**Financial Results**
Reference No **TT-110218-60525**

## Amended Announcement

(Please refer to the ealier announcement reference number: TT-110218-37700)

| | |
|---|---|
| Company Name | : **TASEK CORPORATION BERHAD** |
| Stock Name | : TASEK |
| Date Announced | : 18/02/2011 |
| Financial Year End | : 31/12/2010 |
| Quarter | : 4 |
| Quarterly report for the financial period ended | : 31/12/2010 |
| The figures | : have not been audited |

Converted attachment :

Please attach the full Quarterly Report here:
Q4 Bursa 31 12 2010 (for annoucement).pdf

Remark**:**

- DEFAULT CURRENCY
- OTHER CURRENCY

Currency : Malaysian Ringgit (MYR)

**SUMMARY OF KEY FINANCIAL INFORMATION**
**31/12/2010**

| | **INDIVIDUAL PERIOD** | | **CUMULATIVE PERIOD** | |
|---|---|---|---|---|
| | **CURRENT YEAR QUARTER** | **PRECEDING YEAR CORRESPONDING QUARTER** | **CURRENT YEAR TO DATE** | **PRECEDING YEAR CORRESPONDING PERIOD** |
| | 31/12/2010 | 31/12/2009 | 31/12/2010 | 31/12/2009 |
| | **$$'000** | **$$'000** | **$$'000** | **$$'000** |
| **1 Revenue** | 133,674 | 116,084 | 546,762 | 520,785 |
| **2 Profit/(loss) before tax** | 72,765 | 20,945 | 156,272 | 87,160 |
| **3 Profit/(loss) for the period** | 69,100 | 16,250 | 132,408 | 67,125 |
| **4 Profit/(loss) attributable to** | 69,100 | 16,250 | 132,408 | 67,125 |

| | | | | |
|---|---|---|---|---|
| **ordinary equity holders of the parent** | | | | |
| 5 **Basic earnings/ (loss) per share (Subunit)** | 43.30 | 8.76 | 82.95 | 36.20 |
| 6 **Proposed/Declared dividend per share (Subunit)** | 80.00 | 30.00 | 80.00 | 30.00 |

| | AS AT END OF CURRENT QUARTER | AS AT PRECEDING FINANCIAL YEAR END |
|---|---|---|
| 7 **Net assets per share attributable to ordinary equity holders of the parent ($$)** | 7.5516 | 4.8977 |

Remarks :

**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:**

| Country | Base Unit | Subunit |
|---|---|---|
| Malaysia | Ringgit | Sen |
| United States | Dollar | Cent |
| United Kingdom | Pound | Pence |

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

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

**Summary of Key Financial Information for the financial 12-month year ended 31.12.2010**

| | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|---|---|---|---|---|
| | CURRENT YEAR QUARTER 31/12/2010 RM'000 | PRECEDING YEAR CORRES-PONDING QUARTER 31/12/2009 RM'000 | CURRENT YEAR TODATE 31/12/2010 RM'000 | PRECEDING YEAR CORRES-PONDING PERIOD 31/12/2009 RM'000 |
| 1 Revenue | 133,674 | 116,084 | 546,762 | 520,785 |
| 2 Profit/(Loss) before tax | 72,765 | 20,945 | 156,272 | 87,160 |
| 3 Profit/(Loss) for the period | 69,100 | 16,250 | 132,408 | 67,125 |
| 4 Profit/(Loss) attributable to ordinary equity holders of the parents | 69,100 | 16,250 | 132,408 | 67,125 |
| 5 Basic earnings/(loss) per share (sen) | 43.30 | 8.76 | 82.95 | 36.20 |
| 6 Proposed/Declared dividend per share (sen) | 80 sen | 30 sen | 80 sen | 30 sen |

| | AS AT END OF CURRENT QUARTER | AS AT PRECEDING FINANCIAL YEAR END |
|---|---|---|
| 7 Net assets per share attributable to ordinary equity holders of the parent (RM) | 7.5516 | 4.8977 |

**Part A3 : ADDITIONAL INFORMATION**

| | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|---|---|---|---|---|
| | CURRENT YEAR QUARTER 31/12/2010 RM'000 | PRECEDING YEAR CORRES-PONDING QUARTER 31/12/2009 RM'000 | CURRENT YEAR TODATE 31/12/2010 RM'000 | PRECEDING YEAR CORRES-PONDING PERIOD 31/12/2009 RM'000 |
| 1 Gross interest income | 2,663 | 1,818 | 9,214 | 6,378 |
| 2 Gross interest expense | 107 | (39) | 178 | 98 |

