

TASCO Berhad
(formerly known as Trans-Asia Shipping Corporation Berhad)
(Company No:20218-T)



**Condensed Consolidated Financial Statements
For The Quarter And Year-To-Date Ended
31 December 2009**



Condensed Consolidated Income Statement
For The Quarter And Year-To-Date Ended 31 December 2009

	3 months ended		Cumulative 12 months ended	
	31.12.2009 RM'000 Audited	31.12.2008 RM'000 Audited	31.12.2009 RM'000 Audited	31.12.2008 RM'000 Audited
Revenue	87,416	94,260	280,630	366,456
Cost of sales	(69,240)	(76,205)	(216,345)	(296,354)
Gross profit	18,176	18,055	64,285	70,102
Other operating income	2,419	398	2,930	1,175
General and administrative expenses	(16,008)	(13,472)	(53,902)	(52,150)
Profit from operations	4,587	4,981	13,313	19,127
Investment income	77	2,152	427	3,012
Share of profits of associated companies	166	131	655	628
Finance costs	(133)	(38)	(236)	(192)
Profit before taxation	4,697	7,226	14,159	22,575
Tax expense	(426)	42	2,454	(4,190)
Profit for the period	4,271	7,268	16,613	18,385
	=====	=====	=====	=====
Attributable to:				
Shareholders of the Company	4,254	7,287	16,560	18,358
Minority interests	17	(19)	53	27
	=====	=====	=====	=====
	4,271	7,268	16,613	18,385
	=====	=====	=====	=====
Earnings per share (sen) - basic	4.25	7.29	16.56	18.36
- diluted	-	-	-	-
	=====	=====	=====	=====

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.



Condensed Consolidated Balance Sheet As At

31 December 2009

	As at 31.12.2009 RM'000 Audited	As at 31.12.2008 RM'000 Audited
ASSETS		
Non-current assets		
Property, plant and equipment	110,992	107,590
Goodwill	865	865
Investment in associated companies	6,106	6,430
Other investments	1,225	1,223
Prepaid lease payments	36,464	20,540
	-----	-----
Total non-current assets	155,652	136,648
	-----	-----
Current assets		
Inventories	55	123
Trade receivables	50,105	57,300
Other receivables, deposits and prepayments	3,061	3,879
Amounts owing by related companies	6,240	-
Amounts owing by associated companies	-	807
Current tax asset	6,218	1,018
Fixed deposits with a licensed bank	19,222	30,776
Cash and bank balances	15,819	15,658
	-----	-----
Total current assets	100,720	109,561
	-----	-----
Non-current assets classified as held for sale	6,999	-
	-----	-----
TOTAL ASSETS	263,371	246,209
	=====	=====

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.



Condensed Consolidated Balance Sheet As At 31 December 2009

	As at 31.12.2009 RM'000 Audited	As at 31.12.2008 RM'000 Audited
EQUITY AND LIABILITIES		
Equity		
Share capital	100,000	100,000
Share premium	801	801
Revaluation reserve	1,400	1,400
Hedge reserve	(327)	-
Exchange translation reserve	(18)	(10)
Unappropriated profits	90,466	77,906
	-----	-----
Equity attributable to shareholders of the Company	192,322	180,097
Minority interests	323	270
	-----	-----
Total equity	192,645	180,367
	-----	-----
Non-current liabilities		
Hire purchase and finance lease liabilities	280	751
Long term bank loan	12,320	-
Deferred tax liabilities	6,444	6,488
	-----	-----
Total non-current liabilities	19,044	7,239
	-----	-----
Current liabilities		
Trade payables	19,695	23,966
Other payables, deposits and accruals	24,906	30,548
Amounts owing to related companies	2,662	-
Amounts owing to associated companies	847	1,904
Hire purchase and finance lease liabilities	569	1,978
Bank term loan	2,887	-
Current tax liabilities	116	207
	-----	-----
Total current liabilities	51,682	58,603
	-----	-----
Total liabilities	70,726	65,842
	-----	-----
TOTAL EQUITY AND LIABILITIES	263,371	246,209
	=====	=====
Net Assets per share (RM)	1.92	1.80
	=====	=====

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.

