

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

**Condensed Consolidated Financial Statements**  
**For the Three Month Period Ended 31 March 2006**

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

**CONDENSED CONSOLIDATED INCOME STATEMENT**  
**FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2006**

		<b>3 months and year-to-date ended</b>	
	<b>Note</b>	<b>31.03.2006 RM'000 unaudited</b>	<b>31.03.2005 RM'000 unaudited (restated)</b>
Operating revenue	10	58,524	52,659
Other income	11	12,726	20,919
		<u>71,250</u>	<u>73,578</u>
Staff costs		(18,550)	(19,086)
Depreciation		(3,737)	(3,140)
Other operating expenses	12	(15,222)	(14,855)
Profit from operations		<u>33,741</u>	<u>36,497</u>
Finance costs		(124)	(42)
Profit before taxation		<u>33,617</u>	<u>36,455</u>
Taxation	23	(10,619)	(11,448)
Net profit for the period		<u><u>22,998</u></u>	<u><u>25,007</u></u>
Attributable to:			
Equity holders of the parent		22,194	23,964
Minority interests		804	1,043
Net profit for the period		<u><u>22,998</u></u>	<u><u>25,007</u></u>
Earnings per share attributable to equity holders of the parent:			
Basic	32 (a)	4.3	5.7
Diluted	32 (b)	<u>4.2</u>	<u>5.7</u>

*The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 December 2005 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 2006**

	Note	As at 31.03.2006 RM'000 unaudited	As at 31.12.2005 RM'000 audited (restated)
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	14	329,439	335,391
Other investments		74,839	92,197
Staff loans receivable		28,242	28,713
Computer software		28,700	28,158
Goodwill		44,720	44,720
Deferred tax assets		757	1,219
		<u>506,697</u>	<u>530,398</u>
<b>Current assets</b>			
Trade receivables		35,570	27,671
Other receivables		29,869	27,669
Tax recoverable		9,728	16,952
Short term investments		137,468	181,132
Short term deposits		433,198	407,287
Cash and bank balances		6,165	6,337
		<u>651,998</u>	<u>667,048</u>
Non-current asset held for sale	24	4,182	-
		<u>656,180</u>	<u>667,048</u>
<b>TOTAL ASSETS</b>		<u>1,162,877</u>	<u>1,197,446</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to equity holders of the parent</b>			
Share capital		257,293	256,530
Share premium		53,713	50,717
Other reserves		11,075	7,355
Retained profits		575,004	568,449
		<u>897,085</u>	<u>883,051</u>
<b>Minority interest</b>		-	21,432
<b>Total equity</b>		<u>897,085</u>	<u>904,483</u>
<b>Non-current liabilities</b>			
Retirement benefit obligations		18,483	17,738
Deferred income		2,831	2,831
Long term borrowings	27	659	659
Long term liability	28	46,182	46,720
Deferred tax liabilities		3,185	2,144
		<u>71,340</u>	<u>70,092</u>
<b>Current liabilities</b>			
Trade payables		116,388	150,121
Other payables		72,094	67,386
Tax payable		5,750	5,144
Short term borrowings	27	220	220
		<u>194,452</u>	<u>222,871</u>
<b>Total liabilities</b>		<u>265,792</u>	<u>292,963</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>1,162,877</u>	<u>1,197,446</u>
<b>Net assets per share attributable to equity holders of the parent (RM)</b>		<u>1.7</u>	<u>1.7</u>

*The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 December 2005 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 THREE MONTH PERIOD ENDED 31 MARCH 2006**