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

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2010**

| | Quarter ended 31 December | | 12 months Cumulative todate | |
|---|---|---|---|---|
| | 2010 | 2009 | 2010 | 2009 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| **Continuing operations** | | (restated) | | (restated) |
| Revenue | 133,674 | 116,084 | 546,762 | 520,785 |
| Cost of sales | (86,027) | (81,041) | (350,514) | (356,227) |
| **Gross Profit** | 47,647 | 35,043 | 196,248 | 164,558 |
| Other income | 44,507 | 988 | 46,664 | 2,472 |
| Selling & Distribution Expenses | (19,667) | (15,811) | (80,264) | (73,908) |
| Administrative Expenses | (6,280) | (4,535) | (19,414) | (17,011) |
| Other expenses | | - | - | - |
| **Results from operating acitivities** | 66,207 | 15,685 | 143,234 | 76,111 |
| Finance income | 2,663 | 1,818 | 9,214 | 6,378 |
| Finance costs | (107) | 39 | (178) | (98) |
| **Net finance costs** | 2,556 | 1,857 | 9,036 | 6,280 |
| Share of profit of associates, net of tax | - | - | - | 1,366 |
| Share of profit equity accounted jointly controlled entity, net of tax | - | 6 | - | 6 |
| | - | 6 | - | 1,372 |
| **Profit before tax** | 68,763 | 17,548 | 152,270 | 83,763 |
| Income tax expense | (2,755) | (3,873) | (22,954) | (19,213) |
| **Profit from continuing operations** | 66,008 | 13,675 | 129,316 | 64,550 |
| **Discontinued operation** | | | | |
| Profit from discontinued operation, net of tax | 3,092 | 2,575 | 3,092 | 2,575 |
| Profit for the year | 69,100 | 16,250 | 132,408 | 67,125 |
| **Other comprehensive income, net of tax** | - | - | - | - |
| **Total comprehensive income for the year** | 69,100 | 16,250 | 132,408 | 67,125 |
| **Profit attributable to :** | | | | |
| Shareholders of the Company | 69,100 | 16,250 | 132,408 | 67,125 |
| Minority interest | - | - | - | - |
| **Profit for the period** | 69,100 | 16,250 | 132,408 | 67,125 |
| Earnings per share | | | | |
| - Basic (sen) from continuing operations | 41.36 | 7.37 | 81.01 | 34.81 |
| - Basic (sen) from discontinued operation | 1.94 | 1.39 | 1.94 | 1.39 |
| | 43.30 | 8.76 | 82.95 | 36.20 |
| - Diluted (sen) | NA | NA | NA | NA |

**The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.**

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

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**
**AS AT 31 DECEMBER 2010**

| | 31 December 2010 | 31 December 2009 (restated) |
|---|---|---|
| | RM'000 | RM'000 |
| **Assets** | | |
| Property, plant & equipment | 350,861 | 366,922 |
| Intangible assets | 511 | 366 |
| Goodwill on consolidation | 389 | 389 |
| Prepaid lease payments | 32 | 37 |
| Investment in a jointly controlled entity | 6 | 6 |
| Development expenditure | - | 37 |
| **Total non - current assets** | 351,799 | 367,757 |
| | | |
| Inventories | 115,222 | 112,542 |
| Receivables, deposits and repayments | 73,320 | 69,951 |
| Tax recoverable | 349 | 319 |
| Derivative assets | 61 | - |
| Cash & cash equivalents | 436,904 | 355,726 |
| **Total current assets** | 625,856 | 538,538 |
| Assets classified as held for sale | 55,905 | 76,309 |
| | 681,761 | 614,847 |
| | | |
| **Total assets** | 1,033,560 | 982,604 |
| | | |
| **Equity** | | |
| Share Capital | 123,956 | 185,407 |
| Reserves | 812,114 | 722,675 |
| Total equity attributable to equity holders of the Company | 936,070 | 908,082 |
| | | |
| Minority interests | - | - |
| **Total equity** | 936,070 | 908,082 |
| | | |
| **Liabilities** | | |
| Deferred tax liabilities | 28,516 | 16,116 |
| **Total non - current liabilities** | 28,516 | 16,116 |
| | | |
| Payables and accruals | 62,730 | 54,437 |
| Bank borrowings | 4,127 | 3,747 |
| Derivative liabilities | - | - |
| Provision for taxation | 2,117 | 222 |
| **Total current liabilities** | 68,974 | 58,406 |
| | | |
| **Total liabilities** | 97,490 | 74,522 |
| | | |
| **Total equity and liabilities** | 1,033,560 | 982,604 |
| | | |
| Net Assets per Share (RM) | 7.55 | 4.90 |
| | | |
| Net Tangible Assets per Share (RM) | 7.54 | 4.89 |

**The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.**

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

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR YEAR ENDED 31 DECEMBER 2010**

