

**BURSA MALAYSIA BERHAD (30632-P)**  
**(Incorporated in Malaysia)**

**Condensed Consolidated Financial Statements**  
**For The Three Months Ended 31 March 2005**

**BURSA MALAYSIA BERHAD (30632-P)**  
**(Incorporated in Malaysia)**

**CONDENSED CONSOLIDATED INCOME STATEMENT**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2005**

	Note	Quarter and Year-to-Date Ended	
		31.03.2005 RM'000 unaudited	31.03.2004 RM'000 unaudited
Operating revenue	8	52,659	66,344
Other income	9	20,919	21,152
		<u>73,578</u>	<u>87,496</u>
Staff costs		(18,680)	(29,176)
Depreciation		(3,140)	(4,309)
Other operating expenses	10	(14,855)	(14,716)
Profit from operations		<u>36,903</u>	<u>39,295</u>
Finance costs		(42)	(38)
Profit before taxation		<u>36,861</u>	<u>39,257</u>
Taxation	21	(11,448)	(11,343)
Profit after taxation		<u>25,413</u>	<u>27,914</u>
Minority interests		(1,043)	(921)
Net profit for the period		<u>24,370</u>	<u>26,993</u>
Earnings per share (sen)			
Basic	30	<u>5.79</u>	<u>5.40</u>
Diluted	30	<u>5.79</u>	<u>5.40</u>

*The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 December 2004 and the accompanying explanatory notes attached to the interim financial statements.*

**BURSA MALAYSIA BERHAD (30632-P)**  
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**CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2005**

	Note	31.03.2005 RM'000 unaudited	31.12.2004 RM'000 audited
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		357,035	356,152
Other investments		272,895	248,434
Staff loans receivable		29,629	30,972
Net goodwill		46,926	47,661
Deferred tax assets		946	865
		<u>707,431</u>	<u>684,084</u>
<b>CURRENT ASSETS</b>			
Trade receivables		24,410	24,312
Other receivables		37,557	41,913
Tax recoverable		16,736	19,095
Short term investments		280,918	280,939
Short term deposits		1,155,749	707,344
Cash and bank balances		44,002	7,433
		<u>1,559,372</u>	<u>1,081,036</u>
<b>CURRENT LIABILITIES</b>			
Trade payables		169,127	124,253
Other payables		58,213	90,330
Shareholders' scheme account		701,228	-
Tax payable		10,412	4,207
Short term borrowings	25	220	220
		<u>939,200</u>	<u>219,010</u>
<b>NET CURRENT ASSETS</b>			
		620,172	862,026
		<u>1,327,603</u>	<u>1,546,110</u>
<b>FINANCED BY:</b>			
Share capital		250,396	250,000
Retained profits		552,528	1,195,158
Share premium		436,229	12,400
Capital redemption reserve		2,750	2,750
Foreign exchange reserve		(13)	(13)
		<u>1,241,890</u>	<u>1,460,295</u>
Minority interest		18,898	17,855
		<u>1,260,788</u>	<u>1,478,150</u>
Retirement benefit obligations		16,037	15,334
Deferred income		2,831	2,831
Long term borrowings	25	879	879
Long term liability	26	46,720	47,259
Deferred tax liability		348	1,657
		<u>66,815</u>	<u>67,960</u>
		<u>1,327,603</u>	<u>1,546,110</u>
<b>Net tangible assets per share (RM)</b>		<u>2.39</u>	<u>2.83</u>

*The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 December 2004 and the accompanying explanatory notes attached to the interim financial statements.*

**BURSA MALAYSIA BERHAD (30632-P)**  
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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2005**