	Note	Attributable to equity holders of the parent						Minority interest	Total equity	
		Non-distributable			Distributable					
		Share capital RM'000	Share premium RM'000	Capital reserve RM'000	Foreign exchange reserve RM'000	Equity compensation reserve RM'000	Retained profits RM'000	Total RM'000	RM'000	RM'000
<b>At 1 January 2005</b>		250,000	12,400	2,750	(13)	-	1,195,158	1,460,295	17,855	1,478,150
Bonus issue		667,000	-	-	-	-	(667,000)	-	-	-
Capital reduction		(750,000)	-	-	-	-	-	(750,000)	-	(750,000)
Issuance of ordinary shares:										
Pursuant to Initial Public Offering ("IPO")		83,000	438,448	-	-	-	-	521,448	-	521,448
Pursuant to the Employees' Share Option Scheme ("ESOS")		396	1,980	-	-	-	-	2,376	-	2,376
Share issuance expenses		-	(16,599)	-	-	-	-	(16,599)	-	(16,599)
Share-based payment under ESOS	2(a)	-	-	-	-	406	-	406	-	406
Net profit for the period		-	-	-	-	-	23,964	23,964	1,043	25,007
<b>At 31 March 2005 (restated)</b>		<b>250,396</b>	<b>436,229</b>	<b>2,750</b>	<b>(13)</b>	<b>406</b>	<b>552,122</b>	<b>1,241,890</b>	<b>18,898</b>	<b>1,260,788</b>
<b>At 1 January 2006</b>										
As previously stated		256,530	50,717	3,000	(13)	-	572,817	883,051	21,432	904,483
Prior year adjustment - effects of adopting FRS 2	2(a)	-	-	-	-	4,368	(4,368)	-	-	-
<b>At 1 January 2006 (restated)</b>		<b>256,530</b>	<b>50,717</b>	<b>3,000</b>	<b>(13)</b>	<b>4,368</b>	<b>568,449</b>	<b>883,051</b>	<b>21,432</b>	<b>904,483</b>
Acquisition of remaining equity interest in an existing subsidiary	26	-	-	2,250	-	-	(15,639)	(13,389)	(22,236)	(35,625)
Issuance of ordinary shares pursuant to ESOS		763	2,996	-	-	-	-	3,759	-	3,759
Share-based payment under ESOS	2(a)	-	-	-	-	1,470	-	1,470	-	1,470
Net profit for the period		-	-	-	-	-	22,194	22,194	804	22,998
<b>At 31 March 2006</b>		<b>257,293</b>	<b>53,713</b>	<b>5,250</b>	<b>(13)</b>	<b>5,838</b>	<b>575,004</b>	<b>897,085</b>	<b>-</b>	<b>897,085</b>

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

**BURSA MALAYSIA BERHAD (30632-P)**  
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**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2006**

	<b>3 months and</b>	
	<b>year-to-date ended</b>	
	<b>31.03.2006</b>	<b>31.03.2005</b>
	<b>RM'000</b>	<b>RM'000</b>
	<b>unaudited</b>	<b>unaudited</b>
		<b>(restated)</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	33,617	36,455
Adjustment for:		
Amortisation of intangible assets	192	735
Amortisation of premium less accretion of discount	65	157
Depreciation	3,737	3,140
Interest expense	1	8
Interest income	(6,664)	(13,345)
Net provision for bad and doubtful debts	2,062	245
Net gain on disposal of investments	(3,285)	(3,284)
Net gain on disposal of property, plant and equipment	(52)	(2,089)
Property, plant and equipment written-off	4	-
Provision for retirement benefits	745	691
Provision for short term accumulating compensated unutilised leave	209	449
Share-based payment under ESOS	1,470	406
Operating profit before working capital changes	<u>32,101</u>	<u>23,568</u>
(Increase)/decrease in receivables	(13,670)	1,064
(Decrease)/increase in payables	(25,363)	43,092
Cash generated from operations	<u>(6,932)</u>	<u>67,724</u>
Retirement benefits paid	-	(15,622)
Interest paid	(1)	(8)
Taxes paid net of refund	(1,285)	(4,274)
<b>Net cash (used in)/generated from operating activities</b>	<u>(8,218)</u>	<u>47,820</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	7,819	14,238
Proceeds from disposal of property, plant and equipment	52	5,904
Purchase of remaining equity interest in an existing subsidiary (Note 26)	(35,625)	-
Purchase of property, plant and equipment	(2,707)	(7,837)
Proceeds from disposal/(purchase) of unquoted bonds and Malaysian Government Securities, net	60,523	(21,312)
Repayment of staff loans, net	675	1,295
<b>Net cash generated from/(used in) investing activities</b>	<u>30,737</u>	<u>(7,712)</u>

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**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE THREE MONTH PERIOD ENDED 31 MARCH 2006**

