

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 OCTOBER 2013

	AS AT END OF CURRENT QUARTER 31/10/2013 RM'000	AS AT PRECEDING FINANCIAL YEAR END 31/1/2013 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	2,109,267	2,186,988
Investment properties	178,518	186,566
Land held for property development	415,162	414,522
Prepaid land lease payments	208	214
Intangible assets	352,275	363,333
Land use rights	7,632	7,541
Associated companies	24,721	25,229
Jointly controlled entities - unincorporated	103,986	106,856
Jointly controlled entity	94,406	92,622
Deferred tax assets	7,714	8,400
Investment securities	35,889	198,462
Financial receivables	297,001	266,471
	<u>3,626,779</u>	<u>3,857,204</u>
Current assets		
Property development costs	18,895	22,390
Properties & land held for resale	40,677	40,787
Inventories	3,955	4,391
Financial receivables	67,368	66,780
Trade receivables	40,967	45,582
Other receivables	42,937	48,679
Due from related companies	251	2,024
Short term funds	429,785	134,255
Investment securities	67,246	-
	<u>712,081</u>	<u>364,888</u>
TOTAL ASSETS	<u>4,338,860</u>	<u>4,222,092</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	2,660,862	2,660,862
Reserves	(202,455)	(182,717)
	<u>2,458,407</u>	<u>2,478,145</u>
Non-controlling interest	-	-
Preference shares issued by subsidiaries	57,988	57,988
TOTAL EQUITY	<u>2,516,395</u>	<u>2,536,133</u>
Non-current liabilities		
Deferred tax liabilities	260,862	262,123
Borrowings	761,908	911,275
	<u>1,022,770</u>	<u>1,175,133</u>
Current liabilities		
Provision for liabilities	3,078	2,209
Borrowings	429,077	183,752
Trade payables	32,027	43,698
Other payables	166,591	161,634
Due to related companies	153,817	106,847
Income tax payable	14,281	10,998
Derivatives	824	1,688
	<u>799,695</u>	<u>510,826</u>
TOTAL LIABILITIES	<u>1,822,465</u>	<u>1,685,959</u>
TOTAL EQUITY AND LIABILITIES	<u>4,338,860</u>	<u>4,222,092</u>
Net assets value per ordinary share (RM)	<u>0.46</u>	<u>0.46</u>
Net assets value per share (inclusive of ordinary shares and ICPS)	<u>0.46</u>	<u>0.47</u>

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 January 2013)

TA GLOBAL BERHAD (828855-P)
CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE FINANCIAL QUARTER ENDED 31 OCTOBER 2013

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	31/10/2013	31/10/2012	31/10/2013	31/10/2012
	RM'000	RM'000	RM'000	RM'000
Revenue	150,452	159,685	460,660	453,480
Other income	7,763	8,160	28,830	19,781
Other expenses	(124,750)	(119,930)	(390,812)	(387,640)
Profit from operations	33,465	47,915	98,678	85,621
Finance costs	(9,231)	(7,600)	(23,736)	(22,057)
Share of results of associated companies	4	(36)	(507)	(773)
Share of results of jointly controlled entities	(7)	-	(53)	-
Share of results of jointly controlled entities - unincorporation	(218)	-	(417)	-
Profit before tax	24,013	40,279	73,965	62,791
Income tax expense	(5,017)	(6,190)	(10,968)	(11,946)
Profit for the period	18,996	34,089	62,997	50,845
Profit attributable to: Owners of the parent	18,996	34,089	62,997	50,845
	18,996	34,089	62,997	50,845
Earnings per share attributable to owners of the parent				
Basic (sen)	0.36	0.64	1.18	0.96
Fully diluted (sen)	0.36	0.64	1.18	0.96
	AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	
Net assets value per share (RM)	0.46		0.46	
Net assets value per share (RM) (inclusive of ordinary shares and ICPS)	0.46		0.47	

(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 31 January 2013)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL QUARTER ENDED 31 OCTOBER 2013

