



TRANSOCEAN HOLDINGS BHD

(Company No.: 36747-U)
(Incorporated in Malaysia)

UNAUDITED INTERIM FINANCIAL REPORT FOR PERIOD ENDED FEBRUARY 28, 2009

Dated April 22, 2009



**INTERIM FINANCIAL REPORT
FINANCIAL YEAR 2009
Third Quarter ended February 28, 2009**

CONTENTS

	<u>PAGE</u>
1) CONDENSED CONSOLIDATED INCOME STATEMENT	3
2) CONDENSED CONSOLIDATED BALANCE SHEET	4 – 5
3) CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	6
4) CONDENSED CONSOLIDATED CASH FLOW STATEMENT	7
5) NOTES TO THE INTERIM FINANCIAL REPORT	
SECTION A : DISCLOSURE NOTES AS REQUIRED UNDER FRS 134	8 – 13
SECTION B : DISCLOSURE NOTES AS REQUIRED UNDER BURSA MALAYSIA LISTING REQUIREMENTS	14 – 17



INTERIM FINANCIAL REPORT
FINANCIAL YEAR 2009
Third Quarter ended February 28, 2009

The Board of Directors is pleased to announce the Interim Financial Report on consolidated results of the Group for the Financial Year 2009, 3rd Quarter ended February 28, 2009

The figures have not been audited.

CONDENSED CONSOLIDATED INCOME STATEMENT

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter Ended 28/02/09 RM'000	Preceding Year Quarter Ended 29/02/08 RM'000	Current Year-To-Date Ended 28/02/09 RM'000	Preceding Year-To-Date Ended 29/02/08 RM'000
Revenue	9,170	8,955	34,753	27,220
Other operating income	49	84	160	147
Operating (loss)/profit before depreciation and finance cost	(505)	579	1,808	2,445
Depreciation & amortization	(719)	(603)	(1,900)	(1,808)
(Loss)/Profit from operations	(1,224)	(24)	(92)	637
Finance cost	(373)	(332)	(951)	(1,008)
	(1,597)	(356)	(1,043)	(371)
Share of (loss)/profit of associate	(28)	7	(23)	72
(Loss) before taxation	(1,625)	(349)	(1,066)	(299)
Income tax expense	266	(50)	(221)	(229)
(Loss) for the period	(1,359)	(399)	(1,287)	(528)
Attributable to :				
Equity holders of the parent	(1,319)	(453)	(1,339)	(758)
Minority interest	(40)	54	52	230
	(1,359)	(399)	(1,287)	(528)
Loss per share attributable to equity holders of the parent :				
- Basic (sen)	(3.22)	(1.10)	(3.27)	(1.85)
- Diluted (sen)	-----	Not applicable	-----	-----

(The Condensed Consolidated Income Statements should be read in conjunction with the audited financial statements for the year ended May 31, 2008 and the accompanying explanatory notes attached to the Interim Financial Report)

**INTERIM FINANCIAL REPORT
FINANCIAL YEAR 2009
Third Quarter ended February 28, 2009****CONDENSED CONSOLIDATED BALANCE SHEET**

	Unaudited As At 28/02/09 RM'000	Audited As At 31/05/08 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	39,143	34,213
Investment property	700	700
Investment in associates	339	362
Other investments	3	3
Intangible assets	3,562	3,562
	<u>43,747</u>	<u>38,840</u>
Current Assets		
Inventories	746	545
Trade receivables	11,429	13,685
Other receivables	2,613	1,092
Cash and bank balances	406	1,071
	<u>15,194</u>	<u>16,393</u>
TOTAL ASSETS	<u>58,941</u>	<u>55,233</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	40,999	40,999
Other reserve	5,615	5,615
Accumulated losses	(19,327)	(17,988)
	<u>27,287</u>	<u>28,626</u>
Minority interest	924	872
Total equity	<u>28,211</u>	<u>29,498</u>
Liabilities		
Non-current liabilities		
Borrowings	8,901	4,101
Deferred tax liabilities	1,077	1,077
	<u>9,978</u>	<u>5,178</u>



TRANSOCEAN HOLDINGS BHD (36747-U)

INTERIM FINANCIAL REPORT FINANCIAL YEAR 2009 Third Quarter ended February 28, 2009

Current liabilities

Borrowings	12,215	11,327
Trade payables	6,222	6,318
Other payables	2,218	2,550
Tax payable	97	362
	<u>20,752</u>	<u>20,557</u>

