Merger reserve		Available-for-sale reserve		Translation reserve		Exchange difference recognised in equity		Distributable		Preference Shares Issued by Subsidiaries	Non-controlling interests	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000			
At 1 February 2011	2,660,862	-	214	(926,077)	210	158,171	50,872	329,081	2,273,333	57,988	-	1	2,331,321				
Dividend	-	-	-	-	-	-	-	(36,136)	(36,136)	-	-	-	(36,136)				(36,136)
Total comprehensive (loss)/income for the period	-	-	-	-	820	52,101	(4,167)	59,794	108,548	-	-	(1)	108,547				108,547
At 31 July 2011	<u>2,660,862</u>	<u>-</u>	<u>214</u>	<u>(926,077)</u>	<u>1,030</u>	<u>210,272</u>	<u>46,705</u>	<u>352,739</u>	<u>2,345,745</u>	<u>57,988</u>	<u>-</u>	<u>-</u>	<u>2,403,732</u>				
At 1 February 2012	2,660,862	-	214	(926,077)	372	208,701	43,430	396,016	2,383,518	57,988	-	-	2,441,506				
Total comprehensive (loss)/income for the period	-	-	-	-	481	31,131	27,706	16,756	76,074	-	-	-	76,074				76,074
At 31 July 2012	<u>2,660,862</u>	<u>-</u>	<u>214</u>	<u>(926,077)</u>	<u>853</u>	<u>239,832</u>	<u>71,136</u>	<u>412,772</u>	<u>2,459,592</u>	<u>57,988</u>	<u>-</u>	<u>-</u>	<u>2,517,580</u>				

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 January 2012)

TA GLOBAL BERHAD (828855-P)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 JULY 2012**

	6 months ended	
	31/7/2012	31/7/2011
	RM'000	RM'000
Operating Activities		
Profit before tax	22,512	78,699
Adjustments for:		
Non-cash items	70,079	35,005
Non-operating items	6,667	10,159
Operating profit before changes in working capital	99,259	123,863
Net increase in assets	(76,841)	(67,358)
Net increase in liabilities	103,003	58,712
Cash generated from operations	125,421	115,217
Interest (paid)/received	(296)	-
Taxes (paid)/refunded	3,815	(7,101)
Net cash generated from operating activities	128,940	108,116
Investing Activities		
Interest received	7,187	2,060
Acquisition of subsidiary	(270,911)	(119,129)
Dividend received	-	-
Investment in jointly controlled operations	(8,107)	(6,935)
Development cost on land held for development	(551)	(8,097)
Purchase of property, plant and equipment	(29,987)	(5,574)
Net (Purchase)/Disposal of investment securities	(38,713)	-
Other receipts/(payments)	(7)	(225)
Net cash used in investing activities	(341,089)	(137,900)
Financing Activities		
Dividend paid	-	(36,136)
Dividend paid to minority interest	-	-
Interest paid	(13,559)	(12,219)
Net drawdown of borrowings	249,760	260,361
Proceeds from settlement of derivatives	1,090	-
(Increase)/decrease in pledged deposits for financing facilities	(22)	723
Net cash generated from financing activities	237,269	212,729
Net (decrease)/increase in Cash & Cash Equivalents during the period	25,119	182,945
Cash & Cash Equivalents at beginning of year		
As previously reported	65,934	144,995
Effects of exchange rate changes	1,312	3,535
As restated	67,246	148,530
Cash & Cash Equivalents at end of current period which exclude monies held in trust, Housing Developer Accounts and fixed deposits pledged to financial institutions	92,366	331,475

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 January 2012)

TA GLOBAL BERHAD (828855-P)

Quarterly Report for the Period Ended 31 July 2012

Notes (in compliance with FRS 134)

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 year ended 31 January 2012.

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 2012, 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
FRS 124	Related Party Disclosures (Revised)	1 January 2012
Amendments to FRS 1	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters	1 January 2012
Amendments to FRS 7	Transfer of Financial Assets	1 January 2012
Amendments to FRS 112	Deferred Tax: Recovery of Underlying Assets	1 January 2012
Amendments to IC Interpretation 14	Prepayments of a Minimum Funding Requirement	1 July 2011
IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments	1 July 2011

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.

