

TASCO Berhad
(Company No:20218-T)



Condensed Consolidated Financial Statements
For The Quarter And Year-To-Date Ended
30 September 2010



Condensed Consolidated Statement of Comprehensive Income
For The Quarter And Year-To-Date Ended 30 September 2010

	3 months ended		Cumulative 9 months ended	
	30.09.2010 RM'000 Unaudited	30.09.2009 RM'000 Unaudited	30.09.2010 RM'000 Unaudited	30.09.2009 RM'000 Unaudited
Revenue	115,301	78,645	318,670	193,214
Cost of sales	(91,604)	(59,074)	(251,850)	(147,105)
Gross profit	23,697	19,571	66,820	46,109
Other operating income	906	(7)	2,832	511
General and administrative expenses	(16,337)	(14,107)	(46,521)	(37,894)
Profit from operations	8,266	5,457	23,131	8,726
Investment income	99	66	275	350
Share of profits of associated companies	155	160	486	489
Finance costs	(285)	(55)	(716)	(103)
Profit before taxation	8,235	5,628	23,176	9,462
Tax expense / income	(2,868)	3,949	(6,819)	2,880
Profit for the period	5,367	9,577	16,357	12,342
Other Comprehensive Income:				
Exchange difference on translation of foreign operation	(6)	(9)	27	(26)
Fair Value adjustment on cash flow hedge	126	-	(106)	-
Other Comprehensive Income net of tax	120	(9)	(79)	(26)
Total Comprehensive Income	5,487	9,568	16,278	12,316
Profit attributable to:				
Owners of the Company	5,342	9,564	16,305	12,306
Non-controlling Interest	25	13	52	36
	5,367	9,577	16,357	12,342
Total comprehensive income attributable to:				
Owners of the Company	5,462	9,555	16,226	12,280
Non-controlling Interest	25	13	52	36
	5,487	9,568	16,278	12,316
Earnings per share (sen) - basic	5.34	9.56	16.31	12.31
- diluted	-	-	-	-

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



Condensed Consolidated Statement of Financial Position As At

30 September 2010

	As at 30.09.2010 RM'000 Unaudited	As at 31.12.2009 RM'000 Audited
ASSETS		
Non-current assets		
Property, plant and equipment	125,001	110,992
Goodwill	865	865
Investment in associated company	6,592	6,106
Available for sales investment	1,225	1,225
Prepaid lease payments	36,062	36,464
	-----	-----
Total non-current assets	169,745	155,652
	-----	-----
Current assets		
Inventories	136	55
Trade receivables	63,582	50,105
Other receivables, deposits and prepayments	7,450	3,061
Amounts owing by related companies	8,047	6,240
Current tax asset	6,216	6,218
Fixed deposits with a licensed bank	24,182	19,222
Cash and bank balances	12,764	15,819
	-----	-----
	122,377	100,720
Non-current assets classified as held for sale	-	6,999
	-----	-----
Total current assets	122,377	107,719
	-----	-----
TOTAL ASSETS	292,122	263,371
	=====	=====

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



Condensed Consolidated Statement of Financial Position As At

30 September 2010

	As at 30.09.2010 RM'000 Unaudited	As at 31.12.2009 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	(433)	(327)
Exchange translation reserve	9	(18)
Retained profits	103,771	90,466
	-----	-----
Equity attributable to owners of the Company	205,548	192,322
Non-controlling interest	375	323
	-----	-----
Total equity	205,923	192,645
	-----	-----
Non-current liabilities		
Hire purchase and finance lease liabilities	87	280
Long term bank loan	19,052	12,320
Deferred tax liabilities	8,459	6,444
	-----	-----
Total non-current liabilities	27,598	19,044
	-----	-----
Current liabilities		
Trade payables	25,774	19,695
Other payables, deposits and accruals	12,879	24,107
Amounts owing to related companies	3,866	2,662
Amounts owing to associated companies	1,505	847
Derivative financial liabilities	3,535	799
Hire purchase and finance lease liabilities	731	569
Bank term loan	7,000	2,887
Current tax liabilities	3,311	116
	-----	-----
Total current liabilities	58,601	51,682
	-----	-----
Total liabilities	86,199	70,726
	-----	-----
TOTAL EQUITY AND LIABILITIES	292,122	263,371
	=====	=====
Net Assets per share (RM)	2.06	1.92
	=====	=====

