Part A2 : SUMMARY OF KEY FINANCIAL INFORMATION

TASEK CORPORATION BERHAD
(Company No: 4698-W)
(Incorporated in Malaysia)

Summary of Key Financial Information for the second financial quarter ended 30.6.2014

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		CURRENT YEAR QUARTER	PRECEDING YEAR CORRES-PONDING QUARTER	CURRENT YEAR TODATE	PRECEDING YEAR CORRES-PONDING PERIOD
		30/06/2014 RM'000	30/06/2013 RM'000	30/06/2014 RM'000	30/06/2013 RM'000
1	Revenue	171,502	141,996	334,414	278,089
2	Profit/(Loss) before tax	40,553	27,829	72,799	56,021
3	Profit/(Loss) for the period	31,097	21,822	56,016	43,526
4	Profit/(Loss) attributable to ordinary equity holders of the parents	31,097	21,822	56,016	43,526
5	Basic earnings/(loss) per share (sen)	25.60	17.96	46.10	35.82
6	Proposed/Declared dividend per share (sen)	40 sen	32 sen	40 sen	32 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)	6.8220	7.2523

Part A3 : ADDITIONAL INFORMATION

		INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		CURRENT YEAR QUARTER	PRECEDING YEAR CORRES-PONDING QUARTER	CURRENT YEAR TODATE	PRECEDING YEAR CORRES-PONDING PERIOD
		30/06/2014 RM'000	30/06/2013 RM'000	30/06/2014 RM'000	30/06/2013 RM'000
1	Gross interest income	3,429	3,584	6,807	7,298
2	Gross interest expense	97	34	179	63

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CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Current quarter 3 months ended 30 June 2014 RM'000	Current quarter 3 months ended 30 June 2013 RM'000	Cumulative quarter 6 months ended 30 June 2014 RM'000	Cumulative quarter 6 months ended 30 June 2013 RM'000
Revenue		171,502	141,996	334,414	278,089
Cost of sales		(108,850)	(96,235)	(217,002)	(186,523)
Gross Profit		62,652	45,761	117,412	91,566
Other income		1,864	625	2,221	888
Selling and Distribution Expenses		(24,909)	(20,603)	(48,828)	(40,159)
Administrative Expenses		(5,626)	(5,398)	(11,492)	(10,643)
Operating profit		33,981	20,385	59,313	41,652
Finance income	8	3,429	3,584	6,807	7,298
Finance costs	8	(97)	(34)	(179)	(63)
Net finance income		3,332	3,550	6,628	7,235
		37,313	23,935	65,941	48,887
Share of profit of associates, net of tax		3,240	3,894	6,858	7,134
Share of (loss)/profit equity accounted in joint venture, net of tax		-	-	-	-
		3,240	3,894	6,858	7,134
Profit before tax	8	40,553	27,829	72,799	56,021
Income tax expense	9	(9,456)	(6,007)	(16,783)	(12,495)
Profit net of tax, representing total comprehensive income for the period		31,097	21,822	56,016	43,526
Profit and total comprehensive income for the period attributable to :					
Equity holders of the Company		31,097	21,822	56,016	43,526
Earnings per share attributable to owners of the parent (sen per share):					
- Basic and diluted	10	25.60	17.96	46.10	35.82

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

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CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
AS AT 30 JUNE 2014 - UNAUDITED

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	30 June 2014 RM'000	31 December 2013 RM'000 (Audited)
Assets			
Non - current assets			
Property, plant and equipment	**11**	310,162	319,251
Intangible assets	**12**	1,131	1,156
Prepaid lease payments		15	17
Investment in associates		106,315	105,457
Investment in a joint venture (*)		-	-
Other receivables		2,484	2,879
Total non - current assets		420,107	428,760
Current assets			
Inventories	**13**	105,202	106,871
Trade and other receivables		79,918	79,653
Cash and cash equivalents	**14**	369,168	400,458
Tax recoverable		294	-
Total current assets		554,582	586,982
Total assets		974,689	1,015,742
Equity attributable to equity holders of the Company			
Share Capital	**15**	123,956	123,956
Reserves	**15**	721,670	775,004
Total equity		845,626	898,960
Liabilities			
Non - current liabilities			
Provision	**16**	608	534
Deferred tax liabilities		30,997	32,443
Total non - current liabilities		31,605	32,977
Current liabilities			
Provision	**16**	650	698
Income tax payable		7,735	2,639
Loans and borrowings	**17**	8,259	6,024
Trade and other payables		80,814	74,444
Total current liabilities		97,458	83,805
Total liabilities		129,063	116,782
Total equity and liabilities		974,689	1,015,742
Net Assets per Share (RM)		6.82	7.25
Net Tangible Assets per Share (RM)		6.81	7.24

(*) - 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.