Total liabilities

30,730 **25,735**

TOTAL EQUITY AND LIABILITIES

58,941 **55,233**

Net assets per share attributable to ordinary equity holders of the parent (RM)

0.67 **0.70**

(The Condensed Consolidated Balance Sheets should be read in conjunction with the audited financial statements for the year ended May 31, 2008 and the accompanying explanatory notes attached to the Interim Financial Report)



TRANSOCEAN HOLDINGS BHD (36747-U)

**INTERIM FINANCIAL REPORT
FINANCIAL YEAR 2009
Third Quarter ended February 28, 2009**

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to Equity Holders of the Parent					
	Share Capital	Non-distributable Other Reserve	Accumulated Loss	Shareholders' Equity	Minority Interest	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
As at June 1, 2008	40,999	5,615	(17,988)	28,626	872	29,498
Loss for the period	0	0	(1,339)	(1,339)	52	(1,287)
Balance as at February 28, 2009	40,999	5,615	(19,327)	27,287	924	28,211
As at June 1, 2007	28,999	5,586	(16,398)	18,187	594	18,781
Deferred taxation representing net income recognized directly in equity	0	29	0	29	0	29
Profit/(Loss) for the year	0	0	(1,590)	(1,590)	278	(1,312)
Issue of ordinary shares	12,000	0	0	12,000	0	12,000
Balance as at May 31, 2008	40,999	5,615	(17,988)	28,626	872	29,498

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended May 31, 2008 and the accompanying explanatory notes attached to the Interim Financial Report)

**INTERIM FINANCIAL REPORT
FINANCIAL YEAR 2009
Third Quarter ended February 28, 2009****CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

	Current Year-To- Date Ended 28/02/09 RM'000	Preceding Year-To- Date Ended 29/02/08 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(1,066)	(299)
Adjustment for :-		
Non-cash items	1,995	1,846
Non-operating items	948	932
Operating profit before working capital changes	1,877	2,479
Changes in working capital :-		
Net change in current assets	585	(5,993)
Net change in current liabilities	(429)	850
Cash generated from/(used in) operations	2,033	(2,664)
Interest paid	(951)	(1,008)
Taxation paid	(230)	(238)
Net cash generated from/(used in) operating activities	852	(3,910)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of plant and equipment	(6,889)	(123)
Purchase of subsidiary	0	(5,912)
Net dividend received	14	10
Proceeds from disposal of property, plant and equipment	16	60
Net cash used in investing activities	(6,859)	(5,965)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issuance of shares	0	12,000
Drawdown of loans and credit facilities	6,461	0
Repayment of loans, hire-purchase and lease payables	(1,823)	(1,070)
Net cash generated from financing activities	4,638	10,930
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(1,369)	1,055
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	(6,190)	(7,118)
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD	(7,559)	(6,063)
Cash and cash equivalents comprise :-		
Cash and bank balances	406	1,930
Bank overdrafts (included within short term borrowings in Note 23)	(7,965)	(7,993)
	(7,559)	(6,063)

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the year ended May 31, 2008 and the accompanying explanatory notes attached to the Interim Financial Report)



**INTERIM FINANCIAL REPORT
FINANCIAL YEAR 2009
Third Quarter ended February 28, 2009**

NOTES TO THE INTERIM FINANCIAL REPORT

**SECTION A
DISCLOSURE NOTES AS REQUIRED UNDER FRS 134**

1 Basis of preparation

The Interim Financial Report has been prepared under the historical cost convention except for the revaluation of freehold land included within property, plant and equipment. Investment property is stated at fair value.

The Interim Financial Report is Unaudited and has been prepared in accordance with the requirement of FRS 134 : Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The Interim Financial Report should be read in conjunction with the audited financial statements of the Group for the year ended May 31, 2008 The explanatory notes attached to the Interim Financial Report provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended May 31, 2008.

