TM INTERNATIONAL BERHAD (242188-H)
(Incorporated in Malaysia)

PART A : EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD 134

1. Basis of Preparation

(a) The unaudited interim financial statements for the financial period ended 30 June 2008 of the Group have been prepared in accordance with Financial Reporting Standards ("FRS") 134 Interim Financial Reporting, paragraph 9.22 and Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"), and should be read in conjunction with the Group's audited financial statements for the year ended 31 December 2007. The accounting policies, method of computation and basis of consolidation applied in the unaudited interim financial statements are consistent with those used in the preparation of the 2007 audited financial statements except for the changes arising from the adoption of new accounting standards and amendments to published standards effective for the Group's financial year beginning on 1 January 2008 summarised as follows:

(i) Standards, amendments to published standards and Interpretations Committee ("IC") interpretations that are relevant for the Group's operations

- FRS 107 — Cash Flow Statements
- FRS 112 — Income Taxes
- FRS 118 — Revenue
- FRS 134 — Interim Financial Reporting
- FRS 137 — Provisions, Contingent Liabilities and Contingent Assets
- Amendments to FRS 121 — The Effects of Changes in Foreign Rates – Net Investment in Foreign Operations
- IC Interpretation 1 — Changes in Existing Decommissioning Restoration & Similar Liabilities
- IC Interpretation 8 — Scope of FRS 2

The adoption of the above FRS and IC interpretations do not have any significant financial impact to the Group.

(ii) Standards and IC Interpretations to existing standards that are not relevant or material for the Group's operations

- FRS 111 — Construction Contracts
- IC Interpretation 2 — Members' Shares in Co-operative Entities & Similar Instruments
- IC Interpretation 5 — Rights to Interests arising from Decommissioning, Restoration & Environmental Rehabilitation Funds
- IC Interpretation 6 — Liabilities arising from Participating in a Specific Market-Waste Electrical & Electronic Equipment
- IC Interpretation 7 — Applying the Restatement Approach under FRS 129 Financial Reporting in Hyperinflationary Economies

PART A : EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD 134

1. Basis of Preparation (continued)

(b) Reclassification

Effective from first quarter, the Group had reviewed and changed the presentation of foreign exchange gains/(losses) arising from translation of foreign currency borrowings. These foreign exchange gains/(losses) which were previously disclosed in the audited financial statements under other operating costs are now presented under finance costs to better reflect the effective cost of borrowings.

(c) The principal closing rates (units of Malaysian Ringgit per foreign currency) used in translating significant balances are as follows:

Foreign Currency	**Exchange Rate At 30 June 2008**	**Exchange Rate At 31 Dec 2007**	**Exchange Rate At 30 June 2007**
US Dollar	3.27000	3.30500	3.45000
Sri Lanka Rupee	0.03038	0.03043	0.03098
Bangladesh Taka	0.04777	0.04843	0.05015
Indonesian Rupiah	0.00036	0.00035	0.00038
Pakistani Rupee	0.04801	0.05370	0.05706
Singapore Dollar	2.40633	2.29307	2.25240
Thai Baht	0.09796	0.11054	0.10918
Iran Riyal	0.00036	0.00035	0.00037
Indian Rupee	0.07621	0.08393	0.08519

(d) The unaudited interim financial statements for the second quarter ended 30 June 2008 of the Group includes the results of Celcom (Malaysia) Berhad ("Celcom") and its subsidiaries ("Celcom Group") following the completion of the demerger exercise on 25 April 2008 as disclosed in Part A, 10(f) of this announcement.

(e) As part of the demerger exercise undertaken by Telekom Malaysia Berhad ("TM"), a Group internal restructuring was undertaken to transfer TM's entire interest in Celcom via Telekom Enterprise Sdn Bhd ("TESB"), a wholly owned subsidiary of TM, to the Company. This Group internal restructuring completed during the quarter satisfied the applicable criteria for merger accounting. Accordingly, the Group has applied the principles of merger accounting by which the restructured group is presented in such a manner as to depict that it had been in its resultant form for both periods covered by the Group's financial statements. These comparative effects are disclosed in Part A, 14 of this announcement.

PART A : EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD 134

2. Seasonal or Cyclical Factors

The operations of the Group were not affected by any seasonal or cyclical factors for the financial period and quarter under review.

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

There were no other unusual items affecting assets, liabilities, equity, net income or cash flows due to their nature, size or incidence for the financial period ended 30 June 2008 other than as mentioned above and in Part A, 9 and Part B, 7 of this announcement.

4. Material Changes in Estimates

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

5. Issuances, Cancellations, Repurchases, Resale and Repayments of Debt and Equity Securities

On 25 January 2008, PT Excelcomindo Pratama Tbk ("XL") through its wholly owned subsidiary, Excelcomindo Finance Company B.V ("XLFC") completed the buyback of USD350 million bond at a price of 100% of nominal value.

In June 2008, XL through XLFC had completed the partial buyback of USD122.3 million from the USD250 million bond at price of 101% of nominal value.

On 15 April 2008, Celcom repaid fully the Islamic Private Debt Securities Al-Bai' Bithaman Ajil Bonds amounting to RM200.0 million.

Aside for the above, there were no other issuances, cancellations, repurchases, resale and repayments of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the financial period ended 30 June 2008.

6. Dividends Paid

No dividends have been paid during the financial period and quarter ended 30 June 2008.

