

**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 March 2010**



**Condensed Consolidated Income Statement  
 For The Quarter And Year-To-Date Ended**

	Quarter and Year-To-Date Ended	
	31.03.2010 RM'000 Unaudited	31.03.2009 RM'000 Unaudited
Revenue	90,679	52,987
Cost of sales	(70,866)	(38,695)
Gross profit	19,813	14,292
Other operating income	131	458
General and administrative expenses	(14,196)	(14,523)
Profit from operations	5,748	227
Investment income	67	191
Share of profits of associated companies	167	169
Finance costs	(155)	(28)
Profit before taxation	5,827	559
Tax expense	(1,671)	(151)
Profit for the period	4,156	408
	=====	=====
Attributable to:		
Shareholders of the Company	4,141	389
Minority interests	15	19
	4,156	408
	=====	=====
Earnings per share (sen) - basic	4.14	0.39
- diluted	-	-
	=====	=====

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.



**Condensed Consolidated Balance Sheet As At 31 March 2010**

	As at 31.03.2010 RM'000 Unaudited	As at 31.12.2009 RM'000 Audited
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	111,748	110,992
Goodwill	865	865
Investment in associated companies	6,273	6,106
Other investments	1,225	1,225
Prepaid lease payments	36,330	36,464
	-----	-----
<b>Total non-current assets</b>	<b>156,441</b>	<b>155,652</b>
	-----	-----
<b>Current assets</b>		
Inventories	80	55
Trade receivables	48,658	50,105
Other receivables, deposits and prepayments	12,257	3,061
Amounts owing by related companies	8,301	6,240
Amounts owing by associated companies	-	-
Current tax asset	5,938	6,218
Fixed deposits with a licensed bank	15,634	19,222
Cash and bank balances	17,087	15,819
	-----	-----
<b>Total current assets</b>	<b>107,955</b>	<b>100,720</b>
	-----	-----
Non-current assets classified as held for sale	6,999	6,999
	-----	-----
<b>TOTAL ASSETS</b>	<b>271,395</b>	<b>263,371</b>
	=====	=====

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.



**Condensed Consolidated Balance Sheet As At 31 March 2010**

	As at 31.03.2010 RM'000 Unaudited	As at 31.12.2009 RM'000 Audited
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	100,000	100,000
Share premium	801	801
Revaluation reserve	1,400	1,400
Hedge reserve	(623)	(327)
Exchange translation reserve	14	(18)
Unappropriated profits	94,607	90,466
	-----	-----
Equity attributable to shareholders of the Company	196,199	192,322
Minority interests	338	323
	-----	-----
<b>Total equity</b>	<b>196,537</b>	<b>192,645</b>
	-----	-----
<b>Non-current liabilities</b>		
Hire purchase and finance lease liabilities	169	280
Long term bank loan	25,653	12,320
Deferred tax liabilities	6,678	6,444
	-----	-----
<b>Total non-current liabilities</b>	<b>32,500</b>	<b>19,044</b>
	-----	-----
<b>Current liabilities</b>		
Trade payables	20,398	19,695
Other payables, deposits and accruals	11,487	24,906
Amounts owing to related companies	3,665	2,662
Amounts owing to associated companies	-	847
Hire purchase and finance lease liabilities	516	569
Bank term loan	5,276	2,887
Current tax liabilities	1,016	116
	-----	-----
<b>Total current liabilities</b>	<b>42,358</b>	<b>51,682</b>
	-----	-----
<b>Total liabilities</b>	<b>74,858</b>	<b>70,726</b>
	-----	-----
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>271,395</b>	<b>263,371</b>
	=====	=====
<b>Net Assets per share (RM)</b>	<b>1.96</b>	<b>1.92</b>
	=====	=====

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2009 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 March 2010**

-----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
<b>Balance at 1 January 2009</b>	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)
<b>Balance at 31 December 2009</b>	100,000	801	1,400	(327)	(18)	90,466	192,322	323	192,645
Exchange differences on translating foreign operation	-	-	-	-	32	-	32	-	32
Hedge reserve	-	-	-	(296)	-	-	(296)	-	(296)
Net expense recognised directly in equity	-	-	-	(296)	32	-	(264)	-	(264)
Profit for the year	-	-	-	-	-	4,141	4,141	15	4,156
<b>Balance at 31 March 2010</b>	100,000	801	1,400	(623)	14	94,607	196,199	338	196,537

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.



