

## Quarterly rpt on consolidated results for the financial period ended 30/6/2013

### TASEK CORPORATION BERHAD

Financial Year End 31/12/2013  
 Quarter 2  
 Quarterly report for the financial period ended 30/06/2013  
 The figures have not been audited

#### Attachments

[Q2 Bursa Jun'2013 \(Announcement\).pdf](#)

70 KB

- Default Currency
- Other Currency

Currency: **Malaysian Ringgit (MYR)**

#### SUMMARY OF KEY FINANCIAL INFORMATION

30/06/2013

	INDIVIDUAL PERIOD		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	30/06/2013 \$\$'000	30/06/2012 \$\$'000	30/06/2013 \$\$'000	30/06/2012 \$\$'000
<b>1Revenue</b>	141,996	139,727	278,089	290,359
<b>2Profit/(loss) before tax</b>	27,829	30,576	56,021	62,951
<b>3Profit/(loss) for the period</b>	21,822	23,130	43,526	48,023
<b>4Profit/(loss) attributable to ordinary equity holders of the parent</b>	21,822	23,130	43,526	48,023
<b>5Basic earnings/(loss) per share (Subunit)</b>	17.96	19.01	35.82	39.45
<b>6Proposed/Declared dividend per share (Subunit)</b>	32.00	30.00	32.00	30.00
	<b>AS AT END OF CURRENT QUARTER</b>		<b>AS AT PRECEDING FINANCIAL YEAR END</b>	
<b>7Net assets per share attributable to ordinary equity holders of the</b>		7.3753		7.6864

**parent (\$\$)****Definition of Subunit:**

In a currency system, there is usually a main unit (base) and subunit that is a fraction amount of the main unit.

Example for the subunit as follows:

<b>Country</b>	<b>Base Unit</b>	<b>Subunit</b>
Malaysia	Ringgit	Sen
United States	Dollar	Cent
United Kingdom	Pound	Pence

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**Announcement Info**

Company Name	TASEK CORPORATION BERHAD
Stock Name	TASEK
Date Announced	25 Jul 2013
Category	Financial Results
Reference No	TT-130724-34217

**Part A2 : SUMMARY OF KEY FINANCIAL INFORMATION**

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

**Summary of Key Financial Information for the second financial quarter ended 30.6.2013**

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	CURRENT YEAR QUARTER 30/06/2013 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/06/2012 RM'000	CURRENT YEAR TODATE 30/06/2013 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/06/2012 RM'000
1 Revenue	141,996	139,727	278,089	290,359
2 Profit/(Loss) before tax	27,829	30,576	56,021	62,951
3 Profit/(Loss) for the period	21,822	23,130	43,526	48,023
4 Profit/(Loss) attributable to ordinary equity holders of the parents	21,822	23,130	43,526	48,023
5 Basic earnings/(loss) per share (sen)	17.96	19.01	35.82	39.45
6 Proposed/Declared dividend per share (sen)	32 sen	30 sen	32 sen	30 sen
	<b>AS AT END OF CURRENT QUARTER</b>		<b>AS AT PRECEDING FINANCIAL YEAR END</b>	
7 Net assets per share attributable to ordinary equity holders of the parent (RM)	<u>7.3753</u>		<u>7.6864</u>	

**Part A3 : ADDITIONAL INFORMATION**

	<b>INDIVIDUAL QUARTER</b>		<b>CUMULATIVE QUARTER</b>	
	CURRENT YEAR QUARTER 30/06/2013 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/06/2012 RM'000	CURRENT YEAR TODATE 30/06/2013 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/06/2012 RM'000
1 Gross interest income	3,584	4,059	7,298	8,069
2 Gross interest expense	34	46	63	82

