



TAMBUN INDAH LAND BERHAD
(Company No: 810446-U)
(Incorporated in Malaysia)

Interim Financial Report
For The Financial Period Ended 30 September 2011 (Unaudited)

	Page No.
Condensed Consolidated Statement of Financial Position	2
Condensed Consolidated Statement of Comprehensive Income	3
Condensed Consolidated Statement of Changes In Equity	4
Condensed Consolidated Statement of Cash Flows	5
Notes to the Interim Financial Report	6 - 17

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2011
Condensed Consolidated Statements of Financial Position

	Unaudited As at 30 September 2011 RM'000	Audited As at 31 December 2010 RM'000
ASSETS:		
Non-Current Assets:		
Property, plant and equipment	982	808
Investment properties	8,925	8,925
Investment in an associate company	2,214	-
Goodwill on consolidation	450	431
Land held for development	44,105	52,328
Deferred tax assets	145	-
	<u>56,821</u>	<u>62,492</u>
Current Assets		
Property development costs	91,113	64,840
Trade and other receivables	72,106	58,451
Tax recoverable	2,488	2,255
Cash and bank balances	34,036	27,190
	<u>199,743</u>	<u>152,736</u>
TOTAL ASSETS	<u>256,564</u>	<u>215,228</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the Parent:		
Share capital	110,500	94,500
Share premium	6,400	-
Retained profits	29,433	25,218
	<u>146,333</u>	<u>119,718</u>
Non-controlling interests	28,956	13,977
Total Equity	<u>175,289</u>	<u>133,695</u>
Non-Current Liabilities:		
Long-term bank borrowings	41,494	4,665
Deferred taxation	1,974	1,130
	<u>43,468</u>	<u>5,795</u>
Current Liabilities:		
Trade and other payables	30,225	55,230
Short-term bank borrowings	2,809	18,404
Current tax payable	4,773	2,104
	<u>37,807</u>	<u>75,738</u>
TOTAL LIABILITIES	<u>81,275</u>	<u>81,533</u>
TOTAL EQUITY AND LIABILITIES	<u>256,564</u>	<u>215,228</u>
Net assets per share attributable to ordinary equity holders of the company (RM) (Note 2)	<u>0.66</u>	<u>0.63</u>

Notes:

1 The condensed Consolidated Statement of Financial Position should be read in conjunction with Tambun Indah Land Berhad's ("Tambun Indah" or "the Company") audited financial statements for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to this interim financial report.

2 Based on the issued and paid-up share capital of 221,000,000 (2010: 189,000,000) ordinary shares of RM0.50 each in Tambun Indah ("Shares").

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2011

Condensed Consolidated Statements of Comprehensive Income

	Individual Quarter		Cumulative Quarter	
	3 months ended		9 months ended	
	30-Sep-2011	30-Sep-2010	30-Sep-2011	30-Sep-2010
	RM'000	RM'000	RM'000	RM'000
Revenue	47,350	-	135,748	-
Cost of sales	(32,589)	-	(95,316)	-
Gross profit	14,761	-	40,432	-
Other operating income	281	-	989	-
Sales and marketing expenses	(1,660)	-	(3,519)	-
Administrative expenses	(4,057)	(1)	(6,704)	(7)
Depreciation expenses	(63)	-	(177)	-
Profit from operations	9,262	(1)	31,021	(7)
Finance costs	(497)	-	(497)	-
Share of loss of an associates	(4)	-	(4)	-
Profit before tax	8,761	(1)	30,520	(7)
Income tax expense	(2,978)	-	(8,748)	-
Profit/(loss) for the period	5,783	(1)	21,772	(7)
Other comprehensive income net of tax :	-	-	-	-
Total comprehensive income/(loss) for the period	5,783	(1)	21,772	(7)
Profit/(loss) attributable to :				
Equity holders of the Company	3,260	(1)	14,381	(7)
Non-controlling interests	2,523	-	7,391	-
	5,783	(1)	21,772	(7)
Total comprehensive income/(loss) attributable to :				
Equity holders of the Company	3,260	(1)	14,381	(7)
Non-controlling interests	2,523	-	7,391	-
	5,783	(1)	21,772	(7)
Earnings/(loss) per share attributable to the equity holders of the Company				
Basic (sen)	1.48	(25,000.00)	6.57	(175,000.00)
Diluted (sen)	1.48	(25,000.00)	6.57	(175,000.00)

