

**TM INTERNATIONAL BERHAD (242188-H)**

(Incorporated in Malaysia)

The Board of Directors of TM International Berhad is pleased to announce the following unaudited results of the Group for the financial period ended 30 June 2008.

**UNAUDITED INTERIM CONSOLIDATED INCOME STATEMENT**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	RM '000	RM '000	RM '000	RM '000
OPERATING REVENUE	<b>2,929,612</b>	2,373,241	<b>5,651,539</b>	4,685,611
OPERATING COSTS				
- depreciation, impairment and amortisation	<b>(537,904)</b>	(423,119)	<b>(1,014,932)</b>	(886,897)
- foreign exchange gains/(losses)	<b>(4,290)</b>	(15,467)	<b>(1,941)</b>	4,442
- other operating costs	<b>(1,713,844)</b>	(1,350,374)	<b>(3,318,113)</b>	(2,638,994)
OTHER OPERATING INCOME	<b>63,394</b>	219,929	<b>88,654</b>	231,613
OPERATING PROFIT BEFORE FINANCE COST	<b>736,968</b>	804,210	<b>1,405,207</b>	1,395,775
Finance income	<b>24,046</b>	18,622	<b>36,130</b>	30,047
Finance cost	<b>(196,608)</b>	(100,659)	<b>(294,408)</b>	(162,898)
Foreign exchange gains/(losses)	<b>(7,205)</b>	13,740	<b>32,862</b>	(7,360)
NET FINANCE COST	<b>(179,767)</b>	(68,297)	<b>(225,416)</b>	(140,211)
JOINTLY CONTROLLED ENTITIES				
- share of results (net of tax)	<b>(5,262)</b>	13,358	<b>2,980</b>	11,666
- gain on dilution of equity interest	-	17,798	-	17,798
ASSOCIATES				
- share of results (net of tax)	<b>23,443</b>	13,443	<b>31,092</b>	16,726
PROFIT BEFORE TAXATION	<b>575,382</b>	780,512	<b>1,213,863</b>	1,301,754
TAXATION	<b>(183,902)</b>	(156,666)	<b>(372,189)</b>	(293,970)
PROFIT FOR THE PERIOD	<b>391,480</b>	623,846	<b>841,674</b>	1,007,784
ATTRIBUTABLE TO:				
- equity holders of the Company	<b>366,638</b>	588,482	<b>769,337</b>	933,554
- minority interests	<b>24,842</b>	35,364	<b>72,337</b>	74,230
PROFIT FOR THE PERIOD	<b>391,480</b>	623,846	<b>841,674</b>	1,007,784
EARNINGS PER SHARE (sen) (Note B11)				
- basic	<b>10</b>	16	<b>21</b>	26

(The above Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2007)

**UNAUDITED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE SECOND QUARTER ENDED 30 JUNE 2008**

	Attributable to equity holders of the Company							
	Issued and fully paid of RM1 each		Currency Translation Differences RM '000	Capital Contribution Reserves RM '000	Merger Reserves RM '000	Retained Profits RM '000	Minority Interests RM '000	Total Equity RM '000
	Share Capital RM '000	Share Premium RM '000						
At 1 January 2008	35,693	58,329	(312,800)	824	(20,885)	4,015,324	670,997	4,447,482
- as previously reported								-
- Effect of merger accounting for internal restructuring (Note A 14)	3,541,700	259,300	-	8,289	367,659	1,750,289	4,751	5,931,988
<b>- as restated</b>	<b>3,577,393</b>	<b>317,629</b>	<b>(312,800)</b>	<b>9,113</b>	<b>346,774</b>	<b>5,765,613</b>	<b>675,748</b>	<b>10,379,470</b>
Currency translation differences arising during the period :-								
- subsidiaries	-	-	37,054	-	-	-	(11,610)	25,444
- jointly controlled entities	-	-	(87,190)	-	-	-	-	(87,190)
- associates	-	-	(12,715)	-	-	-	-	(12,715)
Net loss not recognised in the Income Statement	-	-	(62,851)	-	-	-	(11,610)	(74,461)
Profit for the period	-	-	-	-	-	769,337	72,337	841,674
<b>Total recognised (expense)/income for the period</b>	<b>-</b>	<b>-</b>	<b>(62,851)</b>	<b>-</b>	<b>-</b>	<b>769,337</b>	<b>60,727</b>	<b>767,213</b>
Acquisition of subsidiaries	176,009	1,205,630	-	-	-	-	(207,829)	1,173,810
Dilution of equity interest in a subsidiary	-	-	-	-	-	-	139	139
Demerger expense set off against Share Premium	-	(14,740)	-	-	-	-	-	(14,740)
Dividends paid to minority interests	-	-	-	-	-	-	(29,548)	(29,548)
Employees' share option scheme (ESOS) - options granted by former holding company	-	-	-	(22,006)	-	-	-	(22,006)
<b>At 30 June 2008</b>	<b>3,753,402</b>	<b>1,508,519</b>	<b>(375,651)</b>	<b>(12,893)</b>	<b>346,774</b>	<b>6,534,950</b>	<b>499,237</b>	<b>12,254,338</b>