| | <-----Attributable to equity holders of the Company-----> | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | <-----Non - distributable-----> | | | | | | <-----Distributable-----> | | |
| | **Share capital RM'000** | **Share Premium RM'000** | **Revaluation Reserve RM'000** | **Capital Redemption Reserve RM'000** | **Share Options Reserve RM'000** | **Treasury Shares RM'000** | **General Reserve RM'000** | **Retained Profits RM'000** | **Total RM'000** |
| At 1 January 2010, as previously stated | 185,407 | 135,784 | 11,199 | - | - | (223) | 115,347 | 460,568 | 908,082 |
| - effect of adopting FRS 139 | - | - | - | - | - | - | - | (57) | (57) |
| At 1 January 2010, as restated | 185,407 | 135,784 | 11,199 | - | - - | 223 | 115,347 | 460,511 | 908,025 |
| Net profit for the year | - | - | - | - | - | - | - | 132,408 | 132,408 |
| Shares buy-back | - | - | - | - | - | (1,615) | - | - | (1,615) |
| Cancellation of treasury shares | (398) | (1,838) | - | 398 | | 1,838 | - | - | - |
| Capital repayment | (61,053) | - | - | - | - | - | - | - | (61,053) |
| Final & Special dividend totalling 30 sen per share | - | - | - | - | - | - | - | -<br>(41,695) | -<br>(41,695) |
| Balance at 31 December 2010 | 123,956 | 133,946 | 11,199 | 398 | - | - | 115,347 | 551,224 | 936,070 |
| At 1 January 2009 | 185,088 | 135,117 | 11,199 | - | 72 | - | 115,347 | 407,388 | 854,211 |
| Issue of share - Exercise of options | 319 | 595 | - | - | - | - | - | - | 914 |
| Net profit for the period | - | - | - | - | - | - | - | 67,125 | 67,125 |
| Shares buy back | - | - | - | - | - | (223) | - | - | (223) |
| Transfer to share premium for share options | - | 72 | - | - | (72) | - | - | - | - |
| Interim dividend payable of 3 sen per share less tax of 26 % | - | - | - | - | - | | - | -<br>(13,945) | -<br>(13,945) |
| Balance at 31 December 2009 | 185,407 | 135,784 | 11,199 | - | - | (223) | 115,347 | 460,568 | 908,082 |

**The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with with the Annual Financial Report for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.**

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

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW FOR YEAR ENDED 31 DECEMBER 2010**

| | 12 Months ended 31 December 2010 RM'000 | 12 Months ended 31 December 2009 RM'000 (restated) |
|---|---|---|
| Net profit before taxation | | |
| - continuing operations | 152,270 | 83,763 |
| - discontinued operation | 4,002 | 3,397 |
| | 156,272 | 87,160 |
| Adjustment for non-cash flow: | | |
| Non-cash items | (10,530) | 39,818 |
| Operating profit before changes in working capital | 145,742 | 126,978 |
| Changes in working capital: | | |
| Net Change in current assets/(liabilities) | 18,874 | 15,288 |
| Net cash flows from operating activities | 164,616 | 142,266 |
| Net cash flows from investing activities | 20,545 | (33,561) |
| Net cash flows from financing activities | (103,983) | (14,094) |
| Net increase in cash and cash equivalents | 81,178 | 94,611 |
| Cash & cash equivalents at beginning of year | 355,726 | 261,115 |
| Cash & cash equivalents at end of year | 436,904 | 355,726 |

**The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Annual Financial Report for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.**

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

**A1 Accounting policies and methods of computation**

The interim financial report is unaudited and has been prepared in accordance with the applicable disclosure provisions of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, including compliance with Financial Reporting Standard (FRS) 134, Interim Financial Reporting, issued by the Malaysian Accounting Standards Board (MASB) and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

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 2009.

**A1 (a) Changes in accounting policy**

On 1 January 2010, the Group adopted the following FRSs, Amendments to FRSs and IC Interpretations mandatory for financial periods beginning on or after 1 July 2009 and 1 January 2010:

FRS 7 *Financial Instruments: Disclosures*
FRS 8 *Operating Segments*
FRS 101 *Presentation of Financial Statements (Revised)*
FRS 123 *Borrowing Costs*
FRS 139 *Financial Instruments: Recognition and Measurement*
Amendments to FRS 1 *First-time Adoption of Financial Reporting Standards and FRS 127 Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate*
Amendments to FRS 2 *Share-based Payment – Vesting Conditions and Cancellations*
Amendments to FRS 132 *Financial Instruments: Presentation*
Amendments to FRS 139 *Financial Instruments: Recognition and Measurement, FRS 7 Financial Instruments: Disclosures and IC Interpretation 9 Reassessment of Embedded Derivatives*
Improvements to FRS issued in 2009
IC Interpretation 9 *Reassessment of Embedded Derivatives*
IC Interpretation 10 *Interim Financial Reporting and Impairment*
IC Interpretation 11 *FRS 2 – Group and Treasury Share Transactions*
IC Interpretation 13 *Customer Loyalty Programmes*
IC Interpretation 14 *FRS119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction*

FRS 4 Insurance Contracts and TR i-3 Presentation of Financial Statements of Islamic Financial Institutions will also be effective for annual periods beginning on or after 1 January 2010. These FRS, Amendments to FRS 2, IC Interpretation 13 and 14 are not applicable to the Group or the Company.

The adoption of the above FRSs, Amendments to FRSs and IC Interpretations does not result in significant changes in accounting policies of Group except as disclosed below:

**(i) FRS 139, Financial instruments : Recognition and Measurement**

The adoption of FRS 139 has resulted in changes to accounting policies relating to recognition and measurement of financial instruments and the new accounting policies are as follows :

**I) Initial recognition and measurement**

A financial instrument is recognised in the financial statements when, and only when, the Group becomes a party to the contractual provisions of the instrument.

A financial instrument is recognised initially, at its fair value plus, in the case of a financial instrument not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial instrument.