	<b>3 months and year-to-date ended</b>	
	<b>31.03.2006</b>	<b>31.03.2005</b>
	<b>RM'000</b>	<b>RM'000</b>
	<b>unaudited</b>	<b>unaudited (restated)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from exercise of ESOS	3,759	2,376
Proceeds from subscription of IPO	-	472,677
IPO expenses	-	(16,143)
Repayment of loan from Securities Commission	-	(13,505)
Repayment of long term borrowings and liability	(539)	(539)
<b>Net cash generated from financing activities</b>	<u>3,220</u>	<u>444,866</u>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	25,739	484,974
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	413,624	714,777
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<u>439,363</u>	<u>1,199,751</u>
	<b>As at</b>	<b>As at</b>
	<b>31.03.2006</b>	<b>31.03.2005</b>
	<b>RM'000</b>	<b>RM'000</b>
	<b>unaudited</b>	<b>unaudited</b>

**CASH AND CASH EQUIVALENTS COMPRISE:**

Cash and bank balances	6,165	44,002
Short term deposits (Note (a))	433,198	1,155,749
	<u>439,363</u>	<u>1,199,751</u>

Note (a)

Included in short term deposits as at 31 March 2006 are cash deposits of RM113,131,000 (31 March 2005: RM169,100,000) collected by Bursa Malaysia Derivatives Clearing 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 2005 and the accompanying explanatory notes attached to the interim financial statements.*

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**1. BASIS OF PREPARATION**

The interim financial statements have been prepared under the historical cost convention.

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.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2005. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2005.

**2. CHANGES IN ACCOUNTING POLICIES**

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2005 except for the adoption of the following new/revised Financial Reporting Standards ("FRS") effective for financial period beginning 1 January 2006:

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

New/revised FRSs which would be adopted from the financial period beginning 1 January 2007 are:

FRS 117	Leases
FRS 124	Related Party Disclosures
FRS 139	Financial Instruments: Recognition and Measurement

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**2. CHANGES IN ACCOUNTING POLICIES (CONTD.)**

The adoption of FRS 108, 110, 116, 121, 127, 132 and 133 does not have significant financial impact on the Group. The principal effects of the changes in accounting policies resulting from the adoption of the new/revised FRSs are discussed below:

**(a) FRS 2: Share-based Payment**

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

The Company operates an equity-settled, share-based compensation plan for the employees of the Group, the Bursa Malaysia Berhad Employees' Share Option Scheme ("ESOS"). Prior to 1 January 2006, no compensation expense was recognised in profit or loss for share options granted. With the adoption of FRS 2, the compensation expense relating to share options is recognised within staff costs in profit or loss over the vesting periods of the grants with a corresponding increase in equity.

The total amount to be recognised as compensation expense is determined by reference to the fair value of the share options at the date of the grant and the number of share options to be vested by the vesting date. The fair value of the share options is computed using a binomial model by a professional valuer. At every balance sheet date, the Group revises its estimates of the number of share options that are expected to vest by the vesting date. Any revision of this estimate is included in profit or loss and a corresponding adjustment to equity over the remaining vesting period.

Under the transitional provisions of FRS 2, this FRS must be applied to share options that were granted after 31 December 2004 and had not yet been vested on 1 January 2006. The application is retrospective and accordingly, the comparative amounts for the period ended 31 March 2005 and as at 31 December 2005 are restated. The financial impact to the Group arising from this change in accounting policy is as follows:

	<b>As at</b>	
	<b>1.1.2006</b>	
	<b>RM'000</b>	
Decrease in retained earnings		(4,368)
Increase in equity compensation reserve (included within other reserves)		<u>4,368</u>
	<b>3 months and</b>	
	<b>year-to-date ended</b>	
	<b>31.3.2006</b>	<b>31.3.2005</b>
	<b>RM'000</b>	<b>RM'000</b>
Decrease in profit for the period	<u>1,470</u>	<u>406</u>

Comparatives which have been restated due to this change in accounting policy is disclosed in Note 3.