	← Non-distributable →					Distributable		
	Membership fees RM'000	Share capital RM'000	Share premium RM'000	Capital redemption reserve RM'000	Foreign exchange reserve RM'000	Accumulated funds/ retained profits RM'000	Total RM'000	
<b>At 1 January 2004</b>	80,966	-	12,400	2,750	(5)	1,329,117	1,425,228	
Issuance of ordinary shares	(80,966)	250,000	-	-	-	(169,034)	-	
Net profit for the period	-	-	-	-	-	26,993	26,993	
<b>At 31 March 2004</b>	<u>-</u>	<u>250,000</u>	<u>12,400</u>	<u>2,750</u>	<u>(5)</u>	<u>1,187,076</u>	<u>1,452,221</u>	
<b>At 1 January 2005</b>	-	250,000	12,400	2,750	(13)	1,195,158	1,460,295	
Bonus issue	-	667,000	-	-	-	(667,000)	-	
Capital reduction	-	(750,000)	-	-	-	-	(750,000)	
Issuance of ordinary shares:								
Pursuant to Initial Public Offering ("IPO")	-	83,000	438,448	-	-	-	521,448	
Pursuant to the Employee Share Option Scheme ("ESOS")	-	396	1,980	-	-	-	2,376	
IPO expenses	-	-	(16,599)	-	-	-	(16,599)	
Net profit for the period	-	-	-	-	-	24,370	24,370	
<b>At 31 March 2005</b>	<u>-</u>	<u>250,396</u>	<u>436,229</u>	<u>2,750</u>	<u>(13)</u>	<u>552,528</u>	<u>1,241,890</u>	

*The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2004 and the accompanying explanatory notes attached to the interim financial statements.*

**BURSA MALAYSIA BERHAD (30632-P)**  
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**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2005**

	<b>Quarter and</b>	
	<b>Year-to-Date Ended</b>	
	<b>31.03.2005</b>	<b>31.03.2004</b>
	<b>RM'000</b>	<b>RM'000</b>
	<b>unaudited</b>	<b>unaudited</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	36,861	39,257
Adjustment for:		
Amortisation of goodwill	735	735
Amortisation of premium less accretion of discount	157	67
Depreciation	3,140	4,309
Gain on disposal of subsidiary	-	(4,118)
Interest expense	8	8
Interest income	(13,345)	(13,479)
Net provision for bad and doubtful debts	245	-
Net gain on disposal of investments	(3,284)	(140)
Net gain on disposal of property, plant and equipment	(2,089)	(1,439)
Provision for retirement benefits	691	633
Provision for short term accumulating compensating unutilised leave	449	-
Operating profit before working capital changes	<u>23,568</u>	<u>25,833</u>
Decrease/(increase) in receivables	1,064	(29,592)
Increase/(decrease) in payables	43,092	(3,189)
Cash generated from/(used in) operations	<u>67,724</u>	<u>(6,948)</u>
Retirement benefits paid	(15,622)	-
Interest paid	(8)	(8)
Taxes paid net of refund	(4,274)	(5,083)
<b>Net cash generated from/(used in) operating activities</b>	<u><u>47,820</u></u>	<u><u>(12,039)</u></u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	14,238	16,062
Net cash inflow from disposal of subsidiaries	-	5,924
Proceeds from disposal of property, plant and equipment	5,904	1,555
Purchase of property, plant and equipment	(7,837)	(26,324)
Purchase of unquoted bonds and Malaysian Government Securities, net	(21,312)	(65,574)
Repayment/(disbursement) of staff loans, net	1,295	(3,228)
<b>Net cash used in investing activities</b>	<u><u>(7,712)</u></u>	<u><u>(71,585)</u></u>

**BURSA MALAYSIA BERHAD (30632-P)**  
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**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2005 (CONT'D)**

	<b>Quarter and</b>	
	<b>Year-to-Date Ended</b>	
	<b>31.03.2005</b>	<b>31.03.2004</b>
	<b>RM'000</b>	<b>RM'000</b>
	<b>unaudited</b>	<b>unaudited</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
IPO expenses	(16,143)	-
Proceeds from exercise of ESOS	2,376	
Proceeds from subscription of IPO *	472,677	-
Repayment of loan from Securities Commission	(13,505)	-
Repayment of long term liability	(539)	(539)
<b>Net cash generated from/(used in) financing activities</b>	<b>444,866</b>	<b>(539)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		
	484,974	(84,163)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>		
	714,777	808,408
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>1,199,751</b>	<b>724,245</b>
<b>CASH AND CASH EQUIVALENTS COMPRISE:</b>		
Cash and bank balances	44,002	7,862
Short term deposits **	1,155,749	716,383
	<b>1,199,751</b>	<b>724,245</b>

\* IPO proceeds for shares subscribed by eligible remisers amounting to RM48.8 million was directly offset against the Shareholders' Scheme Account.