**TASEK CORPORATION BERHAD**  
**(Company No: 4698-W)**  
**(Incorporated in Malaysia)**  
**and its subsidiaries**

**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SECOND QUARTER ENDED 30 JUNE 2013 - UNAUDITED**

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Note	Current quarter 3 months ended 30 June		Cumulative quarter 6 months ended 30 June	
		2013	2012	2013	2012
		RM'000	RM'000	RM'000	RM'000
Revenue		141,996	139,727	278,089	290,359
Cost of sales		(96,235)	(92,462)	(186,523)	(192,577)
<b>Gross Profit</b>		<u>45,761</u>	<u>47,265</u>	<u>91,566</u>	<u>97,782</u>
Other income		625	718	888	925
Selling and Distribution Expenses		(20,603)	(19,360)	(40,159)	(39,717)
Administrative Expenses		(5,398)	(5,138)	(10,643)	(10,109)
<b>Operating profit</b>		<u>20,385</u>	<u>23,485</u>	<u>41,652</u>	<u>48,881</u>
Finance income	8	3,584	4,059	7,298	8,069
Finance costs	8	(34)	(46)	(63)	(82)
<b>Net finance income</b>		<u>3,550</u>	<u>4,013</u>	<u>7,235</u>	<u>7,987</u>
		23,935	27,498	48,887	56,868
Share of profit of associates, net of tax		3,894	3,078	7,134	6,083
Share of (loss)/profit equity accounted in joint venture, net of tax		-	-	-	-
		3,894	3,078	7,134	6,083
<b>Profit before tax</b>	8	<u>27,829</u>	<u>30,576</u>	<u>56,021</u>	<u>62,951</u>
Income tax expense	9	(6,007)	(7,446)	(12,495)	(14,928)
<b>Profit from continuing operations</b>		<u>21,822</u>	<u>23,130</u>	<u>43,526</u>	<u>48,023</u>
<b>Other comprehensive income, net of tax</b>		-	-	-	-
<b>Total comprehensive income for the period</b>		<u>21,822</u>	<u>23,130</u>	<u>43,526</u>	<u>48,023</u>
<b>Profit for the period attributable to :</b>					
Owners of the parent		21,822	23,130	43,526	48,023
Non-controlling interests		-	-	-	-
<b>Profit for the period</b>		<u>21,822</u>	<u>23,130</u>	<u>43,526</u>	<u>48,023</u>
Earnings per share attributable to owners of the parent (sen per share):					
- Basic from continuing operations	10	<u>17.96</u>	<u>19.01</u>	<u>35.82</u>	<u>39.45</u>
- Diluted	10	<u>NA</u>	<u>NA</u>	<u>NA</u>	<u>NA</u>

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

**TASEK CORPORATION BERHAD**  
**(Company No: 4698-W)**  
**(Incorporated in Malaysia)**  
**and its subsidiaries**

**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**AS AT 30 JUNE 2013 - UNAUDITED**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

		30 June 2013	31 December 2012
		RM'000	RM'000
	Note		(Audited)
<b>Assets</b>			
<b>Non - current assets</b>			
Property, plant and equipment	11	332,820	334,481
Intangible assets	12	874	963
Goodwill on consolidation	12	389	389
Prepaid lease payments		20	22
Investment in associates		98,843	95,489
Investment in a joint venture (*)		-	-
<b>Total non - current assets</b>		<u>432,946</u>	<u>431,344</u>
<b>Current assets</b>			
Inventories	13	107,478	101,675
Trade and other receivables		85,995	65,231
Cash and cash equivalents	14	399,088	465,577
Tax recoverable		342	297
<b>Total current assets</b>		<u>592,903</u>	<u>632,780</u>
<b>Total assets</b>		<u><u>1,025,849</u></u>	<u><u>1,064,124</u></u>
<b>Equity</b>			
Share Capital	15	123,956	123,956
Reserves	15	790,252	828,819
Equity attributable to equity holders of the Company		914,208	952,775
Non-controlling interests		-	-
<b>Total equity</b>		<u>914,208</u>	<u>952,775</u>
<b>Liabilities</b>			
<b>Non - current liabilities</b>			
Provision	16	657	1,044
Deferred tax liabilities		33,179	34,085
<b>Total non - current liabilities</b>		<u>33,836</u>	<u>35,129</u>
<b>Current liabilities</b>			
Provision	16	478	228
Income tax payable		737	3,223
Loans and borrowings	17	3,548	3,843
Trade and other payables		73,042	68,926
<b>Total current liabilities</b>		<u>77,805</u>	<u>76,220</u>
<b>Total liabilities</b>		<u>111,641</u>	<u>111,349</u>
<b>Total equity and liabilities</b>		<u><u>1,025,849</u></u>	<u><u>1,064,124</u></u>
Net Assets per Share (RM)		<u>7.38</u>	<u>7.69</u>
Net Tangible Assets per Share (RM)		<u>7.37</u>	<u>7.68</u>

