



TALIWORKS CORPORATION BERHAD (Company No 6052-V)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL QUARTER ENDED 31 MARCH 2006 (UNAUDITED)

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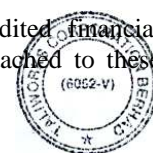
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This Report has been authorised for public release on 31 May 2006

CONDENSED CONSOLIDATED INCOME STATEMENTS

	NOTE	<u>3 MONTHS ENDED</u>		<u>3 MONTHS ENDED</u>	
		<u>31 MAR</u>		<u>31 MAR</u>	
		<u>2006</u>	<u>2005</u>	<u>2006</u>	<u>2005</u>
		<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
		<u>UNAUDITED</u>	<u>UNAUDITED</u>	<u>UNAUDITED</u>	<u>UNAUDITED</u>
Revenue	A8	38,435	48,108	38,435	48,108
Operating expenses		(23,751)	(33,798)	(23,751)	(33,798)
Other operating income		516	372	516	372
		15,200	14,682	15,200	14,682
Finance cost		(153)	(269)	(153)	(269)
Share of results of associated companies		45	(151)	45	(151)
Profit before tax	A8	15,092	14,262	15,092	14,262
Taxation	B5	(4,273)	(3,981)	(4,273)	(3,981)
Profit after tax		10,819	10,281	10,819	10,281
Attributable to:					
Equity holders of the parent		10,819	10,272	10,819	10,272
Minority interest		0	9	0	9
		10,819	10,281	10,819	10,281
EPS – Basic	B13	3.07	2.92	3.07	2.92
- Diluted		3.04	n/a	3.04	n/a

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2005 and the accompanying explanatory notes attached to these interim financial statements.



CONDENSED CONSOLIDATED BALANCE SHEETS

	<u>NOTE</u>	<u>31 MAR 2006</u> <u>RM'000</u> <u>UNAUDITED</u>	<u>31 DEC 2005</u> <u>RM'000</u> <u>AUDITED</u> <u>(RESTATED)</u>
NON-CURRENT ASSETS			
Property, plant and equipment	A1(f)	5,281	5,278
Investment properties	A1(f)	473	476
Concession rights		17,111	17,665
Associated companies		26,236	26,191
Deferred tax assets		8	8
Long term receivables		64,174	64,174
Deposits, bank and cash balances	A1(f)	26,721	26,721
		140,004	140,513
CURRENT ASSETS			
Inventories		1,196	927
Trade and other receivables		112,753	109,758
Amount due from an associated company		200	200
Tax recoverable		0	723
Deposits, bank and cash balances	A1(f)	85,358	89,977
		199,507	201,585
CURRENT LIABILITIES			
Borrowings (secured and interest bearing)	B9	3,296	3,405
Trade and other payables		39,366	53,140
Taxation		3,229	2,323
Proposed dividends		5,073	0
		50,964	58,868
NET CURRENT ASSETS		148,543	142,717
LESS: NON-CURRENT LIABILITIES			
Deferred tax liability		15	15
Borrowings (secured and interest bearing)	B9	8,283	8,558
		280,249	274,657
CAPITAL AND RESERVES			
Share capital		176,131	176,131
Share premium		51	51
Warrant reserves		6,547	6,547
Currency translation reserve		12	168
Merger deficit		(71,500)	(71,500)
Retained earnings		168,117	162,371
Shareholders' equity		279,358	273,768
Minority interest		891	889
Total equity		280,249	274,657
Net assets per share (RM)		0.80	0.78

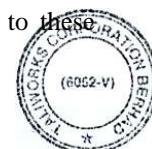
The condensed consolidated balance sheets should be read in conjunction with the audited financial statements for the year ended 31 December 2005 and the accompanying explanatory notes attached to these interim financial statements.



CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

	3 MONTHS ENDED	
	<u>31 MAR 2006</u> <u>RM'000</u> <u>UNAUDITED</u>	<u>31 MAR 2005</u> <u>RM'000</u> <u>UNAUDITED</u>
OPERATING ACTIVITIES		
Net profit attributable to shareholders	10,819	10,272
Adjustments for:		
Non-cash items	4,576	4,798
Interest income	(466)	(335)
Interest expense	153	269
Operating profit before working capital changes	15,082	15,004
Changes in working capital:		
Net change in current assets	(3,430)	8,823
Net change in current liabilities	(13,889)	1,320
Net cash inflow from operations	(2,237)	25,147
Interest paid	(4)	(269)
Taxation paid	(2,679)	(3,364)
Net cash (outflow)/inflow from operating activities	(4,920)	21,514
INVESTING ACTIVITIES		
Proceeds from disposal of property, plant & equipment	0	25
Purchase of property, plant & equipment	(307)	(584)
Payment for concession rights	0	(14)
Interest received	632	335
Net cash inflow/(outflow) from investing activities	325	(238)
FINANCING ACTIVITIES		
(Increase)/Decrease in deposit balances pledged as security	(18)	3,564
Repayment of borrowings	(24)	(21,420)
Proceeds from borrowings	0	131
Net cash outflow from financing activities	(42)	(17,725)
Net change in cash and cash equivalents	(4,637)	3,551
Cash and cash equivalents at beginning of financial period	83,512	25,354
Cash and cash equivalents at end of financial period	78,875	28,905
Cash and cash equivalents comprised the following balance sheet amounts:		
Deposits with licensed banks	109,720	50,716
Bank and cash balances	2,359	5,405
Total deposits, bank and cash balances (current and non-current)	112,079	56,121
Less: Deposits pledged as security	(33,204)	(27,216)
	78,875	28,905

The condensed consolidated cash flow statements should be read in conjunction with the audited financial statements for the year ended 31 December 2005 and the accompanying explanatory notes attached to these interim financial statements.



CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

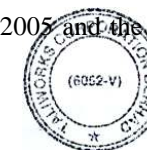
Issued and fully
paid ordinary
shares of RM0.50 each

Non-distributable Distributable

	<u>Number of shares '000</u>	<u>Nominal value RM'000</u>	<u>Share Premium RM'000</u>	<u>Revaluation reserve RM'000</u>	<u>Warrant reserve RM'000</u>	<u>Currency translation reserve RM'000</u>	<u>Merger deficit RM'000</u>	<u>Retained earnings RM'000</u>	<u>Shareholders' equity RM'000</u>	<u>Minority interest RM'000</u>	<u>Total equity RM'000</u>
As at 1 January 2006	352,263	176,131	51	0	6,547	168	(71,500)	162,371	273,768	889	274,657
Net profit for the period								10,819	10,819	0	10,819
Second interim dividend for the financial year ended 31 December 2005								(5,073)	(5,073)		(5,073)
Currency translation differences						(156)			(156)	2	(154)
As at 31 March 2006	352,263	176,131	51	0	6,547	12	(71,500)	168,117	279,358	891	280,249
At 1 January 2005*	352,200	176,100	0	6	0	(15)	(71,500)	133,512	238,103	883	238,986
Net profit for the period								10,272	10,272	9	10,281
Currency translation differences						37			37		37
As at 31 March 2005	352,200	176,100	0	6	0	22	(71,500)	143,784	248,412	892	249,304

* the number of shares have been adjusted for a share split of one ordinary share of RM1.00 each into two new ordinary shares of RM0.50 each

The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2005 and the accompanying explanatory notes attached to these interim financial statements.



**PART A – EXPLANATORY NOTES PURSUANT TO
FRS 134: FINANCIAL INTERIM REPORTING**

A1 – Basis of Preparation

The interim financial statements are unaudited and have been prepared in compliance with the requirements of FRS134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial statements should be read in conjunction with the latest audited financial statements of the Company and its subsidiary companies (“Group”) for the year ended 31 December 2005. 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 financial year ended 31 December 2005.

The accounting policies and methods of computation adopted in these interim financial statements are consistent with those adopted in the most recent audited financial statements except for the adoption by the Group of the new and revised Financial Reporting Standards (“FRS”) issued by the Malaysian Accounting Standards Board (“MASB”) effective from 1 January 2006 as follows:-

- FRS 2 Share-based Payment
- FRS 3 Business Combinations
- FRS 5 Non-current Assets Held for Sale and Discontinued Operations
- FRS 101 Presentation of Financial Statements
- FRS 102 Inventories
- FRS 108 Accounting Policies, Changes in Accounting Estimates and Errors
- FRS 110 Events After the Balance Sheet Date
- FRS 116 Property, Plant and Equipment
- FRS 121 The Effects of Changes in Foreign Exchange Rates
- FRS 127 Consolidated and Separate Financial Statements
- FRS 128 Investments in Associates
- FRS 132 Financial Instruments: Disclosure and Presentation
- FRS 133 Earnings Per Share
- FRS 136 Impairment of Assets
- FRS 138 Intangible Assets
- FRS 140 Investment Property

The adoption of FRS 5, FRS 102, FRS 108, FRS 110, FRS 116, FRS 121, FRS 127, FRS 128, FRS 132 and FRS 133 does not have significant financial impact on the Group.