TASCO Berhad

(formerly known as Trans-Asia Shipping Corporation Berhad)

Company No:20218-T

Incorporated in Malaysia



Condensed Consolidated Statement of Changes in Equity For Year-To-Date Ended 31 December 2009 (Audited)

-----Attributable to shareholders of the Company-----

	Share capital RM'000	Share premium RM'000	Revaluation reserve RM'000	Hedge reserve RM'000	Exchange translation reserve RM'000	Retained earnings RM'000	Total RM'000	Minority interests RM'000	Total equity RM'000
Balance at 1 January 2008	100,000	801	-	-	10	58,171	158,982	243	159,225
Exchange differences on translating foreign operation	-	-	-	-	(20)	-	(20)	-	(20)
Revaluation reserve arising from acquisition of new subsidiary company	-	-	1,400	-	-	-	1,400	-	1,400
Adjustment on post-acquisition profit of previously held interest in a subsidiary	-	-	-	-	-	1,377	1,377	-	1,377
Net income / (expense) recognised directly in equity	-	-	1,400	-	(20)	1,377	2,757	-	2,757
Profit for the year	-	-	-	-	-	18,358	18,358	27	18,385
Total recognised (expense)/income for the year	-	-	1,400	-	(20)	19,735	21,115	27	21,142
Balance at 31 December 2008	100,000	801	1,400	-	(10)	77,906	180,097	270	180,367
Exchange differences on translating foreign operation	-	-	-	-	(8)	-	(8)	-	(8)
Hedge reserve	-	-	-	(327)	-	-	(327)	-	(327)
Net expense recognised directly in equity	-	-	-	(327)	(8)	-	(335)	-	(335)
Profit for the year	-	-	-	-	-	16,560	16,560	53	16,613
Dividend	-	-	-	-	-	(4,000)	(4,000)	-	(4,000)
Balance at 31 December 2009	100,000	801	1,400	(327)	(18)	90,466	192,322	323	192,645

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.



Condensed Consolidated Cash Flow Statement
For The Year-To-Date Ended 31 December 2009

	Year-To-Date Ended	
	31.12.2009	31.12.2008
	RM'000	RM'000
	Audited	Audited
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	14,159	22,575
Adjustments for:		
Allowance for doubtful debts	1,856	-
Depreciation	11,319	8,587
Gain on disposal of property, plant and equipment	(2,480)	(18)
Gain on disposal of assets held for sales	-	(495)
Property, plant and equipment written off	124	72
Amortisation of prepaid lease payments	325	146
Discount on acquisition	-	(1,946)
Share of profits of associated companies	(655)	(628)
Interest income	(393)	(1,066)
Dividend income	(37)	-
Interest expense	236	192
Loss on disposal of other investments	3	-
Unrealised gain on foreign exchange	(84)	-
Operating profit before working capital changes	24,373	27,419
Changes in inventories	68	(73)
Changes in receivables	4	7,788
Changes in payables	(2,154)	(3,529)
Cash generated from operations	22,291	31,605
Tax paid	(2,871)	(4,963)
Tax refunded	-	31
Net cash generated from operating activities	19,420	26,673
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(41,499)	(27,174)
Proceeds from disposal of property, plant and equipment	17,968	18
Additions to prepaid lease payments	(17,863)	(9,278)
Proceeds from disposal of asset held for sales	-	4,140
Proceeds from disposals of other investment	4	-
Acquisition of new subsidiary companies	-	(6,666)
Purchase of other investments	(10)	(22)
Repayment from an associated company	806	170
Interest received	393	1,066
Dividend received from an associated company	980	806
Dividend received from other investment	27	-
Net cash used in investing activities	(39,194)	(36,940)

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.