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').

Transitioning Entities will be allowed to defer adoption of the new MFRS Framework for an additional one year. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2013.

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

A2 Changes in Accounting Policies (cont'd)

using the MFRS Framework in its first MFRS financial statements for the year ending 31 January 2015. 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 2015.

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 reporting 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:

	Investment holding and Others	Finance and related services	Property investment	Property development	Hotel operations	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue							
External sales	4,364	13,201	29,027	37,444	209,759	-	293,795
Inter-segment sales	13,261	2,792	10,370	-	-	(26,423)	-
Total revenue	17,625	15,993	39,397	37,444	209,759	(26,423)	293,795
Other income	1,576	6,008	293	783	2,961	-	11,621
Results							
Net segment results	1,694	(6,593)	12,755	6,841	41,237	-	55,934
Foreign exchange gains/ (losses)	(17,625)	5,103	-	-	308	-	(12,214)
Unallocated costs							(6,014)
Profit from operations:							37,706
Finance costs	(5,297)	(1,525)	(4,812)	-	(2,823)	-	(14,457)
Share of results of associated companies	-	-	(737)	-	-	-	(737)
Profit before tax							22,512
Income tax expense							(5,756)
Profit for the year							16,756
Attributable to:							
Owners of the Parent							16,756
Non-controlling interest							-
							16,756

A10 Subsequent Events

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

Formation of a Limited Partnership

On 2 August 2012, TA West Georgia Development Ltd (“TAWG”), Birkbeck Trust and West Georgia GP Ltd entered into a Limited Partnership Agreement to form a Limited Partnership under the name of West Georgia Development Limited Partnership (“WGLP” or “Partnership”).

The following units in WGLP had been issued with the formation of the Partnership:-

- a) 100 Class “A” Units to TAWG at C\$1.00 per unit;
- b) 100 Class “A” Units to Birkbeck Trust at C\$1.00 per unit; and
- c) 1 Class “B” Unit to West Georgia GP Ltd at C\$1.00 per unit.

The Partnership was formed to undertake the joint development of hotel and residences on the piece of land located at 1151, West Georgia Street, City of Vancouver, British Columbia, Canada.

A11 Changes in the Composition of the Group

Acquisition of a subsidiary

On 3 February 2012, the Company announced that its wholly-owned subsidiary, TA Gemilang Trading Sdn. Bhd. acquired 2 ordinary shares representing 100% equity interest in Crystal Caliber Sdn. Bhd., for a total cash consideration of RM2.00.

On 20 April 2012, TA Gemilang Sdn. Bhd. disposed 2 ordinary shares representing 100% equity interest in Crystal Caliber Sdn. Bhd. to TA Global Berhad, for a total cash consideration of RM2.00.

Crystal Caliber was incorporated on 20 September 2011 as a private limited company in Malaysia pursuant to the Companies Act, 1965. The issued and paid-up capital of Crystal Caliber is RM2.00 divided into 2 shares of RM1.00 each. Crystal Caliber is an investment holding company.

As Crystal Caliber is inactive, it does not have material financial and operational effect on the Group.

Acquisition of Kingdom 5-KR-194, Ltd. and Kingdom 5-KR-195, Ltd..

On 31 May 2012, Crystal Caliber Sdn. Bhd. completed the acquisition of the hotel and business of Movenpick Karon Beach Resort in Phuket, Thailand via the purchase of the entire issued share capital of Kingdom 5-KR-194, Ltd. and Kingdom 5-KR-195, Ltd., for a total cash consideration of USD90,283,487.

