

**Part A2 : SUMMARY OF KEY FINANCIAL INFORMATION**

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

**Summary of Key Financial Information for the third financial quarter ended 30.9.2015**

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	CURRENT YEAR QUARTER 30/09/2015 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/09/2014 RM'000	CURRENT YEAR TODATE 30/09/2015 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/09/2014 RM'000
1 Revenue	165,574	148,680	514,105	483,094
2 Profit/(Loss) before tax	23,687	27,398	96,246	100,197
3 Profit/(Loss) for the period	18,036	21,474	72,790	77,490
4 Profit/(Loss) attributable to ordinary equity holders of the parents	18,036	21,474	72,790	77,490
5 Basic earnings/(loss) per share (sen)	14.85	17.68	59.91	63.78
6 Proposed/Declared dividend per share (sen)	20 sen	50 sen	60 sen	90 sen
	<b>AS AT END OF CURRENT QUARTER</b>		<b>AS AT PRECEDING FINANCIAL YEAR END</b>	
7 Net assets per share attributable to ordinary equity holders of the parent (RM)		5.7466		6.3355

**Part A3 : ADDITIONAL INFORMATION**

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	CURRENT YEAR QUARTER 30/09/2015 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/09/2014 RM'000	CURRENT YEAR TODATE 30/09/2015 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/09/2014 RM'000
1 Gross interest income	2,493	3,107	8,128	9,914
2 Gross interest expense	115	101	357	280

**TASEK CORPORATION BERHAD**  
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**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2015 - UNAUDITED**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Note	Current quarter 3 months ended 30 September		Cumulative quarter 9 months ended 30 September	
		2015 RM'000	2014 RM'000	2015 RM'000	2014 RM'000
Revenue		165,574	148,680	514,105	483,094
Cost of sales		(114,927)	(102,436)	(334,834)	(319,438)
<b>Gross Profit</b>		<b>50,647</b>	<b>46,244</b>	<b>179,271</b>	<b>163,656</b>
Other income		402	2,454	1,666	4,675
Selling and Distribution Expenses		(24,773)	(22,394)	(78,354)	(71,222)
Administrative Expenses		(6,241)	(5,920)	(18,910)	(17,412)
<b>Operating profit</b>		<b>20,035</b>	<b>20,384</b>	<b>83,673</b>	<b>79,697</b>
Finance income	8	2,493	3,107	8,128	9,914
Finance costs	8	(115)	(101)	(357)	(280)
<b>Net finance income</b>		<b>2,378</b>	<b>3,006</b>	<b>7,771</b>	<b>9,634</b>
		22,413	23,390	91,444	89,331
Share of profit of associates, net of tax		1,275	4,007	4,803	10,865
Share of results of joint venture, net of tax		(1)	1	(1)	1
		1,274	4,008	4,802	10,866
<b>Profit before tax</b>	8	<b>23,687</b>	<b>27,398</b>	<b>96,246</b>	<b>100,197</b>
Income tax expense	9	(5,651)	(5,924)	(23,456)	(22,707)
<b>Profit net of tax, representing total comprehensive income for the period</b>		<b>18,036</b>	<b>21,474</b>	<b>72,790</b>	<b>77,490</b>
<b>Profit and total comprehensive income for the period attributable to :</b>					
Equity holders of the Company		18,036	21,474	72,790	77,490
<b>Earnings per share attributable to owners of the parent (sen per share):</b>					
- Basic and diluted	10	14.85	17.68	59.91	63.78

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 STATEMENT OF FINANCIAL POSITION**