(\*) - RM150.00 - negligible

**The Condensed Consolidated Statement of Financial Position should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.**

**TASEK CORPORATION BERHAD**  
**(Company No: 4698-W)**  
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**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SECOND QUARTER ENDED 30 JUNE 2013 - UNAUDITED**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Attributable to equity holders of the Company						
	Non - distributable				Distributable		Total RM'000
	Share capital	Share Premium	Capital Redemption Reserve	Treasury Shares	General Reserve	Retained Profits	
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
At 1 January 2012	123,956	133,946	398	-	115,347	608,205	981,852
Net profit for the period	-	-	-	-	-	48,023	48,023
Share buy-back	-	-	-	(20,633)	-	-	(20,633)
Final & Special dividend totalling 80 sen per share	-	-	-	-	-	(72,974)	(72,974)
Balance at 30 June 2012	123,956	133,946	398	(20,633)	115,347	583,254	936,268
At 1 January 2013	123,956	133,946	398	(20,633)	115,347	599,761	952,775
Net profit for the period	-	-	-	-	-	43,526	43,526
Final & Special dividend totalling 80 sen per share	-	-	-	-	-	(82,093)	(82,093)
Balance at 30 June 2013	123,956	133,946	398	(20,633)	115,347	561,194	914,208

**The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.**

**TASEK CORPORATION BERHAD**  
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**CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SECOND QUARTER ENDED 30 JUNE 2013 - UNAUDITED**

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**

	6 Months ended	
	30 June 2013	30 June 2012
	RM'000	RM'000
<b>Operating activities</b>		
Profit before taxation	56,021	62,951
Adjustments for:		
Non-cash items		
Amortisation of prepaid lease payments	2	2
Amortisation of intangible assets	145	139
Depreciation of property, plant and equipment	21,637	21,519
Finance income	(7,298)	(8,069)
Finance cost	63	82
Net fair value gain on derivatives (Note 8)	-	5
Property, plant and equipment written off	42	272
Net gain on disposal of property, plant and equipment	(532)	-
Share of results of associates	(7,134)	(6,083)
	6,925	7,867
<b>Operating cash flows before changes in working capital</b>	62,946	70,818
<u>Changes in working capital:</u>		
Change in inventories	(5,803)	330
Change in trade and other receivables	(20,764)	4,714
Change in trade and other payables	3,979	(21,637)
Total changes in working capital	(22,588)	(16,593)
Interest received	7,298	8,069
Interest paid	(63)	(82)
Income taxes paid	(15,932)	(10,153)
	(8,697)	(2,166)
<b>Net cash flows from operating activities</b>	31,661	52,059
<b>Investing activities</b>		
Purchase of property, plant and equipment	(20,428)	(10,046)
Net proceeds from disposal of property, plant and equipment	942	-
Dividend income	3,780	6,000
Purchase of intangible assets	(56)	(270)
<b>Net cash flows used in investing activities</b>	(15,762)	(4,316)
<b>Financing activities</b>		
Dividends Paid	(82,093)	(72,974)
Purchase of treasury shares	-	(20,633)
Net (repayment)/proceeds from borrowings	(295)	(2,528)
<b>Net cash flows used in financing activities</b>	(82,388)	(96,135)
<b>Net decrease in cash and cash equivalents</b>	(66,489)	(48,392)
<b>Cash &amp; cash equivalents at 1 January</b>	465,577	494,529
<b>Cash &amp; cash equivalents at 30 June</b>	399,088	446,137

The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the with the accompanying explanatory notes attached to these interim financial statements.

**TASEK CORPORATION BERHAD**  
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**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SECOND QUARTER ENDED 30 JUNE 2013 - UNAUDITED**

**1. Corporate information**

Tasek Corporation Berhad is a public limited liability company incorporated and domiciled in Malaysia, and is listed on Bursa Malaysia Securities Berhad.

The condensed consolidated interim financial statements were approved by the Board of Directors on 25 July 2013.

**2. Accounting policies and methods of computation**

These condensed consolidated interim financial statements, for the period ended 30 June 2013, have been prepared in accordance with MFRS 134 Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. These condensed consolidated interim financial statements also comply with IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board. For the periods up to and including the year ended 31 December 2012, the Group prepared its financial statements in accordance with Malaysian Financial Reporting Standards ("MFRS") and International Financial Reporting Standards ("IFRS").