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/10/2013 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/10/2012 RM'000	CURRENT YEAR TO DATE 31/10/2013 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/10/2012 RM'000
Profit for the period	18,996	34,089	62,997	50,845
Other comprehensive income/(loss):				
Items that will be reclassified subsequently to profit or loss:				
Foreign currency translation differences for foreign operation	(23,865)	(52,451)	(52,736)	6,386
Available-for-sale financial assets				
- Net fair value gain/(loss)	(244)	2,754	1,738	3,395
- Reclassification to profit or loss	439	-	(1,331)	-
Income tax relating to components of other comprehensive income	88	(70)	(181)	(230)
Other comprehensive income/(loss) for the period, net of tax	(23,582)	(49,767)	(52,510)	9,551
Total comprehensive income for the period	(4,586)	(15,678)	10,487	60,396
Total comprehensive income attributable to:				
Owners of the parent	(4,586)	(15,678)	10,487	60,396
	(4,586)	(15,678)	10,487	60,396

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 January 2013)

TA GLOBAL BERHAD (828855-P)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL QUARTER ENDED 31 OCTOBER 2013**

	Attributable to owners of the parent		Distributable		Preference Shares Issued by Subsidiaries RM'000	Non-controlling interests RM'000	Total Equity RM'000				
	Share capital RM'000	Available-for-sale reserve RM'000	Translation reserve RM'000	Exchange difference recognised in equity RM'000				Retained profits RM'000	Total RM'000		
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
Dividend	-	-	-	-	-	-	(36,957)	(36,957)	-	-	(36,957)
Total comprehensive (loss)/income for the period	-	-	-	3,165	(1,914)	8,300	50,845	60,396	-	-	60,396
At 31 October 2012	<u>2,660,862</u>	<u>214</u>	<u>(926,077)</u>	<u>3,537</u>	<u>206,787</u>	<u>51,730</u>	<u>409,904</u>	<u>2,406,957</u>	<u>57,988</u>	<u>-</u>	<u>2,464,945</u>
At 1 February 2013	2,660,862	214	(926,077)	1,976	236,946	51,731	452,493	2,478,145	57,988	-	2,536,133
Dividend	-	-	-	-	-	-	(30,225)	(30,225)	-	-	(30,225)
Total comprehensive (loss)/income for the period	-	-	-	226	(57,251)	4,515	62,997	10,487	-	-	10,487
At 31 October 2013	<u>2,660,862</u>	<u>214</u>	<u>(926,077)</u>	<u>2,202</u>	<u>179,695</u>	<u>56,246</u>	<u>485,265</u>	<u>2,458,407</u>	<u>57,988</u>	<u>-</u>	<u>2,516,395</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 2013.)

TA GLOBAL BERHAD (828855-P)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2013**

	9 months ended	
	31/10/2013 RM'000	31/10/2012 RM'000
Operating Activities		
Profit before tax	73,965	62,791
Adjustments for:		
Non-cash items	63,512	56,619
Non-operating items	4,906	9,878
Operating profit before changes in working capital	142,383	129,288
Net decrease/(increase) in assets	37,306	69,415
Net (decrease)/increase in liabilities	(17,154)	97,603
Cash generated from operations	162,535	296,306
Interest (paid)/received	1,869	(267)
Taxes (paid)/refunded	(9,165)	(1,102)
Net cash generated from operating activities	155,239	294,937
Investing Activities		
Interest received	4,524	11,475
Acquisition of subsidiary	-	(270,912)
Investment in jointly controlled entities - unincorporated	441	(8,811)
Investment in jointly controlled entity	-	(27,809)
Development cost on land held for development	(640)	(3,481)
Purchase of property, plant and equipment	(20,150)	(37,009)
Purchase of derivatives	(2,865)	(2,406)
Proceeds from settlement of derivatives	3,959	3,051
Net (purchase)/proceeds from disposal of investment securities	108,520	(38,713)
Other receipts/(payments)	2,923	(3)
Net cash used in investing activities	96,712	(374,618)
Financing Activities		
Dividend paid	(30,225)	(36,957)
Interest paid	(22,280)	(21,733)
Net drawdown of borrowings	94,854	281,948
Purchase of derivatives	(2,865)	-
(Increase)/decrease in pledged deposits for financing facilities	(249,104)	33
Net cash generated from financing activities	(209,620)	223,291
Net increase in Cash & Cash Equivalents during the period	42,331	143,610
Cash & Cash Equivalents at beginning of year		
As previously reported	87,871	65,934
Effects of exchange rate changes	(2,131)	(118)
As restated	85,741	65,816
Cash & Cash Equivalents at end of current period which exclude monies held in trust, and fixed deposits pledged to financial institutions	128,072	209,426

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the year ended 31 January 2013)

TA GLOBAL BERHAD (828855-P)

Quarterly Report for the Period Ended 31 October 2013

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 2013.