**II) Financial instrument categorised and subsequent measurement**

The Group catergorises financial instruments as follows:

***Financial assets***
***- Loans and receivables***

Prior to adoption of FRS 139, loans and receivables were stated at cost less allowance for doubtful debts. Under FRS 139, financial assets categorised as loans and receivables are subsequently measured at amortised cost using the effective interest methods. Gain and losses are recognised in the consolidated income statement when the loans and receivables are derecognised, impaired or through the amortisation process.

***Financial liabilities***

All financial liabilities are subsequently measured at amortised cost other than those categorised as fair value through profit or loss.

Fair value through profit or loss category comprises financial liabilities that are held for trading, derivatives (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument) or financial liabilities that are specifically designated into this category upon initial recognition.

**III) Derecognition**

A financial asset or part of it is derecognised when, and only when the contractual rights to the cash flows from the financial asset expire or the financial asset is transferred to another party without retaining control or substantially all risks and rewards of the asset. On derecognition of a financial asset, the difference between the carrying amount and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognised in equity is recognised in the profit or loss.

A financial liability or a part of it is derecognised when, and only when, the obligation specified in the contract is discharged or cancelled or expires. On derecognition of a financial liablity, the difference between the carrying amount of the financial liability extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in the profit or loss.

The application of the above new policies has the following effects :

| | Retained earning | |
|---|---|---|
| | 2009 | 2009 |
| Group | RM'000 | RM'000 |
| At 1 January, as previously stated | 460,568 | 407,388 |
| - Fair value adjustment on other receivables | (57) | - |
| At 1 January, as restated | 460,511 | 407,388 |

***Derivatives***

Prior to the adoption of FRS 139, derivatives were not recognised in the financial statements. Under FRS 139, derivatives are required to be initially recognised at fair value on the date the derivative contract is entered into and subsequently at fair value at each balance sheet date. Derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative. Derivatives that do not qualify for hedge accounting are classified at fair value through profit and loss with any gains or losses arising from changes in fair value on these derivatives being recognised in the income statement.

The outstanding forward foreign currency exchange contracts as at 31 December 2010 are as follows:

| | Contract | Fair value | |
|---|---|---|---|
| Type of Derivatives | value | Assets | Liabilities |
| | RM'000 | RM'000 | RM'000 |
| Foreign Exchange Contracts | | | |
| - Less than 1 year | 1,909 | 61 | - |
| -1 year to 3 years | - | - | - |
| - More than 3 years | - | - | - |

Forward foreign currency exchange contracts are entered into with licensed banks to hedge the Group's exposure to foreign exchange risk in respect of imported purchases by establishing the rate at which foreign currency liablities will be settled.

These contracts are executed with credit-worthy/reputable financial institutions in Malaysia and as such, credit risk and liquidity risk in respect of non-performance by counterparties to these contracts is minimal.

The fair value of the forward foreign currency exchange contracts are subject to market risk. The fair value of the forward contracts may decline if the exchange rate of the underlying currency decreases.

There are no cash requirements for these derivatives.

Forward foreign currency exchange contracts are recognised on the contract dates and are measured at fair value with changes in fair value recognised in profit or loss.

***Fair value adjustment of trade and other receivables***

With the adoption of FRS 139, the fair value adjustement for trade and other receivables and is measured as the difference between the asset's carrying amount and the present value or estimated future cash flows discounted at the asset's original effective interest rate.

These changes in accounting policies have been made in accordance with the transitional provisions of FRS 139.
In accordance with the transitional provisions of FRS 139 for first-time adoption, adjustments arising from remeasuring the financial instruments at the beginning of the financial period were recognised as adjustments of the opening balance of retained earnings or another appropriate reserve. Comparatives are not adjusted.

Consequently, the adoption of FRS 139 does not affect the basic and diluted earnings per ordinary share for prior periods. It is not practicable to estimate the impact arising from the adoption of FRS 139 to the current period's basic and diluted earnings per ordinary share.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

**(ii) FRS 117, Leases**

The amendments to FRS 117 requires entities with existing leases of land and buildings to reassess the classification of land as a finance or operating lease. The Group has reclassified the existing leasehold land to property, plant and equipment following this reassessment, with no effect on reported profit or equity. However, as a result of the adoption of the Amendments to FRS 117, comparative balances have been restated as follows:

| | 31.12.09 As restated | 31.12.09 As previously stated |
|---|---|---|
| | RM'000 | RM'000 |
| Property, plant and equipment | 366,922 | 361,276 |
| Prepaid lease | 37 | 5,683 |

**(iii) FRS 123, Borrowing Costs**

Before 1 January 2010, borrowing costs were expensed to profit or loss as and when they were incurred. With the adoption FRS 123, the Group capitalises borrowing costs that are directly attributable to the acquisition, construction and production of a qualifying asset as part of the cost of the asset for which the commencement date of capitalisation is on or after 1 January 2010.

The change in accounting policy has been applied prospectively in accordance with the transitional provisions of FRS 123.

Hence the adoption of FRS 123 does not affect the basic and diluted earnings per ordinary share for prior periods and has no material impact to current period's basic and diluted earnings per ordinary share.

