

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 OCTOBER 2014

	AS AT END OF CURRENT QUARTER 31/10/2014 RM'000	AS AT PRECEDING FINANCIAL YEAR END 31/01/2014 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	2,043,609	2,096,827
Investment properties	273,902	229,793
Land held for property development	422,078	415,872
Intangible assets	444,908	280,696
Associated companies	23,639	24,173
Joint ventures	80,763	86,157
Investment securities	38,852	37,642
Deferred tax assets	8,388	9,560
Receivables	243,055	351,091
	<u>3,579,194</u>	<u>3,531,811</u>
Current assets		
Property development costs	461,446	195,971
Investment securities	192,881	140,072
Inventories	44,474	47,833
Receivables	106,545	94,612
Tax recoverable	7,730	11,695
Cash and short term deposits	347,109	457,591
	<u>1,160,185</u>	<u>947,774</u>
TOTAL ASSETS	<u>4,739,379</u>	<u>4,479,585</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	2,660,862	2,660,862
Reserves	(137,130)	(144,131)
	<u>2,523,732</u>	<u>2,516,731</u>
Non-controlling interest	-	-
Preference shares issued by subsidiaries	57,988	57,988
TOTAL EQUITY	<u>2,581,720</u>	<u>2,574,719</u>
Non-current liabilities		
Deferred tax liabilities	229,541	230,438
Long term borrowings	524,789	362,814
Payables	-	2,148
	<u>754,330</u>	<u>595,400</u>
Current liabilities		
Short term borrowings	1,042,207	964,973
Payables	330,535	333,835
Income tax payable	27,754	10,555
Derivatives	2,833	103
	<u>1,403,329</u>	<u>1,309,466</u>
TOTAL LIABILITIES	<u>2,157,659</u>	<u>1,904,866</u>
TOTAL EQUITY AND LIABILITIES	<u>4,739,379</u>	<u>4,479,585</u>
Net assets value per ordinary share (RM)	<u>0.47</u>	<u>0.47</u>
Net assets value per share (inclusive of ordinary shares and ICPS)	<u>0.47</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 2014)

CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE FINANCIAL QUARTER ENDED 31 OCTOBER 2014

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/10/2014 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/10/2013 RM'000	CURRENT YEAR TO DATE 31/10/2014 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/10/2013 RM'000
Revenue	203,354	150,452	577,788	460,660
Other income	60,011	7,763	119,003	28,830
Other expenses	(186,298)	(124,750)	(479,161)	(390,812)
Profit from operations	77,067	33,465	217,630	98,678
Finance costs	(9,688)	(9,231)	(27,547)	(23,736)
Share of results of associated companies	5	4	(535)	(507)
Share of results of jointly controlled entities	-	(7)	-	(53)
Share of results of jointly controlled entities - unincorporation	-	(218)	-	(417)
Profit before tax	67,384	24,013	189,548	73,965
Income tax expense	(22,607)	(5,017)	(42,104)	(10,968)
Profit for the period	44,777	18,996	147,444	62,997
Profit attributable to: Owners of the parent	44,777	18,996	147,444	62,997
Earnings per share attributable to owners of the parent				
Basic (sen)	0.84	0.36	2.77	1.18
Fully diluted (sen)	0.84	0.36	2.77	1.18
	AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	
Net assets value per share (RM)	0.47		0.47	
Net assets value per share (RM) (inclusive of ordinary shares and ICPS)	0.47		0.47	

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

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL QUARTER ENDED 31 OCTOBER 2014