The consolidated financial statements of the Group for the year ended 31 December 2012 which were prepared under MFRS and IFRS are available upon request from the Company registered office at 6th Floor, Office Block, Grand Millennium Kuala Lumpur, 160 Jalan Bukit Bintang, 55100 Kuala Lumpur, Malaysia.

Except as described below, the accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements as at and for the year ended 31 December 2012.

**3. Changes in accounting policy**

The Group has adopted the following accounting standards, amendments and interpretations that have been effective beginning on or after 1 January 2013.

**Effective for annual periods beginning on or after 1 July 2012**

Amendments to MFRS 101 Presentation of Items of Other Comprehensive Income (Amendments to MFRS 101)

**Effective for annual periods beginning on or after 1 January 2013**

Amendments to MFRS 101: Presentation of Financial Statements (Annual Improvements 2009-2011 Cycle)

MFRS 3 Business Combinations (IFRS 3 Business Combinations issued by IASB in March 2004)

MFRS 10 Consolidated Financial Statements

MFRS 11 Joint Arrangements

MFRS 12 Disclosure of Interests in Other Entities

MFRS 13 Fair Value Measurement

MFRS 119 Employee Benefits

MFRS 127 Consolidated and Separate Financial Statements (IAS 27 as revised by IASB in December 2003)

Amendments to IC Interpretation 2 Members' Shares in Co-operative Entities and Similar Instruments (Annual Improvements 2009-2011 Cycle)

IC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine

Amendments to MFRS 7 Disclosures - Offsetting Financial Assets and Financial Liabilities

Amendments to MFRS 1: First-time Adoption of Malaysian Financial Reporting Standards - Government Loans

Amendments to MFRS 1: First-time Adoption of Malaysian Financial Reporting Standards - (Annual Improvements 2009-2011 Cycle)

Amendments to MFRS 116: Property, Plant and Equipment (Annual Improvements 2009-2011 Cycle)

Amendments to MFRS 132: Financial Instruments: Presentation (Annual Improvements 2009-2011 Cycle)

Amendments to MFRS 134: Interim Financial Reporting (Annual Improvements 2009-2011 Cycle)

Amendments to MFRS 10: Consolidated Financial Statements: Transition Guidance

Amendments to MFRS 11: Joint Arrangements: Transition Guidance

Amendments to MFRS 12: Disclosure of Interests in Other Entities: Transition Guidance

The adoption of the above Standards and Interpretations will have no significant impact on the financial statements of the Group upon their initial application.

**4. Changes in estimates of amount reported previously with material effect in current interim period.**

There were no estimations of amount used in our previous reporting having a material impact in the current reporting period.

**TASEK CORPORATION BERHAD**  
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**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SECOND QUARTER ENDED 30 JUNE 2013 - UNAUDITED**

**5. Changes in composition of the Group**

There were no changes in the composition of the Group during the current quarter ended 30 June 2013.

**6. Segmental information**

The segment information provided to the chief operating decision maker for the current financial period to date is as follows:

	Cement	Ready-mixed Concrete	All other segments	Adjustment and Elimination	Total
<u>30.6.2013</u>	RM'000	RM'000	RM'000	RM'000	RM'000
Segment revenue	231,032	84,382	2,727	-	318,141
Inter-segment revenue	(37,325)	-	(2,727)	-	(40,052)
Revenue from external customers	<u>193,707</u>	<u>84,382</u>	<u>-</u>	<u>-</u>	<u>278,089</u>
Segment profit/(loss)	45,177	425	(128)	(3,822)	41,652
Inter-segment elimination	(110)	110	-	-	-
	<u>45,067</u>	<u>535</u>	<u>(128)</u>	<u>(3,822)</u>	<u>41,652</u>
Segment profit/(loss)	45,177	425	(128)	(3,822)	41,652
Finance income	7,359	17	6	(84)	7,298
Finance cost	-	(147)	-	84	(63)
Share of profit from associates	-	-	-	7,134	7,134
Profit/(loss) before tax	<u>52,536</u>	<u>295</u>	<u>(122)</u>	<u>3,312</u>	<u>56,021</u>
<u>30.6.2012</u>	RM'000	RM'000	RM'000	RM'000	RM'000
Segment revenue	240,279	90,795	1,629	-	332,703
Inter-segment revenue	(40,715)	-	(1,629)	-	(42,344)
Revenue from external customers	<u>199,564</u>	<u>90,795</u>	<u>-</u>	<u>-</u>	<u>290,359</u>
Segment profit/(loss)	55,888	(831)	77	(6,253)	48,881
Inter-segment elimination	(102)	102	-	-	-
	<u>55,786</u>	<u>(729)</u>	<u>77</u>	<u>(6,253)</u>	<u>48,881</u>
Segment profit/(loss)	55,888	(831)	77	(6,253)	48,881
Finance income	8,177	11	-	(119)	8,069
Finance cost	-	(201)	-	119	(82)
Share of profit of associates	-	-	-	6,083	6,083
Profit/(loss) before tax	<u>64,065</u>	<u>(1,021)</u>	<u>77</u>	<u>(170)</u>	<u>62,951</u>