**(iv) FRS 8, Operating Segments**

As at 1 January 2010, the Group determines and presents operating segments based on the information that is internally provided to the chief operating decision maker ("CODM") who makes decisions on the allocation of resources and assesses the performance of the reportable segments. This change in accounting policy is due to the adoption of FRS 8, previously operating segments were determined and presented in accordance with FRS 114 $_{2004}$, *Segment Reporting.*

Comparative segment information has been re-presented. Since the change in accounting policy only impacts presentation and disclosure aspects, there is no impact on earnings per ordinary share.

**(v) FRS 101 (revised), Presentation of Financial Statements**

The Group applies revised FRS 101 (revised) which became effective as of 1 January 2010. As a result, the Group presents all non-owner changes in equity in the consolidated statement of comprehensive income.

Comparative information has been re-presented so that it is in conformity with the revised standard. Since the change only affects presentation aspects, there is no impact on earnings per ordinary share.

**A2 Audit report**

The audit report of the Company's preceding annual financial statements was not qualified.

**A3 Seasonal or cyclical factors**

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

**A4 Unusual items**

There were no unusual items during this quarter affecting assets, liabilities, equity, net income or cashflow during the current quarter and financial period-to-date.

**A5 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.

**A6 Debt and equity securities**

There were no issues of any debt or equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current financial year to date except as follows.

(i) Share buy-back

At the Annual General Meeting (AGM) of the Company held on 27 April 2010, the shareholders of the Company had renewed the share buy-back mandate for the Company to purchase up to 10% of the ordinary issued and paid-up share capital of the Company. The mandate will expire at the next AGM.

The Company has bought back 341,500 of its ordinary shares of RM1.00 each during the first financial quarter from the open market at an average price of approximately RM 4.73 per share for a total consideration of RM1.615 million.

The above shares bought back were financed by internally generated funds. The shares were retained as treasury shares in accordance with Section 67A of the Companies Act,1965.

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

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

On 24 June 2010, the Company announced the cancellation of the whole 397,900 treasury shares bought back todate and the amount equivalent to the nominal value of RM397,900 was transferred to the capital redemption reserve in accordance with Section 67A of the Companies Act,1965. The premium paid on the shares bought back was made out from the share premium account.

**A7 Dividends paid**

Since the end of the previous financial year, the Company paid a final dividend of 10 sen per share less tax at 25% and a special dividend of 20 sen per share less tax at 25% on the Ordinary Shares totalling RM41.515 million and a single tier dividend of a preference 6 sen per share and also the final dividend of 10 sen per share and special dividend of 20 sen per share on the 6% Cumulative Participating Preference Shares totalling RM180,000 on 18 June 2010 in respect of the financial year ended 31 December 2009.

**A8 Segmental information**

The segment information provided to the CODM for the current financial year to date is as follows:

| | Cement | Ready Mix Concrete | All other segments | Continuing operations Total | Plantation Discontinued | Total |
|---|---|---|---|---|---|---|
| 31.12.2010 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Segment revenue | 442,524 | 182,543 | - | 625,067 | 6,276 | 631,343 |
| Inter-segment revenue | (78,305) | - | - | (78,305) | - | (78,305) |
| Revenue from external customers | 364,219 | 182,543 | - | 546,762 | 6,276 | 553,038 |

| | Cement | Ready Mix Concrete | All other segments | Continuing operations Total | Plantation Discontinued | Total |
|---|---|---|---|---|---|---|
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Operating profit | 141,704 | 1,572 | (42) | 143,234 | 4,002 | 147,236 |
| Net Finance income/(cost) | 9,133 | (97) | - | 9,036 | - | 9,036 |
| Share of profit of associates | - | - | - | - | - | - |
| Income tax expense | (22,574) | (362) | (18) | (22,954) | (910) | (23,864) |
| Profit after tax | 128,263 | 1,113 | (60) | 129,316 | 3,092 | 132,408 |

| | Cement | Ready Mix Concrete | All other segments | Continuing operations Total | Plantation Discontinued | Total |
|---|---|---|---|---|---|---|
| 31.12.2009 (Restated) | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Segment revenue | 421,848 | 171,021 | - | 592,869 | 5,985 | 598,854 |
| Inter-segment revenue | (72,084) | - | - | (72,084) | - | (72,084) |
| Revenue from external customers | 349,764 | 171,021 | - | 520,785 | 5,985 | 526,770 |
| | | | | | | |
| Operating profit | 70,916 | 5,133 | 62 | 76,111 | 3,397 | 79,508 |
| Net Finance income/(cost) | 6,299 | (23) | 4 | 6,280 | - | 6,280 |
| Share of profit of associates | 1,366 | - | - | 1,366 | - | 1,366 |
| Share of profit of jointly controlled entity | 6 | - | - | 6 | - | 6 |
| Income tax expense | (17,651) | (1,558) | (4) | (19,213) | (822) | (20,035) |
| Profit after tax | 60,936 | 3,552 | 62 | 64,550 | 2,575 | 67,125 |

Breakdown of the revenue from all services is as follows:

Analysis of revenue by geographical segment

| | 31.12.2010 | 31.12.2009 |
|---|---|---|
| | RM'000 | RM'000 |
| Malaysia | 489,683 | 478,033 |
| Outside Malaysia | 63,355 | 48,737 |

**A9 Revaluations**

There were no amendments in the valuation amount of revalued assets brought forward to the current quarter ended and financial year to date.

