

TANJONG public limited company
(Incorporated in England 1926 – No. 210874)
(Registered as a foreign company in Malaysia – No. 990903-V)
QUARTERLY REPORT FOR THE QUARTER ENDED 31 JANUARY 2005

Condensed Group Profit and Loss Account

<i>in RM'000</i>	Note	3 months ended		12 months ended	
		31-Jan-05 (Unaudited)	31-Jan-04	31-Jan-05 (Unaudited)	31-Jan-04 (Audited)
Group turnover	8	761,666	737,690	2,952,027	2,677,171
Operating costs		(633,412)	(585,163)	(2,344,139)	(2,017,517)
Group operating profit	8	<u>128,254</u>	<u>152,527</u>	<u>607,888</u>	<u>659,654</u>
Share of operating results in joint venture and associate		1,417	738	7,257	3,536
Group operating profit after share of joint venture and associate		<u>129,671</u>	<u>153,265</u>	<u>615,145</u>	<u>663,190</u>
Net interest expense and investment charge		(10,466)	(18,483)	(74,860)	(75,229)
Profit on ordinary activities before taxation		<u>119,205</u>	<u>134,782</u>	<u>540,285</u>	<u>587,961</u>
Taxation	18	(13,838)	(46,639)	(148,438)	(173,415)
Profit on ordinary activities after taxation		<u>105,367</u>	<u>88,143</u>	<u>391,847</u>	<u>414,546</u>
Minority interests		1,867	(1,719)	423	(9,065)
Profit for the period		<u><u>107,234</u></u>	<u><u>86,424</u></u>	<u><u>392,270</u></u>	<u><u>405,481</u></u>
Earnings per share (sen)	26				
- Basic		<u>26.6</u>	<u>21.9</u>	<u>97.9</u>	<u>103.9</u>
- Diluted		<u>26.6</u>	<u>21.9</u>	<u>97.9</u>	<u>103.7</u>

The condensed group profit and loss account should be read in conjunction with the Group's annual financial statements for the year ended 31 January 2004.

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Condensed Group Balance Sheet

<i>in RM'000</i>	As at 31-Jan-05 (Unaudited)	As at 31-Jan-04 (Audited)
Intangible assets	49,251	52,906
Tangible assets	3,002,471	2,694,302
Investment property	470,000	470,000
Investments in joint ventures and associates	35,387	43,854
Long term investments	185,007	5,605
Current assets		
Stocks	119,261	119,726
Debtors	309,924	312,437
Current asset investments	223,147	92,305
Short term placements	1,140,767	1,019,448
Cash at bank and in hand	36,359	15,848
	1,829,458	1,559,764
Current liabilities		
Creditors	365,626	301,913
Short term borrowings	378,064	80,000
Taxation	16,662	12,514
Equity dividends payable	128,397	142,569
	888,749	536,996
Net current assets	940,709	1,022,768
Long term liabilities		
Borrowings and other long term liabilities	1,848,476	1,734,155
Deferred taxation	311,452	275,813
	2,522,897	2,279,467
Capital and reserves		
Paid up share capital	146,107	142,352
Share premium account	240,808	178,040
Revaluation reserve	81,915	81,915
Profit and loss account	1,933,652	1,764,306
Equity shareholders' funds	2,402,482	2,166,613
Minority interests	120,415	112,854
Net assets	2,522,897	2,279,467
Net Tangible Assets per share (RM)	5.84	5.34

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Condensed Group Cash Flow Statement