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

The acquired subsidiaries had contributed the following results to the Group:

	3 Months Ended 31 July 2012 RM'000	6 Months Ended 31 July 2012 RM'000
Revenue	8,315	8,315
Profit for the period	<u>2,140</u>	<u>2,140</u>

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

	Fair value recognised on acquisition RM'000	Acquiree's carrying amount RM'000
Property, plant and equipment	253,725	253,725
Other non-current assets	63	63
Properties held for sale	1,031	1,031
Inventories	1,881	1,881
Trade and other receivables	4,409	4,409
Cash and bank balances	<u>16,126</u>	<u>16,126</u>
	<u>277,235</u>	<u>277,235</u>
Trade and other payables	15,736	15,736
Deferred tax liabilities	31,673	31,673
Deferred land lease revenue	<u>9,537</u>	<u>9,537</u>
	<u>56,946</u>	<u>56,946</u>
Fair value of net assets/Group's share of net assets	220,289	
Purchase goodwill	<u>66,749</u>	
Total cost of acquisition	<u>287,038</u>	

The effect of the acquisition on cash flows was as follows:

	RM'000
Purchase consideration satisfied by cash	287,038
Cash and cash equivalents of subsidiaries acquired	<u>(16,126)</u>
Net cash outflow for the Group	<u>270,912</u>

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

Incorporation of West Georgia GP Ltd.

On 26 July 2012, West Georgia GP Ltd. was incorporated under the Business Corporation Act with the British Columbia Registrar of Companies under incorporation number BC0946507.

The principal activity of West Georgia GP Ltd. is to carry on the business of the Partnership in relation to the joint development project in Vancouver, Canada.

The current issued and paid-up capital of West Georgia GP Ltd. is C\$2.00 divided into 2 common shares of C\$1.00 each issued to TA West Georgia Developments Ltd. and 678269 BC Ltd. TA West Georgia Development Ltd. is a wholly-owned subsidiary of the Group.

A12 Changes in Contingent Liabilities or Contingent Assets

There were no changes in contingent liabilities since the last annual reporting date. The Group does not have any contingent assets.

A13 Commitments

The amount of capital commitments not provided for in the interim financial statements as at 31 July 2012 is as follow:

	RM'000
Approved and contracted for:	
- Renovation	1,368
- Jointly controlled operations	<u>343,838</u>
Approved but not contracted for:	
- Renovation	<u>26,086</u>

Notes (in compliance with the Listing Requirements of Bursa Malaysia Securities Berhad)

B1 Performance Analysis of the Group's Operating Divisions

The Group reported profit before tax of RM0.96 million and revenue of RM147.8 million for the current second quarter compared to pre-tax profit of RM39.1 million and revenue of RM128.0 million respectively achieved in the previous year's corresponding period.

Although the Group registered growth of revenue mainly from hotel operations and property development, the Group's profit before tax dropped significantly due to impairment loss on financial receivables and foreign exchange losses in the current quarter.

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

	Current Year Quarter 31 July 2012 RM'000	Preceding Year Corresponding Quarter 31 July 2011 RM'000	Current Year To-Date 31 July 2012 RM'000
Revenue	147,776	128,047	293,795
Other income			
- Interest income from financial institutions	156	735	386
- Interest income from a joint venture in which the Group has 65% interest	642	-	1,260
- Interest income from investment securities	2,729	-	5,945
- Other interest income	87	433	198
- Rental income	1,072	1,125	2,184
- Gain on disposal of property, plant and equipment	874	-	874
- Bad debts recovered	8	-	8
- Hotel profit guarantee	-	2,961	-
- Others	(82)	1,031	766
	5,486	6,285	11,621
Other expenses			
- Amortisation and depreciation	(19,920)	(17,985)	(37,317)
- Cost of properties and building materials sold	(19,809)	(4,577)	(31,769)
- Contract cost	529	(60)	768
- Hotel operational expenses (include hotel personnel cost)	(74,464)	(69,508)	(144,285)
- Personnel and others	(11,924)	(7,066)	(21,963)
- Allowance for impairment loss on receivables	(16,396)	(1,229)	(23,785)
- Fair value gain on derivatives	3,476	-	2,855
- Foreign exchange gain/(loss)	(6,058)	10,457	(12,214)
	(144,566)	(89,968)	(267,710)
Finance costs	(7,535)	(5,978)	(14,457)
Share of results of associated companies	(203)	671	(737)
Profit before tax	958	39,057	22,512

B1 Performance Analysis of the Group's Operating Divisions (Cont'd)

Investment holding

Investment holding division reported a loss before tax of RM10.5 million in the current second quarter, as compared to loss before tax of RM10.1 million in the previous year's corresponding quarter. The slight difference was mainly due to decrease in net foreign exchange transaction loss.

