

Part A2 : SUMMARY OF KEY FINANCIAL INFORMATION

TASEK CORPORATION BERHAD
(Company No: 4698-W)

Summary of Key Financial Information for the financial first quarter ended 31.3.2013

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/03/2013 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/03/2012 RM'000	CURRENT YEAR TODATE 31/03/2013 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/03/2012 RM'000
1 Revenue	136,093	150,632	136,093	150,632
2 Profit/(Loss) before tax	28,192	32,375	28,192	32,375
3 Profit/(Loss) for the period	21,704	24,893	21,704	24,893
4 Profit/(Loss) attributable to ordinary equity holders of the parents	21,704	24,893	21,704	24,893
5 Basic earnings/(loss) per share (sen)	17.49	20.44	17.49	20.44
6 Proposed/Declared dividend per share (sen)	-	-	-	-
	AS AT END OF CURRENT QUARTER		AS AT PRECEDING FINANCIAL YEAR END	
7 Net assets per share attributable to ordinary equity holders of the parent (RM)		7.8615		7.6864

Part A3 : ADDITIONAL INFORMATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/03/2013 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/03/2012 RM'000	CURRENT YEAR TODATE 31/03/2013 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/03/2012 RM'000
1 Gross interest income	3,714	4,010	3,714	4,010
2 Gross interest expense	29	36	29	36

TASEK CORPORATION BERHAD
(Company No: 4698-W)
and its subsidiaries

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2013 - UNAUDITED

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Current quarter 3 months ended 31 March		Cumulative quarter 3 months ended 31 March	
		2013 RM'000	2012 RM'000	2013 RM'000	2012 RM'000
Revenue		136,093	150,632	136,093	150,632
Cost of sales		(90,288)	(100,115)	(90,288)	(100,115)
Gross Profit		<u>45,805</u>	<u>50,517</u>	<u>45,805</u>	<u>50,517</u>
Other (expense)/income		263	207	263	207
Selling and Distribution Expenses		(19,556)	(20,357)	(19,556)	(20,357)
Administrative Expenses		(5,245)	(4,971)	(5,245)	(4,971)
Other expenses		-	-	-	-
Operating profit		<u>21,267</u>	<u>25,396</u>	<u>21,267</u>	<u>25,396</u>
Finance income	8	3,714	4,010	3,714	4,010
Finance costs	8	(29)	(36)	(29)	(36)
Net finance income		<u>3,685</u>	<u>3,974</u>	<u>3,685</u>	<u>3,974</u>
		<u>24,952</u>	<u>29,370</u>	<u>24,952</u>	<u>29,370</u>
Share of profit of associates, net of tax		3,240	3,005	3,240	3,005
Share of (loss)/profit equity accounted in joint venture, net of tax		-	-	-	-
		<u>3,240</u>	<u>3,005</u>	<u>3,240</u>	<u>3,005</u>
Profit before tax	8	<u>28,192</u>	<u>32,375</u>	<u>28,192</u>	<u>32,375</u>
Income tax expense	9	(6,488)	(7,482)	(6,488)	(7,482)
Profit from continuing operations		<u>21,704</u>	<u>24,893</u>	<u>21,704</u>	<u>24,893</u>
Other comprehensive income, net of tax		-	-	-	-
Total comprehensive income for the period		<u><u>21,704</u></u>	<u><u>24,893</u></u>	<u><u>21,704</u></u>	<u><u>24,893</u></u>
Profit for the period attributable to :					
Owners of the parent		21,704	24,893	21,704	24,893
Non-controlling interests		-	-	-	-
Profit for the period		<u><u>21,704</u></u>	<u><u>24,893</u></u>	<u><u>21,704</u></u>	<u><u>24,893</u></u>
Earnings per share attributable to owners of the parent (sen per share):					
- Basic from continuing operations	10	<u>17.49</u>	<u>20.44</u>	<u>17.49</u>	<u>20.44</u>
- Diluted	10	<u>NA</u>	<u>NA</u>	<u>NA</u>	<u>NA</u>