<i>in RM'000</i>	12 months ended	
	31-Jan-05 (Unaudited)	31-Jan-04 (Audited)
Reconciliation of operating profit to operating cash flows:		
Group operating profit	607,888	659,654
Depreciation & amortisation	200,204	182,309
Adjustment for other non-cash items	2,527	37
	810,619	842,000
Changes in working capital	19,440	(98,854)
Net cash inflow from operating activities	830,059	743,146
Returns on investments and servicing of finance:		
Interest received	36,453	24,257
Interest paid	(122,814)	(99,603)
Dividend received from current asset investments	2,867	1,925
Net cash outflow from returns on investments and servicing of finance	(83,494)	(73,421)
Malaysian taxes paid	(103,766)	(95,340)
Capital expenditure	(112,479)	(16,870)
Free cashflow	530,320	557,515
Acquisitions and disposals:		
Construction of a power generation plant	-	(282,879)
Long term investments	(179,640)	(216)
Acquisition of minority interest in a subsidiary	-	(267,804)
Net repayment/(investment) from/in a joint venture & associate	18,905	(11,379)
Acquisition and construction of tangible assets	(329,110)	-
Net cash outflow from acquisitions and disposals	(489,845)	(562,278)
Equity dividends paid	(236,578)	(141,080)
Management of liquid resources:		
Increase in funds placed on deposits	(126,554)	(393,198)
(Increase)/decrease in current asset investments	(127,147)	903
Net cash outflow from management of liquid resources	(253,701)	(392,295)
Financing:		
Issuance of ordinary shares	66,523	72,557
Net increase in borrowings	399,874	467,631
Advances from minority interests	3,918	-
Net cash inflow from financing	470,315	540,188
Increase in cash and bank balances	20,511	2,050
Cash and bank balances at beginning of the financial year	15,848	13,798
Cash and bank balances at period end	36,359	15,848

The condensed group cash flow statement should be read in conjunction with the Group's annual financial statements for the year ended 31 January 2004.

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Condensed Group Statement of Changes in Equity

<i>in RM'000</i>	Non-distributable			Distributable	Total	
	Share Capital	Share Premium	Revaluation Reserve	Profit and Loss Account	2005 (Unaudited)	2004 (Audited)
Balance brought forward as at 1 Feb	142,352	178,040	81,915	1,764,306	2,166,613	1,825,970
Movements during the period:						
Net profit for the period	-	-	-	392,270	392,270	405,481
Issuance of shares arising from exercise of share options	3,755	62,768	-	-	66,523	72,557
Dividends	-	-	-	(221,206)	(221,206)	(205,121)
Dividend entitlements for new shares issued between declaration and book closure date	-	-	-	(1,201)	(1,201)	(467)
Exchange differences on foreign currency net investments	-	-	-	(517)	(517)	(3,807)
Surplus arising from revaluation of Menara Maxis	-	-	-	-	-	72,000
Balance carried forward as at 31 Jan	<u>146,107</u>	<u>240,808</u>	<u>81,915</u>	<u>1,933,652</u>	<u>2,402,482</u>	<u>2,166,613</u>

The condensed group statement of changes in equity should be read in conjunction with the Group's annual financial statements for the year ended 31 January 2004.

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Part A Explanatory notes in compliance with MASB Statement 26

1. Basis of preparation

The Quarterly Report has been prepared in accordance with the reporting requirements outlined in Malaysian Accounting Standards Board (“MASB”) Standard No. 26 - “Interim Financial Reporting” and Paragraph 9.22 of the Bursa Malaysia Securities Berhad (“Bursa Securities”) Listing Requirements and should be read in conjunction with the Group’s annual audited financial statements for the year ended 31 January 2004.

The accounting policies adopted by the Group comply with United Kingdom Generally Accepted Accounting Practices (“UK GAAP”).

2. Qualification of preceding annual financial statements

There was no audit qualification to the preceding annual audited financial statements of the Group.

3. Seasonal / cyclical factors

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

4. Unusual items

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the period under review.

5. Material changes in estimates of amounts reported

There were no material changes in estimates of amounts reported in the prior financial year.