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



Condensed Consolidated Statement of Changes in Equity For Year-To-Date Ended 30 September 2010

	Attributable to Owners 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	Non- controlling interests RM'000	Total equity RM'000	
Balance at 1 January 2009	100,000	801	1,400	-	(10)	77,906	180,097	270	180,367	
Total comprehensive income for the period	-	-	-	-	(26)	12,306	12,280	36	12,316	
Balance at 30 September 2009	100,000	801	1,400	-	(36)	90,212	192,377	306	192,683	
Balance at 1 January 2010	100,000	801	1,400	(327)	(18)	90,466	192,322	323	192,645	
Total comprehensive income for the period	-	-	-	(106)	27	16,305	16,226	52	16,278	
Dividend paid on 15 July 2010	-	-	-	-	-	(3,000)	(3,000)	-	(3,000)	
Balance at 30 September 2010	100,000	801	1,400	(433)	9	103,771	205,548	375	205,923	

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



Condensed Consolidated Statement of Cash Flows
For The Year-To-Date Ended 30 September 2010

	Year-To-Date Ended	
	30.09.2010 RM'000 Unaudited	30.09.2009 RM'000 Unaudited
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	23,176	9,462
Adjustments for:		
Depreciation	9,680	8,518
Gain on disposal of property, plant and equipment	(2,334)	(968)
Amortisation of prepaid lease payments	402	244
Share of profits of associated company, net of tax	(486)	(639)
Interest income	(238)	(314)
Dividend income	(37)	(37)
Interest expense	716	103
Operating profit before working capital changes	30,879	16,370
Net changes in current assets	(19,758)	(8,907)
Net changes in current liabilities	(3,991)	(27,192)
Cash generated used in operations	7,130	(19,729)
Tax paid	(1,608)	(2,547)
Net cash generated from/(used in) operating activities	5,522	(22,276)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(22,801)	(4,504)
Proceeds from disposal of property, plant and equipment	9,189	1,620
Purchase of other investment	-	(3)
Interest received	238	314
Dividend received from other investment	37	37
Net cash used in investing activities	(13,337)	(2,536)
CASH FLOWS FROM FINANCING ACTIVITIES		
Withdrawal of term loan	18,200	16,520
Repayment of term loan	(4,727)	-
Payment of hire purchase and finance lease liabilities	(31)	(1,731)
Interest paid	(716)	(103)
Dividend paid	(3,000)	-
Net cash generated from financing activities	9,726	14,686

The condensed consolidated statement of cash flows 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

Company No:20218-T
Incorporated In Malaysia



Condensed Consolidated Statement of Cash Flows
For The Year-To-Date Ended 30 September 2010

	Year-To-Date Ended	
	30.09.2010 RM'000 Unaudited	30.09.2009 RM'000 Unaudited
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	1,911	(10,126)
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	35,041	46,434
EFFECT OF EXCHANGE RATE CHANGES	(6)	(2)
CASH AND CASH EQUIVALENTS CARRIED FORWARD	36,946	36,306
Represented by:		
Fixed deposits with a licensed bank	24,182	20,094
Cash and bank balances	12,764	16,212
	36,946	36,306

The condensed consolidated statement of cash flows 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 figures for the cumulative period in the current quarter of 30 September 2010 have not been audited.

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, 1 January 2010 and 1 July 2010. The adoption of these standards, amendments and interpretations have no material impact to these interim financial statements except for the adoption of the "FRS 101 - Presentation of Financial Statements (revised)" which impact the presentation and disclosure aspect of the announcement.