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CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to equity holders of the Company						
	Non - distributable				Distributable		
	Share capital	Share Premium	Capital Redemption Reserve	Treasury Shares	General Reserve	Retained Profits	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2013	123,956	133,946	398	(20,633)	115,347	599,761	952,775
Net profit for the period	-	-	-	-	-	43,526	43,526
Final & Special dividend totalling 80 sen per share	-	-	-	-	-	(82,093)	(82,093)
At 30 June 2013	123,956	133,946	398	(20,633)	115,347	561,194	914,208
At 1 January 2014	123,956	133,946	398	(20,633)	115,347	545,946	898,960
Net profit for the period	-	-	-	-	-	56,016	56,016
Final & Special dividend totalling 90 sen per share	-	-	-	-	-	(109,350)	(109,350)
At 30 June 2014	123,956	133,946	398	(20,633)	115,347	492,612	845,626

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

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CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	6 Months ended	
	30 June 2014 RM'000	**30 June 2013 RM'000**
Operating acitivities		
Profit before taxation	72,799	56,021
Adjustments for:		
Non-cash items		
Amortisation of prepaid lease payments	2	2
Amortisation of intangible assets	138	145
Depreciation of property, plant and equipment	22,237	21,637
Finance income	(6,807)	(7,298)
Finance cost	179	63
Inventories written off	525	-
Property, plant and equipment written off	92	42
Net gain on disposal of property, plant and equipment	(179)	(532)
Reversal of provision for restoration costs	(65)	-
Share of results of associates	(6,858)	(7,134)
Waiver of advances in joint venture	100	-
	9,364	6,925
Operating cash flows before changes in working capital	82,163	62,946
Changes in working capital:		
Change in inventories	1,144	(5,803)
Change in trade and other receivables	30	(20,764)
Change in trade and other payables	6,461	3,979
Total changes in working capital	7,635	(22,588)
Interest received	6,807	7,298
Interest paid	(179)	(63)
Income taxes paid	(13,427)	(15,932)
	(6,799)	(8,697)
Net cash flows from operating activities	82,999	31,661
Investing activities		
Purchase of property,plant and equipment	(13,316)	(20,428)
Net proceeds from disposal of property,plant and equipment	255	942
Dividend income	6,000	3,780
Purchase of intangible assets	(113)	(56)
Net cash flows used in investing activities	(7,174)	(15,762)
Financing activities		
Dividends Paid	(109,350)	(82,093)
Net proceeds/(repayment) from borrowings	2,235	(295)
Net cash flows used in financing activities	(107,115)	(82,388)
Net (decrease) in cash and cash equivalents	(31,290)	(66,489)
Cash & cash equivalents at 1 January	400,458	465,577
Cash & cash equivalents at 30 June	369,168	399,088

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

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NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS
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1. Corporate information

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

The condensed consolidated interim financial statements were approved by the Board of Directors on 5 August 2014.

2. Accounting policies and methods of computation

These condensed consolidated interim financial statements, for the period ended 30 June 2014, 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 2013, the Group prepared its financial statements in accordance with Malaysian Financial Reporting Standards ("MFRS") and International Financial Reporting Standards ("IFRS").

The consolidated financial statements of the Group for the year ended 31 December 2013 which were prepared under MFRS and IFRS are available upon request from the Company's 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 2013.

3. Changes in accounting policy

The accounting policies adopted are consistent with those of the previous financial year except as follows:

On 1 January 2014, the Company adopted the following new and amended MFRS and IC Interpretations mandatory for annual financial periods beginning on or after the dates stated below:

Description	**Effective for annual financial periods beginning on or after**
Amendments to MFRS 132: Offsetting Financial Assets and Financial Liabilities	1 January 2014
Amendments to MFRS 10, MFRS 12 and MFRS 127: Investment Entities	1 January 2014
Amendments to MFRS 136: Recoverable Amount Disclosures for Non-Financial assets	1 January 2014
Amendments to MFRS 139: Novation of Derivatives and Continuation of Hedge Accounting	1 January 2014
IC Interpretation 21: Levies	1 January 2014
Amendments to MFRS 119: Defined Benefit Plans: Employee Contributions	1 July 2014
Annual Improvements to MFRSs 2010 - 2012 Cycle	1 July 2014
Annual Improvements to MFRSs 2011 - 2013 Cycle	1 July 2014

The adoption of the above standards and interpretations did not have any effect on the financial performance or position of the Group and the Company.