Notes :

- 1 The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Company audited financial statements for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to this interim financial report.
- 2 The acquisition of subsidiary companies was completed on 11 November 2010.
- 3 During the quarter ended 30 September 2011, the Group's listing expenses of RM2.674 million has been expensed off as administrative expenses of the Statements of Comprehensive Income.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2011

Condensed Consolidated Statement of Changes In Equity

	Attributable to Equity Holders of the Company				Non-controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Non- distributable Share Premium RM'000	Distributable Retained Profits RM'000	Total RM'000		
At 1 January 2011	94,500	-	25,218	119,718	13,977	133,695
Net profit for the period	-	-	14,381	14,381	7,391	21,772
	94,500	-	39,599	134,099	21,368	155,467
Transactions with owners						
Public issue	16,000	6,400	-	22,400	-	22,400
Acquisitions of subsidiary companies	-	-	-	-	2,338	2,338
Share issued to non-controlling interests	-	-	-	-	5,250	5,250
Interim dividend for the financial year ended 31 December 2010 declared on 9 June 2011 and paid on 7 September 2011	-	-	(10,166)	(10,166)	-	(10,166)
Total transactions with owners	16,000	6,400	(10,166)	12,234	7,588	19,822
At 30 September 2011	110,500	6,400	29,433	146,333	28,956	175,289
At 1 January 2010	#	-	(10)	(10)	-	(10)
Net profit for the year	-	-	25,228	25,228	1,037	26,265
	-	-	25,218	25,218	1,037	26,255
Transactions with owners						
Issuance of ordinary shares pursuant to acquisition of subsidiary companies	94,500	-	-	94,500	12,940	107,440
At 31 December 2010	94,500	-	25,218	119,718	13,977	133,695

Denotes RM2

Notes :

- 1 The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Company audited financial statements for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to this interim financial report.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2011

Condensed Consolidated Statements of Cash Flows

	9 months ended 30-Sep-2011 RM'000	9 months ended 30-Sep-2010 RM'000
Profit/(loss) before taxation	30,520	(7)
Adjustments for:-		
Non-cash items	2,799	-
Non-operating items	(634)	-
Operating profit/(loss) before changes in working capital	32,685	(7)
Net Change in current assets	(6,655)	-
Net Change in current liabilities	(38,111)	-
Cash used in operations	(12,081)	(7)
Interest received	638	-
Tax paid	(5,602)	-
Net cash used in operating activities	(17,045)	(7)
Investing Activities		
Acquisition of subsidiary companies	(3,559)	-
Acquisition of associate company	(2,218)	-
Purchase of property, plant and equipment	(351)	-
Net cash used in investing activities	(6,128)	-
Financing Activities		
Dividends paid to ordinary shareholders of the company	(10,166)	-
Public issue	22,400	-
Listing expenses	(2,674)	-
Issuance of share by a subsidiary company to non-controlling interest	5,250	-
Drawdown of term loan	28,000	-
Changes of fixed deposits pledged to a licensed bank	(5)	-
Repayment of bank borrowings	(12,115)	-
Net cash used in financing activities	30,690	-
Net changes in cash and cash equivalents	7,517	(7)
Cash and cash equivalents at 1 January 2011/2010	23,950	11
Cash and cash equivalents at 30September 2011/2010	31,467	4

Cash and cash equivalents included in the cash flows comprise the following balance sheet amounts:-

Fixed deposits with licensed banks	8,378	-
Cash and bank balances	25,658	4
Bank overdrafts	(2,440)	-
	31,596	4
Less: Fixed deposits pledged to a licensed bank	(129)	-
	31,467	4

Notes :

- 1 The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Company audited financial statements for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to this interim financial report.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2011

A. Explanatory Notes pursuant to Financial Reporting Standard ("FRS") 134, Interim Reporting and the Listing Requirements

A1. Basis of Preparation

The interim financial report has been prepared in accordance with FRS 134, Interim Financial Reporting and paragraph 9.22 and Appendix 9B of Listing Requirements.