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 2013, 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 101	Presentation of Items of Other Comprehensive Income (Amendments to FRS 101)	1 July 2012
Amendments to FRS 101	Presentation of Financial Statements (Improvement to FRSs (2012))	1 January 2013
FRS 10	Consolidated Financial Statements	1 January 2013
FRS 11	Joint Arrangements	1 January 2013
FRS 12	Disclosure of Interests in Other Entities	1 January 2013
FRS 13	Fair Value Measurements	1 January 2013
FRS 119	Employee Benefits	1 January 2013
FRS 127	Separate Financial Statements	1 January 2013
FRS 128	Investment in Associate and Joint Ventures	1 January 2013
Amendment to IC Interpretation 2	Members' Shares in Cooperative Entities and Similar Instruments (Improvements to FRSs (2012))	1 January 2013
IC Interpretation 20	Stripping Costs in the Production Phase of a Surface Mine	1 January 2013
Amendments to FRS 7	Disclosures: Offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendments to FRS 1	First-time Adoption of Malaysian Financial Reporting Standards – Government Loans	1 January 2013
Amendments to FRS 1	First-time Adoption of Malaysian Financial Reporting Standards (Improvements to FRSs (2012))	1 January 2013
Amendments to FRS 116	Property, Plant and Equipment (Improvements to FRSs (2012))	1 January 2013
Amendments to FRS 132	Financial Instruments: Presentation (Improvements to FRSs (2012))	1 January 2013
Amendments to FRS 134	Interim Financial Reporting (Improvements to FRSs (2012))	1 January 2013
Amendments to FRS 10	Consolidated Financial Statements: Transition Guidance	1 January 2013
Amendments to FRS 11	Joint Arrangements: Transition Guidance	1 January 2013
Amendments to FRS 12	Disclosure of Interests in Other Entities: Transition Guidance	1 January 2013

A2 Changes in Accounting Policies (Cont'd)

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’).

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 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 hotel operation in Australia, Singapore, Canada, China and Thailand which may be affected by seasonal or cyclical factors impacting the occupancy and room rates.

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 except for the following:

Conversion of Irredeemable Convertible Preference Shares (“ICPS”) to Ordinary Shares

During the financial period ended 31 October 2013, the Company issued 274,716,760 ordinary shares pursuant to the conversion of ICPS by the ICPS holders. The conversion was satisfied by surrendering one ICPS of RM0.50 each in the Company for each new Company’s ordinary share of RM0.50 each.

A8 Dividends Paid

A final single-tier dividend in respect of the financial year ended 31 January 2013 of 1.20% on 5,037,493,811 ordinary shares, amounting to a dividend payable of RM30,224,958 (0.60 sen per ordinary shares), was paid on 14 August 2013.

A9 Segmental Information

Segment revenue and segment results for the current financial period to date:

	Investment holding and Others RM'000	Finance and related services RM'000	Property investment RM'000	Property development RM'000	Hotel operations RM'000	Elimination RM'000	Consolidated RM'000
Revenue							
External sales	12,714	4,066	39,554	57,813	346,513	-	460,660
Inter-segment sales	12,742	3,938	15,279	-	-	(31,959)	-
Total revenue	<u>25,456</u>	<u>8,004</u>	<u>54,833</u>	<u>57,813</u>	<u>346,513</u>	<u>(31,959)</u>	<u>460,660</u>
Other income	<u>2,071</u>	<u>19,303</u>	<u>826</u>	<u>1,639</u>	<u>4,991</u>	<u>-</u>	<u>28,830</u>
Results							
Net segment results	2,055	23,835	16,348	15,899	67,188	-	125,325
Foreign exchange (losses)/gains	(11,632)	2,854	-	-	(7,611)	-	(16,389)
Unallocated costs							<u>(10,258)</u>
Profit from operations:							98,678
Finance costs	(9,934)	(670)	(6,656)	(2,261)	(4,215)	-	(23,736)
Share of results of associated companies	-	-	(185)	(322)	-	-	(507)
Share of results of jointly controlled entities	-	-	(53)	-	-	-	(53)
Share of results of jointly controlled entities - unincorporated	-	-	(417)	-	-	-	(417)
Profit before tax							<u>73,965</u>
Income tax expense							<u>(10,968)</u>
Profit for the year							<u>62,997</u>
Attributable to:							
Owners of the parent							62,997
Non-controlling interest							<u>-</u>
							<u>62,997</u>