Breakdown of the revenue from all services is as follows:

Analysis of revenue by geographical segment

	<u>30.6.2013</u>	<u>30.6.2012</u>
	RM'000	RM'000
Malaysia	255,278	252,121
Outside Malaysia	<u>22,811</u>	<u>38,238</u>
	<u>278,089</u>	<u>290,359</u>

The commentary on the performance of each of the business activity and the factors that have resulted in the revenue or profits improving or declining as compared with the corresponding periods of last quarter and year is discussed in Note 22.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS  
FOR THE SECOND QUARTER ENDED 30 JUNE 2013 - UNAUDITED

7. Seasonal or cyclical factors

The operations of the Group generally follow the performance of the property development, infrastructure and construction industry.

8. Profit before tax

Included in the profit before tax are the following items:

	Note	Current quarter 3 months ended		Cumulative quarter 6 months ended	
		30 June	30 June	30 June	30 June
		2013	2012	2013	2012
		RM'000	RM'000	RM'000	RM'000
Profit before tax is arrived at after charging/(crediting):					
Amortisation of prepaid lease payments		1	1	2	2
Amortisation of intangible assets		73	74	145	139
Depreciation of property, plant and equipment	11	10,916	10,741	21,637	21,519
Finance income		(3,584)	(4,059)	(7,298)	(8,069)
Finance cost		34	46	63	82
Net Gain on disposal of property, plant and equipment		(386)	-	(532)	-
Property, plant and equipment written off	11	7	271	42	272
(Gain)/Loss on foreign exchange - realised		10	(64)	(12)	(37)
Net fair value gain on derivatives		-	5	-	5
Rental income		(147)	(262)	(323)	(553)

9. Income tax expense

	Current quarter 3 months ended		Cumulative quarter 6 months ended	
	30 June	30 June	30 June	30 June
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
<u>Current Income tax</u>				
Malaysia - Current year	(6,795)	(6,852)	(13,372)	(14,288)
- Prior year	(12)	(7)	(12)	(40)
	(6,807)	(6,859)	(13,384)	(14,328)
<u>Deferred tax</u>				
Origination and reversal of temporary differences	800	(762)	889	(775)
Under provision in respect of prior years	-	175	-	175
	(6,007)	(7,446)	(12,495)	(14,928)

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

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**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SECOND QUARTER ENDED 30 JUNE 2013 - UNAUDITED**

**10. Earnings per share**

	Current quarter 3 months ended		Cumulative quarter 6 months ended	
	30 June 2013	30 June 2012	30 June 2013	30 June 2012
	RM'000	RM'000	RM'000	RM'000
<u>(I) Basic earnings per share</u>				
Profit net of tax attributable to owners of the parent	21,822	23,130	43,526	48,023
Less : 6% Preference Dividend	-	-	(20)	(20)
Proportion of profit attributable to preference shareholders	(59)	(63)	(118)	(130)
<hr/>				
Profit net of tax from continuing operations attributable to owners of the parent used in the computation of basic earnings per share	21,763	23,067	43,388	47,873
<hr/>				
Weighted average number of ordinary shares:				
Issued ordinary shares at 1 January ('000)	121,143	123,621	121,143	123,621
Effect of purchase of treasury shares ('000)	-	(2,272)	-	(2,272)
Weighted average number of ordinary shares at 30 June	121,143	121,349	121,143	121,349
<hr/>				
Basic earnings per share (sen) for Profit from continuing operations	17.96	19.01	35.82	39.45

(II) Diluted earnings per share

There is no dilutive effects on earning per share as the Company has no potential issue of ordinary shares.