The principal effects from the changes to the accounting policies resulting from the adoption of the new/revised FRS adopted by the Group are discussed below:-

(a) FRS 2: Share-based Payment

This FRS requires an entity to amortise share-based payment transactions in its financial statements, including transactions with employees or other parties to be settled in cash, other assets, or equity instruments of the entity.



The Company operates an equity-settled, share-based compensation plan for eligible directors and employees of the Group, namely the Taliworks Employees' Share Option Scheme ("ESOS"). Prior to 1 January 2006, no compensation expense was recognised in the income statement for share options granted. With the adoption of FRS 2, the compensation expense relating to share options is recognised in the income statement over the vesting periods of the grants with a corresponding increase in equity. The total amount to be recognised as compensation expense is determined by reference to the fair value of the share options at the date of the grant and the number of share options to be vested by vesting date. The fair value of the share option is computed using the Black-Scholes model. At every balance sheet date, the Group revises its estimates of the number of share options that are expected to vest by the vesting date. Any revision of this estimate is included in the income statement and a corresponding adjustment to equity over the remaining vesting period.

Under the transitional provisions of FRS 2, this FRS will apply to share options which were granted after 31 December 2004 and which had not yet vested on 1 January 2006. The adoption of this FRS has not resulted in any financial impact to the Group as there were no new share options granted by the Group after 31 December 2004 which remain unvested on 1 January 2006.

(b) FRS 3: Business Combinations and FRS 136: Impairment of Assets

Goodwill acquired in a business combination is now stated at cost less any accumulated impairment losses and is no longer amortised. Instead, the carrying amount is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Goodwill impairment is determined by comparing its carrying amount against its recoverable amount in accordance with FRS 136. Any impairment loss is recognised in the income statement and subsequent reversal is not allowed.

Negative goodwill, which represents the excess in fair value of the net identifiable assets acquired over the cost of the acquisition, is now recognised immediately to the income statement. The adoption of this accounting policy has not resulted in any financial impact to the Group as there was no negative goodwill as at 1 January 2006.

(c) FRS 101: Presentation of Financial Statements

The adoption of the revised FRS 101 has affected the presentation of minority interest, share of net after tax results of associates and other disclosures. In the consolidated balance sheet, minority interests are now presented within total equity. In the consolidated income statement, minority interests are presented as an allocation of the total profit or loss for the period. A similar requirement is also applicable to the statement of changes in equity. FRS 101 also requires disclosure, on the face of the statement of changes in equity, total recognised income and expenses for the period, showing separately the amount attributable to equity holder of the parent and to minority interest.

Cash and cash equivalents restricted from being exchanged or used to settle a liability for at least twelve months after the balance sheet date are classified as non-current.

The current period's presentation of the Group's financial statements is based on the revised requirements of FRS 101, with comparatives restated to confirm with the current period's presentation.



(d) FRS 138: Intangible Assets

On the adoption of FRS 138, intangible assets are now assessed at individual level as having either a finite or indefinite life. Indefinite life intangible are not amortised but are tested for impairment annually. Intangible assets with finite useful life will continue to be amortised over the period of useful life.

Prior to 1 January 2006, intangible assets such as Concession Rights are considered to have a finite life over the concession period and were stated at cost less accumulated amortisation and impairment loss. Upon the adoption of FRS 138, the Concession Rights will continue to be amortised over its useful life and the amortisation method of this intangible asset will be assessed annually.

(e) FRS 140: Investment Property

The adoption of FRS 140 results in the change in accounting policy for investment properties. As a result of adoption of FRS 140, investment properties, being properties held by the Company to earn rentals and/or for capital appreciation, previously included under Property, Plant and Equipment at valuation less accumulated depreciation and accumulated impairment losses, are now disclosed separately as Investment Properties in the balance sheet. The Group has chosen the cost model as a basis of measurement for all its Investment Properties.