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

TASEK CORPORATION BERHAD
(Company No: 4698-W)
and its subsidiaries

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS AT 31 MARCH 2013 - UNAUDITED

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		31 March 2013 RM'000	31 December 2012 RM'000 (Audited)
Assets	Note		
Non - current assets			
Property, plant and equipment	11	331,668	334,481
Intangible assets	12	946	963
Goodwill on consolidation	12	389	389
Prepaid lease payments		21	22
Investment in associates		98,730	95,489
Investment in a joint venture (*)		-	-
Total non - current assets		<u>431,754</u>	<u>431,344</u>
Current assets			
Inventories	13	109,746	101,675
Trade and other receivables		76,323	65,231
Cash and cash equivalents	14	461,040	465,577
Tax recoverable		315	297
Total current assets		<u>647,424</u>	<u>632,780</u>
Total assets		<u>1,079,178</u>	<u>1,064,124</u>
Equity			
Share Capital	15	123,956	123,956
Reserves	15	850,523	828,819
Equity attributable to equity holders of the Company		974,479	952,775
Non-controlling interests		-	-
Total equity		<u>974,479</u>	<u>952,775</u>
Liabilities			
Non - current liabilities			
Provision	16	645	1,044
Deferred tax liabilities		33,996	34,085
Total non - current liabilities		<u>34,641</u>	<u>35,129</u>
Current liabilities			
Provision	16	508	228
Income tax payable		454	3,223
Loans and borrowings	17	2,983	3,843
Trade and other payables		66,113	68,926
Total current liabilities		<u>70,058</u>	<u>76,220</u>
Total liabilities		<u>104,699</u>	<u>111,349</u>
Total equity and liabilities		<u>1,079,178</u>	<u>1,064,124</u>
Net Assets per Share (RM)		<u>7.86</u>	<u>7.69</u>
Net Tangible Assets per Share (RM)		<u>7.85</u>	<u>7.68</u>

(*) - RM150.00 - negligible

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2013 - UNAUDITED

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to equity holders of the Company						
	Non - distributable				Distributable		Total
	Share capital	Share Premium	Capital Redemption Reserve	Treasury Shares	General Reserve	Retained Profits	
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
At 1 January 2012	123,956	133,946	398	-	115,347	608,205	981,852
Net profit for the period	-	-	-	-	-	24,893	24,893
Shares buy-back	-	-	-	(20,633)	-	-	(20,633)
Balance at 31 March 2012	123,956	133,946	398	(20,633)	115,347	633,098	986,112
At 1 January 2013	123,956	133,946	398	(20,633)	115,347	599,761	952,775
Net profit for the period	-	-	-	-	-	21,704	21,704
Balance at 31 March 2013	123,956	133,946	398	(20,633)	115,347	621,465	974,479

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

TASEK CORPORATION BERHAD
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and its subsidiaries

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2013 - UNAUDITED

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

	3 Months ended	
	31 March 2013	31 March 2012
	RM'000	RM'000
Operating activities		
Profit before taxation	28,192	32,375
Adjustments for:		
Non-cash items		
Amortisation of prepaid lease payments	1	1
Amortisation of intangible assets	72	65
Depreciation of property, plant and equipment	10,721	10,778
Finance income	(3,714)	(4,010)
Finance cost	29	36
Net fair value gain on derivatives (Note 8)	-	13
Property, plant and equipment written off	35	1
Net gain on disposal of property, plant and equipment	(146)	-
Share of results of associates	(3,240)	(3,005)
	<u>3,758</u>	<u>3,879</u>
Operating cash flows before changes in working capital	31,950	36,254
<u>Changes in working capital:</u>		
Change in inventories	(8,071)	5,489
Change in trade and other receivables	(11,093)	(984)
Change in trade and other payables	(2,932)	(13,392)
Total changes in working capital	<u>(22,096)</u>	<u>(8,887)</u>
Interest received	3,714	4,010
Interest paid	(29)	(36)
Income taxes paid	(9,364)	(6,017)
	<u>(5,679)</u>	<u>(2,043)</u>
Net cash flows from operating activities	4,175	25,324
Investing activities		
Purchase of property, plant and equipment	(8,354)	(4,082)
Net proceeds from disposal of property, plant and equipment	557	-
Purchase of intangible assets	(55)	(228)
Net cash flows used in investing activities	(7,852)	(4,310)
Financing activities		
Purchase of treasury shares	-	(20,633)
Net (repayment)/proceeds from borrowings	(860)	1,039
Net cash flows used in financing activities	(860)	(19,594)
Net (decrease)/increase in cash and cash equivalents	(4,537)	1,420
Cash & cash equivalents at 1 January	465,577	494,529
Cash & cash equivalents at 31 December	461,040	495,949