**11. Property, plant and equipment**

	Note	30 June	31 December
		2013	2012
		RM'000	RM'000
<b>Net carrying amount:</b>			
Balance at the beginning of year		334,481	348,886
Additions		20,428	30,261
Disposals		(410)	(377)
Less: Depreciation	8	(21,637)	(42,698)
Less: Written off	8	(42)	(1,591)
Balance at end of period/year		332,820	334,481

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**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE SECOND QUARTER ENDED 30 JUNE 2013 - UNAUDITED**

**12. Intangible assets**

	<b>Note</b>	Computer software RM'000	Goodwill RM'000	Total RM'000
<b>Cost:</b>				
At 1 January 2012		3,557	389	3,946
Additions		384	-	384
Write off		(392)	-	(392)
At 31 December 2012 and 1 January 2013		3,549	389	3,938
Additions		56	-	56
At 30 June 2013		3,605	389	3,994
<b>Accumulated amortisation and impairment:</b>				
At 1 January 2012		2,692	-	2,692
Amortisation		285	-	285
Write off		(391)	-	(391)
At 31 December 2012 and 1 January 2013		2,586	-	2,586
Amortisation	<b>8</b>	145	-	145
At 30 June 2013		2,731	-	2,731
<b>Net carrying amount:</b>				
At 1 January 2012		865	389	1,254
At 31 December 2012		963	389	1,352
At 30 June 2013		874	389	1,263

The recoverable amount of the investment in subsidiary and goodwill was determined by discounting the future cash flows projected based on actual operating results and management's assessment of future trends in the ready-mixed concrete industry. No impairment loss is recognised during the period as the recoverable amount is higher than the carrying amount.

**13. Inventories**

During the six months ended 30 June 2013, there were no material write-down of inventories to net realisable value nor the reversal of such write-down recognised in the Group's statement of comprehensive income.

**14. Cash and cash equivalents**

	30 June 2013 RM'000	31 December 2012 RM'000
Cash at bank and in hand	17,977	20,955
Short term deposits	381,111	444,622
Total cash and cash equivalents	399,088	465,577

**15. Changes in Debt and Equity Securities**

There were no issuance and repayment of any debt or equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the current financial period to date.

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**16. Provisions**

	30 June 2013	31 December 2012
	RM'000	RM'000
Balance at the beginning of year	1,272	1,532
Arose during the period and year	50	492
Unwinding of discount	-	29
Reversal of provision	(187)	(781)
Balance at end of period and year	<u>1,135</u>	<u>1,272</u>

**At 30 June and 31 December**

Current	<u>478</u>	<u>228</u>
Non-current:		
Later than 1 year but not later than 2 years	470	737
Later than 2 years but not later than 5 years	187	307
	<u>657</u>	<u>1,044</u>
	<u>1,135</u>	<u>1,272</u>

Provision for restoration costs

A provision is recognised for restoration cost associated with its subsidiary, Tasek Concrete Sdn Bhd's obligations to restore the lands at the end of the tenancy period. It is expected that most of these costs will be incurred in the next two financial years and all will have been incurred within three years from the reporting date. Assumptions used to calculate the expected cost to dismantle and remove the batching plants from the site and the cost of restoring the land to its original state were based on the management's best estimates.

**17. Group borrowings and debts securities**

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

	30 June 2013	31 December 2012
	RM'000	RM'000
Bankers' Acceptances (unsecured)	<u>3,548</u>	<u>3,843</u>

**18. Dividends**

Since the end of the previous financial year, on 31 May 2013, the Company paid a final dividend totalling RM81.771 million comprising a final dividend of 30 sen per share less tax of 25% and a special dividend of 60 sen per share less tax of 25% on the ordinary shares; and single tier dividends totalling RM321,600 comprising preference dividend of 6 sen per share, final dividend of 30 sen per share and special dividend of 60 sen per share on the 6% Cumulative Participating Preference Shares in respect of the financial year ended 31 December 2012.