The interim financial statements should be read in conjunction with the Company audited financial statements for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to this interim financial report.

A2. Changes in Accounting Policies

The accounting policies and methods of computation adopted by Tambun Indah and its subsidiary companies ("Group") for the interim financial statements are consistent with those adopted for the audited financial statements for the financial year ended 31 December 2010 except for the mandatory adoption of the following new and revised FRSs and Issues Committee Interpretations ("IC Interpretations") effective for the financial period beginning on 1 January 2011:

FRSs, amendments to FRSs and IC Interpretations

FRS 1	First-time Adoption of Financial Reporting Standards
Amendment to FRS 1	Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters
Amendments to FRS 1	Additional Exemptions for First-time Adopters
Amendments to FRS 2	Share-based Payment
Amendments to FRS 2	Group Cash-settled Share-based Payment Transactions
FRS 3	Business Combinations
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS 7	Improving Disclosures about Financial Instruments
FRS 127	Consolidated and Separate Financial Statements
Amendments to FRS 132	Financial Instruments: Presentation
Amendments to FRS 134	Interim Financial Reporting
Amendments to FRS 138	Intangible Assets
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 4	Determining Whether an Arrangement contains a Lease
IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments
IC Interpretation 12	Service Concession Arrangements
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17	Distributions of Non-cash Assets to Owners
IC Interpretation 18	Transfer of Assets from Customers

Adoption of the above standards and interpretations did not have any effect on the financial performance or position of the Group.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2011

A2. Changes in Accounting Policies (continued)

Standards and Interpretations issued but not yet effective

The Group has not elected to early adoption of the following new and revised FRSs, IC Interpretations and Amendments relevant to the current operations of the Group, which were issued but not yet effective for the financial year ending 31 December 2011:

- | | |
|--------------------------|-------------------------------------------------------------|
| (a) FRS 124 | Related Party Disclosures |
| (b) IC Interpretation 19 | Extinguishing Financial Liabilities with Equity Instruments |

The Group will adopt these relevant standards beginning on 1 January 2012.

The Group expect that the adoption of the above standards and interpretations above will have no material impact on the financial statements in the period of initial application.

A3. Explanatory Comments about Seasonality or Cyclicity of Interim Operations

The business operations of the Group during the financial period under review have not been materially affected by any seasonal or cyclical factors.

A4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current financial quarter.

A5. Material Changes in Estimates

There were no changes in estimates that have had a material effect in the current financial quarter results.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2011

A6. Debt and Equity Securities

Save as disclosed below, there were no issuance, cancellation, repurchase, resale or repayment of debt and/or equity securities, share buybacks, share cancellations, shares held as treasury shares and resale of treasury shares for the current financial quarter under review and year-to-date:-

Issuance of Shares Pursuant to Public Issue

Initial Public Offering ("IPO")

On 29 December 2010, the Company had issued a Prospectus for the public issue of 32,000,000 new Shares ("Public Issue") and offer for sale of 22,100,000 Shares ("Offer for Sale") at an issue and offer price of RM0.70 per Share ("IPO Price") payable in full on application pursuant to its listing on the Main Market of Bursa Malaysia Securities Berhad as detailed below:

(i) Public Issue

The Public Issue of 32,000,000 Public Issue Shares, representing approximately 14.48% of the enlarged issued and paid-up share capital of Tambun Indah, at an IPO Price of RM0.70 per Share are payable in full on application upon such terms and conditions as set out in the Prospectus dated 29 December 2010 will be allocated and allotted in the following manner:

(aa) Malaysian public via balloting

11,050,000 Public Issue Shares, representing 5.00% of the enlarged issued and paid-up share capital of Tambun Indah, to be allocated via balloting, will be available for application by the Malaysian individuals, companies, co-operatives, societies and institutions, of which at least 50.00% is to be set aside for Bumiputera individuals, companies, co-operatives, societies and institutions to the extent possible.

