

General AnnouncementReference No **CV-111118-45077**

Company Name : **COUNTRY VIEW BERHAD**
 Stock Name : **CVIEW**
 Date Announced : 18/11/2011

Type : Reply to query
 Reply to Bursa : NE-111117-61130
 Malaysia's Query Letter - Reference ID
 Subject : **MAHKAMAH TINGGI MALAYA DI JOHOR BAHRU DALAM NEGERI JOHOR, MALAYSIA (SUIT NO 23NCvC-174-09/2011) ("SUMMONS")**

Description : In connection with the queries raised by Bursa Malaysia Securities Berhad (letter dated 17 November 2011) the following additional information for public release is as follows:-

a) The Writ of Summons when served on CVR's solicitors on 16 November 2011 was undated. Our solicitors have advised that there are procedural irregularities in the Writ of Summons and will be pursuing and bringing up these matters with the High Court.

b) Under the Summons, the Plaintiff claims:

i) interest at the rate of 8% per annum on general damages from the date of filing the Summons to the date of full settlement;

ii) interest at the rate of 4% per annum on special damages of RM33,950,000 from the date of filing summons to the date of full settlement; and

iii) interest at the rate of 8% per annum on the Judgement sum from the date of Judgement to the date of full settlement.

c) Country View Resources Sdn. Bhd. ("CVR") is a wholly-owned subsidiary. Based on the Audited Financial Statements as at 30 November 2010, the contribution to loss before tax by CVR to the Group was 62% while the total assets employed by CVR to the Group was 61%. On this basis, CVR is not considered a major subsidiary.

However it has to be noted that as per the latest Unaudited Quarterly Interim Financial Statements as at 31 August 2011, the contribution to profit before tax by CVR to the Group was 149% while the total assets employed by CVR to the Group was 65%.

d) CVR was incorporated on 17 August 2000 and over the years, the total cost of investment in CVR as per the latest Audited Financial Statements as at 30 November 2010 is RM2.5 million, being equity capital subscribed by CVB.

e) At the present moment, the likely outcome of the suit/action cannot be ascertained but there is a possibility that CVR can be held liable but the

amount of liability cannot be reliably measured until the determination of the suit/action. As such, expected losses if any arising from the Summons cannot be determined at this moment.

f) No date of hearing has been fixed at the present moment. The High Court has fixed 2 December 2011 for CVR to file its Statement of Defence.

This announcement is dated 18 November 2011 .

Query Letter
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: We refer to your Company's announcement dated 16 November 2011 in respect of the Summons.

In this connection, kindly furnish Bursa Malaysia Securities Berhad ("Bursa Securities") with the following information immediately for public release:

- (a) Date of the Summons;
- (b) Particulars of interest rate claimed for, under the Summons;
- (c) A confirmation as to whether the subsidiary is a major subsidiary;
- (d) Where the Summons is commenced against a subsidiary, the total cost of investment in such subsidiary;
- (g) The expected losses, if any arising from the Summons; and
- (h) Date of hearing.

Yours faithfully

KHOO KAY KWAN
Head, Issuers
Listing Division
Regulation

KKK/RSA/ne

c.c: General Manager & Head, Market Surveillance Department, Market Supervision Business Group, Securities Commission (via fax)

Announcement Details/Table Section :