**Condensed Consolidated Cash Flow Statement**  
**For The Year-To-Date Ended 31 March 2010**

	Year-To-Date Ended	
	31.03.2010	31.03.2009
	RM'000	RM'000
	Unaudited	Unaudited
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	5,827	559
Adjustments for:		
Depreciation	2,977	2,860
Gain on disposal of property, plant and equipment	(2)	(367)
Amortisation of prepaid lease payments	134	73
Share of profits of associated companies	(218)	(221)
Interest income	(67)	(154)
Dividend income	-	(37)
Interest expense	156	29
	-----	-----
Operating profit before working capital changes	8,807	2,742
Changes in inventories	(24)	12
Changes in receivables	(9,817)	17,330
Changes in payables	(14,028)	(24,463)
	-----	-----
Cash generated from operations	(15,062)	(4,379)
Tax paid	(258)	(807)
	-----	-----
Net cash generated from operating activities	(15,320)	(5,186)
	-----	-----
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(3,915)	(928)
Proceeds from disposal of property, plant and equipment	200	369
Disposal of other investment	-	7
Interest received	67	154
Dividend received from other investment	-	37
	-----	-----
Net cash used in investing activities	(3,648)	(361)
	-----	-----
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Withdrawal of term loan	18,200	-
Repayment of term loan	(1,227)	-
Payment of hire purchase and finance lease liabilities	(164)	(609)
Interest paid	(156)	(29)
Dividend paid	-	-
	-----	-----
Net cash generated used in financing activities	16,653	(638)
	-----	-----

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.



**Condensed Consolidated Cash Flow Statement**  
**For The Year-To-Date Ended 31 March 2010**

	<u>Year-To-Date Ended</u>	
	<u>31.03.2010</u>	<u>31.03.2009</u>
	RM'000	RM'000
	Unaudited	Unaudited
NET INCREASE IN CASH AND CASH EQUIVALENTS	(2,315)	(6,185)
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	35,041	46,434
EFFECT OF EXCHANGE RATE CHANGES	(5)	-
	-----	-----
CASH AND CASH EQUIVALENTS CARRIED FORWARD	32,721	40,249
	=====	=====
 Represented by:		
Fixed deposits with a licensed bank	15,634	29,139
Cash and bank balances	17,087	11,110
	-----	-----
	32,721	40,249
	=====	=====

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2009 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 unaudited 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 2009. 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 2009.

#### **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 2009 except for those standards, amendments and interpretations which are effective from the annual period beginning 1 July 2009 and 1 January 2010. The adoption of these standards, amendments and interpretations have no material impact to these interim financial statements except for the adoption of the following standards which impact the presentation and disclosure aspect:  
FRS 8 - Operating Segments  
FRS 101 - Presentation of Financial Statements (revised)

#### **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.





**Notes to the Interim Financial Report**

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

**A8. Dividends paid**

No interim or final dividends were paid in the current quarter under review.

**A9. Segmental Reporting**

	<u>Segmental Revenue</u>		<u>Segmental Result (PBT)</u>	
	<u>3 months ended 31.03.2010</u>	<u>3 months ended 31.03.2009</u>	<u>3 months ended 31.03.2010</u>	<u>3 months ended 31.03.2009</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<b><u>International Business Solutions</u></b>				
International Air Freight Division	35,808	17,899	997	(469)
International Sea Freight Division	6,292	4,307	631	(115)
International Network Solutions Division	630	474	53	48
	<u>42,730</u>	<u>22,680</u>	<u>1,681</u>	<u>(536)</u>
<b><u>Domestic Business Solutions</u></b>				
Forwarding Division	33,202	17,611	2,646	207
Trucking Division	14,206	11,832	1,780	303
Auto Logistics Division	541	864	(14)	150
	<u>47,949</u>	<u>30,307</u>	<u>4,412</u>	<u>660</u>
Others	-	-	(266)	435
<b>Total</b>	<u><u>90,679</u></u>	<u><u>52,987</u></u>	<u><u>5,827</u></u>	<u><u>559</u></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, 2010 vs Year-to-date 2009)**

The Group achieved revenue of RM90.7 million for the financial period ended (FPE) 31 March 2010 and it was higher by RM37.7 million or 71% than that of 2009. Both International and Domestic Business Solutions experienced increase in revenue especially International Air Freight Division, Forwarding Division, Trucking Division and International Sea Freight Division which were adversely affected by the global financial crisis during the FPE 31 March 2009.