**A10 Material events subsequent to the end of the reporting period**

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

**A11 Changes in composition of the Group**

There were no changes in the composition of the Group during the current quarter ended 31 December 2010 except for the acquisition of the whole of the issued and paid-up share capital of PR Engineering Sdn Bhd ("PRE") as announced in the previous quarters.

On 23 August 2010, an external valuation was carried out by Rahim &Co. based on the open market basis and the revalued cost of the "PRE" lands was RM13 million.

The acquisition of "PRE" has not been regarded as a business combination as the company was dormant which owns lands. Hence, the substance of the transaction has been regarded as acquisition of property, plant and equipment and the purchase cost paid is regarded as the cost paid for the acquisition of land at Group level.

The difference of the consideration paid of RM1.2 million as compared with the fair value of the lands has not been written down as the management has concluded that the difference represents rock reserves beneath the subsurface of the lands which will be extracted upon commencement of the quarrying activities on the said lands. The management has performed its own computation on the estimated rock reserves and concluded that the estimated recoverable amount from the rock reserves will be higher than the carrying value, hence no write down is necessary.

**A12 Contingent liabilities or assets**

There were no changes to the contingent liabilities disclosed in the Annual Financial Report for the year ended 31.12.2009.

**A13 Commitments**

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

| | Note | As at 31.12.10 | As at 31.12.09 |
|---|---|---|---|
| | | RM'000 | RM'000 |
| Property, plant & equipment & investment | | | |
| - Contracted but not provided for and payable | | 5,835 | 27,045 |
| - Authorised but not contracted for | | 4,078 | 1,636 |
| | | 9,913 | 28,681 |

**B1 Review of performance**

The Group achieved profit before tax of RM72.8 million (inclusive of "Profit from Discontinued Operation") for the current quarter as compared to RM20.9 million registered in the previous year's corresponding quarter. The much improved Group results apart from the RM43.6 million gain from disposal of plantation and other property, was mainly in line with the increase in Group's total revenue compounded by better local cement sales margin. In addition, higher interest income also contributed to the better performance during the reporting quarter.

**B2 Comparison of profit before tax for the current quarter with the immediate preceding quarter**

| | Current quarter | Immediate preceding quarter |
|---|---|---|
| | 31.12.10 | 30.9.10 |
| | RM'000 | RM'000 |
| Revenue | 133,674 | 143,780 |
| Consolidated profit before tax | 68,763 | 35,630 |

The Group's revenue was lower comparison with the immediate preceding quarter mainly due to stiff competition in the domestic market which resulted in lower sales volume. Included in the Group's profit before tax for the current quarter was the RM43.6 million gain from disposal of plantation and other property in the subsidiaries.

**B3 Prospect**

Demand for cement and concrete products are expected to remain competitive. However, as enhancement to the Group's overall competitiveness, the Group will continue to intensify its efforts in optimizing performance and efficiency in production. The Group is expected to remain profitable for the first quarter of 2011.

**B4 Explanation on variances of actual results compared with forecast and shortfall in profit guarantee.**

The Group did not publish any profit forecast or profit guarantee during the current quarter and the financial year ended 31.12.2010.

**B5 Taxation**

| | Current quarter 31.12.10 RM'000 | Preceding correspondin quarter 31.12.09 RM'000 (restated) | Current year to date 31.12.10 RM'000 | Preceding year corresponding period 31.12.09 RM'000 (restated) |
|---|---|---|---|---|
| Current Income tax | | | | |
| Malaysia - Current year | (689) | 3,706 | (12,086) | (11,147) |
| - Prior year | - | (59) | 622 | (59) |
| Discontinuing operation | 910 | 822 | 910 | 822 |
| | 221 | 4,469 | (10,554) | (10,384) |
| Deferred tax | | | | |
| Origination and reversal of temporary differences | (2,976) | (8,342) | (12,400) | (8,829) |
| | (2,755) | (3,873) | (22,954) | (19,213) |

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

The Group's effective tax rate for the current quarter was lower than the statutory tax rate mainly due to the higher utilisation of reinvestment allowances.

**B6 Sales of unquoted investments and properties.**

There were no sale of unquoted investments and properties during the current financial quarter and the financial year to date except for the following :

a) On 13 July 2010, the Company's wholly-owned subsidiary, Tasek Plantation Sdn Bhd ("TPSB") entered into a Conditional Sale and Purchase Agreement ("the Agreement") with Ngan Yin Groundnut Factory Sdn Bhd (Co. No. 24765-P) ("the Purchaser") to dispose of Gunong Kuang Estate in the Mukim of Hulu Kinta, District of Kinta, Perak on an "as is" basis for a total cash consideration of RM53,888,999.

The conditions precedent were met and completion of the sale and puchase was on 15 December 2010. The resulting Group gain net off expenses recognised from the disposal was RM43.5 million.

The segment was not classified as held for sale or a discontinued operation as at 31 December 2009 and the comparative statement of comprehensive income has been restated to show the discontinued operation separately from continuing operations.