(The above Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2007)

**UNAUDITED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE SECOND QUARTER ENDED 30 JUNE 2007**

	<u>Attributable to equity holders of the Company</u>							
	<u>Issued and fully paid of RM1 each</u>							
	Share Capital RM '000	Share Premium RM '000	Currency Translation Differences RM '000	Capital Contribution Reserves RM '000	Merger Reserves RM '000	Retained Profits RM '000	Minority Interests RM '000	Total Equity RM '000
At 1 January 2007	35,693	58,329	(182,620)	521	(20,885)	3,331,800	703,845	3,926,683
- Effect of merger accounting for internal restructuring	3,541,700	259,300	-	8,458	367,659	723,112	3,114	4,903,343
<b>As restated</b>	<b>3,577,393</b>	<b>317,629</b>	<b>(182,620)</b>	<b>8,979</b>	<b>346,774</b>	<b>4,054,912</b>	<b>706,959</b>	<b>8,830,026</b>
Currency translation differences arising during the period :-								
- subsidiaries	-	-	(79,568)	(169)	-	-	(37,369)	(117,106)
- jointly controlled entities	-	-	56,779	-	-	-	-	56,779
- associates	-	-	11,931	-	-	-	-	11,931
Net loss not recognised in the Income Statement	-	-	(10,858)	(169)	-	-	(37,369)	(48,396)
Profit for the period	-	-	-	-	-	933,554	74,230	1,007,784
<b>Total recognised (expense)/income for the period</b>	<b>-</b>	<b>-</b>	<b>(10,858)</b>	<b>(169)</b>	<b>-</b>	<b>933,554</b>	<b>36,861</b>	<b>959,388</b>
Acquisition of equity interest in a subsidiary	-	-	-	-	-	-	(101,897)	(101,897)
Partial disposal of equity interest in subsidiaries	-	-	-	-	-	-	33,100	33,100
Dilution of equity interest in a subsidiary	-	-	-	-	-	-	2,377	2,377
Right issue of a subsidiary	-	-	-	-	-	-	67,715	67,715
Dividends paid to minority interests	-	-	-	-	-	-	(26,622)	(26,622)
Employees' share option scheme (ESOS)								
- value of employee services	-	-	-	302	-	-	-	302
- options granted by former holding company	-	-	-	-	-	-	189	189
<b>At 30 June 2007</b>	<b>3,577,393</b>	<b>317,629</b>	<b>(193,478)</b>	<b>9,112</b>	<b>346,774</b>	<b>4,988,466</b>	<b>718,682</b>	<b>9,764,578</b>

(The above Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2007)