**2. CHANGES IN ACCOUNTING POLICIES (CONTD.)**

**(a) FRS 2: Share-based Payment (Contd.)**

The fair-value of equity settled share options granted is estimated as at the date of grant using a binomial model, taking into account the terms and conditions upon which the options were granted. The following table lists the inputs to the model used for the purpose of computing the fair value of the ESOS:

<b>Model inputs/assumptions</b>	<b>Pre-listing grant</b>	<b>Post-listing grant</b>
Exercise prices (RM)	3.00	3.72 - 4.08
Dividend yield (% per annum) (Note (a))	4.00	4.00
Expected volatility (% per annum) (Note (b))	20.00 - 25.00	20.00 - 25.00
Risk free rate (% per annum)	3.58	3.31 - 3.68
Average share price at date of grant (RM) (Note (c))	n/a	4.30 - 4.65
Expiration of option (years)	5.00	4.00 - 4.60

Notes:

- (a) Dividend yield is based on the expected dividend yield as disclosed in the Company's prospectus dated 23 February 2005.
- (b) Stepped volatility is used whereby volatility is expected to reduce over the vesting period.
- (c) Pre-listing price not available. The exercise price of RM3.00 was therefore used for the valuation purpose.

**(b) FRS 3: Business Combinations, FRS 136: Impairment of Assets and FRS 138: Intangible Assets**

The new FRS 3 has resulted in consequential amendments to two other accounting standards, FRS 136 and FRS 138.

**Intangible asset - goodwill**

The adoption of these new FRSs has resulted in the Group ceasing annual goodwill amortisation. Goodwill is carried at cost less accumulated impairment losses and is now tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired. Any impairment loss is recognised in profit or loss and subsequent reversal is not allowed. Prior to 1 January 2006, goodwill was amortised on a straight-line basis over its estimated useful life of twenty (20) years.

The transitional provisions of FRS 3, however, have required the Group to eliminate at 1 January 2006 the carrying amount of the accumulated amortisation of RM14,095,000 against the gross amount of goodwill.

The carrying amount of goodwill as at 1 January 2006 of RM44,720,000 ceased to be amortised. This has the effect of reducing the amortisation charges by RM735,000 in the current quarter ended 31 March 2006.

**2. CHANGES IN ACCOUNTING POLICIES (CONTD.)**

**(b) FRS 3: Business Combinations, FRS 136: Impairment of Assets and FRS 138: Intangible Assets (Contd.)**

**Intangible assets other than goodwill**

Under the new FRS 138, computer software is an intangible asset. Although the application of FRS 138 is prospective, the Group has reclassified the comparative amount for computer software for better presentation. Accordingly, from 1 January 2006, computer software is stated at cost less accumulated amortisation and impairment losses. Its cost is amortised based on its definite life and amortisation is recognised accordingly.

The new FRS 138 requires that the useful lives of intangible assets other than goodwill be assessed at the individual asset level as having either a finite or indefinite life. Some of the intangible assets are regarded to have an indefinite useful life when, based on an analysis of all of the relevant factors, there is no foreseeable limit to the period over which the asset is expected to generate net cash inflows for the Group. Intangible assets with indefinite useful lives are not amortised but instead, are tested for impairment annually. In accordance with the transitional provisions of FRS 138, the change in the useful life assessment from finite to indefinite is made on a prospective basis.

**(c) FRS 5: Non-current Assets Held for Sale and Discontinued Operations**

The Group has applied FRS 5 prospectively in accordance with its transitional provisions, which has resulted in a change in accounting policy on the recognition of a freehold property as held for sale. Prior to 1 January 2006, under the previous FRS 116, the Group would have recognised the freehold property as property, plant and equipment. FRS 5 requires a non-current asset to be classified as held for sale when the criteria to be classified as held for sale have been met. The result of this change in accounting policy is that a non-current asset held for sale is recognised by the Group at the lower of carrying amount and fair value less costs to sell and has been disclosed as such on the face of the balance sheet.

An item is classified as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use.

**(d) FRS 101: Presentation of Financial Statements**

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

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

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**3. COMPARATIVES**

The following comparative amounts have been restated due to the adoption of a new FRS:

	Previously stated RM'000	← Adjustments →		Restated RM'000
		FRS 2 (Note 2(a)) RM'000	FRS 138 (Note 2(b)) RM'000	
<b>At 31 December 2005</b>				
Property, plant and equipment	363,549	-	(28,158)	335,391
Computer software	-	-	28,158	28,158
Retained profits	572,817	(4,368)	-	568,449
<b>3 months and year-to-date ended 31 March 2005</b>				
Staff costs	18,680	406	-	19,086
Profit before taxation	36,861	(406)	-	36,455
Profit for the period	25,413	(406)	-	25,007

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

The auditors' report on the financial statements for the year ended 31 December 2005 was not qualified.