(f) Comparatives

The following comparative amounts have been restated as a result from the adoption of the FRS 101 and FRS 140:-

Balance Sheet

<u>As at 31 December 2005</u>	<u>As previously stated</u> <u>RM'000</u>	<u>Adjustment</u> <u>RM'000</u>	<u>As restated</u> <u>RM'000</u>
<u>FRS 101</u>			
Deposits, bank and cash balances – under Current Assets	116,698	(26,721)	89,977
Deposits, bank and cash balances – under Non Current Assets	0	26,721	26,721
<u>FRS 140</u>			
Property, plant and equipment	5,754	(476)	5,278
Investment properties	0	476	476

A2 – Auditors' Reports

The auditors' report on the financial statements of the Company and its subsidiary companies for the most recent audited financial statements was not subject to any qualification.



A3 – Comments about the Seasonal or Cyclicity of Interim Operations

There are no significant seasonal or cyclical factors affecting operations of the Group.

A4 – Unusual Nature and Amount of Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no items affecting the assets, liabilities, equity, net income or cash flows of the Group that were unusual because of their nature, size or incidence during the current quarter and financial year-to-date.

A5 – Accounting Estimates

There were no changes in estimates of amounts reported in prior interim periods of the current financial year or changes in estimates of amounts reported in prior financial years that have had a material effect in the current interim period.

A6 – Issuance, Cancellation, Repurchases, Resale and Repayments of Debt and Equity Securities

For the current financial year to-date, there was no issuance or repayment of equity or debt securities by the Company.

A7 – Dividends Paid

No dividends were paid in the current quarter and financial year-to-date.

A8 – Segmental Reporting

Segmental information is presented in respect of the Group's business segments, which is the Group's primary basis of segmental reporting.

(a) Revenue

	Current and Cumulative Quarters Ended 31 Mar 2006 RM'000 (unaudited)	Current and Cumulative Quarters Ended 31 Mar 2005 RM'000 (unaudited)
Water business	33,224	32,320
Construction	3,582	14,400
Waste management	1,629	1,388
	38,435	48,108



(b) Profit/(Loss) Before Tax

	Current and Cumulative Quarters Ended 31 Mar 2006 RM'000 (unaudited)	Current and Cumulative Quarters Ended 31 Mar 2005 RM'000 (unaudited)
Water business	14,736	14,086
Construction	167	671
Waste management	130	241
Investment holding and others	167	(316)
Operating profit	15,200	14,682
Finance cost	(153)	(269)
Share of results of associated companies	45	(151)
Profit before tax	15,092	14,262

Analysis of secondary reporting by geographical location has not been presented as the Group's activities are primarily in Malaysia. There are no material changes in segmental assets and liabilities since the latest audited financial statements in both the business and geographical segments.

A9 – Valuation of Property, Plant and Equipment

The valuation of property, plant and equipment has been brought forward without amendment from the previous annual financial statements.

A10 – Material Subsequent Events

There were no material events subsequent to the end of the interim period that have not been reflected in the financial statements except that the Company had issued 17,069,000 new ordinary shares of RM0.50 each arising from the issue of :-

- (a) 17,000,000 new shares pursuant to a private placement of shares (as further elaborated in Note B8(i) below); and
- (b) 69,000 new shares pursuant to the exercise of options under the Company's Employees' Share Option Scheme.

A11 – Changes in Composition of the Group

There were no changes to the composition of the Group during the current interim period including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinued operations.

A12 – Changes in Contingent Liabilities or Contingent Assets

There were no material changes to the contingent liabilities or contingent assets since the last annual balance sheet date.



**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING
REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

B1 – Review of Performance

	Current Quarter Ended 31 Mar 2006 RM'000 (unaudited)	Current Quarter Ended 31 Mar 2005 RM'000 (unaudited)
Revenue	38,435	48,108
Profit before taxation	15,092	14,262
Profit after tax	10,819	10,281

The review of performance should be read in conjunction with the segmental information presented in Note A8.

Revenue

Group revenue of RM38.5 million was RM9.7 million (or 20%) lower than the RM48.1 million recorded in the corresponding period. This was primarily due to the lower contribution from construction activities as the Group's sole construction project has been completed in the current quarter.

Sungai Harmoni Sdn Bhd ("Sungai Harmoni") recorded a lower production of 75.73 million m3 compared to 77.23 million m3 for the first quarter of 2005 (or a decrease of 2%). Nevertheless, the Group recorded an increase in revenue as the bulk sales rate has increased from RM0.33/m3 to RM0.35/m3 commencing 2006. For Taliworks Langkawi Sdn Bhd ("Taliworks Langkawi"), the metered supply of treated water was at 3.49 million m3, a 4% decrease from the 3.63 million m3 recorded in the corresponding quarter.