2 Changes in accounting policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended May 31, 2008 except for the adoption of the following new/revised Financial Reporting Standards (“FRS”) effective for financial period beginning June 1, 2008 :-

FRSs, Amendment to FRS and Interpretations	Effective for financial periods beginning on or after
FRS 107 : Cash Flow Statements	1 July 2007
FRS 111 : Construction Contracts	1 July 2007
FRS 112 ; Income Taxes	1 July 2007
FRS 118 : Revenue	1 July 2007
FRS 120 : Accounting for Government Grants and Disclosure of Government Assistance	1 July 2007
Amendments to FRS 121 : The Effects of Changes in Foreign Exchange Rates- Net Investment in Foreign Operation	1 July 2007
FRS 134 : Interim Financial Reporting	1 July 2007



**INTERIM FINANCIAL REPORT
FINANCIAL YEAR 2009
Third Quarter ended February 28, 2009**

FRS 137 : Provisions, Contingent Liabilities and Contingent Assets	1 July 2007
IC Interpretation 1 : Changes in Existing Decommissioning, Restoration and Similar Liabilities	1 July 2007
IC Interpretation 2 : Members' Shares in Co-operative Entities and Similar Instruments	1 July 2007
IC Interpretation 5 : Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation funds.	1 July 2007
IC Interpretation 6 : Liabilities arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment	1 July 2007
IC Interpretation 7 : Applying the Restatement Approach under FRS 129 Financial Reporting in Hyperinflationary Economies	1 July 2007
IC Interpretation 8 : Scope of FRS 2	1 July 2007

The adoptions of the FRSs, Amendment to FRS and Interpretations did not result in significant change in the accounting policies of the Group.

Standards and interpretations issued but not yet effective

The following new FRS and interpretations were issued but not yet effective and have not been applied by the Group:

FRSs and Interpretations	Effective for financial periods beginning on or after
FRS 4 : Insurance Contracts	1 January 2010
FRS 7 : Financial Instruments : Disclosures	1 January 2010
FRS 8 : Operating Segments	1 July 2009
FRS 139 : Financial Instruments : Recognition and Measurement	1 January 2010
IC Interpretation 9 : Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 10 : Interim Financial Reporting and Impairment	1 January 2010

The Group is exempted from disclosing the possible impact, if any, to the financial statements upon the initial application of FRS 7 and FRS 139.



**INTERIM FINANCIAL REPORT
FINANCIAL YEAR 2009
Third Quarter ended February 28, 2009**

The other FRSs and Interpretations are expected to have no significant impact on the financial statements of the Group upon their initial application except for the changes in the disclosures arising from the adoption of FRS 8.

(c) Significant Accounting Estimates and Judgements

(1) Critical Judgements Made in Applying Accounting Policies

There are no critical judgements made by management in the process of applying the Group's accounting policies that have significant effect on the amounts recognized in the financial statements.

(i) Classification between investment properties and property, plant and equipment

The Group has developed certain criteria based on FRS 140 in making judgement whether a property qualifies as an investment property. Investment property is a property held to earn rentals or for capital appreciation or both.

Some properties comprise a portion that is held to earn rentals or for capital appreciation and another portion that is held for use in production or supply of goods or services or for administrative purposes. If these portions could be sold separately (or leased out separately under a finance lease), the Group would account for the portions separately. If the portions could not be sold separately, the property is an investment property only if an insignificant portion is held for use in the production or supply of goods or services or for administrative purposes. Judgement is made on an individual property basis to determine whether ancillary services are so significant that the property does not qualify as investment property.



**INTERIM FINANCIAL REPORT
FINANCIAL YEAR 2009
Third Quarter ended February 28, 2009**

(ii) Operating lease commitments – the Group as lessor

The Group has entered into commercial property leases on its investment property portfolio. The Group has determined that it retains all the significant risks and rewards of ownership of these properties which are leased out on operating leases.

(2) Key Sources of Estimation Uncertainty

There are no key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

(i) Depreciation of motor vehicles

The cost of motor vehicles for operation and administrative purposes is depreciated on a straight-line basis over the asset's useful lives. Management estimates that the useful lives of these motor vehicles range from 5 to 10 years. These are common life expectancies applied in the industry. Changes in the expected level of usage could impact the economic useful lives and the residual value of these assets, therefore depreciation charges could be revised.

(ii) Provision for doubtful debts

The policy for provision for doubtful debts of the Group is based on the evaluation of collectability and ageing analysis of the receivables and on management's judgement. A considerable amount of judgement is required in assessing the ultimate realisation of these receivables, including the current credit worthiness and the past collection history of each customer. If the financial conditions of customers of the Group were to deteriorate, additional allowances may be required.