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 no 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**

A tax exempt final dividend of 3% for the financial year ended 31 December 2009, amounting to RM3,000,000 was approved by the shareholders in the Annual General Meeting on 9 June 2010 and paid on 15 July 2010.

A9. Segmental Reporting

	<u>Segmental Revenue</u>		<u>Segmental Result (PBT)</u>	
	<u>9 months ended</u>	<u>9 months ended</u>	<u>9 months ended</u>	<u>9 months ended</u>
	<u>30.09.2010</u>	<u>30.09.2009</u>	<u>30.09.2010</u>	<u>30.09.2009</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	113,777	68,500	1,950	280
International Sea Freight Division	22,126	14,391	2,125	166
International Network Solutions Division	1,681	1,581	131	167
	<u>137,584</u>	<u>84,472</u>	<u>4,206</u>	<u>613</u>
<u>Domestic Business Solutions</u>				
Forwarding Division	128,561	68,030	15,249	6,720
Trucking Division	50,409	38,868	5,621	2,446
Auto Logistics Division	2,116	1,844	136	17
	<u>181,086</u>	<u>108,742</u>	<u>21,006</u>	<u>9,183</u>
Others	-	-	(2,036)	(334)
Total	<u>318,670</u>	<u>193,214</u>	<u>23,176</u>	<u>9,462</u>

A10. Subsequent Events

There were no material events subsequent to the end of the current quarter.



Notes to the Interim Financial Report

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

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 Assets and Liabilities

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

A13. Capital Commitment

	As At 30.09.2010 RM'000	As At 31.12.2009 RM'000
Authorised and contracted for - acquisition of property, plant and equipment	1,095	5,359
	=====	=====

A14. Related Party Disclosures

	9 months ended 30.09.2010 RM'000	9 months ended 30.09.2009 RM'000
Transaction with subsidiary companies		
Rental of trucks paid and payable to subsidiary companies	363	493
Labour charges paid and payable to subsidiary companies	7,869	7,086
Maintenance charges paid and payable to a subsidiary company	3,293	3,594
Handling fees paid and payable to a subsidiary company	487	488
Related logistic services paid to a subsidiary company	3,683	144
Rental of premises received from a subsidiary company	4	4
Rental of trucks received and receivable from subsidiary company	2,625	922
Purchase of property, plant and equipment and prepaid lease payment from subsidiary companies	-	699
Warehouse rental received and receivables from a subsidiary company	558	837
	=====	=====
Transaction with related companies		
Related logistic services received and receivable	46,309	30,727
Related logistic services paid and payable	44,534	28,770
Management fee paid and payable	316	146
Consultancy fees paid and payable	131	106
	=====	=====
Transaction with associated company		
Rental of premises paid	846	846
	=====	=====



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 RM318.7 million for the financial period ended (FPE) 30 September 2010 and it was higher by RM125.5 million or 65% than that of 2009. Both International and Domestic Business Solutions experienced increase in revenue especially International Air Freight Division, International Sea Freight Division, Forwarding Division and Trucking Division which were adversely affected by the global financial crisis in 2009.

With the increase of revenue in 2010, the Group achieved profit from operations of RM23.1 million for FPE 30 September 2010 which is higher by RM14.4 million or 165% than that of 2009.

The Group achieved Profit Before Taxation of RM23.2 million for FPE 30 September 2010, an increase of RM13.7 million or 144% compared to FPE 30 September 2009.

B2. Comparison with preceding Quarter's results (Quarter 3, 2010 vs Quarter 2, 2010)

The Group achieved revenue of RM115.3 million for the 3rd quarter ended 30 September 2010 and it was slightly higher by RM2.6 million or 2.3% than the 2nd quarter ended 30 June 2010. International Business Solutions experienced decrease in revenue amounting to RM4.1 million whereas Domestic Business Solutions experienced increase in revenue amounting to RM6.7 million. Revenue decrease in International Business Solutions mainly attributed to the slower international cargo movement in 3rd quarter as compared to the 2nd quarter of 2010 before the FIFA world cup.