**19. Commitments**

The outstanding commitments in respect of capital expenditure at reporting date not provided for in the financial statements are as follows:

	30 June 2013	30 June 2012
	RM'000	RM'000
<u>Property, plant &amp; equipment</u>		
- Contracted but not provided for and payable	12,219	11,034
- Authorised but not contracted for	5,880	8,746
	<u>18,099</u>	<u>19,780</u>

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**20. Contingencies**

The contingent liabilities for the financial period ended 30 June 2013 are as follows:

- (a) The Group is providing continuing financial support to North Plaza Sdn Bhd (NPSB), a joint venture company, up to the percentage of shareholding the Group holds in NPSB so as to enable NPSB to meet its liabilities as and when they fall due and to carry on its business without a significant curtailment of operation.
- (b) The Company monitors the performance of its subsidiary closely to ensure that it is able to meet all its financial obligations. In view that, there is minimal risk of default, the Company has not recognised the value of the obligation under the financial guarantee disclosed in the statement of financial position.

	30 June 2013	31 December 2012
	RM'000	RM'000
Unsecured:		
Corporate guarantee given to a third party in respect of rental of property by its subsidiary	-	238

**21. Events after the reporting period**

There were no material events subsequent to the end of the period reported at the date of issuance of this report.

**22. Review of performance**

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

The Group's total net revenue for the reporting quarter of RM142.0 million is marginally higher than the same quarter in previous year by RM2.3 million mainly attributable to higher sales of local cement and ready-mixed concrete. However, the Group's total operating profit of RM20.39 million, despite the higher net turnover, was lower in the current quarter compared to RM23.49 million of previous year's corresponding quarter mainly due to lower sales margin for the local cement sector arising from higher price rebate. The concrete segment on the other hand registered a favourable performance during the reporting quarter following losses incurred in the previous year's corresponding quarter.

The cement segment registered a lower operating profit of RM19.1 million for the current quarter as compared to RM23.6 million in previous year's corresponding quarter. This was mainly attributed to the lower sales margin from local cement sales because of intense pricing compounded by higher production cost due to scheduled plant maintenance.

The concrete segment on the other hand registered an operating profit of RM761,000 in the current quarter vis-a-vis a loss of RM822,000 in the same period last year mainly due to the contribution from higher concrete sales volume and better pricing despite rising raw material costs of aggregates and sand.

Lower Group net interest income for the current quarter of RM3.6 million as compared to RM4.1 million of the previous year's corresponding quarter also contributed to the lower Group's profit before tax.

Share of net profit from the Group's associated companies during the reporting quarter increased from previous year's corresponding quarter of RM3.1 million to RM3.9 million in the reporting quarter mainly due to negotiated reduction in raw material costs.

**(b) Current Period To Date vs. Corresponding Period To Date of Previous Year**

The Group's total net revenue for the current period to date of RM278.1 million is RM12.3 million lower than the previous year's corresponding period mainly due to lower pricing from the domestic cement segment following the continuous intense price competition among the cement manufacturers. In addition, lower turnover was also recorded in the ready-mixed concrete segment following the closure of two batching plants in April 2012. Apart from the lower net revenue, the Group's profit during the reporting period was also affected by lower interest income.

Cement segment registered a lower operating profit of RM40.5 million for the current period to date as compared to RM48.6 million in the previous year's corresponding period mainly due to the lower cement sales margin from the domestic sector following the continuous intense cement pricing among the cement manufacturers.

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The concrete segment on the other hand recorded an operating profit of RM253,000 for the current period to date as opposed to a loss of RM570,000 in the same period last year mainly due to better pricing and lower operating cost. However, the concrete sales volume in the reporting period was still relatively lower than the previous year's mainly due to the closure of the two plants in April 2012.

The Group's interest income for the current period to date of RM7.3 million was RM800,000 lower than previous year's corresponding period of RM8.1 million mainly due to lower yield from time deposits.

Share of net profit from the Group's associated companies for the current period to date increased to RM7.1 million from RM6.1 million in the previous year's corresponding period mainly due to higher sales volume and negotiated reduction in raw material costs.