(bb) Eligible Parties

11,050,000 Public Issue Shares, representing 5% of the enlarged issued and paid-up capital of Tambun Indah will be made available for application by the eligible Directors, employees and business associates of the Group; and

(cc) Identified investors via private placement

9,900,000 Public Issue Shares, representing approximately 4.48% of the enlarged issued and paid-up share capital of Tambun Indah will be made available for application by identified investors via private placement.

(ii) Offer For Sale

The Offer for Sale of 22,100,000 Shares representing 10.00% of the enlarged issued and paid-up share capital of Tambun Indah at the IPO Price of RM0.70 are payable in full on application upon such terms and conditions as set out in the Prospectus dated 29 December 2010 will be allocated and allotted via private placement to identified Bumiputera investors approved by the Ministry of International Trade and Industry. The proceeds from the Offer for Sale will be accrued entirely to the Offerors.

The Public Issue was completed on 18 January 2011. After Public Issue, the issued and paid-up share capital of the Tambun Indah was increased from RM94,500,000 comprising 189,000,000 Shares to RM110,500,000 comprising 221,000,000 Shares.

A7. Dividend Paid

For the financial period ended 30 September 2011, an interim dividend of 4.6% (single-tier dividend, which is tax-exempted under Section 108 of the Income Tax Act, 1967) amounting to RM10.17 million in respect of the financial year ended 31 December 2010, was paid on 7 September 2011.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2011

A8. Operating Segment

(a) The segment revenue by activities for the financial period ended 30 September 2011 is as follows:

	Property development RM'000	Construction and project management RM'000	Investment holdings RM'000	Adjustments and eliminations RM'000	Total RM'000
Revenue from external customers	127,284	8,016	448	-	135,748
Inter-segment revenues	-	24,347	20,588	(44,935)	-
	<u>127,284</u>	<u>32,363</u>	<u>21,036</u>	<u>44,935</u>	<u>135,748</u>

(b) The segment profit before tax by activities for the financial period ended 30 September 2011 is as follows:

	Property development RM'000	Construction and project management RM'000	Investment holdings RM'000	Adjustments and eliminations RM'000	Total RM'000
Profit from operations	32,719	2,710	17,304	(21,712)	31,021
Share of loss of an associates					(4)
Finance cost					(497)
Profit before tax					<u>30,520</u>
Tax expense					(8,748)
Profit for the period					<u>21,772</u>

(c) Total segment assets by activities as at 30 September 2011:

	RM'000
Property development	235,035
Construction and project management	7,614
Investment holdings	13,915
Total	<u>256,564</u>

A9. Subsequent Material Events

Save as disclosed in B9, there are no material events subsequent to the financial quarter ended 30 September 2011 till 17 November 2011 (the latest practicable date which is not earlier than 7 days from the date of issue of this interim financial report), that have not been reflected in the financial statements for the current quarter under review.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2011

A10. Changes in the Composition of the Group

There were no changes in the composition of the Group for the current quarter ended 30 September 2010 except the followings:

a) Acquisition of subsidiaries

- i) On 27 July 2011, the Company acquired 500,000 ordinary shares of RM1.00 each, representing the entire issued and paid up share capital of Pridaman Sdn. Bhd. for a total cash consideration of RM4.65 million.

The Company has completed the Proposed Pridaman Acquisition on 27 July 2011.

- ii) On 29 August 2011, the Company acquired 250,000 ordinary shares of RM1.00 each, representing the entire issued and paid up share capital of Premcourt Development Sdn. Bhd. For a total cash consideration of RM5.5 million, in the manner of RM5.0 million only shall be paid to the Messrs. Siram Permai Sdn. Bhd. and Tah-Wah Sdn. Bhd. (collectively referred to as the "Premcourt Vendors") in accordance with the Premcourt Vendors' respective shareholding proportion, on the Completion Date and the balance of RM0.50 million only shall be paid to the Premcourt Vendors in accordance with the Premcourt Vendors' respective shareholding proportion within seven (7) days from the date the planning permission and/or development order is obtained by Premcourt in respect of the Project.