PART A : EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD 134

7. Segmental Information

Segmental information for the financial period ended 30 June 2008 and 30 June 2007 were as follows:

By Geographical Segment

2008

All amounts are in RM '000	Malaysia	Indonesia	Bangladesh	Sri Lanka	Others	Total
Operating Revenue						
Total operating revenue	2,684,315	1,998,136	344,574	548,191	97,479	**5,672,695**
Inter-segment *	(22,848)	-	-	-	1,692	**(21,156)**
External operating revenue	2,661,467	1,998,136	344,574	548,191	99,171	**5,651,539**
Results						
Segment results	823,684	399,427	27,283	56,913	9,246	**1,316,553**
Other operating income						**88,654**
Operating profit before Finance cost						**1,405,207**
Finance income						**36,130**
Finance cost						**(294,408)**
Foreign exchange gains						**32,862**
Jointly controlled entities - share of results (net of tax)					2,980	**2,980**
Associates - share of results (net of tax)					31,092	**31,092**
Profit before taxation						**1,213,863**
Taxation						**(372,189)**
Profit for the period						**841,674**

7. Segmental Information (continued)

2007

All amounts are in RM '000	Malaysia	Indonesia	Bangladesh	Sri Lanka	Others	Total
Operating Revenue						
Total operating revenue	2,459,968	1,311,338	366,478	485,996	80,835	4,704,615
Inter-segment *	(14,550)	-	-	-	(4,454)	(19,004)
External operating revenue	2,445,418	1,311,338	366,478	485,996	76,381	4,685,611
Results						
Segment results	653,102	282,916	46,344	164,989	16,811	1,164,162
Other operating income						231,613
Operating profit before Finance cost						1,395,775
Finance income						30,047
Finance cost						(162,898)
Foreign exchange losses						(7,360)
Jointly controlled entities						
- share of results (net of tax)					11,666	11,666
- gain on dilution of equity interest					17,798	17,798
Associates						
- share of results (net of tax)					16,726	16,726
Profit before taxation						1,301,754
Taxation						(293,970)
Profit for the period						1,007,784

* Inter-segment operating revenue has been eliminated at the respective segment operating revenue. The inter-segment operating revenue was entered into in the normal course of business and at prices available to third parties or at negotiated terms.

8. Valuation of Property, Plant and Equipment

There was no revaluation of property, plant and equipment brought forward from the previous audited financial statements. The Group does not adopt a revaluation policy on its property, plant and equipment.

9. Material Events Subsequent to the End of the Quarter

As detailed in Part B, 7(b), the Group announced a proposal to acquire an interest in Idea Cellular Limited ("Idea"), ultimately owning a maximum 20.11% interest in Idea. The proposed subscription of 14.99% was completed on 13 August 2008.

10. Effects of Changes in the Composition of the Group

Changes in the composition of the Group for the current quarter ended 30 June 2008 were as follows:

a) Dialog Telekom PLC ("Dialog")

Following the issuance of shares under Dialog's Employees' Share Option Scheme ("ESOS"), TM International Berhad ("TMI" or "the Company")'s equity interest in Dialog, held via TM International (L) Limited ("TMIL"), a wholly-owned subsidiary of TMI, decreased from 84.81% to 84.80% in the first quarter and remained unchanged in the second quarter. The dilution has no material effect to the results of the Group.

b) MobileOne Limited ("M1")

The Company's shareholding in M1, held through SunShare Investments Ltd ("Sunshare'), its wholly-owned subsidiary decreased from 29.67% to 29.66% in the second quarter following the issuance of shares under M1's ESOS. The dilution has no material effect to the results of the Group.

c) G-Com Limited ("G-Com")

During the second quarter, G-Com, a wholly-owned subsidiary of the Company, was dissolved pursuant to the endorsement by the Registrar of Companies of Ghana with effect from 17 April 2008. The dilution has no material effect to the results of the Group.

d) XL

On 6 February 2008, the Company and Indocel Holding Sdn Bhd ("Indocel"), a wholly-owned subsidiary of the Company through TMIL, entered into a Sale and Purchase Agreement with Khazanah Nasional Berhad ("Khazanah") ("Khazanah SPA") to acquire all Khazanah's 16.81% equity interest in XL for a purchase consideration of RM1.425 million. Subsequently, TMI Group's equity interest in XL increased from 66.99% to 83.79% as at the end of second quarter.

10. Effects of Changes in the Composition of the Group (continued)

(e) SunShare

TM and its wholly-owned subsidiary, TESB, and Celcom Transmission (M) Sdn Bhd ("CTX'), Celcom and TMI which were then wholly-owned subsidiaries of TM, entered into a Demerger Agreement on 10 December 2007 which comprises TM transferring its entire holding of Redeemable Convertible Preference Shares ("RCPS") in SunShare, resulting in TMI owning a 51% interest in SunShare.

In addition, the Company also acquired Khazanah's 49% interest in SunShare for a purchase consideration of RM155 million pursuant to the Khazanah SPA entered on 6 February 2008, as part of the Proposed Acquisition.

The above transfer and acquisition were completed on 25 April 2008 and resulted in SunShare becoming a wholly-owned subsidiary of TMI.

(f) Celcom

TM and its wholly-owned subsidiary, TESB, and CTX, Celcom and TMI which were then wholly-owned subsidiaries of TM, entered into a Demerger Agreement on 10 December 2007 which comprises an internal restructuring of the TM Group as follows:-

a) CTX, a wholly owned subsidiary of Celcom, transferring its entire holding of 38,250,000 Ordinary shares of RM1.00 each in Fibrecomm Network (M) Sdn Bhd ("Fibrecomm"), representing 51% of the issued and paid-up share capital of Fibrecomm, to TESB; and

b) TESB, a wholly owned subsidiary of TM, transferring its entire holding of 1,237,534,681 Ordinary shares of RM1.00 each in Celcom, representing 100% of the issued and paid-up share capital of Celcom, to TMI.

The above internal restructuring was completed on 25 April 2008 and resulted in the Celcom Group (with the exception of Fibrecomm which was transferred to TESB) becoming part of the enlarged TMI Group.

PART A : EXPLANATORY NOTES PURSUANT TO FINANCIAL REPORTING STANDARD 134

11. Changes in Contingent Liabilities Since the Last Annual Balance Sheet Date

Legal matter - Cartel allegation raised by Komisi Pengawas Persaingan Usaha / Supervisory Commission for Business Competition ("KPPU")

In November 2007, XL was called by KPPU in relation to the investigation of the allegedly cartel conducted by cellular operators in Indonesia in determining tariffs for short message services.

In June 2008, KPPU issued its decision letter which confirmed that a penalty of RM8.9 million (IDR25 billion) should be paid by XL. XL disagrees with this decision and is considering lodging an appeal in July 2008. Nonetheless, XL had accrued the penalty as at 30 June 2008.