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/10/2014 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/10/2013 RM'000	CURRENT YEAR TO DATE 31/10/2014 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/10/2013 RM'000
Profit for the period	44,777	18,996	147,444	62,997
Other comprehensive income/(loss):				
Items that will be reclassified subsequently to profit or loss:				
Foreign currency translation differences for foreign operation	(15,358)	(23,865)	(82,555)	(52,736)
Foreign currency translation gain reclassified to profit or loss	-	-	(20,211)	-
Available-for-sale financial assets				
- Net fair value gain/(loss)	406	(244)	1,304	1,738
- Reclassification to profit or loss	-	439	-	(1,331)
Income tax relating to components of other comprehensive income	(478)	88	(735)	(181)
Other comprehensive income/(loss) for the period, net of tax	(15,430)	(23,582)	(102,197)	(52,510)
Total comprehensive income for the period	29,347	(4,586)	45,247	10,487
Total comprehensive income attributable to:				
Owners of the parent	29,347	(4,586)	45,247	10,487
	29,347	(4,586)	45,247	10,487

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

TA GLOBAL BERHAD (828855-P)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL QUARTER ENDED 31 OCTOBER 2014**

	Attributable to owners of the parent										
	Non-distributable					Distributable					
	Share capital	Capital reserve	Merger reserve	Available-for-sale reserve	Translation reserve	Exchange difference recognised in equity	Retained profits	Total	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
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	2,660,862	214	(926,077)	2,202	179,695	56,246	485,265	2,458,407	57,988	-	2,516,395
At 1 February 2014	2,660,862	214	(926,077)	2,394	174,097	71,817	533,424	2,516,731	57,988	-	2,574,719
Dividend	-	-	-	-	-	-	(38,246)	(38,246)	-	-	(38,246)
Total comprehensive (loss)/income for the period	-	-	-	569	(69,321)	(33,445)	147,444	45,247	-	-	45,247
At 31 OCTOBER 2014	2,660,862	214	(926,077)	2,963	104,776	38,372	642,622	2,523,732	57,988	-	2,581,720

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

TA GLOBAL BERHAD (828855-P)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 OCTOBER 2014**

	9 months ended	
	31/10/2014 RM'000	31/10/2013 RM'000
Operating Activities		
Profit before tax	189,548	73,965
Adjustments for:		
Non-cash items	61,799	63,512
Non-operating items	(90,034)	4,906
Operating profit before changes in working capital	<u>161,314</u>	<u>142,383</u>
Net decrease/(increase) in assets	1,906	37,306
Net (decrease)/increase in liabilities	(74,511)	(17,154)
Cash generated from operations	<u>88,709</u>	<u>162,535</u>
Interest (paid)/received	87,029	1,869
Taxes (paid)/refunded	(21,400)	(9,165)
Net cash generated from operating activities	<u>154,338</u>	<u>155,239</u>
Investing Activities		
Interest received	21,613	4,524
Acquisition of subsidiary	(21,416)	-
Dividend received	607	-
Investment in jointly controlled entities - unincorporated	-	441
Development cost on land held for development	(6,206)	(640)
Purchase of property, plant and equipment	(26,368)	(20,150)
Proceeds from disposal of property, plant and equipment	1,432	-
Purchase of investment properties	(51,411)	-
Proceeds from settlement of derivatives	3,607	3,959
Net (purchase)/proceeds from disposal of investment securities	(146,801)	108,520
Other receipts/(payments)	(125)	2,923
Net cash (used in)/generated from investing activities	<u>(225,067)</u>	<u>96,712</u>
Financing Activities		
Dividend paid	(38,246)	(30,225)
Dividend paid to minority interest	-	-
Interest paid	(25,678)	(22,280)
Net drawdown of borrowings	30,576	94,854
(Increase)/decrease in pledged deposits for financing facilities	(22)	(249,104)
Net cash generated from financing activities	<u>(33,370)</u>	<u>(209,620)</u>
Net (decrease)/increase in Cash & Cash Equivalents during the period	(104,099)	42,331
Cash & Cash Equivalents at beginning of year		
As previously reported	456,151	87,871
Effects of exchange rate changes	(5,773)	(2,131)
As restated	450,378	85,740
Cash & Cash Equivalents at end of current period which exclude monies held in trust, and fixed deposits pledged to financial institutions	<u>346,279</u>	<u>128,071</u>

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

TA GLOBAL BERHAD (828855-P)

Quarterly Report for the Period Ended 31 October 2014

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 2014.