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6. Movements in debt and equity securities

6.1 Issuance and repayment of debt securities

The details of movements in debt securities are as follows:

<i>in RM'000</i>		Total amount in nominal value			
<i>Date</i>	<i>Nature of debt security</i>	Current Quarter		Year to Date	
		Issued	Repaid	Issued	Repaid
<u>2004/05</u>					
13 Aug	Al-Murabahah Medium Term Notes ("MTN")	-	-	-	(25,000)
31 Jan	Al-Bai' Bithaman Ajil Islamic Debt Securities ("BaIDS")	-	(45,000)	-	(45,000)
		<u>-</u>	<u>(45,000)</u>	<u>-</u>	<u>(70,000)</u>

6.2 Issuance of equity securities

	Year to Date	
	Number of shares '000	RM'mil
Ordinary shares at 7.5 pence	<u>7,232</u>	<u>66.5</u>

The above shares were issued pursuant to the exercise of options to subscribe for unissued shares of the Company by eligible employees under the Company's Employees' Share Option Scheme ("ESOS") No. 2. The ESOS No.2 expired on 17 September 2004.

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7. Dividend paid

	Gross per ordinary share	Payment date
Second interim dividend for FY 31 January 2004	25.0 sen	30 April 2004
Final dividend for FY 31 January 2004	25.0 sen	2 August 2004
First interim dividend for FY 31 January 2005	8.0 sen	17 September 2004
Second interim dividend for FY 31 January 2005	12.0 sen	29 October 2004
Third interim dividend for FY 31 January 2005	12.0 sen	25 January 2005

8. Segmental results

<i>in RM' 000</i>	12 months ended 31-Jan-05		12 months ended 31-Jan-04	
	Turnover	Operating profit/(loss)	Turnover	Operating profit/(loss)
Power Generation	1,104,012	459,555	1,018,966	465,104
Numbers Forecast Operations ("NFO")	1,730,995	189,622	1,555,654	180,512
Racing Totalisator Operations ("RTO")	17,786	(13,291)	20,117	(7,682)
Property Investment	53,580	35,029	47,920	32,542
Liquefied Petroleum Gas ("LPG")	35,949	(2,520)	43,216	(2,113)
Entertainment:				
Cinema Exhibition - joint venture	44,579	6,612	40,431	3,558
Tropical Islands Resort	21,433	(51,034)	-	-
	66,012	(44,422)	40,431	3,558
Segment totals	3,008,334	623,973	2,726,304	671,921
Less:				
Inter-segment elimination	(11,728)		(8,702)	
Reclassification of results of joint venture	(44,579)	(6,612)	(40,431)	(3,558)
Non-segmental expenditure		(9,473)		(8,709)
	2,952,027	607,888	2,677,171	659,654

All business segments are located in Malaysia except for the LPG business, which is based in the People's Republic of China and the Tropical Islands Resort which is based in the Federal Republic of Germany.

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9. Valuations of property, plant and equipment

The valuation of the investment property held by the Group of RM470 million has been brought forward without amendments from the previous annual audited financial statements.

10. Material events subsequent to the end of the financial period

There have been no material events subsequent to the end of the financial period.

11. Changes in the composition of the Group

During the quarter, the following changes were made to the composition of the Group:

- a) Tanjong Capital (L) Ltd. was incorporated as a wholly owned subsidiary of the Company. Its authorised share capital is USD10,000.00 divided into 10,000 ordinary shares of USD1.00 each and paid up share capital is USD1.00.
- b) The Company acquired the entire issued and paid-up share capital of Invest Allied Limited, comprising 1 share of HKD1.00 at a cash consideration of HKD1.00. Invest Allied Limited was incorporated under the Hong Kong Companies Ordinance (Chapter 32) with an authorised share capital of HKD10,000.00 divided into 10,000 ordinary shares of HKD1.00 each.
- c) The Company incorporated two new subsidiary companies in Cayman Islands, known as Tropical Islands International Ltd. (“TI International”) and Tropical Islands Management Ltd. (“TI Management”) (collectively known as the “Cayman Islands Companies”) on 16 December 2004.

TI Management is wholly owned by TI International. Tanjong’s effective equity interest in TI International is 75% which is held through Tanjong Entertainment Sdn Bhd, a wholly-owned subsidiary of Tanjong. The remaining equity interest of 25% in TI International is held by Au Leisure Investments Pte Ltd.