Save for the above, there were no material changes in contingent liabilities (other than material litigation disclosed in Part B, 10 of this announcement) since the latest audited financial statements of the Group for the financial year ended 31 December 2007.

12. Capital Commitments

	Group	
	2008	2007
	RM '000	RM '000
Property, plant and equipment:		
Commitments in respect of expenditure approved and contracted for	**914,990**	1,770,296
Commitments in respect of expenditure approved but not contracted for	**1,171,317**	1,756,101

13. Additional Disclosure Requirements

Pursuant to the letter of approval from Securities Commission ("SC") dated 30 January 2008 in relation to the TM Group's Demerger, the Company is required to disclose in its quarterly announcement, the status of application of the Celcom Group physical structures for both transmission towers and rooftop sites ("Outdoor Structures") to Bursa Securities until all approvals are obtained.

The status of the application of Outdoor Structures owned by Celcom Group as at 20 August 2008 are as follows:-

(a) 273 Outdoor Structures are pending approval from local authorities; and

(b) initial applications for 82 outdoor structures have been declined. The Celcom Group is in the midst of appealing to the relevant local authorities with respect to such applications.

14. Comparatives

The comparative figures in the unaudited interim consolidated financial statement have been adjusted to reflect the merger accounting for Celcom Group and SunShare following the completion of the internal restructuring exercise as explained in Part A, 1(e) of this announcement.

The consolidated balance sheet showing effect of merger accounting aforementioned will be as follows:

Consolidated balance sheet as at 31 December 2007

	As previously stated RM'000	Effect of merger accounting for internal restructuring RM'000	As restated RM'000
Share capital	35,693	3,541,700	3,577,393
Share premium	58,329	259,300	317,629
Other reserves	3,682,462	2,126,238	5,808,700
Total capital and reserves attributable to equity holders of the Company	3,776,484	5,927,238	9,703,722
Minority interests	670,998	4,750	675,748
Total equity	4,447,482	5,931,988	10,379,470
Deferred and long term liabilities	6,661,243	1,492,612	8,153,855
	11,108,725	**7,424,600**	**18,533,325**
Long term assets	13,369,561	8,009,566	21,379,127
Current assets	1,454,116	1,640,894	3,095,010
Current liabilities	(3,714,952)	(2,225,860)	(5,940,812)
Net current (liabilities)	(2,260,836)	(584,966)	(2,845,802)
Net assets	**11,108,725**	**7,424,600**	**18,533,325**

PART B : EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

1. Review of Performance

(a) Quarter-on-Quarter

For the current quarter under review, the Group recorded a 23.4% growth in revenue from RM2,373.2 million achieved in 2nd quarter 2007 to RM2,929.6 million. Strong quarter-on-quarter growth was recorded in XL (74.8%), Telekom Malaysia International (Cambodia) Company Limited ("TMIC") (39.6%), Dialog (16.4%) and Celcom (9.7%). While Celcom remains as the major revenue contributor for the Group, with a contribution of 46.4% in the 2nd quarter 2008, XL's contribution has increased from 28.5% in 2nd quarter 2007 to 37.2% .

Below is the comparison of revenue growth recorded by all subsidiaries within the Group for the 2nd quarter ended 30 June 2008 against 30 June 2007, in local currencies:-

	Q2 2007 (local currency)	**Q2 2008 (local currency)**	**Growth (%)**
Celcom (RM Million)	1,238.1	1,358.1	9.7
XL (IDR Billion)	1,767.9	3,090.3	74.8
Dialog (SLR Million)	7,861.5	9,149.0	16.4
TM International Bangladesh ("TMIB") (BDT Million)	3,522.5	3,629.2	3.0
TMIC (USD Million)	10.1	14.1	39.6

XL's strategy of offering combination of comparable quality, efficient and affordable pricing strategy had delivered the desired results and growth in the 2nd quarter 2008, reflected by the 1,621% growth in its total outgoing minutes and 124% growth in subscriber base.

The appreciation of Ringgit Malaysia against respective subsidiaries reporting currency has, however, unfavorably affected the Group's translated revenue in RM by approximately 3.7%.

Other operating cost increased by 27% primarily due to macroeconomic conditions in Sri Lanka, Bangladesh and Indonesia which witnessed high double digits inflation i.e fuel and energy cost which had both direct and indirect impact on the total costs.

Group profit after tax and minority interest ("PATAMI") of RM366.6 million was 37.7% lower from RM588.5 million recorded in the 2nd quarter 2007. PATAMI in 2nd quarter 2007 included gain on disposal of 3.82% Dialog shares of RM194 million and gain on dilution of shares in Spice Communications Limited ("Spice") of RM18 million.

PATAMI reported in the current quarter had been adversely affected by the lower profit from associate and jointly controlled entities from RM26.8 million recorded in 2nd quarter 2007 to RM18.2 million.

PART B : EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

1. Review of Performance (continued)

(a) Quarter-on-Quarter (continued)

Higher net finance cost at TMI , predominantly on the amount owing to TM , XL's financing plus other related expenses with regards to consent solicitation and partial tender offers (aggregate principal amount of USD 122.3 million) of its USD 250 million 7.125% guaranteed notes due in 2013 and TMIB higher cost of debt due to its heavy reliance on short term loans had unfavorably affected the overall performance of the Group PATAMI in the current quarter.

(b) Year-on-Year

For the first half of the financial year, the Group revenue increased by 20.6% from RM4,685.6 million to RM5,651.5 million driven by the higher achievement in XL. Below is the comparison of revenue achievement for the 1st half ended 30 June 2008 against 30 June 2007, in local currencies, respectively:

	YTD June 2007 (local currency)	YTD June 2008 (local currency)	Growth (%)
Celcom (RM Million)	2,445.4	2,684.0	9.8
XL (IDR Billion)	3,414.9	5,692.7	66.7
Dialog (SLR Million)	15,364.0	18,206.9	18.5
TMIB (BDT Million)	7,312.2	7,237.9	(1.0)
TMIC (USD Million)	20.1	27.5	36.8

The Group registered a lower PATAMI by 17.6% from RM933.6 million recorded in the 1st half 2007 to RM769.3 million, in the 1st half 2008. Without the gain on disposal of 3.82% Dialog shares (RM194 million) and gain on dilution of shares in Spice of RM18 million in 1st half 2007, the PATAMI for 1st half 2008 would have been 6.6% above the corresponding period.