A10 Subsequent Events

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

Proposed Acquisition of the Little Bay Residential Project in Sydney, Australia

On 27 November 2013, TA Global Development Pty Ltd (“TAGDPL”) and TA Antarabangsa Development Limited (“TAADL”), both are wholly owned subsidiaries of the Company, have entered into an Acquisition Deed (“Deed”) with Charter Hall Funds Management Limited (“CHFML”) in its personal capacity and in its capacity as trustee of the Charter Hall Opportunity Fund No. 5 (“CHOF5”), CHOF5 Little Bay Pty Ltd (“LBPL”), Charter Hall Holdings Pty Limited (“CHH”) and Charter Hall Limited (“CHL”) for the following for a total cash consideration of A\$97.8 million equivalent to RM290,661,600.00 at exchange rate of RM2.972 to A\$1.00 as at 27 November 2013 (“Proposed Acquisition”):-

- (i) To acquire the sole right and interest to develop the Little Bay Cove Project which will be developed on a staged basis with the 580 developed dwellings comprising of houses, townhouses and apartments (“Project”); and
- (ii) To acquire the issued shares in LBPL (which owns the land in relation to, and is the developer of Little Bay Cove Project) and rights under a mezzanine loan agreement and ancillary documents.

Prior to this proposed acquisition, TAGDPL and TAADL had entered into a 50:50 development sponsorship arrangement with Charter Hall Group (“CHG”) for the development of the Little Bay residential project in Sydney, New South Wales, Australia (“Joint Sponsorship”). Pursuant to the Joint Sponsorship, the Mezzanine Loan Agreement dated 18 October 2010 between TAADL, TAGDPL and LBPL for the provision of debt funding required by LBPL for the development of the Little Bay residential project and the amended Mezzanine Loan Agreement dated 6 June 2011.

A11 Changes in the Composition of the Group

Acquisition of Harmony Sanctuary Sdn. Bhd. (“Harmony Sanctuary”)

On 5 April 2013, TA Properties Sdn. Bhd., a wholly-owned subsidiary of the Company had acquired 2 ordinary shares representing 100% equity interest in Harmony Sanctuary, for a total cash consideration of RM2.00.

Harmony Sanctuary was incorporated on 8 March 2013 as a private limited company in Malaysia pursuant to the Companies Act, 1965. The authorised share capital of Harmony Sanctuary is RM100,000.00 divided into 100,000 shares of RM1.00 each. The current issued and paid-up capital of Harmony Sanctuary is RM2.00. Harmony Sanctuary is a property development and investment company.

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

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

Acquisition of Crystal Ingenious Sdn. Bhd. ("Crystal Ingenious")

On 30 October 2013, the Company had acquired 2 ordinary shares representing 100% equity interest in Crystal Ingenious, for a total cash consideration of RM2.00.

Crystal Ingenious was incorporated on 1 February 2013 as a private limited company in Malaysia pursuant to the Companies Act, 1965. The authorised share capital of Crystal Ingenious is RM100,000.00 divided into 100,000 shares of RM1.00 each. The current issued and paid-up capital of Crystal Ingenious is RM2.00. Crystal Ingenious is a general trading, investment and property development company.

As Crystal Ingenious is inactive, it does not have material financial and operational effect on 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 October 2013 is as follow:

	RM'000
Approved and contracted for:	
- Renovation	18,564
- Jointly controlled entities	217,210
	<hr/> 235,774 <hr/>

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

B1 Performance Analysis of the Group's Operating Segments

The Group reported profit before tax of RM24.0 million and revenue of RM150.5 million for the current third quarter compared to profit before tax of RM40.3 million and revenue of RM159.7 million respectively achieved in the previous year's corresponding period.