The authorised share capital of each of the above Cayman Islands Companies is USD50,000 divided into 50,000 ordinary shares of USD1.00 each while the issued and paid-up share capital of TI International and TI Management respectively are USD100.00 comprising 100 ordinary shares of USD1.00 each and USD1.00 comprising 1 ordinary share of USD1.00 respectively.

Apart from the above and those investments referred to in Note 21, there were no changes in the composition of the Group during the quarter under review.

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Part A Explanatory notes in compliance with MASB Statement 26

12. Commitments and contingencies

12.1 Capital commitments as at 31 January 2005

	RM'000
Authorised and contracted	45,615
Authorised and not contracted	<u>301,143</u>
Analysed as follows:	
Investment commitments	239,400
Power generating assets	37,941
Tropical Islands project expenditure	17,099
Fixtures, fittings and equipment	40,517
Others	<u>11,801</u>
	<u>346,758</u>

12.2 Contingencies

As at 31 January 2005, the Group has provided the following guarantees:

- a) Corporate guarantee for Pendekar Power (Labuan) Ltd (“Pendekar Labuan”), a wholly-owned subsidiary of Powertek Power Bhd, amounting to AED44.32 million (RM45.88 million) for the issuance of Development Security in relation to Taweelah B Independent Water and Power Project in Abu Dhabi, United Arab Emirates; and
- b) Corporate guarantee of AED198.6 million (RM209 million) for Pendekar Labuan for equity contribution for the Taweelah B Independent Water and Power Project in Abu Dhabi, United Arab Emirates.

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13. Significant related party disclosures

The following is a summary of material transactions as defined by Financial Reporting Standard 8, “Related Party Disclosures”, which have been contracted in the ordinary course of business and on normal commercial terms between the Group and companies that are associated with:

- (i) The trustee of the trust that is associated with the family of Ananda Krishnan Tatparanandam and foundations (“the Trust”) and
- (ii) The family of Ananda Krishnan Tatparanandam.

The Trust is the controlling shareholder of the Company as defined by the United Kingdom Financial Services Authority Listing Rules.

<i>in RM'000</i>	12 months ended	
	31-Jan-05	31-Jan-04
<i>Income credited to the Group profit and loss account</i>		
Lease rental and tenant service revenue	23,832	22,429
Car park income	121	121
Others	207	283
	<u>24,160</u>	<u>22,833</u>
<i>Recovery of expenses and shared overhead costs</i>	<u>8,020</u>	<u>7,283</u>
<i>Expenses charged to the Group profit and loss account</i>		
Consultancy services	15,573	15,529
Technical advisory, operations & maintenance services	4,869	7,448
Software support and licence fees	4,620	4,620
Closed circuit television broadcasting services	2,551	2,253
Sponsorship of events	2,522	1,097
Telecommunication and related services	1,678	1,457
Equipment lease rentals	1,680	1,680
Bloodstock management, service fees, accounting & clerical services	1,371	1,165
Other services	1,202	3,105
	<u>36,066</u>	<u>38,354</u>

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Part B Explanatory notes in compliance with Bursa Securities Listing Requirements (Part A of Appendix 9B)

14. Review of performance

14.1 *Material factors affecting current quarter's results*

Group turnover for the current quarter increased by 3% or RM24 million over the corresponding quarter in the previous year ("corresponding quarter") to RM762 million, due mainly to the maiden contribution of RM19 million by the Tropical Islands Resort ("Tropical Islands") which commenced operations on 19 December 2004.

The current quarter's profit before tax of RM119 million is, however, lower by RM16 million due to the start-up losses that were recorded in the current quarter in relation to the establishment of Tropical Islands.

The profit after tax and minority interests were higher at RM107 million compared to RM86 million in the corresponding quarter due mainly to the recognition of deferred tax benefits arising from the expected utilisation of Tropical Islands' start-up losses against its future taxable profits.

