

Part A2 : SUMMARY OF KEY FINANCIAL INFORMATION

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

Summary of Key Financial Information for the first quarter ended 31.3.2016 - Unaudited

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/03/2016 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/03/2015 RM'000	CURRENT YEAR TODATE 31/03/2016 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/03/2015 RM'000
1 Revenue	170,981	165,973	170,981	165,973
2 Profit/(Loss) before tax	29,623	31,307	29,623	31,307
3 Profit/(Loss) for the period	22,673	23,577	22,673	23,577
4 Profit/(Loss) attributable to ordinary equity holders of the parents	22,673	23,577	22,673	23,577
5 Basic earnings/(loss) per share (sen)	18.65	19.39	18.65	19.39
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)		5.8825		5.6996

Part A3 : ADDITIONAL INFORMATION

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/03/2016 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/03/2015 RM'000	CURRENT YEAR TODATE 31/03/2016 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/03/2015 RM'000
1 Gross interest income	2,429	2,858	2,429	2,858
2 Gross interest expense	115	108	115	108

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CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Current quarter 3 months ended 31 March		Cumulative quarter 3 months ended 31 March	
		2016 RM'000	2015 RM'000	2016 RM'000	2015 RM'000
Revenue		170,981	165,973	170,981	165,973
Cost of sales		(111,738)	(107,988)	(111,738)	(107,988)
Gross Profit		59,243	57,985	59,243	57,985
Other (expense)/income		195	733	195	733
Selling and Distribution Expenses		(25,849)	(25,029)	(25,849)	(25,029)
Administrative Expenses		(6,695)	(6,906)	(6,695)	(6,906)
Operating profit		26,894	26,783	26,894	26,783
Finance income	8	2,429	2,858	2,429	2,858
Finance costs	8	(115)	(108)	(115)	(108)
Net finance income		2,314	2,750	2,314	2,750
		29,208	29,533	29,208	29,533
Share of results of associates, net of tax		415	1,774	415	1,774
Profit before tax	8	29,623	31,307	29,623	31,307
Income tax expense	9	(6,950)	(7,730)	(6,950)	(7,730)
Profit net of tax, representing total comprehensive income for the quarter/ period ended		22,673	23,577	22,673	23,577
Profit and total comprehensive income for the quarter/period ended attributable to :					
Equity holders of the Company		22,673	23,577	22,673	23,577
Earnings per share attributable to equity holders of the Company (sen per share):					
- Basic and diluted	10	18.65	19.39	18.65	19.39

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

		31 March 2016	31 December 2015
	Note	RM'000	RM'000 (Audited)
Assets			
Non - current assets			
Property, plant and equipment	11	282,155	291,793
Intangible assets	12	1,800	1,891
Prepaid lease payments		6	7
Investment in associates		91,689	100,274
Other receivables		1,952	2,204
Total non - current assets		<u>377,602</u>	<u>396,169</u>
Current assets			
Inventories	13	106,000	97,907
Trade and other receivables		106,851	108,958
Tax recoverable		284	105
Cash and bank balances	14	261,353	242,263
Total current assets		<u>474,488</u>	<u>449,233</u>
Total assets		<u>852,090</u>	<u>845,402</u>
Equity attributable to equity holders of the Company			
Share Capital		123,956	123,956
Reserves		605,211	582,538
Total equity		<u>729,167</u>	<u>706,494</u>
Liabilities			
Non - current liabilities			
Provision	16	898	889
Deferred tax liabilities		25,437	25,793
Total non - current liabilities		<u>26,335</u>	<u>26,682</u>
Current liabilities			
Provision	16	940	932
Income tax payable		98	787
Loans and borrowings	17	9,081	11,061
Trade and other payables		86,092	99,446
Derivative liabilities		377	-
Total current liabilities		<u>96,588</u>	<u>112,226</u>
Total liabilities		<u>122,923</u>	<u>138,908</u>
Total equity and liabilities		<u>852,090</u>	<u>845,402</u>
Net Assets per Share (RM)		<u>5.88</u>	<u>5.70</u>
Net Tangible Assets per Share (RM)		<u>5.87</u>	<u>5.68</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 STATEMENT OF CHANGES IN EQUITY