		30 September 2015 RM'000	31 December 2014 RM'000 (Audited)
<b>Assets</b>	<b>Note</b>		
<b>Non - current assets</b>			
Property, plant and equipment	11	296,188	306,688
Intangible assets	12	1,148	1,181
Prepaid lease payments		9	12
Investment in associates		100,193	110,390
Investment in a joint venture		-	1
Other receivables		2,457	3,266
<b>Total non - current assets</b>		<u>399,995</u>	<u>421,538</u>
<b>Current assets</b>			
Inventories	13	98,640	101,905
Trade and other receivables		111,000	97,585
Cash and bank balances	14	239,054	303,820
Tax recoverable		85	154
Derivative assets		158	-
<b>Total current assets</b>		<u>448,937</u>	<u>503,464</u>
<b>Total assets</b>		<u>848,932</u>	<u>925,002</u>
<b>Equity attributable to equity holders of the Company</b>			
Share Capital		123,956	123,956
Reserves		588,364	661,367
<b>Total equity</b>		<u>712,320</u>	<u>785,323</u>
<b>Liabilities</b>			
<b>Non - current liabilities</b>			
Provision	16	1,026	874
Deferred tax liabilities		28,005	29,595
<b>Total non - current liabilities</b>		<u>29,031</u>	<u>30,469</u>
<b>Current liabilities</b>			
Provision	16	707	774
Income tax payable		4,724	4,044
Loans and borrowings	17	6,284	10,871
Trade and other payables		95,866	93,511
Derivative liabilities		-	10
<b>Total current liabilities</b>		<u>107,581</u>	<u>109,210</u>
<b>Total liabilities</b>		<u>136,612</u>	<u>139,679</u>
<b>Total equity and liabilities</b>		<u>848,932</u>	<u>925,002</u>
Net Assets per Share (RM)		<u>5.75</u>	<u>6.34</u>
Net Tangible Assets per Share (RM)		<u>5.74</u>	<u>6.33</u>

**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		Total RM'000
	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 2015	123,956	133,946	398	(20,633)	115,347	432,309	785,323
Net profit for the period	-	-	-	-	-	72,790	72,790
Final & Special dividend totalling 80 sen per share in respect of the financial year ended 31 December 2014	-	-	-	-	-	(97,202)	(97,202)
Interim dividend totalling 40 sen per share in respect of the financial year ending 31 December 2015	-	-	-	-	-	(48,591)	(48,591)
At 30 September 2015	123,956	133,946	398	(20,633)	115,347	359,306	712,320
At 1 January 2014	123,956	133,946	398	(20,633)	115,347	545,946	898,960
Net profit for the period	-	-	-	-	-	77,490	77,490
Final & Special dividend totalling 90 sen per share in respect of the financial year ended 31 December 2013	-	-	-	-	-	(109,350)	(109,350)
Interim dividend totalling 40 sen per share in respect of the financial year ended 31 December 2014	-	-	-	-	-	(48,591)	(48,591)
At 30 September 2014	123,956	133,946	398	(20,633)	115,347	465,495	818,509

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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	9 Months ended	
	30 September 2015	30 September 2014
	RM'000	RM'000
<b><u>Operating activities</u></b>		
Profit before taxation	96,246	100,197
Adjustments for:		
Non-cash items		
Amortisation of intangible assets	246	210
Amortisation of prepaid lease payments	4	3
Depreciation of property, plant and equipment	35,809	33,591
Finance cost	357	280
Finance income	(8,128)	(9,914)
Impairment loss on receivables	228	-
Inventories written off	321	525
Net fair value gain on derivatives	(158)	-
Net gain on disposal of property, plant and equipment	(181)	(252)
Property, plant and equipment written off	131	178
Reversal of allowance for obsolete inventories	(321)	-
Reversal of provision for restoration costs	(40)	(65)
Share of results of associates	(4,803)	(10,865)
Share of results of joint venture	1	(1)
Waiver of advances in joint venture entity	-	100
	23,466	13,790
<b>Operating cash flows before changes in working capital</b>	<b>119,712</b>	<b>113,987</b>
<b><u>Changes in working capital:</u></b>		
Change in inventories	2,984	2,916
Change in trade and other receivables	(12,835)	1,551
Change in trade and other payables	2,751	4,175
Total changes in working capital	(7,100)	8,642
Interest received	8,128	9,914
Interest paid	(357)	(280)
Income taxes paid	(24,297)	(19,376)
	(16,526)	(9,742)
<b>Net cash flows from operating activities</b>	<b>96,086</b>	<b>112,887</b>
<b><u>Investing activities</u></b>		
Purchase of property, plant and equipment	(25,975)	(23,040)
Net proceeds from disposal of property, plant and equipment	716	955
Dividend income	15,000	9,000
(Increase)/Decrease in deposits not for short-term funding requirements	-	10,000
Purchase of intangible assets	(213)	(183)
<b>Net cash flows used in investing activities</b>	<b>(10,472)</b>	<b>(3,268)</b>
<b><u>Financing activities</u></b>		
Dividends Paid	(145,793)	(157,941)
Net (repayments)/proceeds from borrowings	(4,587)	4,014
<b>Net cash flows used in financing activities</b>	<b>(150,380)</b>	<b>(153,927)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(64,766)</b>	<b>(44,308)</b>
<b>Cash &amp; cash equivalents at 1 January</b>	<b>208,820</b>	<b>170,458</b>
<b>Cash &amp; cash equivalents at 30 September</b> (Note 14)	<b>144,054</b>	<b>126,150</b>

