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General Announcement

Initiated by **Common User** on **07/06/2007 03:28:57 PM**

Submitted by **ASIATIC DEVELOPMENT** on **07/06/2007 06:19:48 PM**

Reference No **AD-070607-91A36**

(Submitted)

* Type : **Reply to query**

ARTICLE ENTITLED : "ASIATIC SEES 36PC PROFIT RISE"

With reference to your letter dated 6 June 2007 pertaining to the above news article appearing in New Straits Times, BIZNEWS, page 43 on Wednesday, 6 June 2007, we wish to clarify that given the increase in palm oil prices and barring any unforeseen circumstances, the Company expects its performance to improve. However, the quantum of improvement cannot be determined at this juncture as it depends on, amongst others, palm oil prices and production for the remaining financial year. Further, the Company wishes to confirm that it has not issued any profit forecast for the financial year ending 31 December 2007.

Yours faithfully

DATO' BAHARUDDIN BIN MUSA
JOINT CHIEF EXECUTIVE AND DIRECTOR
ASIATIC DEVELOPMENT BERHAD

Query Letter content :

We refer to the above article appearing in the New Straits Times, BIZNEWS, page 43, on Wednesday, 6 June 2007, a copy of which is enclosed for your reference.

In particular, we would like to draw your attention to the underlined sentence which is reproduced as follows:-

" ASIATIC Development Bhd expects pre-tax profit to climb more than 36 per cent this year ..."

In accordance with Bursa Securities' Corporate Disclosure Policy, you are requested to furnish Bursa Securities with an announcement for public release confirming or denying the above reported article in particular the underlined sentence after due and diligent enquiry with all the directors, major shareholders and all such other persons reasonably familiar with the matters about which the disclosure is to be made in this respect. In the event you deny the above reported sentence or any other part of the article, you are required to set forth facts sufficient to clarify any misleading aspects of the same. In the event you confirm the above reported sentence or any other part of the article, you are required to set forth facts sufficient to support the same, including the relevant basis and assumptions in arriving at the above forecasts.

Please furnish Bursa Securities with your reply within one (1) market day from the date hereof.

Yours faithfully
TAN YEW ENG
Head, Issuers
Listing Division
Group Regulations
TYE/LMN
cc: Mr. Chung Tin Fah
Securities Commission (via fax)