A2 Changes in Accounting Policies

The accounting policies and methods of computation adopted by the Group in these quarterly financial statements are consistent with those adopted in the audited financial statements for the year ended 31 January 2014, except for the adoption of the following new and revised Financial Reporting Standards (FRSs), Amendments to FRSs and IC interpretations.

	Effective for financial periods beginning on or after
Amendments to FRS 132: Offsetting Financial Assets and Financial Liabilities	1 January 2014
Amendments to FRS 10, FRS 12 and FRS 127: Investment Entities	1 January 2014
Amendments to FRS 136: Recoverable Amount Disclosures for Non-Financial Assets	1 January 2014
Amendments to FRS 139: Novation of Derivatives and Continuation of Hedge Accounting	1 January 2014
IC Interpretation 21: Levies	1 January 2014
FRS 9: Mandatory Effective Date of FRS 9 and Transition Disclosures (Amendments to FRS 9 and FRS 7)	Immediately

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').

A2 Changes in Accounting Policies (Cont'd)

Malaysian Financial Reporting Standards Framework ("MFRS Framework") (Cont'd)

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

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

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 2016. 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 2016.

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 2014, the Company issued 262,041,902 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 2014 of 1.50% on 5,099,442,067 ordinary shares, amounting to a dividend payable of RM38,245,812 (0.75 sen per ordinary shares), was paid on 25 July 2014.

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	3,990	32,926	40,622	163,883	336,367	-	577,788
Inter-segment sales	8,644	6,832	14,789	-	-	(30,265)	-
Total revenue	12,634	39,758	55,411	163,883	336,367	(30,265)	577,788
Other income	688	112,180	2,157	2,052	1,926	-	119,003
Results							
Net segment results	(26,587)	120,944	15,067	28,397	59,018	-	196,839
Foreign exchange gains/(losses)	29,315	298	1	-	1,729	-	31,343
Unallocated costs							(10,552)
Profit from operations:							217,630
Finance costs	(12,418)	(432)	(5,959)	(4,540)	(4,198)	-	(27,547)
Share of results of associated companies	-	-	(85)	(450)	-	-	(535)
Profit before tax							189,548
Income tax expense							(42,104)
Profit for the year							147,444
Attributable to:							
Owners of the Parent							147,444
Non-controlling interest							-
							147,444

A10 Subsequent Events

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

A11 Changes in the Composition of the Group

Acquisition of non-controlling interests in TFC Nominees (Asing) Sdn. Bhd.

On 17 February 2014, TA First Credit Sdn. Bhd. (“TAFC”), a wholly-owned subsidiary of the Company acquired 1 ordinary share of RM1.00 each representing 50% equity interest in TFC Nominees (Asing) Sdn. Bhd. (“TFC Nominees”) for a total consideration of RM1.00. TFC Nominees is currently dormant. Prior to acquisition, TAFC is holding 50% equity interest in TFC Nominees. Pursuant to the acquisition, TFC Nominees shall be a wholly-owned subsidiary of TAFC.

Acquisition of non-controlling interests in Binaprestij Maju Sdn. Bhd.

On 17 February 2014, TAP acquired 490,000 ordinary shares of RM1.00 each representing 49% equity interest in Binaprestij Maju Sdn. Bhd. (“Binaprestij”) for a total consideration of RM1.00. Binaprestij’s principal activity is general construction and is currently inactive. Prior to acquisition, TAP is holding 51% equity interest in Binaprestij. Pursuant to the acquisition, Binaprestij shall be a wholly-owned subsidiary of TAP.