In the event Premcourt fails to obtain the planning permission/development order for the Project for any reason whatsoever within one (1) year from the date of the SPA or such other extended period as may be agreed by the Tambun Indah, the Parties agree that the Purchase Consideration for the sale shares shall be only RM5.0 million. In such event, Tambun Indah shall not be obliged to pay to the Premcourt Vendors the sum of RM0.50 million and such amount shall be treated as a discount given by the Premcourt Vendors to Tambun Indah for the purchase of the sale shares.

The Company has completed the Proposed Premcourt Acquisition on 22 September 2011.

b) Acquisition of an associate company

On 28 July 2011, the Company acquired 45,000 ordinary shares of RM1.00 each, representing 45% of the issued and paid up share capital of Ikhtiar Bitara Sdn. Bhd. for a total cash consideration of RM1.46 million.

The Company has completed the Proposed Ikhtiar Bitara Acquisition on 9 August 2011.

A11. Changes in Contingent Liabilities and Contingent Assets

There were no material changes in contingent liabilities or contingent assets as at the end of the current financial quarter under review.

A12. Capital Commitments

The amount of capital commitments not provided for in the interim financial report as at 30 September 2011 are as follows:

	RM'000
Contractual commitments for development lands, as disclosed in B9 (d)	217,069
Contractual commitments for acquisition of Premcourt Development Sdn. Bhd., as disclosed in B9 (e)	500
	217,569

A13. Capital Expenditure

There were no major additions and disposals of property, plant and equipment during the current financial quarter under review and financial year-to-date.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2011

A14. Significant Related Party Transactions

Related parties are those defined under FRS 124: Related Party Disclosures.

Transactions with directors of the Company and subsidiary companies, members of their family and companies, firms and trust bodies in which they have interests:

	9 months ended 30-Sep-2011 RM'000
Rental received from a company in which a Director has interest	4
Rental paid to a company in which a Director has interest	48
Payment of professional services rendered for consulting civil and structural engineer	65
Payment of services rendered for external telecom, electrical works and street lighting	<u>325</u>

A15. Disclosure of Derivatives

The Group did not have any outstanding derivatives as at the end of the current financial quarter under review.

B. Explanatory Notes pursuant to Part A of Appendix 9B of the Listing requirements**B1. Review of Performance**

The Group recorded revenue of RM47.35 million and RM135.75 million for current quarter and financial year-to-date respectively. The Group recorded profit before tax of RM8.76 million and RM30.52 million for current quarter and financial year-to-date respectively. The Group's profit and revenue were principally derived from its property development activities. Ongoing projects which contributed to the Group's profit and revenue include Pearl Villas, Pearl Garden, Juru Heights, Carissa Park, Dahlia Park, Impian Residence, Tanjung Heights and Capri Park. Apart from property development, the Group's construction activities and investment holdings activities also contributed to the earnings achieved.

During the quarter ended 30 September 2011, the Group's listing expenses of RM2.67 million has been expensed off against administrative expenses of the Statements of Comprehensive Income.

B2. Variation of results against immediate preceding quarter

The Group's recorded lower profit before tax and revenue compare with the preceding quarter ended 30 June 2011 which is RM8.76 million, RM2.57 million lower than the preceding quarter ended 30 June 2011 of RM11.33 million and RM47.35 million of revenue compare to RM52.45 million in the preceding quarter. This was due to higher construction work progress achieved in preceding quarter ended 30 June 2011 which cause higher revenue and profit before tax and listing expenses of RM2.67 million had been charge out as administrative expenses during the current quarter.

B3. Prospect of current financial year

The Group are focusing on construction of on going projects, besides preparation and planning of new project scheduled to be launched in 4th Quarter of Year 2011 and 1st half of Year 2012.

Based on above mention factor, the Group will continued to record a satisfactory performance for the current financial year.

B4. Variance of Actual Profit from Forecast Profit or Profit Guarantee

Not applicable as no profit forecast or profit guarantee was published.