The Condensed Consolidated Statement of Cash Flows 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 THIRD QUARTER ENDED 30 SEPTEMBER 2015 - UNAUDITED**

**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 3 November 2015.

**2. Accounting policies and methods of computation**

These condensed consolidated interim financial statements, for the period ended 30 September 2015, have been prepared in accordance with MFRS 134 Interim Financial Reporting and paragraph 9.22 of the Main Board 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 2014, 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 2014 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.

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 2014.

**3. Changes in accounting policy**

The accounting policies adopted are consistent with those of the previous financial year. New standards and amendments that apply for the first time in 2015 do not have a material impact on the annual consolidated financial statements of the Group nor to the interim condensed consolidated financial statements of the Group.

**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.

**5. Changes in composition of the Group**

There were no changes to the composition of the Group during the current quarter ended 30 September 2015.

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**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>30.9.2015</u>	RM'000	RM'000	RM'000	RM'000	RM'000
Segment revenue	409,778	176,726	56	-	586,560
Inter-segment revenue	(72,399)	-	(56)	-	(72,455)
Revenue from external customers	<u>337,379</u>	<u>176,726</u>	<u>-</u>	<u>-</u>	<u>514,105</u>
Segment profit/(loss)	94,492	4,790	(919)	(14,690)	83,673
Inter-segment elimination	(1,077)	922	155	-	-
	<u>93,415</u>	<u>5,712</u>	<u>(764)</u>	<u>(14,690)</u>	<u>83,673</u>
Segment profit/(loss)	94,492	4,790	(919)	(14,690)	83,673
Finance income	7,972	330	3	(177)	8,128
Finance cost	-	(534)	-	177	(357)
Share of profit from associates	-	-	-	4,803	4,803
Share of profit from joint venture	-	-	-	(1)	(1)
Profit/(loss) before tax	<u>102,464</u>	<u>4,586</u>	<u>(916)</u>	<u>(9,888)</u>	<u>96,246</u>
<u>30.9.2014</u>	RM'000	RM'000	RM'000	RM'000	RM'000
Segment revenue	405,861	124,287	3,736	-	533,884
Inter-segment revenue	(47,054)	-	(3,736)	-	(50,790)
Revenue from external customers	<u>358,807</u>	<u>124,287</u>	<u>-</u>	<u>-</u>	<u>483,094</u>
Segment profit/(loss)	89,304	50	(359)	(9,298)	79,697
Inter-segment elimination	(154)	154	-	-	-
	<u>89,150</u>	<u>204</u>	<u>(359)</u>	<u>(9,298)</u>	<u>79,697</u>
Segment profit/(loss)	89,304	50	(359)	(9,298)	79,697
Finance income	9,859	173	7	(125)	9,914
Finance cost	-	(405)	-	125	(280)
Share of profit of associates	-	-	-	10,865	10,865
Share of profit in joint venture	-	-	-	1	1
Profit/(loss) before tax	<u>99,163</u>	<u>(182)</u>	<u>(352)</u>	<u>1,568</u>	<u>100,197</u>

Breakdown of the revenue from all services is as follows:

Analysis of revenue by geographical segment

	<u>30.9.2015</u>	<u>30.9.2014</u>
	RM'000	RM'000
Malaysia	508,804	467,747
Outside Malaysia	<u>5,301</u>	<u>15,347</u>
	<u>514,105</u>	<u>483,094</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.