	Attributable to equity holders of the Company						Total RM'000
	Non - distributable				Distributable		
	Share Capital RM'000	Share Premium RM'000	Capital Redemption Reserve RM'000	Treasury Shares RM'000	General Reserve RM'000	Retained Profits RM'000	
At 1 January 2016	123,956	133,946	398	(20,633)	115,347	353,480	706,494
Net profit for the period	-	-	-	-	-	22,673	22,673
At 31 March 2016	123,956	133,946	398	(20,633)	115,347	376,153	729,167
At 1 January 2015	123,956	133,946	398	(20,633)	115,347	432,309	785,323
Net profit for the period	-	-	-	-	-	23,577	23,577
At 31 March 2015	123,956	133,946	398	(20,633)	115,347	455,886	808,900

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 STATEMENT OF CASH FLOWS

	3 Months ended	
	31 March 2016	31 March 2015
	RM'000	RM'000
<u>Operating activities</u>		
Profit before taxation	29,623	31,307
<u>Adjustments for:</u>		
Amortisation of intangible assets	114	79
Amortisation of prepaid lease payments	1	1
Depreciation of property, plant and equipment	12,077	11,836
Finance cost	115	108
Finance income	(2,429)	(2,858)
Net fair value loss on derivatives	377	-
Net gain on disposal of property, plant and equipment	-	(190)
Property, plant and equipment written off	104	74
Reversal of provision for restoration costs	-	(56)
Share of results of associates	(415)	(1,774)
	<u>9,944</u>	<u>7,220</u>
Operating cash flows before changes in working capital	39,567	38,527
<u>Changes in working capital:</u>		
Change in inventories	(8,093)	(9,956)
Change in trade and other receivables	2,359	(2,606)
Change in trade and other payables	(13,337)	(2,330)
Total changes in working capital	<u>(19,071)</u>	<u>(14,892)</u>
Interest received	2,429	2,858
Interest paid	(115)	(108)
Income taxes paid	(8,174)	(9,453)
	<u>(5,860)</u>	<u>(6,703)</u>
Net cash flows from operating activities	14,636	16,932
<u>Investing activities</u>		
Purchase of property, plant and equipment	(2,543)	(5,438)
Net proceeds from disposal of property, plant and equipment	-	550
Dividend income	9,000	-
Withdrawal of short term deposits more than three months	-	55,000
Purchase of intangible assets	(23)	(11)
Net cash flows generated from investing activities	6,434	50,101
<u>Financing activities</u>		
Net (repayments)/proceeds from loans & borrowings	(1,980)	1,604
Net cash flows (used in)/generated from financing activities	(1,980)	1,604
Net increase in cash and cash equivalents	19,090	68,637
Cash & cash equivalents at 1 January	167,263	208,820
Cash & cash equivalents at 31 March	186,353	277,457
	(Note 14)	

The Condensed Consolidated Statement of Cash Flows should be read in conjunction 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 28 April 2016.

2. Accounting policies and methods of computation

These condensed consolidated interim financial statements, for the period ended 31 March 2016, 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 2015, 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 2015 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 2015.

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 2016 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.

On 1 January 2016, the Group adopted the following new and amended MFRS mandatory for annual financial periods beginning on or after 1 January 2016:

Description	Effective for annual financial periods beginning on or after
Annual Improvements to MFRSs 2012 – 2014 Cycle	1 January 2016
Amendments to MFRS 116 and MFRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
Amendments to MFRS 116 and MFRS 141: Agriculture: Bearer Plants	1 January 2016
Amendments to MFRS 11: Accounting for Acquisitions of Interests in Joint Operations	1 January 2016
Amendments to MFRS 127: Equity Method in Separate Financial Statements	1 January 2016
Amendments to MFRS 101: Disclosure Initiatives	1 January 2016
Amendments to MFRS 10, MFRS 12 and MFRS 128: Investment Entities: Applying the Consolidation Exception	1 January 2016
MFRS 14 Regulatory Deferral Accounts	1 January 2016

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MFRSs and Amendments to MFRSs issued but not yet effective

At the date of issuance of the condensed consolidated interim financial statements, the following Standards were issued but not yet effective and have not been adopted by the Group.