\*\* Included in short term deposits as at 31 March 2005 are cash deposits of RM169.1 million (31 March 2004: RM123.1 million) collected by Bursa Malaysia Derivatives Clearing Sdn. Bhd., a wholly owned subsidiary, from clearing participants.

*The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2004 and the accompanying explanatory notes attached to the interim financial statements.*

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**1. BASIS OF PREPARATION**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2004. 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 year ended 31 December 2004.

The same accounting policies and methods of computation are followed in the interim financial statements as compared with the financial statements for the year ended 31 December 2004.

**2. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS**

The auditors' report on the financial statements for the year ended 31 December 2004 was not qualified.

**3. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS**

The Group's performance is not affected by any seasonal or cyclical factors but is affected by the level of activities in the securities market.

**4. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE**

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the current quarter and financial year-to-date, except for the completion of the listing of and quotation for the entire issued and paid up share capital of the Company on the Main Board of Bursa Securities as disclosed in Note 6.

**5. CHANGES IN ESTIMATES**

There were no changes in estimates that have had material effect in the current quarter and financial year-to-date results.

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**6. DEBT AND EQUITY SECURITIES**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities except for the following:

**i) Scheme of Arrangement ("the Scheme")**

On 27 January 2005, the Company completed the Scheme between the Company and its shareholders which was sanctioned by the High Court of Malaya on 14 January 2005. The Scheme, which was an integral part of the Company's IPO, comprised the following:

- A bonus issue of 1,334.0 million new ordinary shares of RM0.50 each in the Company ("Shares") by way of capitalisation of retained profits of RM667.0 million on the basis of 2,668 new Shares for every 1,000 Shares;
- A capital reduction exercise under Section 64 of the Companies Act, 1965 whereby RM750.0 million of the share capital was cancelled, representing approximately RM0.41 of the par value of each Share ("Capital Reduction");
- A share consolidation exercise whereby 1,834.0 million ordinary shares of approximately RM0.09 par value each after the Capital Reduction were consolidated into 334.0 million Shares; and
- The creation of Shareholders' Scheme Account into which the credit of RM750.0 million from the Capital Reduction was transferred. The payment to eligible shareholders of RM701.2 million, being net of IPO proceeds for shares subscribed by eligible remisers amounting to RM48.8 million, was subsequently effected on 1 April 2005.

**ii) IPO**

On 11 March 2005, the Company issued 166.0 million new ordinary shares of RM0.50 each pursuant to the IPO exercise at issue prices of RM3.20 and RM3.00 per share for the institutional and retail offerings respectively.

The entire issued and paid up share capital of the Company comprising 500.0 million Shares was listed on the Main Board of Bursa Securities on 18 March 2005.

**iii) ESOS**

During the quarter ended 31 March 2005, the Company issued 0.8 million ordinary shares of RM0.50 each at an issue price of RM3.00 each pursuant to the exercise of the options under the Company's ESOS.



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**7. DIVIDENDS PAID**

There were no dividends paid or declared during the current quarter.

**8. OPERATING REVENUE**

Operating revenue of the Group consists of the following:

	<b>Quarter and Year-to-Date Ended</b>	
	<b>31.03.2005</b>	<b>31.03.2004</b>
	<b>RM'000</b>	<b>RM'000</b>
Clearing fees	25,360	36,020
Depository services	6,463	6,723
Derivatives trade fees	3,656	3,966
Broker services	3,575	3,334
Listing fee	3,445	3,226
Information services	3,106	3,184
SCORE (trading access) fees	2,813	3,852
Institutional Settlement Service fees	1,767	2,060
Participants' subscription	996	925
Buying-in commissions	148	335
Other income/fees derived from operations of the Group	1,330	2,719
	<u>52,659</u>	<u>66,344</u>

**9. OTHER INCOME**

Other income of the Group consists of the following:

	<b>Quarter and Year-to-Date Ended</b>	
	<b>31.03.2005</b>	<b>31.03.2004</b>
	<b>RM'000</b>	<b>RM'000</b>
Interest income	13,345	13,479
Net gain on disposal of investments	3,284	140
Net gain on disposal of subsidiaries	-	4,118
Net gain on disposal of property, plant and equipment	2,089	1,439
Others	2,201	1,976
	<u>20,919</u>	<u>21,152</u>

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**10. OTHER OPERATING EXPENSES**

Other operating expenses comprise the following:

	<b>Quarter and</b>	
	<b>Year-to-Date Ended</b>	
	<b>31.03.2005</b>	<b>31.03.2004</b>
	<b>RM'000</b>	<b>RM'000</b>
Upkeep and maintenance of information technology	3,269	4,376
Building maintenance costs	2,304	2,480
Others	9,282	7,860
	<u>14,855</u>	<u>14,716</u>

**11. SEGMENTAL INFORMATION**

The four major business segments of the Group are as follows:

- (i) The exchange business mainly comprise of the provision and operation of the securities, derivatives and offshore exchanges. These businesses are operated by subsidiaries, namely Bursa Malaysia Securities Berhad, Bursa Malaysia Derivatives Berhad and Labuan Financial Exchange Inc.
- (ii) The clearing, settlement and depository business involves the provision, operation and maintenance of clearing houses for securities and derivatives exchanges and central depository for securities listed on the securities exchange.
- (iii) The information business relates to the provision and dissemination of information relating to securities quoted on exchanges within the Group.
- (iv) The exchange holding business refers to the operation of the Company which functions as an investment holding company.

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**11. SEGMENTAL INFORMATION (CONTD.)**

An analysis of the Group's results and assets and liabilities for the period by business segments is as follows:

	Clearing, settlement		and Information services	Exchange holding	Others	Elimination	Quarter ended
	Exchanges RM'000	depository RM'000					Consolidated RM'000
<b>Segment revenue</b>							
External revenue	28,592	20,911	3,132	24	-		52,659
Inter-segment revenue	49	-	254	30,766	-	(31,069)	-
Total operating revenue	28,641	20,911	3,386	30,790	-	(31,069)	52,659
Other income	1,380	7,350	208	11,958	23	-	20,919
	30,021	28,261	3,594	42,748	23		73,578
<b>Segment operating expenses</b>							
Staff costs	(1,305)	(1,444)	(597)	(15,334)	-		(18,680)
Depreciation	(123)	(54)	(1)	(1,739)	(3)		(1,920)
Other operating expenses	(20,553)	(24,942)	(1,456)	(12,228)	-	44,324	(14,855)
Unallocated corporate expenses							(1,220)
	(21,981)	(26,440)	(2,054)	(29,301)	(3)		(36,675)
<b>Segment results</b>							
Profit from operations	8,040	1,821	1,540	13,447	20		36,903
<b>Segment assets</b>							
Assets	154,229	548,210	23,980	1,492,441	13,212		2,232,072
Unallocated corporate assets							34,731
Consolidated total assets							2,266,803
<b>Segment liabilities</b>							
Liabilities	11,414	179,185	1,835	802,763	57		995,254
Unallocated corporate liabilities							10,761
Consolidated total liabilities							1,006,015

Expenses, assets and liabilities which are common and cannot be meaningfully allocated to the business segments are presented under unallocated expenses, assets and liabilities, respectively.

**12. CARRYING AMOUNT OF REVALUED ASSETS**

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

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**13. SUBSEQUENT EVENTS**

There were no material events subsequent to the end of the current quarter except for the capital repayment of RM701.2 million to eligible shareholders from the Shareholders' Scheme Account pursuant to the Capital Reduction exercise on 1 April 2005. The repayment was net of IPO proceeds for shares subscribed by eligible remisers amounting to RM48.8 million.

**14. CHANGES IN COMPOSITION OF THE GROUP**

There were no changes in the composition of the Group during the current quarter.

**15. CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

There were no changes in contingent liabilities or contingent assets since the last annual balance sheet as at 31 December 2004.

**16. CAPITAL COMMITMENTS**

The amount of commitments for the purchase of property, plant and equipment not provided for in the interim condensed financial statements as at 31 March 2005 were as follows:

	<b>RM'000</b>
Approved and contracted for:	
Office equipment, furniture and fittings	402
Computer and office automation	22,295
	<u>22,697</u>
Approved but not contracted for:	
Office equipment, furniture and fittings	575
Computer and office automation	32,772
Renovation	1,892
	<u>35,239</u>

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**17. PERFORMANCE REVIEW**

The Group's profit before tax decreased by RM2.4 million or 6.1 per cent to RM36.9 million for the first quarter ended 31 March 2005 from RM39.3 million the corresponding quarter ended 31 March 2004.