14.2 *Material factors affecting financial year to date results*

Group turnover for the current year increased by 10% or RM275 million to RM2,952 million from RM2,677 million in the prior year. Group operating profit is, at RM608 million, however lower by 8% or RM52 million.

The Power Generation segment continued to record an increase in turnover to RM1,104 million from RM1,019 million; an increase of RM85 million for the year, due to increased demand from TNB and an increase in capacity billings by the Panglima power plant arising from the full year of its combined cycle operations. Despite the increase in turnover, Power Generation's operating profit is lower by RM6 million due mainly to the inclusion, in last year's results, of compensation claims received for plant outages amounting to RM27 million.

The Numbers Forecast Operations ("NFO") segment's turnover for the year also registered an increase of RM175 million or 11%, to RM1,731 million this year. The increase was brought about by greater demand for NFO products arising from the successful execution of its marketing strategies. The operating profit for the NFO segment has accordingly recorded an increase from RM181 million to RM190 million.

Group operating profit for the current year has however been reduced by start-up losses totalling RM51 million in respect of Tropical Islands.

For the year under review, Group profit attributable to shareholders decreased by 3% from RM405 million to RM392 million. Net earnings per share has hence decreased from 103.9 sen to 97.9 sen.

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15. Variation of current quarter's profit before tax to preceding quarter

The current quarter's profit before taxation of RM119 million is lower than the preceding quarter's profit before taxation of RM157 million mainly due to the start-up losses of Tropical Islands.

16. Prospects for the next financial year

The Group's results for the next financial year will be impacted by the initial and scheduled maintenance of the Panglima and Teluk Gong power plants respectively, which will have the effect of increasing operating costs relating to the Power Generation segment.

Your Directors also expect that the Group's prospects for the next financial year are likely to be influenced by the following factors:

- i) continued demand for the Group's NFO and RTO products, in line with the growth of the Malaysian economy.
- ii) recognition of the first full year of operating losses at Tropical Islands.

Having regard to the above factors and barring unforeseen circumstances, the Board anticipates a satisfactory overall performance by the Group for the financial year ending 31 January 2006.

17. Variance to profit forecast or shortfall in profit guarantee (only applicable to the final quarter)

The Group did not issue a profit forecast during the period under review.

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Part B Explanatory notes in compliance with Bursa Securities Listing Requirements (Part A of Appendix 9B)

18. Taxation

<i>in RM'000</i>	Current Quarter		Year to Date	
	31/1/2005	31/1/2004	31/1/2005	31/1/2004
Malaysian Taxation				
Income tax				
- Current year	31,022	27,652	111,026	103,542
- Prior year	(1,616)	(2,904)	1,112	(2,953)
	29,406	24,748	112,138	100,589
Deferred tax	(16,132)	21,695	35,639	75,705
	13,274	46,443	147,777	176,294
Foreign Taxation	564	196	661	(2,879)
	13,838	46,639	148,438	173,415

The effective tax rate for the current quarter is, at 11.6%, lower than the statutory tax rate mainly due to inclusion of deferred tax benefits arising from the expected utilisation of Tropical Islands' start-up losses against its future taxable profits. The effective tax rate for the year-to-date of 27.5% corresponds closely to the statutory tax rate.

19. Sale of unquoted investments and/or properties

There were no disposals of unquoted investments or properties during the period under review.

20. Quoted securities

	Current Quarter RM'000	Year to Date RM'000
(a) Summary of dealings in quoted securities for the period ended 31 January 2005: -		
(i) Total purchase consideration	19,113	28,281
(ii) Total sale proceeds	27,430	32,086
(iii) Total profit on disposal	2,887	2,712
(b) Investments in quoted securities as at the end of the reporting period:		
(i) At cost		61,747
(ii) At carrying value/book value; and		59,806
(iii) At market value		106,310

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21. Status of corporate proposals announced but not completed

(a) ntl: Broadcast

On 3 December 2004, the Company announced the Group's participation and investment of £25 million (approximating RM178 million) in a consortium led by the Macquarie Communications Infrastructure Group that had been successful in acquiring National Transcommunication Limited and NTL Digital Limited. The acquisition has since been completed on 31 January 2005.