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2013 - UNAUDITED

1. Corporate information

Tasek Corporation Berhad is a public limited liability company incorporated and domiciled in Malaysia, and is listed on Bursa Malaysia Securities Berhad.

The condensed consolidated interim financial statements were approved by the Board of Directors on 29 April 2013.

2. Accounting policies and methods of computation

These condensed consolidated interim financial statements, for the period ended 31 March 2013, have been prepared in accordance with MFRS 134 Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. These condensed consolidated interim financial statements also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board. For the periods up to and including the year ended 31 December 2012, the Group prepared its financial statements in accordance with Malaysian Financial Reporting Standards ("MFRS") and International Financial Reporting Standards ("IFRS").

The audited consolidated financial statements of the Group for the year ended 31 December 2012 which were prepared under MFRS and IFRS are available upon request from the Company at its registered office at 6th Floor, Office Block, Grand Millennium Kuala Lumpur, 160 Jalan Bukit Bintang, 55100 Kuala Lumpur, Malaysia.

Except as described below, the accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2012.

3. Changes in accounting policy

The Group has adopted the following accounting standards, amendments and interpretations that have been effective beginning on or after 1 January 2013.

Effective for annual periods beginning on or after 1 July 2012

Amendments to MFRS 101 Presentation of Items of Other Comprehensive Income (Amendments to MFRS 101)

Effective for annual periods beginning on or after 1 January 2013

Amendments to MFRS 101: Presentation of Financial Statements (Annual Improvements 2009-2011 Cycle)

MFRS 3 Business Combinations (IFRS 3 Business Combinations issued by IASB in March 2004)

MFRS 10 Consolidated Financial Statements

MFRS 11 Joint Arrangements

MFRS 12 Disclosure of Interests in Other Entities

MFRS 13 Fair Value Measurement

MFRS 119 Employee Benefits

MFRS 127 Consolidated and Separate Financial Statements (IAS 27 as revised by IASB in December 2003)

Amendments to IC Interpretation 2 Members' Shares in Co-operative Entities and Similar Instruments (Annual Improvements 2009-2011 Cycle)

IC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine

Amendments to MFRS 7 Disclosures - Offsetting Financial Assets and Financial Liabilities

Amendments to MFRS 1: First-time Adoption of Malaysian Financial Reporting Standards - Government Loans

Amendments to MFRS 1: First-time Adoption of Malaysian Financial Reporting Standards -(Annual Improvements 2009-2011 Cycle)

Amendments to MFRS 116: Property, Plant and Equipment (Annual Improvements 2009-2011 Cycle)

Amendments to MFRS 132: Financial Instruments: Presentation (Annual Improvements 2009-2011 Cycle)

Amendments to MFRS 134: Interim Financial Reporting (Annual Improvements 2009-2011 Cycle)

Amendments to MFRS 10: Consolidated Financial Statements: Transition Guidance

Amendments to MFRS 11: Joint Arrangements: Transition Guidance

Amendments to MFRS 12: Disclosure of Interests in Other Entities: Transition Guidance

The adoption of the above Standards and Interpretations will have no significant impact on the financial statements of the Group upon their initial application.