The Group recorded RM30.9 million foreign exchange gain in the 1st half 2008 as opposed to RM2.9 million foreign exchange losses recorded in 1st half 2007, mainly arising from the translation of XL's US Dollar denominated debt. The favorable variance was however offset by the increase in some of the cost items due to the inflationary pressure and hike in fuel and energy cost, in most of the subsidiaries home countries.

Appreciation of Ringgit Malaysia against local currencies had lowered the Group's translated revenue and PATAMI by approximately 4.2% and 1.6%, respectively.

PART B : EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

1. Review of Performance (continued)

(c) Comparison with Preceding Quarter's Results

Group revenue for the current quarter of RM2,929.6 million was slightly higher by 7.6% from RM2,721.9 million recorded in the preceding quarter.

At their respective local currencies, XL, Dialog, TMIB and TMIC had registered positive growth in revenue over the preceding quarter's results.

Group PATAMI of RM366.6 million was 9.0% lower than RM402.7 million recorded in the preceding period due to higher loss contribution from Spice and higher Group net finance cost predominantly on TMI amount owing to TM and XL's financing plus other related expenses with regards to consent solicitation and partial tender offers (aggregate principal amount of USD 122.3 million) of its USD 250 million 7.125% guaranteed notes due in 2013.

The Group recorded a foreign exchange loss of RM11.5 million in the current quarter as compared to gain of RM42.4 million in the preceding quarter predominantly arising from translation of XL's US Dollar denominated debt.

PART B : EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

2. Prospects for the Remaining Quarters Up To 31 December 2008

Telecommunication industry remains challenging and competitive in 2008 with continued offerings of innovative, attractive and competitive packages by industry players. With all resources and new processes in place, the Group will intensify its focus on its twin engines growth strategy; to unlock the value of its existing portfolio and selective new investment opportunities, closer to home.

The Group is expected to enjoy a revenue growth in 2008 with more attention being given to its flagship mobile operations such as Celcom, XL and Dialog Telekom. On the other hand, the Group seeks opportunity to create more values for its investment in Bangladesh and India.

Celcom is anticipated to be operationally ready for the implementation of Mobile Number Portability (MNP) which is expected to be launched in the 3rd quarter 2008. Celcom is expected to register revenue growth in 2008 through a well crafted strategies targeted at specific customer segments, as well as the introduction of new, exciting and competitive products. While through combination of comparable quality and efficient pricing strategy, XL will continue to contribute to the positive growth of the Group in 2008.

The Group recognises the challenges and risks facing its international operations, where unfavourable changes in political regimes, regulations and currency exchange rates which may have an adverse financial impact. Managing cost will also be a challenge to the Group as most of its subsidiaries are affected by the inflationary pressures and hike in energy and fuel cost. However, several performance improvement plans and initiatives undertaken, especially in Dialog, are expected to deliver positive impact in the medium term.

Barring any unforeseen circumstances, the Board of Directors expects the Group's performance for the financial year ending 31 December 2008 to remain favourable. Based on the first six months announcement, the Group expects to meet the headline KPI announced on 22 May 2008.

3. Variance of Actual Profit from Forecast Profit / Profit Guarantee

The Group has not provided any profit forecast or profit guarantee in a public document in respect of the financial period ended 30 June 2008.

4. Taxation

The taxation charge for the Group comprises:-

	INDIVIDUAL QUARTER		**CUMULATIVE PERIOD**	
	Current year quarter	Preceding year corresponding quarter	**Current year to date**	Preceding year corresponding period
	30/06/2008	30/06/2007	**30/06/2008**	30/06/2007

PART B : EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

	RM '000	RM '000	**RM '000**	RM '000
Malaysia				
Income Tax:				
Current year	**(132,382)**	(64,363)	**(240,501)**	(130,397)
Prior year	**-**	-	**-**	31
	(132,382)	(64,363)	**(240,501)**	(130,366)
Overseas				
Income Tax:				
Current year	**(46,108)**	(5,974)	**(70,667)**	(12,134)
Prior year	**6**	(22)	**(66)**	741
	(46,102)	(5,996)	**(70,733)**	(11,393)
Deferred tax (net):				
Current year	**(5,418)**	(86,307)	**(60,955)**	(152,211)
TOTAL TAXATION	**(183,902)**	(156,666)	**(372,189)**	(293,970)

The current quarter and financial period effective tax rate of the Group is higher than the statutory tax rate mainly attributed to expenses not allowable for tax deduction and the different taxation rates of other countries.

5. Profit on Sale of Unquoted Investments and/or Properties

There were no material sales of unquoted investments or disposal of properties which significantly affected the results of the Group during the financial period.

6. Purchase and Disposal of Quoted Securities

There were no purchase and disposal of quoted securities during the financial period.

7. Status of Corporate Proposals

(a) Proposed issuance of up to 10% of the Issued and Paid-Up Share Capital of TMI

On 10 December 2007, the Board of TM proposed, amongst others, to obtain a shareholders' mandate ("Shareholders' Mandate") for the issuance of up to 10% of the issued and paid-up share capital of TMI ("Proposed Issue"). In connection with the above, the SC had, vide its letter dated 30 January 2008, given its approval for, amongst others, the Proposed Issue. The shareholders of TM, had at the Extraordinary General Meeting held on 6 March 2008, approved, amongst others, the Shareholders' Mandate on the Proposed Issue.

In view of the approval of the SC on the Proposed Issue expiring on 29 July 2008, an application was made to the SC on 14 July 2008 for an extension of time up to 29 January 2009 for TMI to undertake the Proposed Issue. SC had, vide its letter dated 28 July 2008, approved the extension of time on the Proposed Issue.