**5. 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.

**6. 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 as disclosed in Note 2.

**7. SIGNIFICANT ESTIMATES AND CHANGES IN ESTIMATES**

The Group makes assumptions concerning the future and other sources of estimation uncertainty at the balance sheet date during its review for impairment of goodwill and depreciation.

The key assumptions and other key sources of estimation uncertainty mentioned above that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are in respect of those made during the review of impairment of goodwill. The Group determines whether goodwill is impaired at least on an annual basis. This requires an estimation of the value in use of the cash-generating units to which the goodwill is allocated. Estimating the value in use requires the Group to make an estimate of the expected future cash flows from the cash-generating units and also to choose a suitable discount rate in order to calculate the present value of those cash flows. The carrying amount of goodwill at 31 March 2006 was RM44,720,000.

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**7. SIGNIFICANT ESTIMATES AND CHANGES IN ESTIMATES (CONTD.)**

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

**8. DEBT AND EQUITY SECURITIES**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the financial period ended 31 March 2006 except for the issuance of 1,525,000 new ordinary shares pursuant to the exercise of the ESOS at the following option prices:

<b>No. of shares issued '000</b>	<b>Exercise price RM</b>
1,511	2.46
14	3.05
<u>1,525</u>	

The exercise price has been adjusted accordingly with effect from 16 December 2005 following the capital repayment exercise.

**9. DIVIDENDS PAID**

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

**10. OPERATING REVENUE**

	<b>3 months and year-to-date ended</b>	
	<b>31.3.2006</b>	<b>31.3.2005</b>
	<b>RM'000</b>	<b>RM'000</b>
Clearing fees - equity	28,083	24,343
Clearing fees - derivatives	1,127	1,017
SCORE fees (equity trade fees)	2,683	2,813
Derivatives trade fees	4,377	3,656
Institutional Settlement Service ("ISS") fees	1,811	1,767
Buying-in commissions	138	148
Guarantee/tender fees	372	258
Trading revenue	<u>38,591</u>	<u>34,002</u>
Depository services	6,549	6,463
Information services	4,654	3,106
Broker services	3,874	3,575
Listing fees	2,736	3,445
Participants' subscriptions	991	996
Stable revenue	<u>18,804</u>	<u>17,585</u>
Other income derived from operations of the Group	1,129	1,072
	<u>58,524</u>	<u>52,659</u>

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**11. OTHER INCOME**

	<b>3 months and year-to-date ended</b>	
	<b>31.3.2006</b>	<b>31.3.2005</b>
	<b>RM'000</b>	<b>RM'000</b>
Conference fee and exhibition related income	2,404	1,865
Interest income	6,664	13,345
Net gain on disposal of investments	3,285	3,284
Net gain on disposal of property, plant and equipment	52	2,089
Others	321	336
	<u>12,726</u>	<u>20,919</u>

**12. OTHER OPERATING EXPENSES**

	<b>3 months and year-to-date ended</b>	
	<b>31.3.2006</b>	<b>31.3.2005</b>
	<b>RM'000</b>	<b>RM'000</b>
IT upkeep and maintenance	4,416	3,269
Building maintenance costs	1,788	2,304
Others	9,018	9,282
	<u>15,222</u>	<u>14,855</u>

**13. SEGMENTAL INFORMATION**

The segmental information is provided in two formats, one based on business segments and the other is based on market segments.

**(a) Business Segments**

	<b>Exchanges</b>	<b>Clearing, settlement and depository</b>	<b>Information services</b>	<b>Exchange holding</b>	<b>Others</b>	<b>Elimination</b>	<b>Consolidated</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>RESULTS FOR 3 MONTHS AND YEAR-TO-DATE ENDED 31 MARCH 2006</b>							
<b>Segment revenue</b>							
External revenue	31,017	22,837	4,654	16	-	-	58,524
Inter-segment revenue	65	11	245	103,813	-	(104,134)	-
Total operating revenue	<u>31,082</u>	<u>22,848</u>	<u>4,899</u>	<u>103,829</u>	<u>-</u>	<u>(104,134)</u>	<u>58,524</u>
Other income	562	3,424	11	8,847	38	(156)	12,726
	<u>31,644</u>	<u>26,272</u>	<u>4,910</u>	<u>112,676</u>	<u>38</u>	<u>(104,290)</u>	<u>71,250</u>