Despite increase of revenue in the 3rd quarter of 2010, the Group achieved profit from operations of RM8.3 million for the 3rd quarter of 2010 which is lower by RM0.9 million or 9.3% than the 2nd quarter ended 30 June 2010.

The Group achieved a Profit Before Taxation of RM8.2 million in 3rd quarter of 2010, a decrease of RM0.9 million or 9.6% compared to 2nd quarter of 2010.

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

	3 months ended		Cumulative 9 months ended	
	30.09.2010 RM'000	30.09.2009 RM'000	30.09.2010 RM'000	30.09.2009 RM'000
Income tax				
- current year	(2,140)	(1,645)	(5,580)	(2,345)
- overprovision in prior years	-	5,938	776	5,938
Deferred tax				
- current year	(728)	(344)	(2,015)	(713)
	<u>(2,868)</u>	<u>3,949</u>	<u>(6,819)</u>	<u>2,880</u>
	=====	=====	=====	=====

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 30 September 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 30.09.2010 RM'000	As At 31.12.2009 RM'000
Short term borrowing		
Hire purchase and finance lease liabilities	731	569
Bank term loan (unsecured)	7,000	2,887
Long term borrowing		
Long term bank loan (unsecured)	19,052	12,320
Hire purchase and finance lease liabilities	87	280
	26,870	16,056
	26,870	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

There are no off balance sheet financial instruments as at 30 September 2010.

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

	3 months ended		Cumulative 9 months ended	
	30.09.2010	30.09.2009	30.09.2010	30.09.2009
PAT after non-controlling interest (RM'000)	5,342	9,564	16,305	12,306
Weighted average number of ordinary shares in issue ('000)	100,000	100,000	100,000	100,000
Earnings per share (sen)	5.34 =====	9.56 =====	16.31 =====	12.31 =====

The Company does not have any dilutive potential ordinary shares outstanding as at 30 September 2010. Accordingly, no diluted earnings per share is presented.

B14. Derivative Financial Instruments

As at 30 September 2010, the Group has the following outstanding derivative financial instruments:

Derivatives	Contract or Notional Amount RM'000	Fair value net gains or (loses) RM'000	Purpose
1. Cross currency swap Contracts:			
- More than 3 years	26,052	(1,209)	For hedging currency risk on bank term loan
2. Forward currency contracts:			
- Less than 1 year	178	-	For hedging currency risk on payables

For the current quarter under review, there have been no significant changes to the Group's exposure to credit risk, market risk and liquidity risk from the previous financial year. Also, there have been no changes to the Group's risk management objectives, policies and processes since the previous financial year end.

**REPORT TO THE BOARD OF DIRECTORS OF
TASCO BERHAD**

**ON THE REVIEW OF THE CONDENSED CONSOLIDATED INTERIM
FINANCIAL STATEMENTS
FOR THE 3 MONTHS ENDED 30 SEPTEMBER 2010**

We have reviewed the accompanying Condensed Consolidated Statement of Financial Position of TASCO Berhad as of 30 September 2010 and the related Condensed Consolidated Statement of Comprehensive Income, Condensed Consolidated Statements of Changes in Equity and Condensed Consolidated Statement of Cash Flows and the selected explanatory notes for the 3 months then ended as set out in pages 2 through 10 (referred to collectively hereinafter as "the Condensed Consolidated Interim Financial Statements").

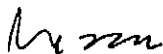
The Company's management is responsible for the preparation and fair presentation of the Condensed Consolidated Interim Financial Statements in accordance with the Financial Reporting Standards issued by the Malaysian Accounting Standards Board. Our responsibility is to express a conclusion on the Condensed Consolidated Interim Financial Statements based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410 - *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the Condensed Consolidated Interim Financial Statements do not present fairly, in all material respects, the financial position of TASCO Berhad as at 30 September 2010, and of its financial performance and its cash flows for the 3 months then ended in accordance with Financial Reporting Standards issued by the Malaysian Accounting Standards Board.



MAZARS

Kuala Lumpur
11 November 2010