The profit before tax and revenue has decreased as compared to previous year's corresponding quarter and period-to-date. This was mainly due to lower contribution from property development division, higher foreign exchange losses resulting from loans denominated in other foreign currencies, despite the gain on disposal of investment securities.

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

	Current Year Quarter 31 October 2013 RM'000	Preceding Year Corresponding Quarter 31 October 2012 RM'000	Current Year To- Date 31 October 2013 RM'000
Revenue	150,452	159,685	460,660
Other income			
- Interest income from financial institutions	889	254	2,064
- Interest income from a joint venture in which the Group has 65% interest	289	583	846
- Interest income from investment securities	1,107	2,810	2,873
- Other interest income	343	96	610
- Loss on disposal of property, plant and equipment	(12)	-	(6)
- Deemed fee income from provision of financial guarantee	801	1,527	2,312
- Gain on disposal of investment securities	2,122	-	12,963
- Realised gain on settlement of derivatives	-	644	258
- Rental income	1,586	1,205	4,732
- Bad debts recovered	-	60	-
- Others	638	981	2,178
	7,763	8,160	28,830
Other expenses			
- Amortisation and depreciation	(19,000)	(20,266)	(58,301)
- Cost of properties and building materials sold	(12,916)	(14,748)	(49,254)
- Hotel operational expenses (include hotel personnel cost)	(81,766)	(81,462)	(238,563)
- Personnel and others	(8,338)	(8,530)	(28,980)
- Reversal /(allowance) for impairment loss on receivables	1,110	(1,491)	1,826
- Fair value gain/(loss) on revaluation of investments	161	-	(38)
- Impairment loss on investment securities	-	-	(829)
- Unrealised fair value gain/(loss) on derivatives	562	(4,108)	(284)
- Foreign exchange (loss)/gain	(4,563)	10,675	(16,389)
	(124,750)	(119,930)	(390,812)
Finance costs	(9,231)	(7,600)	(23,736)
Share of results of associated companies	4	(36)	(507)
Share of results of jointly controlled entity	(7)	-	(53)
Share of results of jointly controlled entity - unincorporated	(218)	-	(417)
Profit before tax	24,013	40,279	73,965

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

Investment holding

Investment holding division reported loss before tax of RM7.9 million in the current third quarter as compared to profit before tax of RM0.03 million in the previous year's corresponding quarter. The increase in loss before tax as compared to previous year's corresponding quarter was mainly due to foreign exchange loss on US Dollar and Singapore Dollar denominated borrowings resulted from the weakening of Ringgit Malaysia against these currencies.

For the current period-to-date, this division reported RM29.8 million loss before tax as compared to loss before tax of RM20.5 million in the previous year's corresponding period. This was mainly due to higher accumulated foreign exchange loss resulting from loans payable denominated in Singapore Dollar.

Finance and related services

For the current third quarter, finance and related services division reported profit before tax of RM2.5 million as compared to profit before tax of RM3.9 million in the previous year's corresponding quarter. Despite the gain on disposal of investment securities, profit before tax has slightly decreased mainly due to foreign exchange loss on US Dollar and Canadian Dollar denominated borrowings resulted from the weakening of Ringgit Malaysia against these currencies.

For the current period-to-date, this division reported profit before tax of RM26.0 million as compared to RM0.89 million profit before tax in the previous year's corresponding period. The increase was mainly due to absence of impairment losses on financial receivables, gains on disposal of investment securities and realised gains on derivatives.

Property investment

Property investment division reported profit before tax of RM3.5 million in the current third quarter as compared to profit before tax of approximately RM5.0 million in the previous year's corresponding quarter. This division contributed consistent profit to the Group. The slight decrease was mainly due to higher operation cost. This also explained the decrease in current period-to-date profit before tax of RM9.1 million as compared to RM12.6 million in the previous year's corresponding period.

Property development

Property development division reported profit before tax of RM2.3 million in the current third quarter as compared to profit before tax of RM8.9 million in the previous year's corresponding quarter. The decrease was mainly due to finance costs incurred during the year, slow and steady progress on the ongoing development projects in Damansara Avenue. This also explained the decrease in current period-to-date profit before tax of RM13.2 million as compared to RM15.7 million in the previous year's corresponding period.