Profit before Taxation

The Group profit before taxation was marginally higher by RM0.8 million (or 6%) compared to RM14.3 million recorded in the corresponding quarter. This was due to the higher contribution from the water business and the favourable foreign exchange rates.



B2 – Review of Performance (Comparison with Preceding Quarter’s Results)

(a) Revenue

	Current Quarter Ended 31 Mar 2006 RM'000 (unaudited)	Previous Quarter Ended 31 Dec 2005 RM'000 (unaudited)
Water business	33,224	28,307
Construction	3,582	11,712
Waste management	1,629	1,960
	38,435	41,979

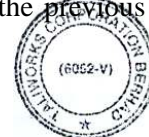
Group revenue of RM38.5 million was RM3.5 million (or 8%) lower than the RM42.0 million reported in the preceding period. This was primarily due to the lower contribution from construction activities as the Group’s sole construction project has been completed in the current quarter. However, the lower contribution from the construction activities was off-set by the higher contribution from the water business.

In terms of production, Sungai Harmoni Sdn Bhd recorded an average daily metered output of 75.73 million m³ which was 7% higher than the 70.68 million m³ recorded in the previous quarter. The lower than expected production by Sungai Harmoni in the previous quarter resulted from a re-adjustment of the water supply during a maintenance operation undertaken by the company which had since regained its normal production capacity in the current quarter. For Taliworks Langkawi, the metered supply of treated water was at an average of 3.49 million m³, which is an increase of 8% over the previous quarter of 3.22 million m³.

(b) Profit/(Loss) Before Tax

	Current Quarter Ended 31 Mar 2006 RM'000 (unaudited)	Previous Quarter Ended 31 Dec 2005 RM'000 (unaudited)
Water business	14,736	9,386
Construction	167	528
Waste management	130	269
Investment holding and others	167	6,359
Operating profit	15,200	16,542
Finance cost	(153)	(44)
Share of results of associated companies	45	112
Profit before tax	15,092	16,610

The Group recorded a lower profit before tax of RM15.1 million compared to RM16.6 million in the preceding quarter. The variance was due to a capital gain arising from the disposal of certain properties of the Company amounting to RM6.6 million in the previous quarter. However, the gain was effectively reduced by the lower than expected production by Sungai Harmoni in the previous quarter as explained above.



B3 – Current Year Prospects

The Group is actively looking into securing some waste and water related projects, both locally and abroad during the year. In the water sector, the Group aims to maintain its current level of production to cater for the growth in consumer demand whilst continuing to institute measures to contain cost and improve operational efficiency.

Pending the realisation of some of the Group's business expansion plans, the Board expects the Group to achieve a reasonable performance during the current year with stable earnings from the water and waste management businesses.

B4 – Profit Forecast

Not applicable as no profit forecast was published.

B5 – Taxation

	Current and Cumulative Quarters Ended 31 Mar 2006 RM'000 (unaudited)
Malaysian income tax:- Current tax: - Current year - Over provision in prior years	 4,273 - <hr/> 4,273

The effective tax rate of the Group was higher than the statutory tax rate of 28% mainly due to certain expenses not allowed as tax deductions.

B6 – Profits on Sale of Unquoted Investments and/or Properties

There was no sale of unquoted investments and/or properties for the current quarter and financial year-to-date.

B7 – Purchase or Disposal of Quoted Securities

- (a) There were no purchases or disposals of quoted securities for the current quarter and financial year.
- (b) There were no investments in quoted shares as at end of the reporting period.



B8 – Status of Corporate Proposals Announced But Not Completed

(i) Status of Corporate Proposals

There were no proposals announced but not completed except for the private placement of up to 10% of the issued and paid-up capital announced on 24 February 2005. The Securities Commission has granted a final extension of a further six (6) months to 27 October 2006 to fully implement the private placement. As at the date hereof, the Company had placed out 17,000,000 new shares under the private placement exercise at a price of RM1.35 per share which raised gross proceeds of RM22,950,000 to the Company. The Company had also announced that one of its substantial shareholders has placed out 28,000,000 of its existing shares.

As a result of these placements, the public shareholding spread of the Company has increased to above 25%. Thus it has complied with Paragraph 8.15(1) of the Listing Requirements pertaining to the public shareholding spread requirements.