Results of discontinued operation

| | 3 months ended | | 12 months ended | |
|---|---|---|---|---|
| | 31.12.10 | 31.12.09 | 31.12.10 | 31.12.09 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Revenue | 6,276 | 5,985 | 6,276 | 5,985 |
| Expenses | (2,274) | (2,588) | (2,274) | (2,588) |
| Profit before tax from discontinued operation | 4,002 | 3,397 | 4,002 | 3,397 |
| Income tax | (910) | (822) | (910) | (822) |
| Profit from discontinued operation, net of tax | 3,092 | 2,575 | 3,092 | 2,575 |

Cashflows from / (used in) discontinued operation

| | 12 months ended | |
|---|---|---|
| | 31.12.10 | 31.12.09 |
| | RM'000 | RM'000 |
| Net cash used in operating activities | 2,661 | 2,697 |
| Net cash from investing activities | 52,896 | (110) |
| Net cash from financing activities | - | - |
| Net cash from / (used in) discontinued operation | 55,557 | 2,587 |

b) On 10 August 2010, the Company's wholly-owned subsidiary, Posek Pembangunan Sdn Bhd concluded the sale of a piece of land in Seberang Prai for a cash consideration of RM2.64 million resulting in a recognised Group gain of RM1.54 million.

**B7 Purchases and sales of quoted securities**

There were no purchases and/or sales of quoted securities for the current quarter and the financial year to date except for shares bought back as disclosed in A6.

**B8 Status of corporate proposal**

There were no announcement of any corporate proposal during the current financial period to date. The status of corporate proposals announced as at 27 July 2010 were as follows:

i) On 23 December 2009, the Company announced that it had entered into a conditional Sale and Purchase Agreement ("SPA") with Loo An Swee and Tan Swee Tiang ("Seller") to purchase the whole of the issued and paid up share capital of Gridland Sdn Bhd ("GSB") comprising 5,000,000 ordinary shares of RM1.00 each for a provisional cash consideration of RM24.8 million subject to the terms and conditions of the Agreement.

On 27 May 2010, the Company announced the termination of the above SPA with Loo An Swee and Tan Swee Tiang relating to the sale and purchase of the whole of the issued capital of GSB, and proposed the acquisition of the whole issued share capital of PR Engineering Sdn Bhd ("PRE") comprising 500,000 ordinary shares of RM1.00 each for a cash consideration of RM14.2 million by entering into a Sale and Purchase Agreement with Loo An Swee and Tan Swee Tiang (collectively the "Guarantors") and GSB ("Seller"). PRE is a private limited company incorporated in Malaysia under the Companies Act, 1965 and a wholly-owned subsidiary of GSB with an issued and paid-up share capital of 500,000 ordinary shares of RM1.00 each. PRE is the sole legal and beneficial owner of a limestone hill held under HS (D) 180252 PT 21302 Mukim Sungai Raya, Daerah Kinta, Negeri Perak and HS (D) 180253 PT 21303 Mukim Sungai Raya, Daerah Kinta, Negeri Perak.

On 23 June 2010, the Company announced in relation to the purchase of the whole of the issued and paid-up share capital of PRE comprising 500,000 ordinary shares of RM1.00 each, the condition precedents of the Sale and Purchase Agreement dated 27 May 2010 between the Guarantors and the Seller and the Company have been complied with. The Company will be the legal and beneficial owner of the whole of the issued and paid-up capital of PRE and it will become a wholly-owned subsidiary of the Company once the transfer of shares has been completed.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

ii) On 9 February 2010, the Company announced the following:

a) proposed cash distribution of approximately up to RM102.97 million or equivalent to RM0.63 per ordinary share of RM1.00 each in the Company ("Tasek Ordinary Share") or per 6% cumulative participating preference share of RM1.00 each in the Company ("Tasek Preference Share") (collectively referred to as the "Tasek Shares") to the ordinary shareholders and preference shareholders of the Company by way of a proposed final dividend of RM0.10 per share; a proposed special dividend of RM0.20 per share; and a proposed capital repayment of approximately up to RM61.18 million on the basis of RM0.33 per share; and

b) proposed share consolidation of approximately up to 185,407,200 Tasek Shares of RM0.67 each in the Company (after the proposed capital repayment) into approximately up to 124,222,824 Tasek Shares, on the basis of 1.49 Tasek Shares of RM0.67 each in the Company into one (1) Tasek Share of RM1.00 each in the Company.

On 18 March 2010, the application for the proposed consolidation of up to 185,407,200 shares of RM0.67 each into up to 124,222,824 shares of RM1.00 each had been approved by Bursa Securities.

On 24 June 2010, the Company announced that it had cancelled all its treasury shares of 397,900 ordinary shares of RM1.00 each and the adjusted issued share capital after cancellation amounted to 184,509,300 ordinary shares of RM1.00 each.

On 2 July 2010, the Company announced that the High Court of Malaya, Kuala Lumpur, had granted an order confirming the Proposed Capital Repayment via capital reduction by the Company pursuant to Section 64 of the Companies Act, 1965.

On 19 July 2010, the Company announced the date of Book Closing Date and Entitlement for the Capital Repayment and Share Consolidation to be on 3 August 2010 and the payment date for the capital repayment on 6 August 2010.