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**13. SEGMENTAL INFORMATION (CONTD.)**

**(a) Business Segments (Contd.)**

	Exchanges RM'000	Clearing, settlement and depository RM'000	Information services RM'000	Exchange holding RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
<b>RESULTS FOR 3 MONTHS AND YEAR-TO-DATE ENDED 31 MARCH 2006 (CONTD.)</b>							
<b>Segment operating expenses</b>	(17,790)	(13,537)	(2,406)	(35,685)	(1)	34,119	(35,300)
<b>Segment results</b>	13,854	12,735	2,504	76,991	37		35,950
Unallocated corporate expenses							(2,209)
Finance costs							(124)
Consolidated profit from operations							<u>33,617</u>
<b>RESULTS FOR 3 MONTHS AND YEAR-TO-DATE ENDED 31 MARCH 2005</b>							
<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
	<u>30,021</u>	<u>28,261</u>	<u>3,594</u>	<u>42,748</u>	<u>23</u>	<u>(31,069)</u>	<u>73,578</u>
<b>Segment operating expenses</b>	(21,981)	(12,958)	(2,054)	(29,707)	(3)	30,842	(35,861)
<b>Segment results</b>	8,040	15,303	1,540	13,041	20		37,717
Unallocated corporate expenses							(1,220)
Finance costs							(42)
Consolidated profit from operations							<u>36,455</u>

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**13. SEGMENTAL INFORMATION (CONTD.)**

**(a) Business Segments (Contd.)**

	Exchanges RM'000	Clearing, settlement and depository RM'000	Information services RM'000	Exchange holding RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
<b>ASSETS AND LIABILITIES</b>							
<b>AS AT 31 MARCH 2006</b>							
<b>Segment assets</b>							
Assets	144,196	306,081	8,616	669,521	3,042		1,131,456
Unallocated corporate assets							31,421
Consolidated total assets							<u>1,162,877</u>
<b>Segment liabilities</b>							
Liabilities	9,181	126,186	1,894	119,592	6		256,859
Unallocated corporate liabilities							8,933
Consolidated total liabilities							<u>265,792</u>

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.

**(b) Market Segments**

	Cash market RM'000	Derivatives market RM'000	Offshore market RM'000	Information services RM'000	Exchange holding RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
<b>RESULTS FOR 3 MONTHS</b>								
<b>AND YEAR-TO-DATE</b>								
<b>ENDED 31 MARCH 2006</b>								
<b>Segment revenue</b>								
External revenue	47,552	6,190	112	4,654	16	-	-	58,524
Inter-segment revenue	76	-	-	245	103,813	-	(104,134)	-
Total operating revenue	47,628	6,190	112	4,899	103,829	-	(104,134)	58,524
Other income	2,975	1,005	6	11	8,847	38	(156)	12,726
	<u>50,603</u>	<u>7,195</u>	<u>118</u>	<u>4,910</u>	<u>112,676</u>	<u>38</u>	<u>(104,290)</u>	<u>71,250</u>
<b>Segment operating expenses</b>	<u>(26,710)</u>	<u>(4,480)</u>	<u>(137)</u>	<u>(2,406)</u>	<u>(35,685)</u>	<u>(1)</u>	<u>34,119</u>	<u>(35,300)</u>
<b>Segment results</b>	23,893	2,715	(19)	2,504	76,991	37		35,950
Unallocated corporate expenses								(2,209)
Finance costs								(124)
Consolidated profit from operations								<u>33,617</u>

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**13. SEGMENTAL INFORMATION (CONTD.)**