For the current period to-date, investment holding division reported RM21.2 million loss before tax as compared to loss before tax of RM7.5 million in the previous year. This was mainly due to the high foreign exchange loss resulting from loans payable denominated in Singapore Dollar.

Finance and related services

For the current year's second quarter, finance and related services division reported RM10.0 million loss before tax as compared to RM26.2 million profit before tax in the previous year's corresponding quarter. The significant difference was mainly due to lower interest recognised on financial receivables. In addition, there was higher impairment losses on receivables recognised during the current quarter and lower foreign exchange gain on receivables denominated in Australian Dollar as compared to the previous year's corresponding quarter.

Due to the same factors above, profit before tax dropped by RM36.5 million comparing previous year's corresponding period at loss before tax for the current period to-date at RM3.1 million.

Property investment

Property investment division contributed consistent revenue as compared to previous year's corresponding quarter and to previous year's corresponding period at approximately RM14 million and RM28 million respectively.

However, profit before tax of the current year was lower due to higher amortisation and finance cost.

Property development

Property development division reported an increase in revenue at RM23.1 million in the current year's quarter, as compared to RM3.7 million in the previous year's corresponding quarter. Higher revenue was recognised from the ongoing development projects in Damansara Avenue.

This also contributed to the increase in current period's profit before tax as compared to the previous year's corresponding period.

B1 Performance Analysis of the Group's Operating Divisions (Cont'd)

Hotel operations

Hotel operations revenue had increased by 9% at RM106.3 million in the current year's quarter as compared to the previous year's corresponding quarter. This was mainly due to revenue contributed by the newly acquired hotel in Thailand.

For the current period to-date, this division reported stable profit before tax at approximately RM39 million. Hotel operations remained as the top profit contributor to the Group's financial results.

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

The Group registered profit before tax of RM1.0 million in the current second quarter as compared to RM21.6 million in the preceding quarter. The decrease was mainly due to high impairment loss on financial receivables.

B3 Prospects for the current financial year

The global economic growth remained slow since the start of the year and the ongoing Eurozone crisis may further deteriorate the global economic outlook for year 2012. Domestically, the Malaysian economy has trended positively despite the volatile external environment.

The Prospects for Each Business Segments

Finance and related services

The finance and related services shall remain as part of the business strategy for the Group.

Property Investment

The property investment will continue to provide stable income to the Group from the local and overseas assets in Canada and China.

Property development

Despite the slowdown in the local property market, the Group expects stable contribution from the property development activities for this financial year due to the strategic location of the development project situated in Klang Valley.

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

Hotel Operations

The hospitality segment has contributed significantly to the Group's profits and we expect higher contributions from the expansion of hotel business in the Asian Region.

Barring any adverse global economic developments, the Group is expected to perform satisfactorily in year 2012.

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	57	2,346
- Foreign tax	2,237	2,688
Deferred tax	(512)	722
	<u>1,782</u>	<u>5,756</u>

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

	Current quarter RM'000	Year to date RM'000
Profit before taxation	<u>958</u>	<u>22,512</u>
Taxation at the statutory income tax rate of 25%	240	5,628
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	1,543	128
Tax expense for the financial period	<u>1,782</u>	<u>5,756</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 July 2012 were as follows:

	Secured RM'000	Unsecured RM'000
<u>Long term borrowings</u>		
Foreign currency loans	1,038,283	-
<u>Short term borrowings</u>		
Foreign currency loans	153,387	-
Bank Overdraft	-	5,000
	<u>1,191,670</u>	<u>5,000</u>