4. Changes in estimates of amount reported previously with material effect in current interim period.

There were no estimations of amount used in our previous reporting having a material impact in the current reporting period.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2013 - UNAUDITED

5. Changes in composition of the Group

There were no changes in the composition of the Group during the current quarter ended 31 March 2013.

6. Segmental information

The segment information provided to the chief operating decision maker for the current financial period to date is as follows:

	Cement	Ready-mixed Concrete	All other segments	Adjustment and Elimination	Total
<u>31.3.2013</u>	RM'000	RM'000	RM'000	RM'000	RM'000
Segment revenue	116,339	35,959	1,639	-	153,937
Inter-segment revenue	(16,205)	-	(1,639)	-	(17,844)
Revenue from external customers	<u>100,134</u>	<u>35,959</u>	<u>-</u>	<u>-</u>	<u>136,093</u>
Segment profit/(loss)	21,668	(363)	(18)	(20)	21,267
Inter-segment elimination	(59)	59	-	-	-
	<u>21,609</u>	<u>(304)</u>	<u>(18)</u>	<u>(20)</u>	<u>21,267</u>
Segment profit/(loss)	21,668	(363)	(18)	(20)	21,267
Finance income	3,763	6	2	(57)	3,714
Finance cost	-	(73)	-	44	(29)
Share of profit from associates	-	-	-	3,240	3,240
Profit/(loss) before tax	<u>25,431</u>	<u>(430)</u>	<u>(16)</u>	<u>3,207</u>	<u>28,192</u>
<u>31.3.2012</u>	RM'000	RM'000	RM'000	RM'000	RM'000
Segment revenue	124,857	47,806	365	-	173,028
Inter-segment revenue	(22,031)	-	(365)	-	(22,396)
Revenue from external customers	<u>102,826</u>	<u>47,806</u>	<u>-</u>	<u>-</u>	<u>150,632</u>
Segment profit/(loss)	25,259	268	(4)	(127)	25,396
Inter-segment elimination	(51)	51	-	-	-
	<u>25,208</u>	<u>319</u>	<u>(4)</u>	<u>(127)</u>	<u>25,396</u>
Segment profit/(loss)	25,259	268	(4)	(127)	25,396
Finance income	4,073	5	-	(68)	4,010
Finance cost	-	(104)	-	68	(36)
Share of profit of associates	-	-	-	3,005	3,005
Profit/(loss) before tax	<u>29,332</u>	<u>169</u>	<u>(4)</u>	<u>2,878</u>	<u>32,375</u>

Breakdown of the revenue from all services is as follows:

Analysis of revenue by geographical segment

	<u>31.3.2013</u>	<u>31.3.2012</u>
	RM'000	RM'000
Malaysia	123,553	131,050
Outside Malaysia	<u>12,540</u>	<u>19,582</u>
	<u>136,093</u>	<u>150,632</u>

The commentary on the performance of each of the business activity and the factors that have resulted in the revenue or profits improving or declining as compared with the corresponding periods of last quarter and year is discussed in Note 22.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2013 - UNAUDITED

7. Seasonal or cyclical factors

The operations of the Group generally follow the performance of the property development, infrastructure and construction industry.

8. Profit before tax

Included in the profit before tax are the following items:

	Note	Current quarter 3 months ended		Cumulative quarter 3 months ended	
		31 March 2013	31 March 2012	31 March 2013	31 March 2012
		RM'000	RM'000	RM'000	RM'000
Profit before tax is arrived at after charging/(crediting):					
Amortisation of prepaid lease payments		1	1	1	1
Amortisation of intangible assets		72	65	72	65
Depreciation of property, plant and equipment	11	10,721	10,778	10,721	10,778
Finance income		(3,714)	(4,010)	(3,714)	(4,010)
Finance cost		29	36	29	36
Net Gain on disposal of property, plant and equipment		(146)	-	(146)	-
Property, plant and equipment written off	11	35	1	35	1
(Gain)/Loss on foreign exchange - realised		(22)	27	(22)	27
Net fair value gain on derivatives		-	13	-	13
Rental income		(176)	(291)	(176)	(291)