Acquisition of a Foreign Subsidiary - Maxfine International Limited

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

Dissolution of a Foreign Subsidiary - Aava Whistler Holdings Ltd

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

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

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

On 30 May 2014, the Company announced that:

- (a) Crystal Ingenious Sdn. Bhd. (“CISB”), the wholly-owned subsidiary of the Company has acquired 100% of the issued shares of CHOF5 Little Bay Pty Ltd (“LBPL”) comprising of 100 ordinary for a total consideration of A\$3.00. This takes into account all liabilities of LBPL in respect of the following:

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

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

- (i) The repayment of the principal amount of A\$77.6 million owing by LBPL to Westpac Banking Corporation ("Westpac") under the Westpac Note Facility Deed dated 12 April 2011 ("Westpac Facility") as amended from time to time between LBPL, Westpac, CHOF5 Little Bay Finance Pty Limited, Charter Hall Opportunity Fund No. 5 ("CHOF5") and Charter Hall Holdings Pty Limited ("CHH");
 - (ii) The refund of A\$7.7 million to CHOF5 being CHOF5's voluntary prepayment to Westpac in October 2012 ("CHOF5 Voluntary Prepayment");
 - (iii) TA Antarabangsa Development Limited ("TAADL") Mezzanine Loan A\$72.0mil; and
 - (iv) CHOF5's existing Mezzanine Loan of A\$72.0mil granted to LBPL under the Mezzanine Loan Agreement dated 18 October 2010 between CHOF5 and LBPL for the provision of debt funding required by LBPL for the development of the Project ("CHOF5 Mezzanine Loan").
- (b) CISB has purchased the CHOF5 Mezzanine Loan from CHOF5 for a total consideration of A\$12.5mil as adjusted. CISB notes that the total consideration of A\$12.5mil is subject to adjustment depending on the final project costs established once the final subdivision is achieved.
- (c) CHOF5 has novated to CISB all its rights under the CHOF5 Mezzanine Loan and a Deed of Charge dated 20 December 2010 between LBPL and CHOF5. The CHOF5 Mezzanine Loan and TAADL Mezzanine Loan structure will continue to be in place following completion of the Proposed Acquisition.
- (d) CHH has novated to TA Global development Pty Ltd ("TAGDPL") CHH's interests under the Development Management Agreement dated 18 October 2010 between TAGDPL, CHH and LBPL for the provision of services by TAGDPL and CHH to LBPL relating to the development of the Project.

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

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

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

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

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

The acquisition had contributed the following results to the Group:

	2014 RM'000
Revenue	-
Loss for the period	(85)

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

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

The net cash flow on acquisition is as follows:

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

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

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

If the acquisition had occurred on 1 February 2014, the Group revenue and loss for the period from 1 February 2014 to 31 October 2014 would have been RM nil and RM84,841 respectively.

This acquisition of the assets and liabilities were accounted on a provisional basis. The purchase price allocation (“PPA”) exercise, fair value adjustments to the assets and liabilities of the subsidiaries and allocation of goodwill to specific cash-generating units (“CGU”) will be finalised by the mid of the next financial year as allowed by FRS3 Business Combinations (revised).

Incorporation of General Partner and Formation of Limited Partnershi

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

Incorporation of General Partner – TA Hotel GP Ltd.

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

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

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

Formation of Limited Partnership – TA Hotel Management Limited Partnership

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

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

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

A12 Changes in Contingent Liabilities or Contingent Assets

During the current financial quarter, the Phuket Revenue Office raised a withholding tax claim in respect of a Group subsidiary, Siam Resorts Co. Ltd. (“SRC”), in respect of waived interest for loans extended by the predecessor owner of the Movenpick Resort (“WHT Claim”). Our advisors estimate the amount of the WHT Claim to be about THB110,997,292.36.

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

As a result, no provision has been recognised and this will be reassessed during the financial year ending 31 January 2015.