(iii) Deferred tax assets

Deferred tax assets are recognised for unutilised tax losses, unabsorbed capital allowances and other deductible temporary differences to the extent that it is probable that taxable profit will be available against which the losses, capital allowances and other deductible temporary differences can be utilised. Significant management decision is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with tax planning strategies.



**INTERIM FINANCIAL REPORT
FINANCIAL YEAR 2009
Third Quarter ended February 28, 2009**

3 Auditors' Report on preceding annual financial statements

The auditors' report on the financial statements for the year ended May 31, 2008 was not subject to any qualification.

4 Segmental information

	Trading of Tyres RM'000	Logistics Solution RM'000	Total RM'000
Segment :			
Revenue	10,090	14,663	34,753
Profit/(Loss) before taxation	445	(1,511)	(1,066)
Assets	17,127	41,814	58,941
Liabilities	11,620	19,110	30,730

The results are for the current 9 month period ended 28 February 2009. No geographical segmental reporting is presented as the Group operates within one geographical area, wholly in Malaysia. The other segments are not significant to be disclosed.

5 Unusual items due to their nature, size and incidence

There were no unusual items affecting the Group's assets, liabilities, equity, net income or cash flows during the financial period ended February 28, 2009.

6 Changes in estimates

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

7 Comments about seasonal or cyclical factors

The business operations of the Group are not materially affected by any seasonal or cyclical factors.

8 Dividends paid

No dividend has been paid or declared by the Company since the end of the previous financial year.

9 Carrying amount of revalued assets

The valuations of property, plant and equipment have been brought forward without amendment from the audited financial statements for the year ended May 31, 2008.

10 Debt and equity securities

The Company has not issued nor repaid any debt and equity securities for the financial year to date.



**INTERIM FINANCIAL REPORT
FINANCIAL YEAR 2009
Third Quarter ended February 28, 2009**

11 Changes in the composition of the Group

There were no changes in the composition of the Group during the current quarter under review.

12 Capital commitments

There were no amount of commitments for the purchase of property, plant and equipment not provided for in the quarter under review.

13 Changes in contingent liabilities and contingent assets

Contingent liabilities of the Company as at April 22, 2009, other than material litigation as disclosed in Note 25, since the last annual balance sheet date comprise:-

	As at 22/04/09 RM'000	As at 31/05/08 RM'000
Guarantees in favour of financial institutions for securing borrowings granted to subsidiaries		
- secured	4,963	4,356
- unsecured	2,592	4,390
	7,555	8,746

14 Subsequent events

There were no event of a material nature has arisen that have not been reflected in the financial statement in the interval between the end of the current quarter and the date of this report except for Transocean (KL) Sdn Bhd, a subsidiary of Transocean Holdings Bhd, entered into a sale and purchase agreement to dispose two shoplots to Deco-Poly (M) Sdn Bhd, for a total consideration of RM800,000.



**INTERIM FINANCIAL REPORT
FINANCIAL YEAR 2009
Third Quarter ended February 28, 2009**

NOTES TO THE INTERIM FINANCIAL REPORT

**SECTION B
DISCLOSURE NOTES AS REQUIRED UNDER BURSA SECURITIES LISTING
REQUIREMENTS**

15 Performance review

During the third quarter for financial year 2009, the Group recorded an operating loss before depreciation and finance cost of RM0.51 million (FY2008, operating profit RM0.58 million) on the back of a total revenue of RM9.17 million (FY2008, RM8.96 million). The Group's revenue increased by 2.3% for the quarter under review as compared to the preceding year corresponding quarter. This primary reason behind the increase was the inclusion of the results of the business involved in the trading of tyres which was acquired recently. The operating profit margin however declined from 6.5% to an operating loss of 5.5% due to high operation costs.

Depreciation increased by 20.0% from RM0.60 million to RM0.72 million. Finance cost increased by 12.1% from RM0.33 million to RM0.37 million.

The Group recorded a loss before taxation amounting to RM1.63 million (FY2008, a loss of RM0.35 million) and overall loss attributable to the equity holders of the parent was RM1.32 million as compared to loss of RM0.45 million recorded in the preceding year corresponding quarter.

16 Comment on material change in profit before taxation

	Current Quarter 28/02/09 RM'000	Immediate Preceding Quarter 30/11/08 RM'000	Variation %
Gross revenue	9,170	12,447	(26.33%)
Operating (loss)/profit before depreciation and finance cost	(505)	825	(161.21%)
(Loss) before taxation and results from associated company	(1,597)	(39)	(3,994.87%)
Net (loss) attributable to equity holders of the parent	(1,319)	(275)	(379.64%)

The Group's gross revenue decreased by 26.33% from RM12.45 million to RM9.17 million.