9. Income tax expense

	Current quarter 3 months ended		Cumulative quarter 3 months ended	
	31 March 2013	31 March 2012	31 March 2013	31 March 2012
	RM'000	RM'000	RM'000	RM'000
<u>Current Income tax</u>				
Malaysia - Current year	(6,577)	(7,436)	(6,577)	(7,436)
- Prior year	-	(33)	-	(33)
	(6,577)	(7,469)	(6,577)	(7,469)
<u>Deferred tax</u>				
Origination and reversal of temporary differences	89	(13)	89	(13)
	(6,488)	(7,482)	(6,488)	(7,482)

The Group's effective tax rate for the current quarter is above the statutory tax rate of 25% for Companies in Malaysia mainly due to non tax-deductible expenses as well as the tax losses position of the concrete segment.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2013 - UNAUDITED

10. Earnings per share

	Current quarter 3 months ended		Cumulative quarter 3 months ended	
	31 March 2013	31 March 2012	31 March 2013	31 March 2012
	RM'000	RM'000	RM'000	RM'000
<u>(I) Basic earnings per share</u>				
Profit net of tax attributable to owners of the parent	21,704	24,893	21,704	24,893
Less : 6% Preference Dividend	(20)	(20)	(20)	(20)
Proportion of profit attributable to preference shareholders	(59)	(67)	(59)	(67)
Profit net of tax from continuing operations attributable to owners of the parent used in the computation of basic earnings per share	<u>21,625</u>	<u>24,806</u>	<u>21,625</u>	<u>24,806</u>
Weighted average number of ordinary shares:				
Issued ordinary shares at 1 January ('000)	123,621	123,621	123,621	123,621
Effect of purchase of treasury shares ('000)	-	(2,272)	-	(2,272)
Weighted average number of ordinary shares at 31 March	<u>123,621</u>	<u>121,349</u>	<u>123,621</u>	<u>121,349</u>
Basic earnings per share (sen) for Profit from continuing operations	<u>17.49</u>	<u>20.44</u>	<u>17.49</u>	<u>20.44</u>

(II) Diluted earnings per share

There is no dilutive effects on earning per share as the Company has no potential issue of ordinary shares.

11. Property, plant and equipment

	Note	31 March	31 December
		2013	2012
		RM'000	RM'000
Net carrying amount:			
Balance at the beginning of year		334,481	348,886
Additions		8,354	30,261
Disposals		(411)	(377)
Less: Depreciation	8	(10,721)	(42,698)
Less: Written off	8	(35)	(1,591)
Balance at end of period/year		<u>331,668</u>	<u>334,481</u>

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2013 - UNAUDITED

12. Intangible assets

	Note	Computer software RM'000	Goodwill RM'000	Total RM'000
Cost:				
At 1 January 2012		3,557	389	3,946
Additions		384	-	384
Write off		(392)	-	(392)
At 31 December 2012		3,549	389	3,938
Additions		55	-	55
At 31 March 2013		3,604	389	3,993
Accumulated amortisation and impairment:				
At 1 January 2012		2,692	-	2,692
Amortisation		285	-	285
Write off		(391)	-	(391)
At 31 December 2012		2,586	-	2,586
Amortisation	8	72	-	72
At 31 March 2013		2,658	-	2,658
Net carrying amount:				
At 1 January 2012		865	389	1,254
At 31 December 2012		963	389	1,352
At 31 March 2013		946	389	1,335

The recoverable amount of the investment in subsidiary and goodwill was determined by discounting the future cash flows projected based on actual operating results and management's assessment of future trends in the ready-mixed concrete industry. No impairment loss is recognised during the period as the recoverable amount is higher than the carrying amount.

13. Inventories

During the three months ended 31 March 2013, there were no material write-down of inventories to net realisable value nor the reversal of such write-down recognised in the Group's statement of comprehensive income.