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 SECOND QUARTER ENDED 30 JUNE 2014 - UNAUDITED

5. Changes in composition of the Group

There were no changes in the composition of the Group during the current quarter ended 30 June 2014.

6. Segmental information

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

30.6.2014	Cement RM'000	Ready-mixed Concrete RM'000	All other segments RM'000	Adjustment and Elimination RM'000	Total RM'000
Segment revenue	282,367	85,236	2,599	-	370,202
Inter-segment revenue	(33,189)	-	(2,599)	-	(35,788)
Revenue from external customers	249,178	85,236	-	-	334,414
Segment profit/(loss)	65,764	(54)	(206)	(6,191)	59,313
Inter-segment elimination	(102)	102	-	-	-
	65,662	48	(206)	(6,191)	59,313
Segment profit/(loss)	65,764	(54)	(206)	(6,191)	59,313
Finance income	6,754	110	5	(62)	6,807
Finance cost	-	(241)	-	62	(179)
Share of profit from associates	-	-	-	6,858	6,858
Profit/(loss) before tax	72,518	(185)	(201)	667	72,799

30.6.2013	Cement RM'000	Ready-mixed Concrete RM'000	All other segments RM'000	Adjustment and Elimination RM'000	Total RM'000
Segment revenue	231,032	84,382	2,727	-	318,141
Inter-segment revenue	(37,325)	-	(2,727)	-	(40,052)
Revenue from external customers	193,707	84,382	-	-	278,089
Segment profit/(loss)	45,177	425	(128)	(3,822)	41,652
Inter-segment elimination	(110)	110	-	-	-
	45,067	535	(128)	(3,822)	41,652
Segment profit/(loss)	45,177	425	(128)	(3,822)	41,652
Finance income	7,359	17	6	(84)	7,298
Finance cost	-	(147)	-	84	(63)
Share of profit of associates	-	-	-	7,134	7,134
Profit/(loss) before tax	52,536	295	(122)	3,312	56,021

Breakdown of the revenue from all services is as follows:

Analysis of revenue by geographical segment

	30.6.2014	30.6.2013
	RM'000	RM'000
Malaysia	320,423	255,278
Outside Malaysia	13,991	22,811
	334,414	278,089

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.

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 6 months ended	
		30 June 2014	30 June 2013	30 June 2014	30 June 2013
		RM'000	RM'000	RM'000	RM'000
Profit before tax is arrived at after charging/(crediting):					
Amortisation of prepaid lease payments		1	1	2	2
Amortisation of intangible assets	**12**	71	73	138	145
Depreciation of property, plant and equipment	**11**	11,157	10,916	22,237	21,637
Waiver of advances in joint venture		100	-	100	-
Finance income		(3,429)	(3,584)	(6,807)	(7,298)
Finance cost		97	34	179	63
Net Gain on disposal of property, plant and equipment		(159)	(386)	(179)	(532)
Inventory written off		525	-	525	-
Property, plant and equipment written off	**11**	91	7	92	42
(Gain)/Loss on foreign exchange - realised		(2)	10	(67)	(12)
Rental income		(143)	(147)	(308)	(323)

9. Income tax expense

	Current quarter 3 months ended		Cumulative quarter 6 months ended	
	30 June 2014	30 June 2013	30 June 2014	30 June 2013
	RM'000	RM'000	RM'000	RM'000
Current Income tax				
Malaysia - Current year	(10,582)	(6,795)	(18,225)	(13,372)
- Prior year	(4)	(12)	(4)	(12)
	(10,586)	(6,807)	(18,229)	(13,384)
Deferred tax				
Origination and reversal of temporary differences	1,130	800	1,446	889
Under provision in respect of prior years	-	-	-	-
	(9,456)	(6,007)	(16,783)	(12,495)

The Group's effective tax rate for the current quarter is above the statutory tax rate of 25% in Malaysia mainly due to non tax-deductible expenses.