Total revenue recorded for the first quarter of 2005 was RM73.6 million, 15.9 per cent lower than the total revenue of RM87.5 million recorded for the corresponding quarter in 2004. The reduction was mainly due to the lower operating revenue of RM52.7 million compared to RM66.3 million in the first quarter of 2004. This was attributable primarily to lower clearing and SCORE fees of RM28.2 million in first quarter of 2005. Total turnover value transacted on Bursa Securities for the current quarter ended 31 March 2005 was RM64.4 billion or 26.8 per cent lower compared to the RM88.0 billion recorded for the corresponding quarter last financial year.

There was a net gain on disposal of investments of RM3.3 million in the current quarter, compared to only RM0.1 million in the first quarter of 2004. Furthermore, a gain from disposal of property, plant and equipment of RM2.1 million was recorded by the Group in the current quarter compared to a similar gain of RM1.4 million in the first quarter of 2004.

Total operating costs however, were also significantly lower in the first quarter of 2005 at RM36.7 million compared to RM48.2 million in the corresponding quarter of 2004, or a 23.9 per cent reduction. This was primarily due to a 36.0 per cent reduction in staff costs which resulted from the Voluntary Separation Scheme ("VSS") undertaken in 2004. Depreciation, upkeep and maintenance of information technology and building maintenance costs were also lower.

**18. COMMENT ON MATERIAL CHANGE IN PROFIT BEFORE TAXATION**

The Group's profit before taxation for the current quarter ended 31 March 2005 of RM36.9 million represents an increase of RM13.1 million or 55.0 per cent from the preceding quarter ended 31 December 2004 of RM23.8 million. The significant improvement in profit before taxation during the current financial quarter was mainly attributable to higher total revenue resulting from higher trading activities on the securities exchange and higher other income coupled with lower operating expenses.

Total revenue increased by 9.7 per cent from RM67.1 million the preceding quarter to RM73.6 million for the current quarter in tandem with the higher market activities. Total value transacted on Bursa Securities had increased by 10.8 per cent to RM64.4 billion in the current quarter compared to the RM58.1 billion turnover recorded during the quarter ended 31 December 2004. During the current quarter, 23 new listings were recorded on Bursa Securities, bringing the total number of listed companies as at 31 March 2005 to 982.

Other income grew by 30.6 per cent to RM20.9 million for the current quarter compared to RM16.0 million in the preceding quarter due to a RM2.1 million gain on disposal of property, plant and equipment and higher gain on disposal of investments in securities.

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**18. COMMENT ON MATERIAL CHANGE IN PROFIT BEFORE TAXATION (CONTD.)**

Total operating expenses dropped by 15.2 per cent due to the reduction in staff costs and other operating expenses. The decrease in expenses was partly due to the VSS exercise which was completed at the end of 2004 and other cost reduction measures undertaken by the Group.

**19. COMMENTARY ON PROSPECTS**

The Group's focus on enhancing cost efficiency has started to show results and this will continue to be a top strategic priority. Whilst reduction in staff cost has been the most evident, the Group will also concentrate on information technology and building maintenance cost reduction. Depreciation cost is expected to increase primarily due to the completion of Phase 1A of the Common Trading Platform.

Trading revenue from equities market in the first quarter of 2005 constitutes 64.1 per cent and 45.9 per cent of operating revenue and total revenue, respectively. As such, turnover value of the securities market for the rest of the year will continue to have a significant impact on the Group's performance.

Interest income from cash investments is expected to be lower on a quarterly basis in view of the lower cash and cash equivalent position that the Group is in following the capital repayment.

Barring any unforeseen circumstances, the directors expect the Group to meet or exceed the forecast net profit of RM60.3 million as stated in the Prospectus issued pursuant to the IPO.

**20. PROFIT FORECAST**

The disclosure requirements for explanatory notes for the variance of actual profit after tax and minority interest and forecast profit after tax and minority interest are not applicable for this first quarter report.

**21. TAXATION**

	<b>Quarter and Year-to-Date Ended 31.03.2005 RM'000</b>
<b>Income Tax</b>	
Current period's provision	12,838
Deferred taxation relating to origination and reversal of temporary differences	(1,390)
	<u>11,448</u>

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**21. TAXATION (CONTD.)**

The effective tax rate for the quarter presented above is higher than the statutory tax rate principally due to the losses of certain subsidiaries which cannot be offset against taxable profits made by other subsidiaries, and certain expenses which are not deductible for tax purposes.