With the increase of revenue in 2010, the Group achieved profit from operations of RM5.7 million for FPE 31 March 2010 which is higher by RM5.5 million or 2,432% than that of 2009.

The Group achieved Profit Before Taxation of RM5.8 million for FPE 31 March 2010, an increase of RM5.3 million or 942% compared to FPE 31 March 2009.

### **B2. Comparison with preceding Quarter's results (Quarter 1, 2010 vs Quarter 4, 2009)**

The Group achieved revenue of RM90.7 million for the 1st quarter ended 31 March 2010 and it was higher by RM3.3 million or 4% than the 4th quarter ended 31 December 2009. International Business Solutions experienced increase in revenue of RM3.9 million whereas Domestic Business Solutions experienced decrease in revenue of RM0.6 million. Increase in revenue of International Business Solutions mainly attributed by the increase of the overall international trading in Malaysia and the World Cup South Africa 2010 in June. Domestic Business Solutions normally experiences lower volume in the beginning of the year as compare to the end of the year due to festive seasons.

Due to the increase of revenue in the 1st quarter of 2010, the Group achieved profit from operations of RM5.7 million for the 1st quarter of 2010 which is higher by RM1.2 million or 25% than the 4th quarter ended 31 December 2009.

The Group also achieved a Profit Before Taxation of RM5.8 million in 1st quarter of 2010, an increase of RM1.1 million or 24% compared to 4th quarter of 2009.

### **B3. Prospects for the Remaining Period to the End of the Financial Year**

With the world economy starting to show improvement in 2010, we foresee the Malaysian economy to benefit from the higher global demand for its products. Bank Negara has forecasted a strong GDP growth for 2010 and we expect the Group to fully leverage this positive economic development to grow the top and bottom line. However, we remain cautious and we will take the necessary measures to ensure that our performance in 2010 is kept on track. We will continue to focus 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 also continue to invest which we believe will deliver long term growth and values.

### **B4. Profit Forecast**

Not applicable as there is no forecast / profit guarantee.



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

**B5. Tax expense**

	Quarter and Year-To-Date Ended	
	31.03.2010 RM'000	31.03.2009 RM'000
Income tax		
- current year	(1,437)	138
Deferred tax		
- current year	(234)	(289)
	----- (1,671) =====	----- (151) =====

The Group's effective tax rate is higher than the statutory tax rate of 25% for the current quarter under review is mainly due to non deductible expenses.

**B6. Sale of Unquoted Investments and Properties**

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

**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 March 2010 are as follows:

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

**B8. Corporate Proposals**

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



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

**B9. Borrowing**

	As At 31.03.2010 RM'000	As At 31.12.2009 RM'000
Short term borrowing		
Hire purchase and finance lease liabilities	516	569
Bank term loan	5,276	2,887
Long term borrowing		
Long term bank loan	25,653	12,320
Hire purchase and finance lease liabilities	169	280
	31,614	16,056
	=====	=====

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

**B10. Off Balance Sheet Financial Instruments**

The foreign currency forward contracts outstanding as at 31 March 2010 is as follow:

	Amount to be paid		Average contractual rate	Settlement period	
	JPY'000	Equivalent RM'000		Within 1 year RM'000	2 to 5 years RM'000
<b>31.03.2010</b>					
Trade payables					
- foreign currency forward	12,001	445	0.037	445	-
	=====	=====	=====	=====	=====
<b>31.12.2009</b>					
Trade payables					
- foreign currency forward	19,015	724	0.038	724	-
	=====	=====	=====	=====	=====

**B11. Litigation**

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

**B12. Dividend Payable**

No interim or final dividends were declared in the current quarter under review.



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

**B13. Earnings per share**

	<b>Quarter and Year-To-Date Ended</b>	
	<b>31.03.2010</b>	<b>31.03.2009</b>
PAT after MI (RM'000)	4,141	389
Weighted average number of ordinary shares in issue ('000)	100,000	100,000
Earnings per share (sen)	4.14 =====	0.39 =====

The Company does not have any dilutive potential ordinary shares outstanding as at 31 March 2010. Accordingly, no diluted earnings per share is presented.