**UNAUDITED INTERIM CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE SECOND QUARTER ENDED 30 JUNE 2008**

	<b>FOR THE SIX MONTHS ENDED 30/6/2008 RM '000</b>	<b>FOR THE SIX MONTHS ENDED 30/6/2007 RM '000</b>
Receipts from customers	5,588,473	4,651,233
Payments to suppliers and employees	(3,870,424)	(2,073,488)
Payment of finance cost	(257,089)	(152,664)
Payment of income taxes (net of refunds)	(212,603)	(104,694)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>1,248,357</b>	<b>2,320,387</b>
Disposal of property, plant and equipment	23,527	4,196
Purchase of property, plant and equipment	(2,499,811)	(1,957,429)
Purchase of other intangible assets	(40,100)	(474)
Partial disposal of a subsidiary	-	227,273
Additional investments in subsidiaries	-	(392,950)
Loans to employees	(35)	(230)
Interest received	36,130	30,047
<b>CASH FLOWS USED IN INVESTING ACTIVITIES</b>	<b>(2,480,289)</b>	<b>(2,089,567)</b>
Proceeds from rights share issuance	-	71,976
Proceeds from ESOS share issuance	234	-
Issue of share capital to minority interests	-	2,377
Proceeds from borrowings	4,543,243	1,214,720
Repayments of borrowings	(2,661,329)	(771,482)
Dividends paid to minority interests	(29,549)	(26,622)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>1,852,599</b>	<b>490,969</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>620,667</b>	<b>721,789</b>
<b>EFFECT OF EXCHANGE RATE CHANGES</b>	<b>(2,570)</b>	<b>(13,284)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD</b>	<b>1,897,530</b>	<b>1,728,911</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE PERIOD</b>	<b>2,515,627</b>	<b>2,437,416</b>

(The above Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2007)

**UNAUDITED INTERIM CONSOLIDATED BALANCE SHEET**

**AS AT 30 JUNE 2008**

	<b>END OF CURRENT QUARTER</b>	<b>AS AT 31/12/2007 (RESTATED)</b>
	<b>RM '000</b>	<b>RM '000</b>
SHARE CAPITAL	3,753,402	3,577,393
SHARE PREMIUM	1,508,519	317,629
RESERVES	6,493,180	5,808,700
<b>TOTAL CAPITAL AND RESERVES ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY</b>	<b>11,755,101</b>	<b>9,703,722</b>
MINORITY INTERESTS	499,237	675,748
<b>TOTAL EQUITY</b>	<b>12,254,338</b>	<b>10,379,470</b>
Borrowings	5,687,710	3,159,774
Amounts due to Telekom Malaysia Berhad	-	4,025,000
Provision for liabilities	97,016	87,196
Deferred tax liabilities	925,518	881,885
<b>DEFERRED AND LONG TERM LIABILITIES</b>	<b>6,710,244</b>	<b>8,153,855</b>
	<b>18,964,582</b>	<b>18,533,325</b>
INTANGIBLE ASSETS	8,488,799	7,458,522
PROPERTY, PLANT AND EQUIPMENT	14,118,299	12,159,807
PREPAID LEASE PAYMENTS	345,616	321,860
JOINTLY CONTROLLED ENTITIES	782,102	1,024,454
ASSOCIATES	1,567,764	251,140
LONG TERM RECEIVABLES	399	395
DEFERRED TAX ASSETS	147,179	162,949
Inventories	112,541	74,626
Trade and other receivables	1,164,228	891,677
Tax recoverable	128,359	201,077
Cash and bank balances	2,602,620	1,927,630
<b>CURRENT ASSETS</b>	<b>4,007,748</b>	<b>3,095,010</b>
Trade and other payables	4,456,630	3,907,230
Borrowings	1,813,353	1,933,843
Amounts due to Telekom Malaysia Berhad	4,025,000	-
Current tax liabilities	198,341	99,739
<b>CURRENT LIABILITIES</b>	<b>10,493,324</b>	<b>5,940,812</b>
<b>NET CURRENT LIABILITIES</b>	<b>(6,485,576)</b>	<b>(2,845,802)</b>
	<b>18,964,582</b>	<b>18,533,325</b>
<b>NET ASSETS PER SHARE ATTRIBUTABLE TO ORDINARY EQUITY HOLDERS OF THE COMPANY (sen)</b>	<b>313</b>	<b>271</b>

**(The above Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2007)**