14. Cash and cash equivalents

	31 March 2013 RM'000	31 December 2012 RM'000
Cash at bank and in hand	17,418	20,955
Short term deposits	443,622	444,622
Total cash and cash equivalents	461,040	465,577

15. Changes in Debt and Equity Securities

There were no issuance and repayment of any debt or equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the current financial period to date.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2013 - UNAUDITED

16. Provisions

	31 March 2013 RM'000	31 December 2012 RM'000
Balance at the beginning of year	1,272	1,532
Arose during the period/year	50	492
Unwinding of discount	18	29
Reversal of provision	(187)	(781)
Balance at end of period/year	<u>1,153</u>	<u>1,272</u>
At 31 March/31 December		
Current	<u>508</u>	<u>228</u>
Non-current:		
Later than 1 year but not later than 2 years	460	737
Later than 2 years but not later than 5 years	185	307
	<u>645</u>	<u>1,044</u>
	<u>1,153</u>	<u>1,272</u>

Provision for restoration costs

A provision is recognised for restoration cost associated with its subsidiary, Tasek Concrete Sdn Bhd's obligations to restore the lands at the end of the tenancy period. It is expected that most of these costs will be incurred in the next two financial years and all will have been incurred within three years from the reporting date. Assumptions used to calculate the expected cost to dismantle and remove the batching plants from the site and the cost of restoring the land to its original state were based on the management's best estimates.

17. Group borrowings and debts securities

Total Group's short term borrowing (denominated in local currency) is as follows:

	31 March 2013 RM'000	31 December 2012 RM'000
Bankers' Acceptances (unsecured)	<u>2,983</u>	<u>3,843</u>

18. Dividends

No dividend was paid during the current quarter (1st Quarter of 2012: Nil).

19. Commitments

The outstanding commitments in respect of capital expenditure at reporting date not provided for in the financial statements are as follows:

	31 March 2013 RM'000	31 March 2012 RM'000
<u>Property, plant and equipment</u>		
- Contracted but not provided for and payable	10,995	11,034
- Authorised but not contracted for	10,091	8,746
	<u>21,086</u>	<u>19,780</u>

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2013 - UNAUDITED**

20. Contingencies

The contingent liabilities for the financial period ended 31 March 2013 are as follows:

- (a) The Group is providing continuing financial support to North Plaza Sdn Bhd (NPSB), a joint venture company, up to the percentage of shareholding the Group holds in NPSB so as to enable NPSB to meet its liabilities as and when they fall due and to carry on its business without a significant curtailment of operation.
- (b) The Company monitors the performance of its subsidiary closely to ensure that it is able to meet all its financial obligations. In view that, there is minimal risk of default, the Company has not recognised the value of the obligation under the financial guarantee disclosed in the statement of financial position.

	31 March 2013	31 December 2012
	RM'000	RM'000
Unsecured:		
Corporate guarantee given to a third party in respect of rental of property by its subsidiary	-	238
	-	238

21. Events after the reporting period

There were no material events subsequent to the end of the period reported at the date of issuance of this report.

22. Review of performance

(a) Current Quarter compared with Corresponding Quarter of Previous Year

The Group's net revenue for the current quarter of RM136.1 million is lowered by RM14.5 million as compared to previous year's corresponding quarter. This is mainly due to lower pricing in the local cement sales following the continuous intense competition among the cement manufacturers compounded by the lower sales of ready-mixed concrete. Higher ready-mixed concrete production cost resulting from rising raw materials costs and lower interest income contributed to the Group's lower profit during the reporting quarter.

The cement segment registered a lower operating profit of RM21.5 million for the current quarter as compared to RM25.0 million recorded in the previous year's corresponding quarter. This was mainly attributed to lower net sales revenue from the domestic market arising from keen cement pricing.

The concrete segment registered an operating loss of RM508,000 for the current quarter compared to a profit of RM251,000 registered in the same period last year mainly due to lower sales volume coupled with higher cost of aggregates and sand.