**(b) Market Segments (Contd.)**

	Cash market RM'000	Derivatives market RM'000	Offshore market RM'000	Information services RM'000	Exchange holding RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
<b>RESULTS FOR 3 MONTHS AND YEAR-TO-DATE ENDED 31 MARCH 2005</b>								
<b>Segment revenue</b>								
External revenue	44,220	5,159	124	3,132	24	-	-	52,659
Inter-segment revenue	49	-	-	254	30,766	-	(31,069)	-
Total operating revenue	44,269	5,159	124	3,386	30,790	-	(31,069)	52,659
Other income	6,695	1,996	38	208	11,958	24	-	20,919
	50,964	7,155	162	3,594	42,748	24	(31,069)	73,578
<b>Segment operating expenses</b>	<b>(29,555)</b>	<b>(5,127)</b>	<b>(256)</b>	<b>(2,054)</b>	<b>(29,708)</b>	<b>(3)</b>	<b>30,842</b>	<b>(35,861)</b>
<b>Segment results</b>	21,409	2,028	(94)	1,540	13,040	21		37,717
Unallocated corporate expenses								(1,220)
Finance costs								(42)
Consolidated profit from operations								36,455
<b>ASSETS AND LIABILITIES AS AT 31 MARCH 2006</b>								
<b>Segment assets</b>								
Assets	267,563	175,449	7,265	8,616	669,521	3,042		1,131,456
Unallocated corporate assets								31,421
Consolidated total assets								1,162,877
<b>Segment liabilities</b>								
Liabilities	14,544	120,639	184	1,894	119,592	6		256,859
Unallocated corporate liabilities								8,933
Consolidated total liabilities								265,792

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

**14. CARRYING AMOUNT OF REVALUED ASSETS**

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



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

There were no changes in the composition of the Group during the financial year-to-date ended 31 March 2006 other than the acquisition of the remaining 25% equity in Bursa Malaysia Depository Sdn. Bhd. ("Bursa Depository") as disclosed in Note 26.

**16. 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 2005.

**17. 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 2006 were as follows:

	<b>As at 31.3.2006 RM'000</b>
Approved and contracted for:	
Computer and office automation:	
Trading system	18,570
Other information technology systems	6,670
Renovations and office equipment	8
	<u>25,248</u>
Approved but not contracted for:	
Computer and office automation:	
Trading system	18,446
Other information technology systems	2,859
	<u>21,305</u>

**18. SUBSEQUENT EVENTS**

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

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**19. PERFORMANCE REVIEW**

The Group recorded a lower profit before tax of RM33,617,000 for the quarter ended 31 March 2006 compared to RM36,455,000 for the quarter ended 31 March 2005 mainly due to lower other income coupled with higher operating expenses.

Operating revenue increased by 11.1 per cent to RM58,524,000 for the quarter ended 31 March 2006 from RM52,659,000 for the quarter ended 31 March 2005 mainly due to higher trading revenue.

Trading revenue from both equity and derivatives market increased by 13.5 per cent to RM38,591,000 in the quarter ended 31 March 2006 from RM34,002,000 in the quarter ended 31 March 2005. Trading revenue comprised mainly of clearing fee, SCORE fee, derivatives trade fee, ISS fee, guarantee and tender fee and buying-in commission.

Total clearing and SCORE fees from equity trading increased by 13.3 per cent to RM30,766,000 from RM27,156,000 for the respective periods. Total trading value (on market and direct business) on Bursa Securities was lower at RM58.5 billion (representing daily average trading value of RM991.3 million) during the quarter ended 31 March 2006 compared to RM64.4 billion (representing daily average trading value of RM1.1 billion) during the quarter ended 31 March 2005. However, improvement in the effective gross clearing fee for on-market trades to 0.0308 per cent from 0.0255 per cent for the corresponding periods resulted in the higher clearing fee.

Trading volume on Bursa Derivatives registered an improvement, resulting in a 17.8 per cent increase in derivatives clearing and trade fee to RM5,504,000 for the quarter ended 31 March 2006 from RM4,673,000 for the quarter ended 31 March 2005. A total of 690,472 derivatives contracts were traded in the quarter ended 31 March 2006, compared to 645,394 contracts in the quarter ended 31 March 2005. The increase was mainly due to the increase in the trading of FKLI contracts from 247,265 in the quarter ended 31 March 2005 to 327,916 in the quarter ended 31 March 2006.

Stable revenue, which comprised depository services, information services, listing fee, broker services and participants' subscriptions, increased by 6.9 per cent to RM18,804,000 in the quarter ended 31 March 2006 from RM17,585,000 in the quarter ended 31 March 2005. Fees from depository services, the largest contributor to stable income, amounted to RM6,549,000, which was relatively unchanged from the previous corresponding quarter. Revenue from information services recorded a 49.8 per cent growth to RM4,654,000 in the quarter ended 31 March 2006 from RM3,106,000 in the quarter ended 31 March 2005. Listing fee however, decreased by 20.6 per cent to RM2,736,000 in the quarter ended 31 March 2006 from RM3,445,000 in the quarter ended 31 March 2005 mainly due to lower initial and additional listing fees following lower number of new listings and corporate exercises. There were 8 new listings in the quarter ended 31 March 2006 compared to 23 in the quarter ended 31 March 2005.