(ii) Status of Proposed Utilisation of Proceeds

(a) Proceeds raised from the Renounceable Rights Issue of Warrants

As at 25 May 2006 (being a date not later than 7 days from the date of this report), the utilisation of proceeds raised from a renounceable rights issue of Warrants on the basis of one (1) Warrant for every five (5) ordinary shares of RM0.50 each held was as follows:-

	Proposed Utilisation as announced on 9 May 2005 (RM'000)	Actual Proceeds Received (RM,000)	Amount Utilised as at 25 May 2006 (RM'000)
Payment to sub-contractors in respect of the Central Kedah project (the contract involves the design and construction of water supply works to the northern region of the Central Kedah Water Supply Scheme	5,000	5,000	5,224
Payments to suppliers of chemical products to the Group for operating and maintenance of various water treatment plants	2,048	1,344	1,344
Estimated expenses for the corporate exercise	700	700	476
TOTAL	7,748	7,044	7,044

Since the proceeds have been fully utilised in the current quarter, the above status will no longer be reported in the next Quarterly Interim Report.



(b) Proceeds raised from the Private Placement of Shares

As at 25 May 2006 (being a date not later than 7 days from the date of this report), the utilisation of proceeds raised from a private placement of shares was as follows:-

	Proposed Utilisation as announced on 4 May 2005* (RM'000)	Actual Proceeds Raised as at 25 May 2006 (RM,000)	Amount Utilised as at 25 May 2006 (RM'000)
Payment to sub-contractors in respect of the Central Kedah project (the contract involves the design and construction of water supply works to the northern region of the Central Kedah Water Supply Scheme	27,520	-	2,536
Payments to suppliers of chemical products to the Group for operating and maintenance of various water treatment plants	2,500	-	-
Contractual payment of technical and royalty fees under existing operations and maintenance contract	12,500	-	-
Estimated expenses for the corporate exercise	800	-	241
TOTAL	43,320	22,950	2,777

* *On the assumption that 35,220,000 ordinary shares of RM0.50 each were placed at a price of RM1.23 per share*

B9 – Group Borrowings and Debt Securities

Group borrowings as the end of the reporting period are all secured and interest bearing. Included in the borrowings is an offshore borrowing denominated in a foreign currency as follows:-

	US Dollars '000
No later than one year	875.0
Later than one year but not later than two years	875.0
Later than two years but not later than five years	1,312.5
	<u>3,062.5</u>

B10- Off Balance Sheet Financial Instruments

There are no contracts on financial instruments with off balance sheet risk as at the date of this report



B11- Material Litigations

There are no pending material litigations against the Company or its subsidiary companies as at the date of this report.

B12- Dividends

The Board does not recommend any dividend for the current financial quarter under review. In line with the general dividend policy adopted in the previous year, dividend payments for each financial year will generally be paid in three tranches comprising two interim dividends in the second and fourth quarters and a final dividend.

B13- Earnings Per Share (“EPS”)

	Current Quarter Ended 31 Mar 2006 RM'000 (unaudited)	Current Quarter Ended 31 Mar 2005 RM'000 (unaudited)	Cumulative Quarter Ended 31 Mar 2006 RM'000 (unaudited)	Cumulative Quarter Ended 31 Mar 2005 RM'000 (unaudited)
(a) Basic Earnings per share				
Net Profit attributable to equity holders of the Company (RM'000)	10,819	10,272	10,819	10,272
Weighted average number of shares in issue ('000)	352,262	352,200	352,262	352,200
Basic EPS (sen)	3.07	2.92	3.07	2.92
(b) Diluted Earnings per share				
Net Profit attributable to equity holders of the Company (RM'000)	10,819	n/a	10,819	n/a
Weighted average number of shares in issue ('000)	352,262	n/a	352,262	n/a
Effects of dilution from exercise of Warrants and ESOS options ('000)	3,358	n/a	3,358	n/a
	355,620	n/a	355,620	n/a
Diluted EPS (sen)	3.04	n/a	3.04	n/a

Note:

The comparatives for the basic EPS have been adjusted for the Share Split.

By Order of the Board
Nuruluyun Binti Abdul Jabar
Company Secretary (MIA 9113)
31 May 2006

For more information on **TALIWORKS CORPORATION BERHAD**, shareholders and the general public can access the Company's website at <http://www.taliworks.com.my>. The Company also participates in the CMDf-Bursa Research Scheme to facilitate greater investors' understanding of the Group. Copies of independent research reports on the Company can be downloaded from <http://www.bursamalaysia.com>