A13 Commitments

The amount of capital commitments not provided for in the interim financial statements as at 31 October 2014 is as follow:

	RM'000
Approved and contracted for:	
- Renovation	14,896
- Jointly controlled entities	57,242
- Intangible assets	234
	<u>72,372</u>

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

B1 Performance Analysis of the Group's Operating Segments

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

	31 October 2014	31 October 2013
	RM'000	RM'000
Revenue	203,354	150,452
Other income		
- Interest income from financial institutions	880	889
- Interest income from a joint venture in which the Group has 65% interest	-	289
- Interest income from investment securities	9,080	1,107
- Other interest income	47,101	343
- Deemed fee income from provision of financial guarantee	-	801
- Gain on disposal of investment securities	539	2,122
- Realised gain on settlement of derivatives	318	-
- Rental income	783	1,586
- Loss on disposal of property, plant and equipment	-	(12)
- Others	1,310	638
	60,011	7,763
Other expenses		
- Amortisation and depreciation	(18,998)	(19,000)
- Cost of properties and building materials sold	(35,028)	(12,916)
- Hotel operational expenses (include hotel personnel cost)	(79,311)	(81,766)
- Personnel and others	(10,569)	(8,338)
- Acquisition-related costs	(27,168)	-
- (Allowance)/reversal for impairment loss on receivables	(2,139)	1,110
- Fair value (loss)/gain on revaluation of investments	(16,217)	161
- Unrealised fair value gain on derivatives	3,672	562
- Foreign exchange gain/(loss)	(540)	(4,563)
	(186,298)	(124,750)
Finance costs	(9,688)	(9,231)
Share of results of associated companies	5	4
Share of results of jointly controlled entity	-	(7)
Share of results of jointly controlled entity - unincorporated	-	(218)
Profit/(loss) before tax	67,384	24,013

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

The Group reported profit before tax of RM67.4 million and revenue of RM203.4 million for the current third quarter compared to profit before tax of RM24 million and revenue of RM150.4 million respectively achieved in the previous year's corresponding quarter.

The performance of the Group key operating segments are analysed as follows:

Investment holding

Investment holding division reported loss before tax of RM32.7 million in the current year's third quarter, as compared to loss before tax of RM4.6 million in the previous year's corresponding quarter. The current year's third quarter performance was dragged down by payment of land rich tax pursuant to the acquisition of an Australian subsidiary.

For the current period-to-date, this division reported RM10.0 million loss before tax as compared to loss before tax of RM19.5 million in the preceding year's period-to-date.

The current period-to-date's performance was primarily attributable to foreign exchange gain realized upon settlement of Canadian Dollar denominated promissory notes.

Finance and related services

For the current year's third quarter, finance and related services division reported profit before tax of RM75.2 million as compared to profit before tax of RM2.5 million in the previous year's corresponding quarter.

For the current period-to-date, this division reported profit before tax of RM120.8 million, as compared to profit before tax of RM26.0 million in preceding year's period-to-date. The increase in profit before tax was mainly due to the significant loan recovery from financial receivables and higher interest income from investment securities.

Property investment

Property investment division reported profit before tax of RM1.8 million in the current year's third quarter as compared to profit before tax of RM3.5 million in the previous year's corresponding quarter. The decrease in profit is mainly due to higher operation cost.

For the current year period-to-date, the division achieved relatively stable profit before tax as compared to the preceding year's period-to-date profit, at RM9.0 million.

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

Property development

Property development division registered a higher profit before tax of RM12.0 million in the current year's third quarter, as compared to profit before tax of RM2.4 million in the previous year's corresponding quarter.

Concurrently, property development division also achieved a higher profit before tax for the current period-to-date at RM23.4 million, as compared to RM13.3 million in preceding year's period-to-date .

The increase in profit before tax was mainly due to the progressive sales and construction of the ongoing development project in Damansara Avenue.

Hotel operations

Hotel operations division registered net operating profit of RM18.4 million in the current year's third quarter, as compared to RM20.8 million in the previous year's corresponding quarter.

For the current period-to-date, this division achieved net operating profit of RM54.8 million, as compared to RM63.0 million in preceding year's period-to-date.