(b) Moscow Olympic Lottery

On 23 December 2004, the Company announced that the Group had, via Uniclic Ltd, a 50% associated company, entered into a conditional shareholders agreement with certain parties on 21 December 2004; wherein Uniclic Ltd had agreed to participate in a 49% equity interest in Yuvenga LLC, a Russian limited liability company that had acquired the rights to operate an online lottery known as "Moscow Olympic Lottery" pursuant to a licence issued by the City of Moscow. It is envisaged that the Moscow Lottery Operations will be launched as scheduled by mid 2005.

(c) Taweelah B Independent Water and Power Project

On 19 January 2005, the Company announced that its wholly owned subsidiary Pendekar Power (Labuan) Ltd which had participated and invested in a consortium led by Marubeni Corporation, was selected as the successful bidder for a 40% interest in the Taweelah B Independent Water and Power Project in Abu Dhabi, United Arab Emirates. The financial close for this project is expected to be achieved by the end of April 2005.

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22. Group borrowings and debt securities

	Short Term	Long Term	As at 31 January 2005
	RM'000	RM'000	RM'000
<i>Secured</i>			
<i>Denominated in RM</i>			
Al-Bai' Bithaman Ajil Islamic Debt Securities ("BaIDS") ¹	50,000	325,000	375,000
Al-Murabahah Medium Term Notes ¹ Serial bonds ²	15,000	15,000	30,000
	-	830,000	830,000
Al-Bai' Bithaman Ajil ("ABBA") ³	15,000	127,500	142,500
Term loan ⁴	-	177,835	177,835
	80,000	1,475,335	1,555,335
<i>Denominated in EURO</i>			
Bridging loan ⁵	149,032	-	149,032
Transferable bridging loan ⁶	149,032	-	149,032
	298,064	-	298,064
<i>Unsecured</i>			
<i>Denominated in RM</i>			
Redeemable bonds		350,000	350,000
<i>Denominated in EURO</i>			
Profit participating loan ⁷		15,412	15,412
	378,064	1,840,747	2,218,811

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22. Group borrowings and debt securities (continued)

- ¹ *These debt securities are secured by way of assignment of Pahlawan Power Sdn. Bhd's ("Pahlawan") rights, title, benefits and interest in and under certain insurances procured by Pahlawan in relation to its property, assets and business and all amounts standing to the credit of its finance service reserve account.*
- ² *These debts are undertaken by Panglima Power Sdn Bhd ("Panglima") and are secured against a debenture over its assets and properties, a charge over its landed properties, an assignment of its rights, title, benefits and interest in and under certain insurances and project agreements and an assignment of all amounts standing to the credit of a designated project and debt service reserve accounts of Panglima.*
- ³ *The loan is secured by a fixed legal charge over Menara Maxis and a corporate guarantee by Tanjong plc.*
- ⁴ *The £25 million loan drawdown by Invest Allied Limited is secured by way of a £25 million corporate guarantee issued by Tanjong plc.*
- ⁵ *The €30 million loan which has been drawdown by Tanjong Entertainment (Labuan) Ltd. ("TEL") is secured by way of a €30 million corporate guarantee issued by Tanjong plc.*
- ⁶ *The €30 million loan which has been drawdown by TEL is secured by way of a €30 million corporate guarantee issued by Tanjong plc.*
- ⁷ *This relates to a €4.125 million profit participating loan advanced to Tropical Island S.a.r.l by Au Leisure Investments Pte Ltd which is repayable by April 2014.*

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23. Off balance sheet financial instruments

Panglima is obliged to make progressive payments in EURO currency pursuant to the Engineering, Procurement and Construction Contract (“EPC Contract”) entered for the construction and development of its 720MW CCGT power plant as well as contracts in relation to its procurement of materials and parts.