(b) (i) Proposed subscription by TMI Mauritius Ltd ("TMI Mauritius"), a wholly-owned subsidiary of TMI, of 464,734,670 new ordinary shares of Indian Rupee ("INR") 10 each in Idea, representing approximately 14.99% of the enlarged issued share capital of Idea ("Proposed Subscription");

(ii) Proposed mandatory general offer by Idea together with TMI, TMI Mauritius, TMI India Ltd ("TMI India") and Green Acre Agro Services Private Limited ("GAASPL") as persons acting in concert ("PAC") with Idea, for the remaining 137,985,050 ordinary shares of INR10 each in Spice, not held by Idea and the PAC ("Proposed Offer"); and

(iii) Proposed merger of Spice and Idea ("Proposed Merger")

(collectively referred to as the "Proposals")

On 25 June 2008, TMI announced its intention to expand its presence in India via:

(i) subscription by TMI Mauritius of 464,734,670 new ordinary shares of Rs.10 each in Idea ("Idea Shares"), representing approximately 14.99% of the enlarged issued and paid-up share capital of Idea after the Proposed Subscription, for a total cash consideration of Rs.72,944.8 million (approximately RM5,536.5 million) or Rs.156.96 (approximately RM11.91) per Idea Share;

(ii) mandatory general offer under the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 by Idea, together with TMI, TMI Mauritius, TMI India and GAASPL as the PAC with Idea, to acquire the remaining 137,985,050 ordinary shares of Rs.10 each in Spice ("Spice Shares") not held by Idea and the PAC upon completion of the MCPL-Spice Acquisition described below at a cash offer price of Rs.77.30 (approximately RM5.87) per Spice Share; and

(iii) merging Spice into Idea in accordance with a scheme of arrangement under Sections 391 to 394 of the Companies Act, 1956 of India.

On 25 June 2008, Idea and MCorpGlobal Communications Private Limited ("MCPL") had entered into a share purchase agreement for Idea to acquire 281,489,350 Spice Shares, representing the entire 40.8% of the total issued share capital in Spice held by MCPL, for a

PART B : EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

7. Status of Corporate Proposals (Continued)

total cash consideration of Rs.27,198.9 million (approximately RM2,064.4 million) or approximately Rs.96.62 (approximately RM7.33) per Spice Share. The purchase consideration includes a non-compete premium of Rs.5,439.8 million (approximately RM412.9 million) or Rs.19.32 (approximately RM1.47) per Spice Share where MCPL agrees that it will not compete with Idea and procures that its affiliates and its promoters will not compete with Idea for a period of 3 years from 25 June 2008.

Upon completion of the Proposals, TMI will cease to have any direct equity interest in Spice, but will have an equity interest of approximately 19.0% in the merged Idea, on a fully diluted basis. In addition, the Group will have a call option to acquire the Spice Shares (to be converted to Idea Shares under the Proposed Merger) from GAASPL, to further increase the Group's stake in Idea.

On 30 July 2008, TMI India entered into a Shareholders Agreement with GAASPL, Idea and Spice relating to Spice ("Spice Shareholders Agreement"), pursuant to the terms of the Merger Cooperation Agreement that was entered into on 25 June 2008 between TMI, TMI Mauritius, TMI India, Spice, Idea, GAASPL and Aditya Birla Nuvo Limited. The Spice Shareholders Agreement sets out inter-alia, the terms and conditions for the operations of Spice and the relationship as shareholders in Spice, including matters such as transfer restrictions on the shareholdings of the parties and composition of the Board of Directors of Spice.

Since the date of the announcement on 25 June 2008, the following approvals in relation to the Proposals have been obtained:-

(i) the approval of Bank Negara Malaysia ("BNM"), through its letter dated 25 July 2008, for, amongst others, the payment to be made by TMI Group for the Proposed Subscription and Proposed Offer. BNM's approval is subject to, amongst others, the following:

    (a) if TMI does not make any payment within 12 months from the date of BNM's approval letter, BNM's approval is deemed cancelled; and

    (b) if TMI enters into any contract to hedge its foreign exchange risk or interest rate risk, such contract may only be entered into with local licensed financial institutions, and has to be cancelled upon the full repayment of the borrowings taken by TMI.

(ii) the approval of Idea's shareholders for the Proposed Subscription at an extraordinary general meeting of Idea held on 30 July 2008; and

(iii) the approval of TMI's shareholders for the Proposals at an extraordinary general meeting of TMI held on 1 August 2008.

PART B : EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

7. Status of Corporate Proposals (Continued)

The Proposed Subscription was completed on 13 August 2008.

Save as disclosed above, there is no other corporate proposal announced and not completed as at the latest practicable date.

8. Group Borrowings and Debt Securities

(a) Breakdown of Group borrowings and debt securities as at 30 June were as follows:-

	2008		2007	
	Short Term Borrowings RM '000	**Long Term Borrowings RM '000**	**Short Term Borrowings RM '000**	**Long Term Borrowings RM '000**
Secured	255,107	1,499,832	232,214	656,301
Unsecured	1,558,246	4,187,878	224,713	3,162,369
Amount Due to Telekom Malaysia Berhad - Unsecured	4,025,000	-	-	4,025,000
Total	**5,838,353**	**5,687,710**	**456,927**	**7,843,670**

(b) Foreign currency borrowings and debt securities in Ringgit Malaysia equivalent as at 30 June were as follows:-

	2008	**2007**
Foreign Currency	**RM '000**	**RM '000**
US Dollar	2,558,269	3,135,766
Indonesian Rupiah	2,802,359	570,096
Bangladesh Taka	420,514	333,594
Pakistani Rupee	115,219	68,476
Sri Lanka Rupee	276,102	167,665
Singapore Dollar	577,520	-
Total	**6,749,983**	**4,275,597**

9. Off Balance Sheet Financial Instruments

The details and the financial effects of the hedging derivatives that the Group has entered into are described in Note 31 to the audited financial statements of the Group for the year ended 31 December 2007. There were no new off balance sheet financial instruments since the last financial year except for the following:-

9. Off Balance Sheet Financial Instruments (Continued)

(a) Interest Rate Swap (IRS)

i) **Underlying Liability**
Interest payment of Long - Term Loan in USD

Hedging Instrument

On 7 January 2008, XL entered into an interest rate swap contract with a financial institution to hedge the payment of the quarterly interest of a long term loan in USD amounting to USD97.5 million. Based on the contract, XL will pay fixed interest loan as follows:-

Notional Amount	Fixed Interest rate	Maturity date of Loan principal
USD15.0 million	4.675%	30 August 2010
USD30.0 million	4.730%	26 July 2010
USD10.0 million	4.730%	9 August 2010
USD10.0 million	4.730%	16 August 2010
USD20.0 million	4.635%	26 April 2010
USD12.5 million	4.575%	29 January 2010

ii) **Underlying Liability**
SGD540,000,000 Term Loan Facility

On 23 September 2005, SunShare obtained term loan facility of SGD540,000,000. The loan is repayable in full in 2010.