On 22 July 2010, the Company announced the clarification that pursuant to the Capital Repayment and Share Consolidation, a total of 184,509,300 ordinary shares of RM0.67 each and 500,000 6% cumulative participating preference shares of RM0.67 each in Tasek will be consolidated into a maximum of 123,621,231 ordinary shares of RM1.00 each and 335,000 6% cumulative participating preference shares of RM1.00 each on the basis of one (1) ordinary share of RM0.67 each in Tasek into 0.67 ordinary share of RM1.00 each and 0.67 6% cumulative participating preference share of RM1.00 each in Tasek respectively.

On 3 August 2010, the Company announced that with effect from 3 August 2010, being the date of lodgement of the office copy of the order of the High Court of Malaya with the Registrar of Companies confirming the Capital Repayment, the par value of the Ordinary Shares of the Company and 6% Cumulative Participating Preference Shares have been reduced from RM1.00 to RM0.67 per share respectively and these shares of 184,509,300 ordinary shares of RM0.67 each and 500,000 6% cumulative participating preference shares of RM0.67 each in Tasek will be consolidated into a maximum of 123,621,231 ordinary shares of RM1.00 each and 335,000 6% cumulative participating preference shares of RM1.00 each on the basis of one (1) ordinary share of RM0.67 each in Tasek into 0.67 ordinary share of RM1.00 each and 0.67 6% cumulative participating preference share of RM1.00 each in Tasek respectively.

On 6 August 2010, the Company announced the conclusion of the Capital Repayment and Shares Consolidation exercise.

**B9 Group borrowings and debts securities**

Total Group's short term borrowing (denominated in local currency) as at 31 December 2010 is as follows.

| | RM'000 |
|---|---|
| Bankers' Acceptances (unsecured) | 4,127 |

**B10 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.

**B11 Material litigation**

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

**B12 Dividends**

i) A final ordinary dividend of 30.0 sen per share less income tax of 25% (2009:10.0 sen per share less income tax of 25%) and a 6 sen single tier (2009: 6 sen single tier) dividend on the 6% cumulative participating preference shares and a final single tier dividend of 30 sen (2009:10 sen single tier) on the 6% cumulative participating preference shares and;

ii) A special ordinary dividend of 50.0 sen per share less income tax of 25% (2009: 20.0 sen per share less income tax of 25%) and a single tier special dividend of 50 sen on the 6% cumulative participating preference shares (2009: 20.0 sen single tier) have been recommended.

**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS**

ii) Total dividend per share

| | | 2010 | 2009 |
|---|---|---|---|
| Ordinary | (less income of 25%) | 80.0 sen | 30.0 sen |
| Preference | (single tier) | 86.0 sen | 36.0 sen |

The proposed final dividend, if approved by shareholders at the forthcoming Annual General Meeting, will be payable on 17 June 2011 to holders of ordinary shares and 6% cumulative participating preference shares whose names appear in the Record of Depositors as at the close of business on 20 May 2011.

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 20 May 2011 in respect of ordinary transfers; and

(b) shares bought on Bursa Securities on a cum entitlement basis according to the Rules of the Bursa Securities.

**B13 Earnings per share**

| | Current quarter 31.12.10 RM'000 | Preceding corresponding quarter 31.12.09 RM'000 (restated) | Current year to date 31.12.10 RM'000 | Preceding year corresponding period RM'000 (restated) |
|---|---|---|---|---|
| (I) Basic earnings per share | | | | |
| Profit net of tax attributable to owners of the parent | 69,100 | 16,250 | 132,408 | 67,125 |
| Less : Profit from discontinuing operation, net of tax attributable to owners of the parent used in the computation of basic earnings per share | (3,092) | (2,575) | (3,092) | (2,575) |
| 6% Preference Dividend | | | (20) | (23) |
| Proportion of profit attributable to preference shareholders | (187) | (44) | (358) | (181) |
| Profit net of tax from continuing operations attributable to owners of the parent used in the computation of basic earnings per share | 65,821 | 13,631 | 128,938 | 64,346 |
| Weighted average number of ordinary shares in issue * | 159,169 | 184,874 | 159,169 | 184,874 |

* The weighted average number of shares takes into account the weighted average effect of changes in treasury shares transactions during the year.

| Basic earnings per share (sen) for | | | | |
|---|---|---|---|---|
| Profit from continuing operations | 41.36 | 7.37 | 81.01 | 34.81 |
| Profit from discontinuing operations | 1.94 | 1.39 | 1.94 | 1.39 |
| Profit for the year | 43.30 | 8.76 | 82.95 | 36.20 |

(II) Diluted earnings per share

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

**B14 Realised and Unrealised Profit or (Losses) Disclosure**

| | As at 31.12.10 RM'000 | As at 31.12.09 RM'000 |
|---|---|---|
| Total retained profits of the Group : | | |
| - Realised | 564,644 | 469,401 |
| - Unrealised | (13,420) | (8,833) |
| Total group retained profits as per consolidated accounts | 551,224 | 460,568 |

BY ORDER OF THE BOARD

VINCENT CHOW POH JIN
COMPANY SECRETARY

18 FEBRUARY 2011
KUALA LUMPUR