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**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 9 months ended	
		30 September 2015	30 September 2014	30 September 2015	30 September 2014
		RM'000	RM'000	RM'000	RM'000
Profit before tax is arrived at after charging/(crediting):					
Amortisation of prepaid lease payments		2	1	4	3
Amortisation of intangible assets	12	85	72	246	210
Depreciation of property, plant and equipment	11	12,073	11,354	35,809	33,591
Waiver of advances in joint venture entity		-	-	-	100
Finance income		(2,493)	(3,107)	(8,128)	(9,914)
Finance cost		115	101	357	280
Net gain on disposal of property, plant and equipment		9	(73)	(181)	(252)
Inventories written off		321	-	321	525
Impairment loss on receivables		228	-	228	-
Property, plant and equipment written off	11	56	86	131	178
Net Loss/(Gain) on foreign exchange - realised		(159)	(12)	(192)	(79)
Net fair value gain on derivatives		(128)	-	(158)	-
Provision/(Reversal) for restoration cost	16	17	(1)	(40)	(65)
Rental income		(97)	(157)	(545)	(465)

There were no investment income, write off of receivables, gain or loss on disposal of investments or properties, impairment of assets and other exceptional items in current financial period to date except as disclosed above.

**9. Income tax expense**

	Current quarter 3 months ended		Cumulative quarter 9 months ended	
	30 September 2015	30 September 2014	30 September 2015	30 September 2014
	RM'000	RM'000	RM'000	RM'000
<u>Current Income tax</u>				
Malaysia - Current year	(6,158)	(6,762)	(25,295)	(24,987)
- Prior year	248	32	248	28
	(5,910)	(6,730)	(25,047)	(24,959)
<u>Deferred tax</u>				
Origination of temporary differences	189	780	1,699	2,226
Over provision in respect of prior years	70	26	(108)	26
	(5,651)	(5,924)	(23,456)	(22,707)

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 9 months ended	
	30 September 2015	30 September 2014	30 September 2015	30 September 2014
	RM'000	RM'000	RM'000	RM'000
<b>(I) Basic earnings per share</b>				
Profit net of tax attributable to owners of the parent	18,036	21,474	72,790	77,490
Less : 6% Preference Dividend	-	-	(20)	(20)
Proportion of profit attributable to preference shareholders	(49)	(58)	(197)	(209)
Profit net of tax attributable to owners of the parent used in the computation of basic earnings per share	17,987	21,416	72,573	77,261
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 in issue at 30 September ('000)	121,143	121,143	121,143	121,143
Basic earnings per share (sen) for Profit for the period	14.85	17.68	59.91	63.78

**(II) Diluted earnings per share**

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

**11. Property, plant and equipment**

	Note	30 September 2015	31 December 2014
		RM'000	RM'000
<b>Net carrying amount:</b>			
Balance at the beginning of year		306,688	319,251
Additions		25,975	34,065
Disposals		(535)	(1,036)
Less: Depreciation	8	(35,809)	(45,322)
Less: Written off	8	(131)	(270)
Balance at end of period/year		296,188	306,688

**12. Intangible assets**

	Note	30 September 2015	31 December 2014
		RM'000	RM'000
<b>Net carrying amount:</b>			
Balance at the beginning of year		1,181	1,156
Additions		213	311
Less: Amortisation	8	(246)	(286)
Balance at end of period/year		1,148	1,181

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.

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**13. Inventories**

During the ninth month ended 30 September 2015, the Group recognised a write-down of inventory spares of RM321,000 (2014: RM525,000) related to obsolete machinery parts. The write-down is included in cost of sales.

**14. Cash and bank balances**

	30 September 2015	31 December 2014
	RM'000	RM'000
Cash at banks and on hand	34,174	32,000
Short term deposits with licensed banks	204,880	271,820
Cash and cash equivalents	239,054	303,820
Less: Short-term deposits more than three months	(95,000)	(95,000)
	<u>144,054</u>	<u>208,820</u>

**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 September 2015	31 December 2014
	RM'000	RM'000
Balance at the beginning of year	1,648	1,232
Arose during the period and year	123	549
Unwinding of discount	42	70
Reversal of provision	(40)	(50)
Payments during the period/year	(40)	(153)
Balance at end of period/year	<u>1,733</u>	<u>1,648</u>

**At 30 September 2015**

Current	707	774
Non-current:		
Later than 1 year but not later than 2 years	1,026	874
	<u>1,733</u>	<u>1,648</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 management's best estimates.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
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**17. Group borrowings and debts securities**

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

	30 September 2015	31 December 2014
	RM'000	RM'000
Bankers' Acceptances (unsecured)	6,284	10,871

**18. Dividends**

Since the end of the previous financial year, the Company paid a final dividend totalling RM96.914 million on 28 May 2015, comprising single-tier final dividend of 30 sen and single-tier special dividend of 50 sen per share on the ordinary shares and single-tier dividends totalling RM288,100 comprising preference dividend of 6 sen per share, single-tier final dividend of 30 sen per share and single-tier special dividend of 50 sen per share on the 6% Cumulative Participating Preference Shares in respect of the financial year ended 31 December 2014.