All forward contracts are hedged in accordance with the Group’s policy, which requires that significant foreign currency risk exposures be mitigated as soon as they arise.

At the date of this report, the notional principal amount outstanding under the forward contracts entered into by Panglima is €10.5 million (RM51.1 million at forward contract rates ranging between RM4.71 to RM4.97: €1). The forward contracts are executed with licensed financial institutions and are accounted for on a basis, which is consistent with the accounting policies adopted by the Group. These contracts have various maturity periods straddling over the next 3 months to meet the payment obligations under the EPC Contract and spare parts procurement.

24. Changes in material litigation

There is no pending material litigation since the last annual balance sheet date to the date of issue of this quarterly report.

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25. Dividend

Tanjong will continue to pursue a progressive dividend policy that seeks to achieve a balance between long-term capital growth and immediate cash returns. To this end, the Company will maintain an attractive payout ratio at around current levels, whilst conserving adequate funds to enable it to pursue new investment opportunities that will be critical to its long term growth.

Pursuant to the above policy, your Board is recommending the following:

- (a) A fourth interim gross dividend of **12 sen** per share, less Malaysian income tax at 28%, in respect of the financial year ended 31 January 2005 (the **Fourth Interim Dividend**). Subject to the relevant provisions of the following paragraphs, the **Fourth Interim Dividend** will be paid on **29 April 2005** to those shareholders on the record of the Company **at the close of business on 15 April 2005** as set out below.

This will result in interim gross dividends totalling **44 sen** per share (net 31.68 sen per share) paid in respect of the current financial year.

- (b) A final dividend consisting of:
- (i) **10 sen** gross dividend per share, less Malaysian income tax at 28% and
 - (ii) **16 sen** tax exempt dividend per share in respect of the financial year ended 31 January 2005 (the **Final Dividends**).

Subject to the approval of the Company at the forthcoming Annual General Meeting and to the relevant provisions of the following paragraphs, the **Final Dividends** will be paid on **22 July 2005** to those shareholders on the record of the Company **at the close of business on 8 July 2005** as set out below.

Should the final dividend be approved at the forthcoming Annual General Meeting, the total interim and final dividends approved in respect of the current financial year would be **70 sen** gross (net 54.88 sen per share); representing a payout of RM221.2 million or some 56% of the net profit for the year ended 31 January 2005.

The Register of Members of the Company will be closed:

- (i) in respect of the **Fourth Interim Dividend**, from **16 April 2005 to 18 April 2005** (both dates inclusive); and
- (ii) in respect of the **Final Dividends**, from **9 July 2005 to 11 July 2005** (both dates inclusive),

for the purpose of determining each shareholder's entitlement to the **Fourth Interim Dividend** and the **Final Dividends** respectively.

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25. Dividend (Continued)

Each person whose name appears in the Register of Members or the Record of Depositors as **at the close of business**, in respect of the **Fourth Interim Dividend**, on **15 April 2005** (the "**Fourth Interim Dividend Record Date**"), and, in respect of the **Final Dividends**, on **8 July 2005** (the "**Final Dividends Record Date**"), shall be entitled to participate in the **Fourth Interim Dividend** and **Final Dividends**, respectively, in respect of those Tanjong shares of which they are registered as member or recorded as depositor as at the relevant date.

Valid **transfers** received by the **Company's Branch Registrars in Malaysia, Symphony Share Registrars Sdn. Bhd. (formerly known as Malaysian Share Registration Services Sdn. Bhd.) at Level 26, Menara Multi-Purpose, Capital Square, No. 8 Jalan Munshi Abdullah, 50100 Kuala Lumpur, Malaysia, or the Company's Principal Registrars in the United Kingdom, Capita IRG Plc at The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, England, by the close of business at 5.00 p.m. (local time), in respect of the Fourth Interim Dividend, on 15 April 2005, and, in respect of the Final Dividends, on 8 July 2005 will be registered by the Fourth Interim Dividend Record Date and Final Dividends Record Date respectively.**