Condensed Consolidated Cash Flow Statement
For The Year-To-Date Ended 31 December 2009

	Year-To-Date Ended	
	31.12.2009	31.12.2008
	RM'000	RM'000
	Audited	Audited
CASH FLOWS FROM FINANCING ACTIVITIES		
Withdrawal of term loan	16,800	-
Repayment of term loan	(1,120)	-
Repayment of revolving credits	-	(1,480)
Repayment to an associate company	(1,057)	-
Payment of hire purchase and finance lease liabilities	(2,009)	(3,824)
Interest paid	(236)	(192)
Dividend paid	(4,000)	-
	-----	-----
Net cash generated used in financing activities	8,378	(5,496)
	-----	-----
NET INCREASE IN CASH AND CASH EQUIVALENTS	(11,396)	(15,763)
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	46,434	62,187
EFFECT OF EXCHANGE RATE CHANGES	3	10
	-----	-----
CASH AND CASH EQUIVALENTS CARRIED FORWARD	35,041	46,434
	=====	=====
 Represented by:		
Fixed deposits with a licensed bank	19,222	30,776
Cash and bank balances	15,819	15,658
	-----	-----
	35,041	46,434
	=====	=====

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.



Notes to the Interim Financial Report

Explanatory Notes In Compliance With Financial Reporting Standards (FRS) 134 Interim Financial Reporting

A1. Basis of Preparation

The interim financial statements have been prepared under the historical cost convention.

These interim financial statements are audited and have been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the Company's audited financial statements for the financial year ended (FYE) 31 December 2008. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the FYE 31 December 2008.

A2. Adoption of Revised Financial Reporting Standards

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2008.

At the date of authorisation of these interim financial statements, the following Financial Reporting Standards (FRSs) and Interpretations were issued but not yet effective and have not been applied by the Group:

FRSs and Interpretations

<i>FRS 1</i>	First-time Adoption of Financial Reporting Standards (revised)
<i>FRS 3</i>	Business Combinations (revised)
<i>FRS 4</i>	Insurance Contracts
<i>FRS 7</i>	Financial Instruments: Disclosures
<i>FRS 8</i>	Operating Segments
<i>FRS 101</i>	Presentation of Financial Statements (revised)
<i>FRS 123</i>	Borrowing Costs (revised)
<i>FRS 127</i>	Consolidated and Separate Financial Statements (revised)
<i>FRS 139</i>	Financial Instruments: Recognition and Measurement
	Improvements to FRSs (2009)
	Improvements to FRSs (2010)
<i>IC Interpretation 9</i>	Reassessment of Embedded Derivatives
<i>IC Interpretation 10</i>	Interim Financial Reporting and Impairment
<i>IC Interpretation 11</i>	FRS 2- Group and Treasury Share Transactions
<i>IC Interpretation 12</i>	Service Concession Arrangements
<i>IC Interpretation 13</i>	Customer Royalty Programmes
<i>IC Interpretation 14</i>	FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
<i>IC Interpretation 15</i>	Agreements for the Construction of Real Estate
<i>IC Interpretation 16</i>	Hedges of a Net Investment in a Foreign Operations
<i>IC Interpretation 17</i>	Distributions of Non-cash Assets to Owners

The initial recognition of the other new/revised FRSs and IC Interpretations (including its consequential amendments) are not expected to have any significant impact on the financial statements of the Group except for the changes in disclosures arising from the adoption of FRS 7 and FRS 8.



Notes to the Interim Financial Report

Explanatory Notes In Compliance With Financial Reporting Standards (FRS) 134 Interim Financial Reporting

A3. Audit Report

The Audit Report of the Group's annual financial statements for the FYE 31 December 2009 was not subjected to any qualification.

A4. Seasonal or Cyclical Factors

The Group's operations are generally affected by festive seasons.

A5. Unusual Items due to their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows in the current quarter under review.

A6. Changes in Estimates

There were no changes in estimates that have had a material effect in the current quarter under review.

A7. Issuances, Cancellation, Repurchases, Resale and Repayments of Debt and Equity Securities

There were issuances, cancellation, repurchases, resale and repayments of debt and equity securities in the current quarter under review.

A8. Dividends paid

A tax exempt interim dividend of 4% for the financial year ended 31 December 2009, amounting to RM4,000,000 was paid on 15 December 2009.