	Effective for annual financial periods beginning on or after
- MFRS 15 Revenue from Contracts with Customers	1 January 2018
- MFRS 9 Financial Instruments	1 January 2018
- MFRS 16 Leases	1 January 2019
- Recognition of Deferred Tax Assets for Unrealised Losses (Amendments to MFRS 112)	1 January 2017
- Disclosure Initiative (Amendments to MFRS 107)	1 January 2017
- Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	Deferred

The adoption of the above standards and amendments will not have any material effect on the financial performance or position 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 period 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 31 March 2016.

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>31.3.2016</u>	RM'000	RM'000	RM'000	RM'000	RM'000
Segment revenue	137,623	57,308	579	-	195,510
Inter-segment revenue	(23,950)	-	(579)	-	(24,529)
Revenue from external customers	<u>113,673</u>	<u>57,308</u>	<u>-</u>	<u>-</u>	<u>170,981</u>
Segment profit/(loss)	34,960	1,358	(232)	(9,192)	26,894
Inter-segment elimination	(353)	300	53	-	-
	<u>34,607</u>	<u>1,658</u>	<u>(179)</u>	<u>(9,192)</u>	<u>26,894</u>
Segment profit/(loss)	34,960	1,358	(232)	(9,192)	26,894
Finance income	2,366	96	-	(33)	2,429
Finance cost	-	(148)	-	33	(115)
Share of profit from associates	-	-	-	415	415
Profit/(loss) before tax	<u>37,326</u>	<u>1,306</u>	<u>(232)</u>	<u>(8,777)</u>	<u>29,623</u>

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	Cement	Ready-mixed Concrete	All other segments	Adjustment and Elimination	Total
31.3.2015	RM'000	RM'000	RM'000	RM'000	RM'000
Segment revenue	132,954	54,524	56	-	187,534
Inter-segment revenue	(21,505)	-	(56)	-	(21,561)
Revenue from external customers	111,449	54,524	-	-	165,973
Segment profit/(loss)	25,563	1,408	(217)	29	26,783
Inter-segment elimination	(52)	52	-	-	-
	25,511	1,460	(217)	29	26,783
Segment profit/(loss)	25,563	1,408	(217)	29	26,783
Finance income	2,850	85	2	(79)	2,858
Finance cost	-	(187)	-	79	(108)
Share of profit of associates	-	-	-	1,774	1,774
Profit/(loss) before tax	28,413	1,306	(215)	1,803	31,307

Breakdown of the revenue from all services is as follows:

Analysis of revenue by geographical segment

	31.3.2016	31.3.2015
	RM'000	RM'000
Malaysia	170,981	163,785
Outside Malaysia	-	2,188
	170,981	165,973

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 3 months ended	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015
	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	112	79	114	79
Depreciation of property, plant and equipment	11	11,836	12,077	11,836
Finance income	(2,429)	(2,858)	(2,429)	(2,858)
Finance cost	115	108	115	108
Net gain on disposal of property, plant and equipment	-	(190)	-	(190)
Property, plant and equipment written off	11	74	104	74
Net Loss/(Gain) on foreign exchange - realised	1	(34)	1	(34)
Net fair value loss on derivatives	377	-	377	-
Reversal of provision for restoration costs	16	(56)	-	(56)
Rental income	(192)	(128)	(192)	(128)

There were no investment income, 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.