Hedging Instrument

On 14 March 2007, SunShare entered into an interest rate swap (“IRS”) agreement with notional principal of SGD50,000,000 that entitles it to receive interest at floating rate of 6 months SGD-SOR Telerate plus 0.25% subject to a maximum of 4.50% and obliges it to pay interest at fixed rate of 3.27% per annum. The swap was to mature on 27 October 2010 with the optional early termination by the other party on the 27 May 2008 and 27 May 2009. This interest rate swap, however, is effective from 27 November 2006.

On 5 April 2007, SunShare entered into another IRS agreement with a notional principal of SGD100,000,000 that entitles it to receive interest at floating rate of 6 months SGD-SOR Telerate plus 0.25% and obliges it to pay interest at fixed rate of 3.30% per annum. The swap was to mature on 27 October 2010. This interest swap, however, is effective from 27 November 2006.

PART B : EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

9. Off Balance Sheet Financial Instruments (Continued)

(b) Forward Foreign Currency Contracts

On 8 January 2008, XL terminated one of the forward foreign currency contracts entered with a financial institution in 2006 and 2007 to hedge the payment of long term loans in USD amounting to USD25.0 million.

The details of the remaining forward foreign currency contracts are as follows:

Type of contracts	Notional amount (in USD Million)	Strike rate (full amount)
Deliverable	175.0	USD1= IDR9,000
Non Deliverable	100.0	USD1= IDR9,000
Total	275.0	

The Premium on the forward foreign currency contracts will be paid semi-annually. The hedging instruments above are deliverable and non-deliverable (NDF) types.

The total transaction for deliverable is USD 87.5 million (5 items) and USD 87.5 million (4 items) for non deliverable (NDF).

On the deliverable contract, XL would swap, at the final exchange date (termination date) in 2009, a total of Rp 787,500,000.5 million for USD 87,500,000 million.

On the non deliverable contract; XL would swap, at the final exchange date (termination date) in 2009:-

- If settlement Rate rate at expire time is less than Rp. 9,000, XL would pay the banks USD 6,287.5 Million x (Rp. 9,000 –- settlement rate)
- If settlement Rate rate at expire time is more than Rp. 9,000, the banks would pay XL USD 6,287.5 Million x (settlement rate - Rp. 9,000)
- If settlements Rate rate at expire time is equal to Rp. 9,000, no exchange payments between the banks and XL.

All hedging instruments are executed with creditworthy financial institutions with a view to limit the credit risk exposure of the Group.

PART B : EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

10. Material Litigation

I. There is no change in status of the material litigation case as disclosed under Property, Plant and Equipment in the audited financial statement of the Group for the year ended 31 December 2007.

II. Following the completion of the demerger exercise on 25 April 2008, below are the updates of material litigation pertaining to Celcom Group as disclosed in the audited financial statements of TM Group for the year ended 31 December 2007. Save as disclosed below, there is no change in status of each of the material litigation as disclosed in the audited financial statements of TM Group for the year ended 31 December 2007:-

(a) Rego Multi-Trades Sdn Bhd ("Rego") vs Aras Capital Sdn Bhd and Tan Sri Dato' Tajudin bin Ramli ("TSDTR")(By Original Claim) TSDTR vs Rego, Technology Resources Industries Berhad ("TRI") and 5 Others (By Counterclaim)

On 29 May 2006, Rego, TRI and the directors filed their respective appeals against the Registrar's decision on the striking out application to the Judge in Chambers. On 7 May 2008, Rego and TRI withdrew their appeals respectively with the view to fix the matter for early trial. The directors' appeal is now fixed for hearing on 8 January 2009.

Case management in respect of Rego and TRI's claims is fixed for mention on 8 January 2009 and full trial is provisionally fixed on 5, 6, 8 and 9 October 2009 subject to the prior disposal of all interlocutory applications in relation to Rego and TRI's claims.

(b) TRI vs TSDTR, Bistaman bin Ramli ("BR") and Dato' Lim Kheng Yew ("DLKY")

On 10 March 2006, the Senior Assistant Registrar ("SAR") dismissed TRI's application for Summary Judgment. On 21 March 2006, TRI filed an appeal against the SAR's decision on the Summary Judgment application to the Judge in Chambers ("Appeal"). The Appeal was fixed for hearing on 14 June 2006. However, on 22 May 2006, upon procuring its solicitors' advice, TRI withdrew the appeal.

On 18 September 2006, TRI was served with a copy of TSDTR and BR's Defence and Counterclaim.

The matter has been fixed for case management on 23 September 2008 and full trial on 2, 3, 4 and 5 March 2009.

PART B : EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

10. Material Litigation (Continued)

(c) MCAT GEN Sdn Bhd (MCAT) vs Celcom

(i) Libel claim (First Suit)

In the First Suit, Celcom filed a notice of appeal to Judge in Chambers against the Registrar's decision on its striking out application. The Court then directed parties to file written submission. On 29 January 2008, the Court dismissed Celcom's appeal.

Celcom had on 25 February 2008 filed a notice of appeal to the Court of Appeal. No dates have been fixed yet.

The Court has also fixed the First Suit for case management on 5 September 2008.

On 11 December 2006, the Court allowed Celcom's application to consolidate and ordered that the Third Suit as stated at item (d) below be transferred to the First Suit's Court. The Third Suit will be heard after the First Suit has been disposed off by the First Suit's Court.