Despite lower occupancy of the Movenpick Resort, hotel operations divisional profit before tax increased by 2.1% to RM56.5 million due to foreign exchange translation gain resulted from the appreciation of USD against 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 RM67.4 million in the current year's third quarter as compared to profit before tax of RM28.1 million in the preceding quarter. Although profit before tax for investment holding and property investment were lower, profit before tax of the Group was boosted by significant loan recovery from financial receivables.

B3 Prospects for the Current Financial Year

The global economy is expected to be challenging, resulting from implication of rollback of the Quantitative Easing in US and slower than expected growth in China. However, domestic economy is expected to be resilient because of sustainable domestic demand and recovery in exports due to the weakening of the Malaysian Ringgit against US Dollar.

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. The Group will continue to seek investment opportunity to maximise finance income.

B3 Prospects for the Current Financial Year (Cont'd)

Property investment

The Group is projected to experience a lower income contribution from overseas and local property investments for the next financial year in view of the expected upgrading works to be undertaken at some of the investment properties. We are confident that these upgrading works will generate higher returns for the Group in the future.

Property development

Despite the lower demand for higher priced properties and rising costs pressures, the Group will continue to focus on its Damansara Avenue project and will be launching some new projects in the next financial year to sustain its earnings from the property development. In the light of these challenges, the earnings from property development are expected to be lower in current financial year.

Hotel operations

Our hospitality business spanning across Singapore, Australia and Thailand is expected to continue to generate a stable recurrent income stream for the Group. The growth and performance of our hospitality business in China and Canada in current financial year will be driven by and dependent on its country's economic growth.

Barring any unforeseen circumstances, the Group will continue to be profitable in the financial year ending 31 January 2015.

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	18,605	14,864
- Foreign tax	3,006	6,544
Deferred tax	996	(721)
Overprovision in prior year	-	(1,190)
	<u>22,607</u>	<u>19,497</u>

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

	Current quarter RM'000	Year to date RM'000
Profit before taxation	<u>67,384</u>	<u>122,164</u>
Taxation at the statutory income tax rate of 25%	16,846	30,541
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	5,761	(11,044)
Tax expense for the financial period	<u>22,607</u>	<u>19,497</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 October 2014 were as follows:

	Secured RM'000	Unsecured RM'000
<i>Long term borrowings</i>		
Foreign currency loans	424,984	-
Revolving credit	99,805	-
<i>Short term borrowings</i>		
Foreign currency loans and revolving credits (including share of joint operation's loan)	972,207	-
Revolving credits	10,000	60,000
	<u>1,506,996</u>	<u>60,000</u>

Denomination of secured foreign currency loans and revolving credits:-

	Secured RM'000
<i>Long-term borrowings</i>	
C\$ 53,946,172	158,359
RMB 32,000,000	17,216
A\$ 86,000,000	249,409
	<u>424,984</u>
<i>Short-term borrowings</i>	
C\$ 46,501,077	136,504
S\$ 177,700,000	455,783
A\$ 37,701,600	109,338
US\$ 43,761,827	143,946
HK\$ 14,383,333	6,098
EUR 13,562,509	56,081
GBP 10,213,211	53,697
RMB 20,000,000	10,760
	<u>972,207</u>

B7 Group Borrowings and Debt Securities (Cont'd)

Loans and revolving credits denominated in RM bear interest rates ranging from 4.4% to 4.7% per annum, of which RM109,805,000 is secured by corporate guarantee and a freehold land in Kuala Lumpur.

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

Loans denominated in C\$

- (a) A 15-year term loan amounting to C\$23,341,145 will mature on 5 December 2020.
- (b) A 20-year term loan amounting to C\$35,440,423 will mature on 5 June 2016.

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

- (c) Three 5-year term loans amounting to C\$ 1,636,251 will mature on 1 March 2015. The loans are secured by mortgage and general security agreements in respect of the 3 residential properties in Canada.
- (d) Short term revolving credits amounting to C\$24,900,000 of which C\$3,650,000 is secured by new first all-monies charge over the ordinary shares of a subsidiary and mortgage over a hotel in Singapore, and C\$21,250,000 is secured against a hotel in Australia.