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10. Earnings per share

	Current quarter 3 months ended		Cumulative quarter 6 months ended	
	30 June 2014	30 June 2013	30 June 2014	30 June 2013
	RM'000	RM'000	RM'000	RM'000
(I) Basic earnings per share				
Profit net of tax attributable to owners of the parent	31,097	21,822	56,016	43,526
Less : 6% Preference Dividend	-	-	(20)	(20)
Proportion of profit attributable to preference shareholders	(84)	(59)	(151)	(118)
Profit net of tax attributable to owners of the parent used in the computation of basic earnings per share	31,013	21,763	55,845	43,388
Weighted average number of ordinary shares:				
Issued ordinary shares at 1 January ('000)	121,143	121,143	121,143	121,143
Effect of purchase of treasury shares ('000)	-	-	-	-
Weighted average number of ordinary shares at 30 June	121,143	121,143	121,143	121,143
Basic earnings per share (sen) for Profit from continuing operations	25.60	17.96	46.10	35.82

(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	30 June 2014	31 December 2013
		RM'000	RM'000
Net carrying amount:			
Balance at the beginning of year		319,251	334,481
Additions		13,316	33,089
Disposals		(76)	(3,618)
Less: Depreciation	**8**	(22,237)	(44,234)
Less: Written off	**8**	(92)	(467)
Balance at end of period/year		310,162	319,251

12. Intangible assets

	Note	Computer software	Goodwill	Total
		RM'000	RM'000	RM'000
Cost:				
At 31 December 2013 and 1 January 2014		3,647	389	4,036
Additions		113	-	113
At 30 June 2014		3,760	389	4,149
Accumulated amortisation and impairment:				
At 31 December 2013 and 1 January 2014		2,880	-	2,880
Amortisation	**8**	138	-	138
At 30 June 2014		3,018	-	3,018
Net carrying amount:				
At 31 December 2013		767	389	1,156
At 30 June 2014		742	389	1,131

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 six months ended 30 June 2014, the Group recognised a write-down of inventory spares of RM525,000 (2013: Nil) related to obsolete machinery parts and jumbo cement bags. The write-down is included in cost of sales.

14. Cash and cash equivalents

	30 June 2014	31 December 2013
	RM'000	RM'000
Cash at bank and in hand	17,918	17,417
Short term deposits	351,250	383,041
Total cash and cash equivalents	369,168	400,458

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.

16. Provision

	30 June 2014 RM'000	31 December 2013 RM'000
Balance at the beginning of year	1,232	1,272
Arose during the period and year	53	305
Unwinding of discount	38	26
Reversal of provision	(65)	(371)
Balance at end of period/year	1,258	1,232
At 30 June		
Current	650	698
Non-current:		
Later than 1 year but not later than 2 years	608	534
Later than 2 years but not later than 5 years	-	-
	608	534
	1,258	1,232

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 management's best estimates.

17. Group borrowings and debts securities

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

	30 June 2014 RM'000	31 December 2013 RM'000
Bankers' Acceptances (unsecured)	8,259	6,024

18. Dividends

Since the end of the previous financial year, on 28 May 2014, the Company paid a final dividend totalling RM109.029 million comprising single-tier final dividend of 30 sen and single-tier special dividend of 60 sen per share on the ordinary shares; and single-tier dividends totalling RM321,600 comprising preference dividend of 6 sen per share, single-tier final dividend of 30 sen per share and single-tier special dividend of 60 sen per share on the 6% Cumulative Participating Preference Shares in respect of the financial year ended 31 December 2013.

19. Commitments

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

	30 June 2014	30 June 2013
Property, plant & equipment	RM'000	RM'000
- Approved and contracted for	16,017	12,219
- Approved but not contracted for	8,767	5,880
	24,784	18,099

20. Contingencies

There were no changes or any major contingent liabilities or assets arising at the date of issuance of this report except for the financial support provided by the Company's subsidiary to North Plaza Sdn Bhd (NPSB), a joint venture company, has been rescinded as the undertaking of the business and objective of NPSB under the joint venture have not materialised.

21. Events after the reporting period

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

22. Review of performance

(a) Current Quarter vs. Corresponding Quarter of Previous Year

The Group's total net revenue of RM172 million for the current quarter is RM30 million higher than the previous year's corresponding quarter mainly due to increase in the demand for cement in the domestic market. As a result, the Group's profit after tax for the current quarter increased to RM31.1 million compared with the previous year's corresponding quarter of RM21.8 million. However, the profit after tax for the current quarter was partially affected by lower share of profit from the Group's associated company and lower interest income during the current quarter.

The cement segment achieved higher operating profit of RM32.1 million compared with RM19.1 million of the previous year's corresponding quarter mainly due to higher sales revenue from the increase in demand for cement in the domestic market and better pricing.

The concrete segment recorded an operating loss of RM7,000 in the current quarter compared with a profit of RM761,000 in the corresponding quarter of previous year mainly due to lower sales revenue arising from the reduction in concrete sales volume, which was partly off-set by higher average selling price. Sales volume was adversely affected by the closure of the Subang site plant end of August last year while the segment's profitability was also affected by the rising costs of production relating to higher costs of aggregate and sand materials during the current quarter compared with the corresponding quarter of previous year.