(ii) Contractual claim (Second Suit)

On 13 June 2007, the Court allowed Celcom's appeal against the quantum granted in its application for security of costs, and ordered that the amount be increased to RM250,000. MCAT has on 26 July 2007 paid the difference of RM150,000 into Court.

The Second Suit commenced for full trial on 13 and 4 June 2007. The Court then vacated the 30 and 31 July 2007 as well as 1 and 2 August 2007 hearing dates. The matter was fixed for continued trial on 5 and 6 May 2008, 12 and 13 May 2008 and 19 and 20 May 2008. The 5 and 6 May 2008 hearing dates were vacated because MCAT's witness, Mohd Razi Adam, was taken ill. The 12, 19 and 20 May 2008 hearing dates were also vacated because Celcom's solicitors had to attend a hearing at the Court of Appeal on 12 May 2008 and a meeting with the President of the Court of Appeal on 20 May 2008 whereas 19 May 2008 was a public holiday. The matter is now fixed for continued hearing on 10, 11, 12, 16 and 19 February 2009 and 11, 12 and 23 to 26 March 2009.

In the Court of Appeal, Celcom's bill of costs was allowed on 7 December 2007. On 17 December 2007, MCAT paid the sum of RM38,144.77 to Celcom's solicitors. Once the allocator is sealed, payment will be made to the Court and balance will be forwarded to Celcom.

PART B : EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

10. Material Litigation (Continued)

(d) Tan Sri Abdul Rashid bin Abdul Manaf, Danny Ng Siew L'Leong, Datuk Yaacob bin Md Amin, Ungku Safian bin Ungku Abdullah & Mohd Razi bin Adam v. Celcom ("Third Suit")

Celcom filed a striking out application and the Court instructed the parties to file written submissions. On 12 November 2007, Celcom's striking out application was allowed with costs. The Plaintiffs filed an appeal to the Judge in Chambers. The appeal has been fixed for decision/clarification on 10 September 2008.

(e) Pengurusan Danaharta Nasional Berhad & 2 Ors vs TSDTR (By Original Claim) TSDTR vs Celcom, TRI & 22 Ors (By Counterclaim)

The Court has fixed 26 September 2008 as the hearing date for the appeal by Celcom/TRI against the decision of the Registrar in dismissing their application to strike out TSDTR's amended counterclaim.

Meanwhile, the hearing date of TSDTR's application to re-amend his amended defence and counterclaim was fixed for hearing on 21 July 2008. The Court has instructed the parties to file written submissions for this application and fixed the same for decision/clarification on 20 October 2008.

(f) Asmawi bin Muktar (trading under the name and style of GM Telecommunication & Trading) ("AM") vs Celcom & Anor ("Defendants")

The Defendants' appeal to the Judge in Chambers against the Registrar's decision on their striking out application was dismissed with costs on 17 September 2007. On 11 October 2007, the Defendants filed a notice of appeal to the Court of Appeal against the whole of the Court's decision. No date has been fixed for the appeal.

AM's application to amend its Writ of Summons and Statement of Claim was allowed on 19 June 2008.

(g) Celcom vs DeTeAsia Holding GmbH ("DeTeAsia")

DeTeAsia's application to set aside the Originating Summons on the ground that the Court has no jurisdiction to determine the same is fixed for mention on 16 December 2008.

PART B : EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

10. Material Litigation (Continued)

(g) Celcom vs DeTeAsia Holding GmbH ("DeTeAsia") (continued)

Celcom's application to strike out the affidavit of Graham Dunning QC on the grounds that the same contains matter which is scandalous, irrelevant, inadmissible or otherwise oppressive was allowed on 23 November 2007. DeTeAsia appealed and the matter is fixed for hearing on 17 November 2008.

(h) Celcom and TRI vs TSDTR and 8 others

The service of the Writ of Summons and Statement of Claim ("Writ") has already been effected on all the Defendants. Axel Hass ("AH"), one of the former directors, was served by way of substituted service. TSDTR and BR have entered appearance and have applied to set aside the Writ on the basis that the issues which are the subject of this action have been litigated and decided on their merits by reason of the Award. This application is fixed for hearing on 30 October 2008.

DLKY has also entered appearance. Celcom/TRI filed an application to restrain his solicitors from acting for him on the grounds that the partner concerned rendered an advice to TM in relation to the agreements with Deutsche Telekom AG/DeTeAsia during the acquisition of Celcom/TRI by TM. On 26 February 2008, the Court allowed Celcom/TRI's application with costs. DLKY has on 26 March 2008 appointed new solicitors to act on his behalf.

Dieter Sieber ("DS"), Oliver Tim Axmann ("OTA"), Joachim Gronau ("JG"), Frank-Reinhard Bartsch ("FRB") and Joerg Andreas Boy ("JAB") have entered conditional appearance and filed their respective application to set aside the issue and service of the Notice of Writ. On 7 March 2008, the solicitors for the said directors informed Celcom/TRI's solicitors and the Court that they have entered conditional appearance on behalf of AH and will be filing similar application to set aside these proceedings. The applications for the said directors, including AH's application, are fixed for hearing on 15 October 2008.

(i) Mohd Shuaib Ishak ("MSI") vs Celcom & 13 others

On 26 November 2007, Celcom had been served with a Writ of Summons and Statement of Claim in respect of a suit filed by MSI. MSI is seeking from Celcom and 13 others (including the former and existing directors of TM and Celcom) jointly and/or severally, inter alia, the following:-

(a) a declaration that the Sale and Purchase Agreement dated 28 October 2002 between Celcom and TM (or TESB) for the acquisition by Celcom of the shares in TM Cellular Sdn Bhd (*now known as Celcom Mobile Sdn Bhd* ("Celcom Mobile"), and all matters undertaken thereunder including but not limited to the issuance of shares by Celcom are illegal and void and of no effect;

(b) a declaration that all purchases of shares in Celcom made by TESB and/or TM and/or parties acting in concert with them with effect from and including the date of the Notice of the Mandatory Offer dated 3 April 2003 issued by Commerce International Merchant Bankers Berhad *(now known as CIMB Investment Bank Berhad)* are illegal and void and of no effect;

(c) all necessary and fit orders and directions as may be required to give effect to the aforesaid declarations as the Court deemed fit including but not limited to directions for the rescission of all transfers of shares of Celcom made after the Notice of Mandatory Offer for shares in Celcom dated 3 April 2003;

(d) that TM by itself, its servants and agents be restrained from giving effect to or executing any of the proposals relating to the proposed de-merger of the mobile and fixed-line businesses of the TM Group; and

(e) various damages to be assessed.