**22. SALE OF UNQUOTED INVESTMENTS AND PROPERTIES**

There were no sales of unquoted investments and properties other than the disposal of a piece of leasehold land in Ipoh, Perak to Kinta Ceria Sdn. Bhd. for a cash consideration of RM5.0 million. The disposal was completed on 31 January 2005 and resulted in a gain of approximately RM1.5 million for the Company.

**23. MARKETABLE SECURITIES**

Details of purchases and disposals of marketable securities are as follows:

	<b>Quarter and Year-to-Date Ended 31.03.2005 RM'000</b>
Purchase of marketable securities (at cost)	241,395
Disposal of marketable securities (proceeds)	220,493
Gain on disposal	<u>3,284</u>

The Group does not invest in quoted securities.

**24. CORPORATE PROPOSALS**

A summary of the corporate proposals completed during the current quarter is as follows:

- i) On 27 January 2005, the Company completed the corporate proposals pursuant to the approved Scheme of Arrangement, as disclosed in Note 6.
- ii) On 11 March 2005, the Company issued 166.0 million new ordinary shares of RM0.50 each pursuant to the IPO exercise
- iii) On 18 March 2005, the entire issued share capital of the Company comprising 500.0 million ordinary shares of RM0.50 each was listed on the Main Board of Bursa Securities.
- iv) In conjunction with the listing exercise, 14.4 million options were offered to eligible employees of the Company pursuant to ESOS at the exercise price of RM3.00 per share.

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**24. CORPORATE PROPOSALS (CONTD.)**

The IPO proceeds of RM504.8 million, being net of IPO expenses of RM16.6 million, are currently placed in interest bearing instruments and are to be utilised for working capital purposes.

**25. BORROWINGS AND DEBT SECURITIES**

	<b>31.03.2005</b>
	<b>RM'000</b>
Short term borrowings	220
Long term borrowings	879
	<u>1,099</u>

Borrowings relate to an outstanding amount payable to the Government of Malaysia in respect of two interest free unsecured loans of RM0.7 million and RM1.5 million. Each loan is repayable in 10 equal annual instalments, repayments of which commenced on 30 November 2000.

As at the reporting date, the Group has not issued any debt securities.

**26. LONG TERM LIABILITY**

	<b>31.03.2005</b>
	<b>RM'000</b>
Short term portion of lease (included in other payables)	539
Long term portion of lease	46,720
	<u>47,259</u>

The liability relates to the amount payable to the Government of Malaysia for the lease of land. This amount is interest free and payable in 99 annual installments of RM0.5 million each.

**27. OFF BALANCE SHEET FINANCIAL INSTRUMENTS**

As at the reporting date, the Group does not have any off balance sheet financial instruments.

**28. CHANGES IN MATERIAL LITIGATION**

As at 6 May 2005, there was no material litigation against the Group.



**BURSA MALAYSIA BERHAD (30632-P)**  
**(Incorporated in Malaysia)**

**29. DIVIDEND PAYABLE**

No interim ordinary dividend has been declared for the three month period ended 31 March 2005 (31 March 2004: Nil).

**30. EARNINGS PER SHARE ("EPS")**

**(a) Basic EPS**

Basic EPS is calculated by dividing the net profit for the period by the weighted average number of ordinary shares in issue during the period.

	<b>Quarter and Year-to-Date Ended 31.03.2005</b>
Net profit for the period (RM'000)	24,370
Weighted average number of ordinary shares in issue ('000)	420,727
Basic EPS (sen)	<u>5.79</u>

**(b) Diluted EPS**

For the purpose of calculating diluted earnings per share, the weighted average number of ordinary shares in issue during the period have been adjusted for the dilutive effects of all potential ordinary shares, i.e. share options granted to employees.

	<b>Quarter and Year-to-Date Ended 31.03.2005</b>
Net profit for the period (RM'000)	<u>24,370</u>
Weighted average number of ordinary shares in issue ('000)	420,727
Effect of dilution ('000)	<u>420</u>
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	<u>421,147</u>
Diluted EPS (sen)	<u>5.79</u>

**31. AUTHORISED FOR ISSUE**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 6 May 2005.