On 11 September 2015, the Company paid an interim dividend comprising single-tier dividend of 40 sen on the ordinary shares totalling RM48.457 million and single-tier dividend of 40 sen per share on the 6% Cumulative Participating Preference Shares totalling RM134,000 in respect of the financial year ending 31 December 2015.

**19. Commitments**

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

	30 September 2015	30 September 2014
	RM'000	RM'000
<u>Property, plant &amp; equipment</u>		
- Approved and contracted for	9,211	14,767
- Approved but not contracted for	5,537	8,171
	<u>14,748</u>	<u>22,938</u>

**20. Contingencies**

There were no changes or any major contingent liabilities or assets arising at the date of issuance of this report.

**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.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2015 - UNAUDITED**

**22. Review of performance**

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

The Group achieved higher net revenue of RM165.6 million for the current quarter compared to RM148.7 million in the previous year's corresponding quarter mainly due to higher sales volume registered by both cement and ready-mixed concrete divisions. Despite the higher net revenue, the Group's current quarter profit after tax of RM18.0 million was lower than the previous year's corresponding quarter of RM21.5 million mainly due to lower interest income and lower share of profit from the Group's associated company.

The cement segment registered a marginally lower operating profit of RM17.4 million in the reporting quarter in comparison with RM17.9 million of the previous year's corresponding quarter despite support from stronger cement demand in the domestic market. The segment's margin was affected by the lower net pricing from the continuous price competition in the market and the higher cost of imported raw materials due to the weaker Malaysian Ringgit.

The concrete segment on the other hand recorded a higher operating profit of RM1.97 million in the current quarter compared to RM79,000 in the previous year's corresponding quarter mainly due to higher sales volume and better profit margin.

The Group's interest income of RM2.5 million for the current quarter was lower compared with RM3.1 million in the previous year's corresponding quarter due to lesser amount of funds placed on short term deposits.

Share of profit from the Group's associated company during the current quarter decreased to RM1.3 million from the previous year's corresponding quarter of RM4.0 million mainly due to lower cement sales in the Sabah market and higher cost of imported raw materials.

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

The Group's total net revenue for the current period to date increased by RM31.0 million to RM514.1 million compared to the corresponding period to date of previous year. The increase was mainly due to higher sales volume recorded for both the cement and concrete divisions. However, despite the higher sales volumes, the group's profit after tax at RM72.8 million to date was lower when compared against RM77.5 million of the previous year's corresponding period mainly due to lower interest income and lower share of profit from the Group's associated company.

The cement segment's operating profit of RM77.0 million for the current period to date, was RM1.7 million higher compared to the previous year's corresponding period of RM75.3 million mainly due to higher domestic cement sales. However, the favourable result was partly affected by lower net pricing arising from price competition in the domestic market.

The concrete segment recorded an operating profit of RM4.5 million for the current period to date as compared to a loss of RM10,000 in the previous year's corresponding period. The turnaround to profit was due to higher sales volume and improved margin from lower cost of production.

The Group's interest income of RM8.1 million for the current period to date was RM1.8 million lower than previous corresponding period mainly due to lesser amount of funds placed on short term deposits.

Share of profit from the Group's associated company reduced to RM4.8 million for the current period to date compared to the previous corresponding period of RM10.9 million mainly due to lower cement sales in the Sabah market and increase in cost of imported raw materials arising from the higher US Dollar against the Malaysian Ringgit.