The Group's interest income of RM3.4 million for the current quarter was RM155,000 lower compared to the corresponding quarter of previous year mainly due to lower amount placed on time deposits.

Share of profit from the Group’s associated companies during the current quarter decreased to RM3.2 million from previous year's corresponding quarter of RM3.9 million mainly due to higher costs of sales arising from higher imported bulk cement and lower production from own plant.

(b) Current Period To Date vs. Corresponding Period To Date of Previous Year

The Group's total net revenue of RM334 million for the current period to date was RM56 million higher than the previous year's corresponding period mainly due to the strong demand for cement in the domestic market and improved pricing. As a result, the Group's profit after tax for the current period grew by RM12.5 million or 28.7% to RM56 million from last year's corresponding period of RM43.5 million. The weak performance from concrete segment and lower share of profit from the Group's associated companies have partially affected the Group's results for the current period to date.

The cement segment's operating profit of RM57.3 million, was RM16.8 million or 41.5% higher than the previous year's corresponding period mainly supported by the strong demand for cement in the domestic market and improved pricing. However, the segment's results was partly affected by higher cost of production arising from higher electricity tariff, transportation cost and higher repair and maintenance cost from the plant's scheduled maintenance in the first quarter.

The concrete segment on the other hand recorded an operating loss of RM89,000 in the current period to date compared to a profit of RM253,000 in the previous year's corresponding period mainly due to lower sales volume and higher plant overhead costs, including higher raw materials and cartage costs during the current period.

The Group's interest income of RM6.8 million for the current period was RM491,000 lower compared to the corresponding period of the previous year mainly due to lower amount placed on time deposits.

Share of profit from the Group's associated companies during the current period declined to RM6.8 million from previous year's corresponding period of RM7.1 million mainly due to higher production cost in the second quarter.

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

	Current quarter 30 June 2014	Immediate preceding quarter 31 March 2014
	RM'000	RM'000
Revenue	171,502	162,912
Net profit before tax	37,313	28,628
Share of profit of associates	3,240	3,618
Consolidated Profit before Tax	40,553	32,246

The Group's profit before tax for the current financial quarter increased to RM40.6 million compared with RM32.2 million of the immediate preceding quarter mainly due to the high demand for cement in the domestic market and lower costs of production during the current financial quarter.

The concrete segment on the other hand registered an improvement in performance with a lower operating loss of RM7,000 compared with an operating loss of RM82,000 in the immediate preceding quarter mainly brought about by the 32.6% growth in concrete sales volume at better pricing in spite of the higher cost of raw materials during the current financial quarter.

Lower share of profit from the Group's associated companies during the current financial quarter compared with the immediate preceeding quarter was mainly due to higher cost of production.

24. Commentary on prospects

The outlook for the construction sector for the third quarter of 2014 is expected to remain positive. The ongoing government's projects under its Economic Transformation Programme such as the MRT projects and LRT line extension are expected to continue to lead the construction sector's growth in the remaining months of 2014. Hence, the Group is expected to continue to maintain its positive performance for the third quarter of 2014.

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

A single-tier interim ordinary dividend of 40 sen per share (2013: 32 sen per share less income tax of 25%) and a single-tier interim ordinary dividend of 40 sen per share (2013: 32 sen per share) on the 6% Cumulative Participating Preference Shares has been declared and will be payable on 9 September 2014 to shareholders whose names appear in the Record of Depositors at the close of business on 20 August 2014.

Total interim dividend per share:

		2014	2013
Ordinary	(single-tier, 2013: less income tax of 25%)	40.0 sen	32.0 sen
Preference	(single-tier)	40.0 sen	32.0 sen

A Depositor shall qualify for entitlement only in respect of:

(a) shares transferred into the Depositor's securities account before 4.00 p.m. on 20 August 2014 in respect of transfers; and

(b) shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

29. Derivative financial instruments

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

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 30 June 2014 and 31 December 2013 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 30 June 2014 RM'000	As at 31 December 2013 RM'000
Total retained profits of the Group :		
- Realised	436,301	491,808
- Unrealised	(30,997)	(32,443)
	405,304	459,365
Total share of realised retained profits from associate and jointly controlled entity		
- Realised	88,614	88,229
- Unrealised	(2,691)	(3,165)
	491,227	544,429
Add: consolidation adjustments	1,385	1,517
Retained profits as per consolidated accounts	492,612	545,946

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 2013 was not qualified.

BY ORDER OF THE BOARD

VINCENT CHOW POH JIN
COMPANY SECRETARY

5 AUGUST 2014
KUALA LUMPUR, MALAYSIA