Notes to the Interim Financial Report

Explanatory Notes In Compliance With Financial Reporting Standards (FRS) 134 Interim Financial Reporting

A9. Segmental Reporting

	<u>Segmental Revenue</u>		<u>Segmental Result (PBT)</u>	
	<u>12 months ended 31.12.2009</u>	<u>12 months ended 31.12.2008</u>	<u>12 months ended 31.12.2009</u>	<u>12 months ended 31.12.2008</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<u>International Business Solutions</u>				
International Air Freight Division	101,747	157,797	1,118	3,429
International Sea Freight Division	19,441	24,449	(1,889)	1,089
International Network Solutions Division	2,141	1,834	253	39
	<u>123,329</u>	<u>184,080</u>	<u>(518)</u>	<u>4,557</u>
<u>Domestic Business Solutions</u>				
Forwarding Division	100,794	120,893	8,754	8,731
Trucking Division	53,552	57,179	3,845	5,713
Auto Logistics Division	2,955	4,304	273	134
	<u>157,301</u>	<u>182,376</u>	<u>12,872</u>	<u>14,578</u>
Others	-	-	1,805	3,440
Total	<u>280,630</u>	<u>366,456</u>	<u>14,159</u>	<u>22,575</u>

A10. Subsequent Events

There was no material event subsequent to the end of the current quarter.

A11. Changes in Composition of the Group

There were no changes in the composition of the Group in the current quarter under review.

A12. Contingent Liabilities

There was no material contingent liabilities since the last annual balance sheet date to the date of this report.



Disclosure Requirements Pursuant to Part A, Appendix 9B of Bursa Malaysia Securities Berhad Listing Requirements

B1. Performance Review (Year-to-date, 2009 vs Year-to-date 2008)

The Group achieved revenue of RM280.6 million for the financial year ended (FYE) 31 December 2009 and it was lower by RM86.0 million or 23% than that of 2008. Both International and Domestic Business Solutions experienced drop in revenue especially International Air Freight Division, Forwarding Division and International Sea Freight Division which were adversely affected by the global financial crisis.

With the decrease of revenue in 2009, the Group achieved profit from operations of RM13.3 million for FYE 31 December 2009 which is lower by RM5.8 million or 30% than that of 2008. This is mainly due to decrease in revenue.

The Group achieved Profit Before Taxation of RM14.2 million for FYE 31 December 2009, decreased by RM8.4 million or 37% compared to FYE 31 December 2008. Due to the Company's entitlement of Investment Tax Allowance (see Note B5 for more details), the Group achieved a Profit After Taxation of RM16.6 million which is higher than Profit Before Taxation for FYE 31 December 2009, but lower by RM1.8 million or 10% compared to that of FYE 31 December 2008.

B2. Comparison with preceding Quarter's results (Quarter 4, 2009 vs Quarter 3, 2009)

The Group achieved revenue of RM87.4 million for the 4th quarter ended 31 December 2009 and it was higher by RM8.8 million or 11% than the 3rd quarter ended 30 September 2009. Both International and Domestic Business Solutions experienced increase in revenue of RM4.5 million and RM4.3 million respectively. As compared to 3rd quarter ended 30 September 2009, revenue of our major divisions International Air Freight Division increased by RM4.5 million, Forwarding Division increased by RM4.0 million. The increase was mainly due to the surge in volume handled in current quarter especially on the import and export shipments which were badly affected by the global financial crisis in the 1st half of year 2009.

Despite the increase of revenue in the 4th quarter of 2009, the Group achieved profit from operations of RM4.6 million for the 4th quarter of 2009 which is lower by RM0.9 million or 16% than the 3rd quarter ended 30 September 2009. The decrease in Group's profit from operations is mainly caused by the allowance for doubtful debts of RM1.9 million.

The Group achieved a Profit Before Taxation of RM4.7 million in 4th quarter of 2009, a decrease of RM0.9 million or 16% compared to that of 2008 of RM5.6 million. Due the recognition of Investment Tax Allowance of RM5.9 million in 3rd quarter of 2009 (see note B5 for more details), Profit After Taxation of RM4.3 million in 4th quarter of 2009 decreased by RM5.3 million compared to that of 2008 of RM9.6 million.

B3. Prospects for the Next Financial Year

The outlook for the Group's business depends on the performance of the local manufacturing sectors and international trading business which continue to be challenged by the ongoing global financial crisis. We are however positive that the government's stimulus measures would, to some extent, mitigate the adverse impact of the global financial crisis on the domestic economy.

Amist the challenges and uncertainties facing the global and local scenes, we remain focused in our efforts to service our customers with innovative logistics solutions, extensive logistics network and high qualities. While we reinforce our commitment to a cost discipline culture in 2010, we will continue to invest which we believe will deliver long term growth and value.