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

Hotel operations

Hotel operations registered net operating profit of RM20.7 million in the current third quarter as compared to RM19.0 million in the previous year's corresponding quarter.

For the current period-to-date, this division achieved net operating profit of RM63.0 million as compared to RM56.3 million in the previous year's corresponding period-to-date.

Hotel operations had contributed sustainable revenue to the Group. However, current period-to-date profit before tax of the division has dropped by 14% to RM55.4 million due to higher foreign exchange translation losses resulted from the appreciation of US Dollar against the reporting currency of the Group.

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

The Group recorded profit before tax of RM24.0 million in the current third quarter as compared to loss before tax of RM1.3 million in the preceding quarter. The increase in profit before tax was mainly due to better hotel performance and slightly improved position of Ringgit Malaysia against foreign currencies.

B3 Prospects for the current financial year

In financial year 2014, the Malaysian economic performance shall continue to be driven principally by the government's project initiatives and public and private investments under the Economic Transformation Programme (ETP). Although the property market sentiment remains hesitant, generally the prices are expected to remain stable in year 2013.

The prospects for each business division is summarised below:

Finance and related services

The finance and related services shall remain as part of the business strategy for the Group to support the property development and property investment divisions.

Property Investment

The overseas property investment will continue to generate stable income to the Group's earnings for the current financial year. The Group will continue to explore opportunity to increase its property investments to generate higher returns.

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

Property development

The domestic property market is set to grow further in 2013 as the ETP projects continue to sustained sales growth in 2013. As our property development projects are within the Klang Valley, we expect a modest growth for the financial year.

The joint venture development projects in Vancouver and the joint alliance sponsorship project in Sydney will remain our main focus and we expect the contributions to the Group's earnings at the later stage of the development due the "Build-Then-Sell" approach adopted in various countries.

Hotel Operations

Our hospitality business spanning across Singapore, Australia, China, Canada and Thailand is expected to continue to generate a stable recurrent income stream for the Group. Hotel occupancy rates especially in Australia has been strong. Demand is expected to outstrip supply and hotels are expected to generate higher occupancy rates. Sustained growth in business travel and robust growth of international tourist arrivals from emerging Asian economies will drive the hospitality industry. Our hotels in Sydney and Melbourne are poised to benefit from these positive indicators.

We will continue to explore and evaluate opportunities for expansion of our hotel operations to further enhance the revenue contribution from hospitality division.

Barring any unforeseen circumstances, the Group will continue to be profitable in the financial year ending 31 January 2014.

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	4,765	8,680
- Foreign tax	2,840	4,553
Deferred tax	(810)	(487)
Overprovision in prior year	(1,778)	(1,778)
	<u>5,017</u>	<u>10,968</u>

B5 Taxation (Cont'd)

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

	Current quarter RM'000	Year to date RM'000
Profit before taxation	<u>24,013</u>	<u>73,965</u>
Taxation at the statutory income tax rate of 25%	6,003	18,491
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	(986)	(7,523)
	<u><u>5,017</u></u>	<u><u>10,968</u></u>

B6 Corporate Proposals

Status of Corporate Proposals

No corporate proposals have been announced but not completed at the date of this quarterly report.

B7 Group Borrowings and Debt Securities

Total Group borrowings as at 31 October 2013 were as follows:

	Secured RM'000	Unsecured RM'000
<u>Long term borrowings</u>		
Foreign currency loans	662,103	-
Revolving credits	99,805	-
<u>Short term borrowings</u>		
Foreign currency loans	384,535	-
Revolving credits	17,542	27,000
	<u><u>1,163,985</u></u>	<u><u>27,000</u></u>

B7 Group Borrowings and Debt Securities (Cont'd)

Denomination of secured foreign currency loans and revolving credits:-

		Secured RM'000
<i>Long-term borrowings</i>		
C\$	60,419,386	182,273
S\$	177,700,000	452,904
RMB	52,000,000	26,926
		<u>662,103</u>
<i>Short-term borrowings</i>		
C\$	14,042,617	42,364
S\$	6,800,000	17,331
A\$	28,249,945	84,710
RMB	20,000,000	10,356
HK\$	6,773,391	2,757
US\$	71,940,877	227,017
		<u>384,535</u>

The secured loans and revolving credits of the Group consist of the followings:-

Loans denominated in C\$

- (a) A 15-year term loan (C\$26,524,662) will mature on 5 December 2020.
- (b) A 20-year term loan (C\$36,876,578) will mature on 5 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.