Interest income for the current quarter decreased from last year's RM4.01 million to RM3.74 million in the reporting quarter as a result of lower yield from time deposits.

Share of profit from the Group's associate companies during the reporting quarter increased marginally to RM3.2 million from RM3 million compared to previous year's corresponding quarter mainly due to higher volume of sales.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2013 - UNAUDITED

23. Material change in the profit before tax for the current financial quarter compared with the immediate preceding quarter

	Current quarter	Immediate preceding quarter
	31 March 2013 RM'000	31 December 2012 RM'000
Revenue	136,093	133,777
Net profit before tax	24,952	22,925
Share of profit of associate	3,240	3,173
Consolidated Profit before Tax	<u>28,192</u>	<u>26,098</u>

The Group's profit before tax for the reporting quarter at RM28.2 million was RM2.1 million higher than the immediate preceding quarter of RM26.1 million mainly due to the strong domestic demand from the cement segment. However, the favourable volume impact was offset by the lower margin following the intense price competition among the manufacturers during the reporting quarter. In addition, lower loss was recorded by the concrete segment as compared with the immediate preceding quarter mainly from better pricing resulting in improved margins. The Group's share of profit from the associated companies in the current quarter was higher than the immediate preceding quarter due to better margins from lower cost of production.

24. Commentary on prospects

The overall outlook for the construction sector in the next quarter is expected to remain positive due to the infrastructural projects such as the construction of the MRT lines and the LRT line expansion that were launched and awarded in the second half of 2012. The Group is expected to remain profitable for the next quarter.

25. Profit forecast or profit guarantee

The Group did not publish any profit forecast or profit guarantee during the current quarter and the financial period to date.

26. Corporate proposals

There were no announcement of any corporate proposal during the current quarter and the financial period to date.

27. Material litigation

There were no pending material litigation at the date of issuance of this report.

28. Dividends

No interim dividend has been declared for the current quarter ended 31 March 2013 (1st Quarter of 2012 : Nil).

29. Derivative financial instruments

There were no outstanding forward foreign currency exchange contracts during the current quarter ended.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2013 - UNAUDITED

30. Gains/Losses arising from fair value changes of financial liabilities

There were no gain/loss on fair value changes of financial liabilities for the current quarter ended.

31. Sales of unquoted investments and properties.

There were no sale of unquoted investments and properties during the current financial quarter and the financial period to date.

32. Purchases and sales of quoted securities

There were no purchases and/or sales of quoted securities for the current quarter and the financial period to date.

33. Realised and Unrealised Profit or (Losses) Disclosure

The breakdown of the retained profits of the Group as at 31 March 2013 and 31 December 2012 into realised and unrealised profits is presented in accordance with the directives issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and prepared in accordance with Guidance on Special Matter No.1 Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

	As at 31 March 2013	As at 31 December 2012
	RM'000	RM'000
Total retained profits of the Group :		
- Realised	575,427	557,019
- Unrealised	(33,996)	(34,085)
	<u>541,431</u>	<u>522,934</u>
Total share of realised retained profits from associate and jointly controlled entity		
- Realised	80,708	77,468
- Unrealised	(2,371)	(2,371)
	<u>619,768</u>	<u>598,031</u>
Add: consolidation adjustments	1,697	1,730
Retained profits as per consolidated accounts	<u><u>621,465</u></u>	<u><u>599,761</u></u>

34. Fair value hierarchy

The Group uses the following hierarchy for determining the fair value of all financial instruments carried at fair value:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 - Inputs that are based on observable market data, either directly or indirectly
- Level 3 - Inputs that are not based on observable market data

As at the reporting date, the Group does not have any financial assets and liabilities carried at fair value classified as above.

35. Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the year ended 31 December 2012 was not qualified.

BY ORDER OF THE BOARD

VINCENT CHOW POH JIN
COMPANY SECRETARY

29 APRIL 2013
KUALA LUMPUR, MALAYSIA