Denomination of secured foreign currency loans:-

<u>Long-term borrowings</u>		
C\$	66,134,302	206,723
S\$	186,200,000	468,274
A\$	23,250,000	76,506
US\$	80,290,186	251,348
RMB	72,000,000	35,432
		<u>1,038,283</u>
<u>Short-term borrowings</u>		
C\$	4,443,839	13,891
S\$	6,800,000	17,101
US\$	37,840,150	118,459
RMB	8,000,000	3,936
		<u>153,387</u>

The secured foreign currency loans of the Group consist of the followings:-

Loans denominated in C\$

- (a) A 15-year term loan (C\$30,297,886) which will mature on 1 December 2020.
- (b) A 20-year term loan (C\$38,587,809) which will mature on 1 June 2031.

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)

- (c) Three 5-year term loans (total of C\$ 1,692,446) which will mature on 1 March 2015. The loans are secured by mortgage and general security agreements in respect of the 3 apartment-residential properties in Canada.
- (d) The above loans bear interest rates ranging from 2.9% to 4.8% per annum.

Loan denominated in S\$

A 5-year term loan (S\$193,000,000) with a scheduled principal repayment of S\$1,700,000 at the end of each 3 months commencing from 30 November 2009, will mature on 30 November 2014. The loan bears floating interest rate ranging from 1.6% to 1.9%, and is secured by new first all-monies charge over the ordinary shares of a subsidiary and mortgage over a hotel in Singapore.

Loans denominated in A\$

A 3-year floating rate Bill Facility amounting to A\$23,250,000 which will mature on 28 February 2015. The loan is secured against a freehold hotel land and building in Australia. The loan bears interest rates ranging from 5.5% to 5.7% per annum.

Loans denominated in US\$

- (a) 3-year loan (total of US\$80,290,186) which will mature on April 2014. The loan is secured against a freehold hotel land and building in Australia.
- (b) Short-term loan amounting to US\$37,840,150 on rollover basis. The loan is secured against certain quoted investment securities.

The above loans bear interest rates ranging from 0.7% to 2.1% per annum.

Loans denominated in RMB

Four term loans (total of RMB80,000,000) with maturities from 20 December 2013 to 24 April 2016. The loans are subject to variable interest rate ranging from 5.6% to 6.5%, and are secured against a hotel building and land use rights in the Republic of China.

B8 Material Litigation

As at 21 September 2012, there were no changes in material litigation since the last annual reporting date of 31 January 2012.

B9 Dividend

Apart from the first and final single-tier dividend of 1.80% or 0.90 sen per ordinary share in respect of the financial year ended 31 January 2012 approved by shareholders during the Annual General Meeting on 5 July 2012, there was no further dividend declared as at the date of this announcement.

B10 Disclosure of Derivatives

There were no outstanding derivatives as at 31 July 2012.

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 is as follows:

	Current quarter RM'000	As at the end of last financial year RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	929,774	856,297
- Unrealised	(56,970)	(28,523)
	<u>872,804</u>	<u>827,774</u>
Total retained profits of associated companies:		
- Realised	3,187	3,928
- Unrealised	78	78
	<u>3,265</u>	<u>4,006</u>
Total share of accumulated losses from jointly controlled operations:		
- Realised	(1,648)	(1,648)
Less: Consolidation adjustments	<u>(461,649)</u>	<u>(434,116)</u>
Total retained profits as per Statement of Financial Position	<u>412,772</u>	<u>396,016</u>

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter 31 July 2012	Preceding year corresponding quarter 31 July 2011	Current year to-date 31 July 2012	Preceding year corresponding period 31 July 2011
Basic earnings per share				
Profit for the period (RM'000) - attributable to owners	(824)	29,684	16,756	59,794
Weighted average number of ordinary shares in issue ('000)	5,321,724	5,321,724	5,321,724	5,321,724
Basic earnings per share (sen)	<u>(0.02)</u>	<u>0.56</u>	<u>0.31</u>	<u>1.12</u>

Basic and fully diluted earnings per share were calculated based on the Group's profit attributable to equity holders of the Company 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
28 September 2012