- (c) Three 5-year term loans (total of C\$ 1,660,765) 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) Short term revolving credits (C\$11,900,000) of which C\$2,500,000 is secured by new first all-monies charge over the ordinary shares of a subsidiary and mortgage over a hotel in Singapore, and C\$9,400,000 is secured against a hotel in Australia.

The above loans bear interest rates ranging from 2.7% to 4.8% per annum.

Loan denominated in S\$

A 5-year term loan (S\$184,500,000) 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 1.8%, and is secured by new first all-monies charge over the ordinary shares of a subsidiary and mortgage over a hotel in Singapore.

B7 Group Borrowings and Debt Securities (Cont'd)

Loan denominated in A\$

A short term loan amounting to A\$28,249,945 will mature in January 2014. The loan is secured against a freehold hotel land and building in Australia.

The loan bears interest rates ranging from 4.5% to 5.1% per annum.

Loans denominated in US\$

Short-term loans amounting to US\$71,940,877 are on rollover basis. The loans are secured against certain investment securities.

The above loans bear interest rates ranging from 0.53% to 0.58% per annum.

Loans denominated in RMB

Four term loans amounting to RMB72,000,000 are with different maturities from 20 December 2013 to 24 April 2016. These loans are subject to average interest rate of 5.64%, and are secured against a hotel building and land use rights in China.

Loan denominated in HK\$

Short-term loan amounting to HK\$6,773,391 is on rollover basis. The loan is secured against certain investment securities and bear interest rate of 0.46% per annum.

Loans denominated in RM

Loans and revolving credits denominated in RM bear interest rates ranging from 4.32% to 4.36%, of which RM10,000,000 are secured by corporate guarantees, and RM99,805,000 is secured against corporate guarantee and a freehold land in Kuala Lumpur.

B8 Material Litigation

As at 5 December 2013, there were no changes in material litigation since the last annual reporting date of 31 January 2013.

B9 Dividend

Apart from the first and final single-tier dividend of 1.20% (0.60 sen per ordinary share) in respect of the financial year ended 31 January 2013 approved by shareholders during the Annual General Meeting on 5 July 2013 and subsequently paid on 14 August 2013 as disclosed in Note A8, there was no further dividend declared as at the date of this quarterly report.

B10 Disclosure of Derivatives

Types of derivatives/Maturity	Contract/Notional value	Fair value asset/(liability)
Geared Equity Accumulators -Less than 1 year	RM203,036,407	(RM191,953)
Geared Equity Decumulators -Less than 1 year	RM3,807,093	(RM40,802)
Accumulator Forward -Less than 1 year	RM26,607,204	(RM591,504)

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

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 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 subsidiary companies:		
- Realised	867,229	811,932
- Unrealised	(96,665)	(67,011)
	<u>770,564</u>	<u>744,921</u>
Total share of retained profits of associated companies:		
- Realised	2,367	2,887
- Unrealised	78	78
	<u>2,445</u>	<u>2,965</u>
Total share of accumulated losses from jointly control entities:		
- Realised	(2,995)	(2,525)
Less: Consolidation adjustments	<u>(284,749)</u>	<u>(292,868)</u>
Total retained profits as per Statement of Financial Position	<u>485,265</u>	<u>452,493</u>

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter 31 October 2013	Preceding year corresponding quarter 31 October 2012	Current year to-date 31 October 2013	Preceding year corresponding period 31 October 2012
Basic earnings per share				
Profit for the period (RM'000) - attributable to owners	18,996	34,089	62,997	50,845
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>0.36</u>	<u>0.64</u>	<u>1.18</u>	<u>0.96</u>

Basic earnings per share was calculated based on the Group's profit attributable to equity holders of the Company divided by for 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
12 December 2013