A holder of a securities account maintained with the Bursa Malaysia Depository Sdn. Bhd. (formerly known as Malaysian Central Depository Sdn. Bhd.) ("Depositor") shall qualify for entitlement: -

- i) in respect of **Fourth Interim Dividend**, only in respect of:
 - (a) **shares transferred** into the Depositor's securities account **before 4:00 p.m. (Malaysian time) on 15 April 2005** in respect of transfers;
 - (b) **shares deposited** into the Depositor's securities account **before 12:30 p.m. (Malaysian time) on 13 April 2005** in respect of shares which are exempted from mandatory deposit; and
 - (c) **shares bought** on the Exchange on a cum entitlement basis according to the Rules of the Exchange; and

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25. Dividend (Continued)

ii) in respect of **Final Dividends** , only in respect of:

- (a) **shares** transferred into the Depositor’s securities account **before 4:00 p.m. (Malaysian time) on 8 July 2005** in respect of transfers;
- (b) **shares deposited** into the Depositor’s securities account **before 12:30 p.m. (Malaysian time) on 6 July 2005** in respect of shares which are exempted from mandatory deposit; and
- (c) **shares bought** on the Exchange on a cum entitlement basis according to the Rules of the Exchange; and

*Copies of the Unaudited Results of the Tanjong Group for the year ended 31 January 2005 are available to the public during office hours at the Company’s registered office in the United Kingdom at **The Registry, 34 Beckenham Road, Beckenham, Kent BR3 4TU, England***

26. Earnings per share (“EPS”)

The basic and diluted EPS are computed as follows:

	<i>Current Quarter</i>	<i>Cumulative Quarter</i>
Net profit (RM’000)	107,234	392,270
Weighted average number of ordinary shares	403,256,136	400,762,062
Basic and diluted EPS (sen)	26.6	97.9

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27. Analysis of principal differences between United Kingdom Generally Accepted Accounting Practices (UK GAAP) and Malaysian Financial Reporting Standards (MFRS)

The accounting policies adopted by the Group, as mentioned in Note 1, are in accordance with UK GAAP. These policies comply with the MFRS except that the UK GAAP:

- (i) requires dividends proposed in respect of that year to be recognised at balance sheet date whereas the MFRS No. 110 – “Events After the Balance Sheet Date”, requires that dividends declared or proposed after year-end be accounted for in the following year.
- (ii) does not require deferred taxation liability provisions for the revaluation of investment properties and fair value adjustments arising from business combinations, whereas MFRS No. 112 – “Income Taxes”, requires that deferred tax provisions be made in respect of these temporary differences.

The effects of these differences are as follows:

	As At 31/01/2005 RM '000	As At 31/01/2004 RM '000
Profit and loss account (Distributable)		
Profit and loss account as at 31 January	1,933,652	1,764,306
Adjustment for proposed dividend	128,397	71,284
Profit and loss account adjusted for MFRS	2,062,049	1,835,590
Equity shareholders' funds		
Shareholders' funds as at 31 January	2,402,482	2,166,613
Adjustment for proposed dividend	128,397	71,284
Deferred taxation on revaluation surplus	(3,849)	(3,849)
Shareholders' funds as adjusted for MFRS	2,527,030	2,234,048
Minority interests		
Minority interests as at 31 January	120,415	112,854
Deferred taxation on revaluation surplus	(1,896)	(1,896)
Minority interests as adjusted for MFRS	118,519	110,958
Net tangible assets (“NTA”) per share (in sen)		
NTA per share as at 31 January	583.6	533.7
Adjustments		
Proposed dividends	31.8	18.0
Deferred taxation on revaluation surplus	(1.0)	(1.0)
Deferred taxation on fair value adjustments arising from business combinations	(22.3)	(24.6)
NTA per share as adjusted for MFRS	592.1	526.1

By order of the Board

Siuagamy Ramasamy
Group Company Secretary

22 March 2005
Kuala Lumpur