INTERIM FINANCIAL REPORT
FINANCIAL YEAR 2009
Third Quarter ended February 28, 2009

Operating profit margin decreased from 6.6% to an operating loss of 5.5%. The decrease in the margin was mainly due to the higher operating cost experienced.

The net loss attributable to equity holders of the parent varied by 379.6% from a loss of RM0.28 million to a loss of RM1.32 million.

17 Commentary on prospects

The Group expects the current global economic uncertainty to bring business challenges ahead for the Group.

18 Profit forecast or profit guarantee

The Group is not involved in any profit guarantee arrangement or providing any forecast profit.

19 Income tax expense

	Current Quarter 28/02/09 RM'000	Current Year-to-date 28/02/09 RM'000
Current year provision	(240)	247
Provision in prior year taxation	(26)	(26)
Deferred taxation	0	0
	<u>(266)</u>	<u>221</u>

The current year-to-date income tax expenses of the Group is principally due to losses of certain subsidiaries were not set off against profits made by other companies in the Group.

20 Sale of unquoted investment and/or properties

There was no sale of unquoted investment and/or properties by the Group for the current quarter and financial year.

21 Quoted Securities

There was no purchase or disposal of quoted securities by the Group for the current quarter and financial year-to-date.



INTERIM FINANCIAL REPORT
FINANCIAL YEAR 2009
Third Quarter ended February 28, 2009

22 Corporate proposal

There was no corporate proposal by the Group for the current quarter and financial year.

23 Borrowings

Total Group borrowings as at February 28, 2009 were as follows :-

	Secured RM'000	Unsecured RM'000	Total RM'000
Long term borrowings			
Term loan	6,880	613	7,493
Hire-purchase and lease payables	1,408	0	1,408
	<u>8,288</u>	<u>613</u>	<u>8,901</u>
Short term borrowings			
Overdrafts	5,958	2,007	7,965
Term loan	1,655	554	2,209
Banker's acceptance and revolving credit	1,415	0	1,415
Hire-purchase and lease payables	626	0	626
	<u>9,654</u>	<u>2,561</u>	<u>12,215</u>
Total Borrowings	<u>17,942</u>	<u>3,174</u>	<u>21,116</u>

As at April 22, 2009, the Group does not have any exposure in borrowings and debt securities denominated in foreign currency.

24 Off balance sheet financial instruments

The Group does not have any financial instruments with off balance sheet risk as at April 22, 2009.



INTERIM FINANCIAL REPORT
FINANCIAL YEAR 2009
Third Quarter ended February 28, 2009

25 Changes in material litigation

The Group is not engaged in any material litigation and is not aware of any proceedings, which might materially affect the position or business of the Group as at April 22, 2009 except for Transocean Haulage Services Sdn Bhd (“THS”), a subsidiary of Transocean Holdings Bhd, has commenced legal action against E-Haul Logistics Sdn Bhd (“EHaul”) and Michael Tan (“MT”) to recover the sum of RM739,200 for invoices outstanding and the sum of RM1,685,423 for estimated repair costs and losses suffered. The summons has been served on EHaul and MT. THS has replied to the statement of defence filed by MT. THS is currently in the process of making an application to court for summary judgement against EHaul and MT.

26 Dividend payable

The Directors do not recommend the payment of any dividend in respect of the current financial period under review.

27 Loss per share

Basic loss per share amounts are calculated by dividing loss for the period attributable to ordinary equity holders of the parent by the weighted average number of shares in issue during the period.

	Current Year Quarter Ended 28/02/09	Preceding Year Quarter Ended 29/02/08	Current Year-To-Date Ended 28/02/09	Preceding Year-To-Date Ended 29/02/08
Loss attributable to ordinary equity holders of the parent (RM'000)	(1,319)	(453)	(1,339)	(758)
No of ordinary shares in issue ('000)	40,999	40,999	40,999	40,999
Loss per share (sen)	(3.22)	(1.10)	(3.27)	(1.85)

28 Authorisation for issue

The Interim Financial Report was authorized for issue by the Board of Directors in accordance with a resolution of the directors on April 27, 2009.

By order of the Board
Dated 27th day of April, 2009