On 17 December 2007, Celcom and its directors filed their respective application to strike out the suit. The striking out applications are now fixed for mention on 13 October 2008.

(j) MSI vs Celcom

On 4 February 2008, Celcom had been served with a sealed Originating Summons ("Summons") by MSI seeking leave to bring a derivative action in Celcom's name under Section 181A(1) of the Companies Act 1965 ("Statutory Derivative Action").

The Statutory Derivative Action is against, inter alia, the former and existing directors of Celcom and TM for failing to obtain the consent DeTeAsia pursuant to the Amended and Restated Agreement ("ARSA") dated 4 April 2002 with DeTeAsia prior to entering into the Sale and Purchase Agreement dated 28 October 2002 with TM for the acquisition by Celcom of the shares in Celcom Mobile.

MSI alleges that the directors are liable for damages calculated by reference to the difference between the Buy Out Offer price of RM7.00 per Celcom's share under the ARSA and the price of RM2.75 per Celcom's share under the Mandatory General Offer undertaken by TM through TESB in respect of Celcom. On 9 July 2008, the Court allowed prayer 1 of the Summons but did not make any consequential orders in relation to the conduct of the Statutory Derivative Action as sought at prayer 2 of the Summons. Celcom has on the same day filed an appeal to the Court of Appeal. No date has been fixed yet. Subsequently, Celcom filed an application for stay pending the disposal of the said appeal. On 1 August 2008, the Court directed that all proceedings in this matter and all proceedings in the Statutory Derivative Action at item (k) below be temporarily stayed until 19 September 2008 on which the Court will decide whether to grant a stay of all proceedings in this matter and in the Statutory Derivative Action pending the said appeal.

(k) Statutory Derivative Action

Pursuant to the Court's decision on 9 July 2008 (as stated in item (j) above), MSI's solicitors, Messrs Lim Kian Leong & Co, filed the Statutory Derivative Action and subsequently on 29 July 2008 served the sealed copy of the Statutory Derivative Action on Celcom's solicitors.

In the Statutory Derivative Action, Celcom seeks from the defendants jointly and severally, the following reliefs:-

(a) the sum of USD$232,999,745.80, being the amount paid by Celcom to DeTeAsia under the Award dated 2 August 2005 handed down by the Tribunal of the International Court of Arbitration of the International Chamber of Commerce;

(b) a declaration that the Sale and Purchase Agreement dated 28.10.2002 ("SPA") between Celcom and TM (or TESB)) for the acquisition by Celcom of the shares in Celcom Mobile, and all other matters undertaken there under including but not limited to the issuance of shares by Celcom is illegal and void and of no effect;

(c) a declaration that all purchases of shares in Celcom made by TESB and/or TM and/or parties acting in concert with them with effect from and including the date of the Notice of Mandatory Offer dated 3 April 2003 issued by CIMB is illegal and void and of no effect;

(d) all necessary and fit orders and directions as may be required to give effect to the aforesaid declarations as this Honourable Court thinks fit including but not limited to directions for the rescission of all transfers of shares of Celcom made after the Notice of Mandatory Offer for shares in Celcom dated 3 April 2003 and the repayment of all dividends and distributions made by Celcom after the completion of the SPA;

(e) that TM by itself, its servants and agents be restrained from giving effect to or executing any of the proposals set out in the Announcements by the Board of Directors of TM to Bursa Securities dated 28 September 2007 relating to the proposed de-merger of the mobile and fixed-line businesses of the TM Group or in the event that any such proposals have been completed that TM by itself, its servants and agents take all such steps as shall be required to rescind such completed proposals;

(f) general damages to be assessed;

(g) damages for conspiracy to be assessed;

PART B : EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

10. Material Litigation (continued)

(k) Statutory Derivative Action (continued)

(h) damages for fraud to be assessed;

(i) damages for fraudulent misrepresentation and/or negligence to be assessed;

(j) damages for the breach of statutory duty to be assessed;

(k) aggravated damages and exemplary damages to be assessed;

(l) punitive damages;

(m) all necessary and fit orders and directions as may be required to give effect to the aforesaid declarations and orders and/or as the Honourable Court thinks fit;

(n) interest;

(o) costs; and

(p) such further and/or other relief as the Honourable Court thinks fit and just to grant in the circumstances.

Following the Court's directive on 1 August 2008 as at item (j) above, all proceedings in the Statutory Derivative Action are temporarily stayed until 19 September 2008.

Apart from the above, the Directors are not aware of any other proceedings pending against the Company and/or its subsidiaries or of any facts likely to give rise to any proceedings which might materially affect the position or business of the Company and/or its subsidiaries.

PART B : EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

11. Earnings Per Share ("EPS")

	INDIVIDUAL QUARTER		**CUMULATIVE PERIOD**	
	Current year quarter 30/06/2008	Preceding year corresponding quarter 30/06/2007	**Current year to date 30/06/2008**	Preceding year corresponding period 30/06/2007
Basic earnings per share				
Profit attributable to equity holders of the Company (RM '000)	**366,638**	588,482	**769,337**	933,554
Weighted average number of ordinary shares ('000)	**3,694,732**	3,577,393	**3,636,063**	3,577,393
Basic earnings per share (sen)	**10**	16	**21**	26

Basic EPS of the Group was calculated by dividing the net profit attributable to shareholders by the weighted average number of ordinary shares during the period.

12. Qualification of Preceding Audited Financial Statements

The audited financial statements for the financial year ended 31 December 2007 were not subject to any material qualification.

13. Dividends

No interim dividend was recommended for the financial period ended 30 June 2008.

By Order of the Board

Suryani Hussein (LS0009277)
Secretary

Kuala Lumpur
26 August 2008