B5. Statement by Board of Directors

The Group did not disclose or announce any profit forecast or projection in a public document in the current quarter or financial year-to-date.

B6. Income Tax

Income Tax comprises:

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30-Sep-2011 RM'000	Preceding Year Corresponding Quarter 30-Sep-2010 RM'000	Current Year- To-Date 30-Sep-2011 RM'000	Preceding Year Corresponding Period 30-Sep-2010 RM'000
Current income tax	3,333	-	7,988	-
Deferred taxation	(355)	-	760	-
	<u>2,978</u>	<u>-</u>	<u>8,748</u>	<u>-</u>

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2011

B6. Income Tax (Continued)

The Group's effective taxation rate for the current quarter under review of 34.0% and for the financial year-to-date of 28.7% was higher than the statutory taxation rate of 25% mainly due to certain expenses of the Group which were not deductible for tax purposes.

B7. Sale of unquoted Investments and/or Properties

There were no sales of unquoted investments and properties during the current quarter under review and financial year-to-date.

B8. Quoted Securities

There were no purchases or disposals of quoted securities during the current financial quarter under review and financial year-to-date. The Group did not hold any quoted securities as at 30 September 2011.

B9. Status of Corporate Proposals**(a) Status of Corporate Proposals - Initial Public Offering ("IPO")**

On 17 January 2011, the Company had completed the issuance of 32,000,000 new Shares ("Public Issue") and offer for sale of 22,100,000 Shares ("Offer for Sale") at an issue and offer price of RM0.70 per Share ("IPO Price") payable in full on application pursuant to its listing on the Main Market of Bursa Malaysia Securities Berhad.

The issued and paid-up share capital of the Tambun Indah increased from RM94,500,000 comprising 189,000,000 Shares to RM110,500,000 comprising 221,000,000 Shares.

On 18 January 2011, the entire enlarged issued and paid-up share capital of the Company was listed on the Main Market of Bursa Securities.

(b) Status of Utilisation of Proceeds

The total gross proceeds arising from the Public Issue of RM22.40 million which will accrue entirely to Tambun Indah are intended to be utilised in the following manner:

Purpose of utilisation	Estimated time frame for utilisation from date of Listing	Proposed	Actual	Deviation
		utilisation RM'000	Utilisation RM'000	
(i) Working capital	12 months	12,700	(7,837)	-
(ii) Repayment of bank borrowings	12 months	7,100	(3,200)	-
(iii) Estimated listing expenses	3 months	2,600	(2,674)	(74)
Total proceeds		22,400	(13,711)	(74)

The excess in actual listing expenses has been funded by internal generated funds.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2011

B9. Status of Corporate Proposals (continued)

(c) Proposed acquisition of Pridaman Sdn Bhd, Premcourt Development Sdn Bhd and Ikhtiar Bitara Sdn Bhd

The Company has on 16 February 2011 entered into three (3) conditional share purchase agreements (“SPA(s)”) with the following parties:

(i) Siram Permai Sdn Bhd (“Siram Permai”), Amal Pintas Sdn Bhd (“Amal Pintas”), Sound Vantage Sdn Bhd (“Sound Vantage”), Alpha Master (M) Sdn Bhd (“Alpha Master”) and Teh Eng Bew (collectively referred to as the “Pridaman Vendors”) for the proposed acquisition of 500,000 ordinary shares of RM1.00 each in Pridaman Sdn Bhd (“Pridaman”) (“Pridaman Shares”) representing the entire issued and paid-up share capital of Pridaman for a cash consideration of RM4.65 million (“Proposed Pridaman Acquisition”);

(ii) Siram Permai and Tah-Wah Sdn Bhd (“Tah-Wah”) (collectively referred to as the “Premcourt Vendors”) for the proposed acquisition of 250,000 ordinary shares of RM1.00 each in Premcourt Development Sdn Bhd (“Premcourt”) (“Premcourt Shares”) representing the entire issued and paid-up share capital of Premcourt for a cash consideration of RM5.50 million (“Proposed Premcourt Acquisition”); and

(iii) Siram Permai and Siti Shikha Binti Zakaria (collectively referred to as the “Ikhtiar Bitara Vendors”) for the proposed acquisition of 45,000 ordinary shares of RM1.00 each in Ikhtiar Bitara Sdn Bhd (“Ikhtiar Bitara”) (“Ikhtiar Bitara Shares”) representing 45% of the issued and paid-up share capital of Ikhtiar Bitara for a cash consideration of RM1.46 million (“Proposed Ikhtiar Bitara Acquisition”).