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**FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2015 - UNAUDITED**

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

	Current quarter 30 September 2015 RM'000	Immediate preceding quarter 30 June 2015 RM'000
Revenue	165,574	182,558
Net profit before tax	22,413	39,498
Share of profit of associates and joint venture	1,274	1,754
Consolidated Profit before Tax	23,687	41,252

The Group's profit before tax for the current quarter of RM23.7 million was lower compared with RM41.2 million in the immediate preceding quarter mainly due to lower profit from the Cement Segment which was impacted by lower sales volume and lower margin arising from the annual plant maintenance in July and August 2015. In addition, domestic sales volume of cement was affected by the shorter business cycle due to the Hari Raya Puasa festive holidays. Concrete Segment on the other hand registered an increase in profit mainly contributed by higher sales volume and better average net pricing. Lower interest income and lower share of profit from the Group's associated company also affected the Group's profit for the current quarter.

**24. Commentary on prospects**

The ongoing activities in the MRT projects and LRT extensions coupled with some other public sector projects are expected to continue to drive the demand for cement and ready-mixed concrete in the fourth quarter of the year and this will benefit the construction sector.

**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.

**TASEK CORPORATION BERHAD**  
**(Company No: 4698-W)**  
**(Incorporated in Malaysia)**  
**and its subsidiaries**

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**28. Dividends**

A single-tier interim ordinary dividend of 20 sen per share (2014: special interim single-tier dividend of 50 sen per share ) on the Ordinary Shares and a single-tier interim ordinary dividend of 20 sen per share (2014: special interim single-tier dividend of 50 sen per share) on the 6% Cumulative Participating Preference Shares have been declared and will be payable on 9 December 2015 to shareholders whose names appear in the Record of Depositors at the close of business on 20 November 2015.

Total interim dividend per share:

	Current quarter 30 September 2015	Preceding year corresponding quarter 30 September 2014
Ordinary (single-tier)	<u>20.0 sen</u>	<u>50.0 sen</u>
Preference (single-tier)	<u>20.0 sen</u>	<u>50.0 sen</u>

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 November 2015 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**

The outstanding forward foreign currency exchange contracts as at 30 September 2015 are as follows:

<u>Type of Derivatives</u>	<u>Note</u>	Contract value RM'000	Fair value Assets RM'000	Liabilities RM'000
Foreign Exchange Contracts - Less than 1 year	<b>34</b>	<u>6,757</u>	<u>158</u>	<u>-</u>

Forward foreign currency exchange contracts are entered into with licensed banks to hedge the Group's exposure to foreign exchange risk in respect of imported purchases by establishing the rate at which foreign currency liabilities will be settled.

These contracts are executed with credit-worthy/reputable financial institutions in Malaysia and as such, credit risk and liquidity risk in respect of non-performance by counterparties to these contracts is minimal.

The fair value of the forward foreign currency exchange contracts are subject to market risk. The fair value of the forward contracts may decline if the exchange rate of the underlying currency decreases.

There are no cash requirements for these derivatives.

Forward foreign currency exchange contracts are recognised on the contract dates and are measured at fair value with changes in fair value recognised in profit or loss.

**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 (3rd Quarter of 2014 : Nil) .

**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.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2015 - UNAUDITED

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 September 2015 and 31 December 2014 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 September 2015 RM'000	As at 31 December 2014 RM'000
Total retained profits of the Group :		
- Realised	305,895	370,627
- Unrealised	(28,005)	(29,595)
	<u>277,890</u>	<u>341,032</u>
Total share of retained profits from associate and jointly controlled entity :		
- Realised	83,020	92,689
- Unrealised	(3,219)	(2,691)
	<u>357,691</u>	<u>431,030</u>
Add: consolidation adjustments	1,615	1,279
Retained profits as per consolidated accounts	<u><u>359,306</u></u>	<u><u>432,309</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 held the following financial assets that are measured at fair value:

	Note	Level 2 30 June 2015 RM'000	Level 2 31 December 2014 RM'000
Foreign Exchange Contracts	<b>29</b>	<u>158</u>	<u>(10)</u>

**TASEK CORPORATION BERHAD**  
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**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2015 - UNAUDITED**

**35. Auditors' report on preceding annual financial statements**

The auditors' report on the financial statements for the year ended 31 December 2014 was not qualified.

BY ORDER OF THE BOARD

VINCENT CHOW POH JIN  
COMPANY SECRETARY

3 NOVEMBER 2015  
KUALA LUMPUR, MALAYSIA