The above loans bear interest rates ranging from 2.5% to 4.7% per annum.

- (e) Share of joint operation's loan amounting to C\$15,129,430 has matured on November 2014 and the Group is in receipt of an extension of loan tenure for another four months.

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

Loan denominated in S\$

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

Loan denominated in A\$

- (a) A floating rate bill facility amounting to A\$17,650,000 will mature on 28 February 2015. The loan is secured against a hotel in Australia.

The loan bears interest rates ranging from 4.5% to 4.6% per annum.

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

The revolving credit bears interest rates ranging from 4.1% to 4.2% per annum.

- (c) A 2-year term loan amounting to A\$86,000,000 will mature on 30 May 2016. The loan bears average interest rate of 4.5% per annum and is secured by mortgage over certain development properties in Australia.

B7 Group Borrowings and Debt Securities (Cont'd)

Loans denominated in US\$

Short-term loans amounting to US\$43,761,827 are on rollover basis. The loans are secured against certain investment securities and bears interest rate ranging from 0.41% to 0.5% per annum.

Loan denominated in HK\$

Short-term loans amounting to HK\$14,383,333 are on rollover basis. The loans are secured against certain investment securities and bears interest rate of 0.45% per annum.

Loans denominated in EUR

Short-term loans amounting to EUR13,562,509 are on rollover basis. The loans are secured against certain investment securities and bear interests rate ranging from 0.25% to 0.51% per annum.

Loans denominated in GBP

Short-term loans amounting to GBP10,213,211 are on rollover basis. The loans are secured against certain investment securities and bears interest rate ranging from 0.69% to 0.79% per annum.

Loans denominated in RMB

Three term loans amounting to RMB52,000,000 are with different maturities from 20 December 2014 to 24 April 2016. These loans are subject to average interest rate of 6.7% per annum, and are secured against a hotel building and land use rights in China.

B8 Material Litigation

As at 10 December 2014, there were no changes in material litigation since the last annual reporting date of 31 January 2014.

B9 Dividend

Apart from the first and final single-tier dividend of 1.5% (0.75 sen per ordinary share) in respect of the financial year ended 31 January 2014 approved by shareholders during the Annual General Meeting on 20 June 2014 and subsequently paid on 25 July 2014 as disclosed on Note A8, there was no further dividend declared as at the date of this announcement.

B10 Disclosure of Derivatives

Types of derivatives/Maturity	Contract/Notional value	Fair value asset/(liability)
Geared Equity Accumulators - Less than 1 year	RM109,262,953	(RM2,707,126)
Geared Equity Decumulators - Less than 1 year	RM27,795,871	(RM118,437)

B10 Disclosure of Derivatives (Cont'd)

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 are 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	921,747	908,739
- Unrealised	(86,126)	(96,307)
	<u>835,621</u>	<u>812,432</u>
Total share of retained profits of associated companies:		
- Realised	1,291	1,825
- Unrealised	78	78
	<u>1,369</u>	<u>1,903</u>
Total share of accumulated losses from joint venture:		
- Realised	(5,232)	(5,232)
Less: Consolidation adjustments	<u>(189,136)</u>	<u>(275,679)</u>
Total retained profits as per Statement of Financial Position	<u>642,622</u>	<u>533,424</u>

B13 Earnings Per Share (EPS) Attributable to the Owners of the Parent

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter 31 October 2014	Preceding year corresponding quarter 31 October 2013	Current year to-date 31 October 2014	Preceding year corresponding period 31 October 2013
Basic earnings per share				
Profit for the period (RM'000) - attributable to owners	44,777	18,996	147,444	62,997
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>0.84</u>	<u>0.36</u>	<u>2.77</u>	<u>1.18</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
17 December 2014