However, on 18 April 2011, the conditional share purchase agreement dated 16 February 2011 in relation to the Proposed Premcourt Acquisition has been terminated.

Following the completion of due diligence on Premcourt and the valuation report on the land to be developed by Premcourt, Tambun Indah, and Premcourt Vendors have mutually agreed to renegotiate certain terms and conditions to the Proposed Premcourt Acquisition. Upon reaching an agreement on the revised terms and conditions, a new share purchase agreement will be entered into between Tambun Indah and the Premcourt Vendors and a further announcement in connection therewith will be released in due course.

Proposed acquisitions by Tambun Indah of both Pridaman and Ikhtiar Bitara, will proceed without any variations.

As announced on 24 June 2011, both Proposed Pridaman Acquisition and Proposed Ikhtiar Bitara Acquisition were approved by shareholders of Tambun Indah.

As announced on 11 July 2011, all the conditions precedent stipulated in the conditional share purchase agreements for the Proposed Pridaman Acquisition and Proposed Ikhtiar Bitara Acquisition dated 16 February 2011 entered into between Tambun Indah and the Pridaman Vendors and Ikhtiar Bitara Vendors respectively (“SPA(s)”) have been fulfilled and the SPAs have become unconditional.

The Company has completed the Proposed Pridaman Acquisition on 27 July 2011.

The Company has completed the Proposed Ikhtiar Bitara Acquisition on 9 August 2011.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2011

B9. Status of Corporate Proposals (continued)**(d) Land acquisition - Bandar Tasek Mutiara**

Palmington Sdn Bhd, a 60%-owned subsidiary of Tambun Indah, has on 4 May 2011 entered into a master agreement and five (5) separate sales and purchase agreements with Pembangunan Bandar Mutiara Sdn Bhd to purchase an undeveloped land bank located in a new township development known as Bandar Tasek Mutiara (marketed as Pearl City) in the locality of Simpang Ampat, Mukim 15, Province Wellesley South, Penang measuring approximately 526.7531 acres for a purchase consideration of RM233,223,021 to be satisfied fully in cash.

On 5 September 2011, all the conditions precedent stipulated in the master agreement and sale and purchase agreements entered into between Palmington Sdn Bhd and Pembangunan Bandar Mutiara Sdn Bhd ("SPA(s)") have been fulfilled and the SPAs have become unconditional.

Pursuant to the SPAs, Palmington and Pembangunan Mutiara have mutually agreed to extend the completion date of the acquisition of Parcel R1 to 30 November 2011.

The Proposed Acquisition is currently pending completion.

(e) Proposed acquisition of Premcourt Development Sdn. Bhd.

On 29 August 2011, the Board of Directors of Tambun Indah announce that the Company had entered into a share purchase agreement with Messrs. Siram Permai Sdn. Bhd. and Tah-Wah Sdn. Bhd. (collectively referred to as "Premcourt Vendors") for the acquisition of 250,000 ordinary shares of RM1.00 each in Premcourt Development Sdn. Bhd. ("Premcourt") representing the entire issued and paid-up share capital of Premcourt for a cash consideration of RM5.50 million ("Premcourt Acquisition").

The Parties hereby agree that Tambun Indah shall pay to the Premcourt Vendors, in accordance with the Premcourt Vendors' respective shareholding proportion the Purchase Consideration in the following manner:

- i) RM5.0 million only shall be paid to the Premcourt Vendors in accordance with the Premcourt Vendors' respective shareholding proportion, on the Completion Date; and
- ii) The balance of RM0.50 million only shall be paid to the Premcourt Vendors in accordance with the Premcourt Vendors' respective shareholding proportion, within seven (7) days from the date the planning permission and/or development order is obtained by Premcourt in respect of the Project.