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9. Income tax expense

	Current quarter 3 months ended		Cumulative quarter 3 months ended	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015
	RM'000	RM'000	RM'000	RM'000
<u>Current Income tax</u>				
Malaysia - Current year	(7,318)	(7,844)	(7,318)	(7,844)
- Prior year	13	-	13	-
	(7,305)	(7,844)	(7,305)	(7,844)
<u>Deferred tax</u>				
Origination of temporary differences	193	291	193	291
Over/(Under) provision in respect of prior years	162	(177)	162	(177)
	(6,950)	(7,730)	(6,950)	(7,730)

The Group's effective tax rate for the current quarter is above the statutory tax rate of 24% (2015: 25%) in Malaysia mainly due to non-tax deductible expenses.

10. Earnings per share

	Current quarter 3 months ended		Cumulative quarter 3 months ended	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015
	RM'000	RM'000	RM'000	RM'000
<u>(I) Basic earnings per share</u>				
Profit net of tax attributable to equity holders of the Company	22,673	23,577	22,673	23,577
Less : 6% Preference Dividend	(20)	(20)	(20)	(20)
Proportion of profit attributable to preference shareholders	(61)	(64)	(61)	(64)
Profit net of tax attributable to equity holders of the Company used in the computation of basic earnings per share	22,592	23,493	22,592	23,493
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 31 March ('000)	121,143	121,143	121,143	121,143
Basic earnings per share (sen) for Profit for the period	18.65	19.39	18.65	19.39

(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	31 March	31 December
		2016	2015
		RM'000	RM'000
Net carrying amount:			
Balance at the beginning of year		291,793	306,688
Additions		2,543	34,703
Disposals		-	(798)
Less: Depreciation	8	(12,077)	(48,340)
Less: Written off	8	(104)	(460)
Balance at end of period/year		282,155	291,793

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12. Intangible assets

	Note	31 March 2016	31 December 2015
		RM'000	RM'000
Net carrying amount:			
Balance at the beginning of year		1,891	1,181
Additions		23	1,074
Less: Amortisation	8	(114)	(364)
Balance at end of period/year		<u>1,800</u>	<u>1,891</u>

13. Inventories

During the three months ended 31 March 2016, 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 bank balances

	31 March 2016	31 December 2015
	RM'000	RM'000
Cash at banks and on hand	28,943	41,743
Short term deposits with licensed banks	232,410	200,520
Cash and cash equivalents	261,353	242,263
Less: Short-term deposits more than three months	(75,000)	(75,000)
	<u>186,353</u>	<u>167,263</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

	Note	31 March 2016	31 December 2015
		RM'000	RM'000
Balance at the beginning of year		1,821	1,648
Arose during the period and year		-	194
Unwinding of discount		18	25
Reversal of provision	8	-	(6)
Payments during the period/year		(1)	(40)
Balance at end of period/year		<u>1,838</u>	<u>1,821</u>

At 31 March 2016

Current	940	932
Non-current:		
Later than 1 year but not later than 5 years	898	889
	<u>1,838</u>	<u>1,821</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.

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17. Group borrowings and debts securities

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

	31 March 2016	31 December 2015
	RM'000	RM'000
Bankers' Acceptances (unsecured)	9,081	11,061

18. Dividends

No dividend was paid during the current quarter (1st Quarter of 2015: 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 2016	31 March 2015
	RM'000	RM'000
<u>Property, plant & equipment</u>		
- Approved and contracted for	5,049	12,692
- Approved but not contracted for	7,287	4,881
	<u>12,336</u>	<u>17,573</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.

22. Review of performance

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

The Group's total net revenue of RM171.0 million for the reporting quarter was RM5.0 million or 3.0% higher than the previous year's corresponding quarter revenue of RM166.0 million mainly due to higher volume of sales registered by both the cement and ready-mixed concrete divisions. Despite the higher net revenue, the Group's current quarter profit after tax of RM22.7 million was lower than the previous year's corresponding quarter profit after tax of RM23.6 million mainly due to lower interest income and lower share of profit from the Group's associated company.