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

	Current quarter 30 June 2013 RM'000	Immediate preceding quarter 31 March 2013 RM'000
Revenue	141,996	136,093
Net profit before tax	23,935	24,952
Share of profit of associates	3,894	3,240
Consolidated Profit before Tax	27,829	28,192

The Group's profit before tax for the reporting quarter of RM27.8 million was marginally lower than the immediate preceding quarter of RM28.2 million mainly due to higher cement production cost arising from the scheduled maintenance of the plant. The negative impact from cement segment was however, marginally cushioned by the much improved concrete segment's performance following the segment's higher sales volume and better pricing that was able to off-set the rising costs of raw materials. In addition, there was higher contribution of net profit from associated companies during the reporting quarter compared with the immediate preceding quarter.

**24. Commentary on prospects**

The overall outlook for the construction sector in the next quarter is expected to remain positive from the continuation of the infrastructural projects such as the construction of the MRT lines and expansion of LRT lines that were launched and awarded in the second half of 2012. In addition, there are new private sector residential projects in the Klang Valley and Iskandar Malaysia. Hence, the Group is expected to remain profitable in the next quarter.

**25. Profit forecast or profit guarantee**

The Group did not publish any profit forecast or profit guarantee during the current quarter and the financial period to date.

**26. Corporate proposals**

There were no announcement of any corporate proposal during the current quarter and the financial period to date.

**27. Material litigation**

There were no pending material litigation at the date of issuance of this report.

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**28. Dividends**

An interim ordinary dividend of 32 sen per share less income tax of 25% (2012: 30 sen per share less income tax of 25%) and a single tier dividend of 32 sen per share (2012: 30 sen per share) on the 6% Cumulative Participating Preference Shares has been declared and will be payable on 28 August 2013 to shareholders whose names appear in the Record of Depositors at the close of business on 14 August 2013.

Total interim dividend per share:

		2013	2012
Ordinary	(less income tax of 25%)	<u>32.0 sen</u>	<u>30.0 sen</u>
Preference	(single tier)	<u>32.0 sen</u>	<u>30.0 sen</u>

A Depositor shall qualify for entitlement only in respect of:

- (a) shares transferred into the Depositor's securities account before 4.00 p.m. on 14 August 2013 in respect of transfers; and
- (b) shares bought on Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of Bursa Malaysia Securities Berhad.

**29. Derivative financial instruments**

There were no outstanding forward foreign currency exchange contracts during the current quarter ended.

**30. Gains/Losses arising from fair value changes of financial liabilities**

There were no gain/loss on fair value changes of financial liabilities for the current quarter ended.

**31. Sales of unquoted investments and properties.**

There were no sale of unquoted investments and properties during the current financial quarter and the financial period to date.

**32. Purchases and sales of quoted securities**

There were no purchases and/or sales of quoted securities for the current quarter and the financial period to date.

**33. Realised and Unrealised Profit or (Losses) Disclosure**

The breakdown of the retained profits of the Group as at 30 June 2013 and 31 December 2012 into realised and unrealised profits is presented in accordance with the directives issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and prepared in accordance with Guidance on Special Matter No.1 Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

	As at 30 June 2013	As at 31 December 2012
	<u>RM'000</u>	<u>RM'000</u>
Total retained profits of the Group :		
- Realised	514,234	557,019
- Unrealised	<u>(33,179)</u>	<u>(34,085)</u>
	481,055	522,934
Total share of realised retained profits from associate and jointly controlled entity		
- Realised	80,822	77,468
- Unrealised	<u>(2,371)</u>	<u>(2,371)</u>
	559,506	598,031
Add: consolidation adjustments	1,688	1,730
Retained profits as per consolidated accounts	<u>561,194</u>	<u>599,761</u>

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**34. Fair value hierarchy**

The Group uses the following hierarchy for determining the fair value of all financial instruments carried at fair value:

Level 1	Quoted prices (unadjusted) in active markets for identical assets or liabilities
Level 2	Inputs that are based on observable market data, either directly or indirectly
Level 3	Inputs that are not based on observable market data

As at the reporting date, the Group does not have any financial assets and liabilities carried at fair value classified as above.

**35. Auditors' report on preceding annual financial statements**

The auditors' report on the financial statements for the year ended 31 December 2012 was not qualified.

BY ORDER OF THE BOARD

VINCENT CHOW POH JIN  
COMPANY SECRETARY

25 July 2013  
KUALA LUMPUR, MALAYSIA