In the event Premcourt fails to obtain the planning permission/development order for the Project for any reason whatsoever within one (1) year from the date of the SPA or such other extended period as may be agreed by the Tambun Indah, the Parties agree that the Purchase Consideration for the sale shares shall be only RM5.0 million. In such event, Tambun Indah shall not be obliged to pay to the Premcourt Vendors the sum of RM0.50 million and such amount shall be treated as a discount given by the Premcourt Vendors to Tambun Indah for the purchase of the sale shares.

The Company has completed the Proposed Premcourt Acquisition on 22 September 2011. The payment of RM0.50 million to Premcourt Vendors had yet to become unconditional pending fulfilment of conditions precedent.

B10. Borrowings and Debt Securities

Details of the Group's borrowings as at 30 September 2011 are as follows:

	Secured RM'000
<i>Long term borrowings:</i>	
Term loans	41,494
<i>Short term borrowings:</i>	
Bank overdrafts	2,440
Term loans	369
Total	44,303

The Group has no foreign currency borrowings.

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2011

B11. Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments as at the date of this report.

B12. Material Litigation

The Group is not engaged in any material litigation as at the date of this report.

B13. Dividend

Details of the interim dividend approved and declared by the Board of Directors is as follows:

Interim Dividend for the financial year	31 December 2010
Dividend per share (single tier)	4.6 sen
Approved and declared on	9 June 2011
Record of Depositors as at	15 August 2011
Date Paid	7 September 2011

B14. Earnings Per Share**(a) Basic Earnings Per Share**

The basic earnings per share for the current financial quarter and current financial year-to-date has been calculated by dividing the Group's profit for the period attributable to equity holders of the Company by the weighted average number of shares in issue.

	Current Quarter 30-Sep-2011	Preceding Year Corresponding Quarter 30-Sep-2010	Current Year- To-Date 30-Sep-2011	Preceding Year Corresponding Period 30-Sep-2010
Profit for the period/year attributable to equity holders of the Company (RM'000)	3,260	(1)	14,381	(7)
Weighted average number of ordinary shares in issue ('000)	221,000	#	218,890	#
Basic Earnings/(loss) Per Share (sen)	1.48	(25,000)	6.57	(175,000)

The weighted average number of ordinary shares used in the denominator in calculating basic and diluted earnings per share are as follows:

	Current Quarter 30-Sep-2011 '000	Preceding Year Corresponding Quarter 30-Sep-2010 '000	Current Year- To-Date 30-Sep-2011 '000	Preceding Year Corresponding Period 30-Sep-2010 '000
Number of ordinary shares at beginning of the period/year	189,000	#	189,000	#
Effect of shares issued pursuant to public issue	32,000	-	29,890	-
Weighted average number of ordinary shares	221,000	#	218,890	#

4 ordinary shares of RM0.50 each

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2011

B14. Earnings Per Share (Continued)**(b) Diluted Earnings per share**

Diluted earnings per share were not computed as the Company does not have any dilutive potential ordinary shares in issue as at the end of the financial quarter under review. As such, the diluted earnings per share is presented as equal to basic earnings per share.

B15. Disclosure of realised and unrealised profits/losses

Total retained profits of Tambun Indah and its subsidiary companies are as follows:

	30-Sep-2011	31-Dec-2010
	RM'000	RM'000
- Realised	13,912	9,146
- Unrealised	15,521	16,229
Total group retained profits as per consolidated accounts	<u>29,433</u>	<u>25,218</u>

B16. Auditors' Report on Preceding Annual Financial Statements

There was no qualification to the audited financial statements of the Company and its subsidiary companies for the financial year ended 31 December 2010.

B17. Authorised for Issue

The interim financial statements were authorised for issue by the Board of Directors of Tambun Indah in accordance with a resolution of the Directors on 23 November 2011.

By order of the Board of Directors
Lee Peng Loon
Company Secretary
23 November 2011