The cement segment registered a higher operating profit of RM25.4 million in the current quarter on net revenue of RM137.6 million compared with the previous year's corresponding quarter's operating profit of RM24.9 million on net revenue of RM133.0 million. Despite the increase in revenue, the continuing price competition in the domestic market had partly affected the segment's profitability during the current quarter.

The concrete segment recorded a higher operating profit of RM1.35 million in the current quarter on net revenue of RM57.3 million compared with the previous year's corresponding quarter's operating profit of RM1.25 million on net revenue of RM54.5 million mainly due to higher sales and improved sales margin.

The Group's interest income of RM2.4 million for the current quarter was lower compared with RM2.9 million in the previous year's corresponding quarter due to lesser amount of funds placed on term deposits.

Share of profits from the Group's associated company during the current quarter decreased to RM415,000 from the previous year's corresponding quarter of RM1.77 million mainly due to lower volume of sales and higher cost of sales.

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

	Current quarter 31 March 2016 RM'000	Immediate preceding quarter 31 December 2015 RM'000
Revenue	170,981	188,471
Net profit before tax	29,208	23,490
Share of profit of associates	415	82
Consolidated profit before tax	29,623	23,572

The Group's net revenue of RM171.0 million for the current quarter was lower compared with RM188.5 million in the immediate preceding quarter mainly due to lower sales in both the cement and ready-mixed concrete divisions. The number of business working days during the current quarter was less than the immediate quarter mainly due to festive holidays and road ban. The continuing price competition in both the cement and ready-mixed concrete markets also contributed to the lower net revenue for the current quarter compared with the immediate preceding quarter. However, despite the lower sales revenue, the Group achieved higher profit before tax of RM29.6 million compared with RM23.6 million in the immediate preceding quarter mainly due to lower production cost from both the cement and ready-mixed concrete divisions. Higher share of profit of RM415,000 from the Group's associated company for current quarter compared with RM82,000 in the immediate preceding quarter also contributed to the Group's higher profit for the current quarter.

24. Commentary on prospects

The outlook for the domestic construction sector for the second quarter of 2016 is expected to be promising. The announced public transport infrastructure development such as the Klang Valley MRT Line 2, LRT Line 3 and some highway projects are expected to contribute to demand for cement and ready-mixed concrete in the second half of the year. In the Klang Valley region, announced private sector projects such as the Bukit Bintang City Center (BBCC), KL118, TRX and Bandar Malaysia are expected to further help support the construction sector growth when implemented.

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 2016 (1st Quarter of 2015 : Nil).

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(Company No: 4698-W)
(Incorporated in Malaysia)
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29. Derivative financial instruments

The outstanding forward foreign currency exchange contracts as at 31 March 2016 are as follows:

Type of Derivatives	Note	Contract	Fair value	
		value	Assets	Liabilities
		RM'000	RM'000	RM'000
Foreign Exchange Contracts				
- Less than 1 year	34	10,844	-	377

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 assets and liabilities

There were no gain/loss on fair value changes of financial assets and liabilities for the current quarter ended (4th Quarter of 2015 : 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.

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 2016 and 31 December 2015 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 2016	As at 31 December 2015
	RM'000	RM'000
Total retained profits of the Group :		
- Realised	328,726	297,743
- Unrealised	(25,437)	(25,793)
	<u>303,289</u>	<u>271,950</u>
Total share of retained profits from associate and jointly controlled entity :		
- Realised	74,517	83,101
- Unrealised	(3,219)	(3,219)
	<u>374,587</u>	<u>351,832</u>
Add: consolidation adjustments	1,566	1,648
Retained profits as per consolidated accounts	<u><u>376,153</u></u>	<u><u>353,480</u></u>

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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 liabilities that are measured at fair value:

	Note	Level 2 31 March 2016 RM'000	Level 2 31 December 2015 RM'000
Foreign Exchange Contracts	29	(377)	-

35. Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the year ended 31 December 2015 was not qualified.

BY ORDER OF THE BOARD

VINCENT CHOW POH JIN
COMPANY SECRETARY

28 APRIL 2016
KUALA LUMPUR, MALAYSIA