**Disclosure Requirements Pursuant to Part A, Appendix 9B of Bursa Malaysia
 Securities Berhad Listing Requirements**

B4. Profit Forecast

Not applicable as there is no forecast / profit guarantee.

B5. Tax expense

	3 months ended		Cumulative 12 months ended	
	31.12.2009 RM'000	31.12.2008 RM'000	31.12.2009 RM'000	31.12.2008 RM'000
Income tax				
- current year	(1,022)	(308)	(3,736)	(2,356)
- overprovision in prior years (#)	208	-	6,146	16
Deferred tax				
- current year	388	350	44	(1,558)
- underprovision in prior years	-	-	-	(292)
	<u>(426)</u>	<u>42</u>	<u>2,454</u>	<u>(4,190)</u>
	=====	=====	=====	=====

The Group's effective tax rate is lower than the statutory tax rate of 25% for the current quarter under review is mainly due to overprovision in prior years - see # below.

The Company is entitled to claim Investment Tax Allowance of 60% on qualifying capital expenditure on property, plant and equipment for 5 years from 29 December 2003 to 28 December 2008. The amount so claimed can be utilised to set off up to 70% of the statutory income and the unutilised Investment Tax Allowance can be carried forward indefinitely. During the 3rd quarter of 2009, the Company has submitted claim for the period from 29 December 2003 to 31 December 2007 with tax savings amounted to RM5.9 million.

B6. Sale of Unquoted Investments and Properties

There were no disposal of unquoted investments and/or properties for the current quarter under review.



**Disclosure Requirements Pursuant to Part A, Appendix 9B of Bursa Malaysia
 Securities Berhad Listing Requirements**

B7. Quoted Investments

There were no purchases or disposals of any quoted investments during the quarter under review.

Investments in quoted securities as at 31 December 2009 are as follows:

	RM'000
Cost	26
	=====
Book value	26
	=====
Market value	11
	=====

B8. Corporate Proposals

There were no new proposals made for the quarter under review.

B9. Borrowing

	As At 31.12.2009 RM'000	As At 31.12.2008 RM'000
	-----	-----
Short term borrowing		
Hire purchase and finance lease liabilities	569	1,978
Bank term loan	2,887	-
Long term borrowing		
Long term bank loan	12,320	-
Hire purchase and finance lease liabilities	280	751
	-----	-----
	16,056	2,729
	=====	=====

The borrowings are denominated in Ringgit Malaysia except for the term loan which is denominated in US Dollar.



**Disclosure Requirements Pursuant to Part A, Appendix 9B of Bursa Malaysia
 Securities Berhad Listing Requirements**

B10. Off Balance Sheet Financial Instruments

The foreign currency forward contracts outstanding as at 31 December 2009 is as follow:

	<u>Amount to be paid</u>		Average contractual rate	<u>Settlement period</u>	
	JPY'000	Equivalent RM'000		Within 1 year RM'000	2 to 5 years RM'000
31.12.2009					
Trade payables					
- foreign currency forward	19,015	724	0.038	724	-
	=====	=====	=====	=====	=====
31.12.2008					
Trade payables					
- foreign currency forward	21,830	854	0.039	854	-
	=====	=====	=====	=====	=====

B11. Litigation

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

B12. Dividend Payable

A tax exempt interim dividend of 4% for the financial year ending 31 December 2009, amounting to RM4,000,000 was paid on 15 December 2009.

The Directors recommend a payment of a tax exempt final dividend of 3 sen per ordinary share in respect of the financial year ended 31 December 2009.

B13. Earnings per share

	<u>3 months ended</u>		<u>Cumulative 12 months ended</u>	
	31.12.2009	31.12.2008	31.12.2009	31.12.2008
PAT after MI (RM'000)	4,254	7,287	16,560	18,358
Weighted average number of ordinary shares in issue ('000)	100,000	100,000	100,000	100,000
Earnings per share (sen)	4.25	7.29	16.56	18.36
	=====	=====	=====	=====

The Company does not have any dilutive potential ordinary shares outstanding as at 31 December 2009. Accordingly, no diluted earnings per share is presented.