Other income decreased by 39.2 per cent to RM12,726,000 in the quarter ended 31 March 2006 from RM20,919,000 in the quarter ended 31 March 2005 mainly due to lower interest income and gain on disposal of property, plant and equipment. Interest income decreased by 50.1 per cent to RM6,664,000 from RM13,345,000 in the corresponding quarters following the reduction in the size of the Group's investment portfolio after the capital repayment exercise. The gain on disposal of property, plant and equipment was significantly lower at RM52,000 in the quarter ended 31 March 2006 compared to RM2,089,000 in the quarter ended 31 March 2005.

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**19. PERFORMANCE REVIEW (CONTD.)**

Operating expenses were 1.2 per cent higher at RM37,509,000 in the quarter ended 31 March 2006 from RM37,081,000 in the quarter ended 31 March 2005.

Depreciation increased by 19.0 per cent to RM3,737,000 from RM3,140,000 in the corresponding quarters due to depreciation on new IT equipments such as SAP system, data communication equipment upgrades and back up hardware and software upgrades. Other operating expenses increased slightly by 2.5 per cent due to provision for doubtful debts of RM2,062,000 and higher IT maintenance expenses. These expenses were partially offset by the reversal of securities industry training provision and lower amortisation, advertising, public relations and other general administration expenses. Staff costs declined slightly by 2.8 per cent to RM18,550,000 in the quarter ended 31 March 2006 despite the additional expenses due to provision for share-based payment under ESOS amounting to RM1,470,000 due to the offsetting effect of lower provision for bonus.

**20. MATERIAL CHANGE IN PROFIT BEFORE TAXATION OF CURRENT QUARTER COMPARED WITH PRECEDING QUARTER**

The Group's profit before taxation increased by 49.5 per cent to RM33,617,000 for the quarter ended 31 March 2006 from RM22,484,000 in the preceding quarter ended 31 December 2005. The increase was mainly attributable to higher operating revenue.

Total value transacted on Bursa Securities increased by 46.3 per cent to RM58.5 billion in the current quarter compared to RM40.0 billion turnover in the preceding quarter. This resulted in a 30.9 per cent increase in operating revenue to RM58,524,000 during the current quarter from RM44,720,000 in the preceding quarter. Other income however, remained at about the same level as per the preceding quarter.

Total operating expenses also increased by 7.8 per cent to RM37,509,000 in the current quarter from RM34,793,000 in the preceding quarter, mainly due to higher staff cost and depreciation. Staff costs increased by 35.0 per cent during the current quarter mainly due to provision for share-based payment under ESOS amounting to RM1,470,000 (preceding quarter: nil) and higher provision for bonus. Other operating expenses was 13.2 per cent lower compared to the preceding quarter mainly due to lower advertising and PR expenses, legal and professional fees and amortisation, and reversal of securities industry training expenses. These favourable variances were partially offset by higher provision for probable loss on a project which may be discontinued as mentioned in Note 19.

**21. COMMENTARY ON PROSPECTS**

The Group's financial performance will continue to hinge significantly on the level of activities in the securities market in the near term, given that a major portion of the revenue is derived from clearing fee income. As such, the Group will continue to focus on efforts to enhance the quality of markets, and grow investor base and market promotion. In relation to quality of markets, the Group will focus on delivering infrastructure improvements, increasing product range on equity and derivatives market such as single stock futures, enhancing regulatory function and boosting investors' perception.

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**21. COMMENTARY ON PROSPECTS (CONTD.)**

The year-to-date average daily trading value is RM991.3 million, an increase of 21.9% from an average of RM813.5 million for the financial year 2005. Improved investor sentiment following the government announcement on further developments for the Malaysian capital market, particularly the reintroduction of regulated short selling and securities borrowing and lending, have contributed to the increase in trading activity. Whilst Bursa will benefit from the increase in trading volume and value, it is difficult to ascertain future levels of trading activity.

The Group will continue to pursue financial and operational efficiency as part of its corporate strategic objectives. However IT maintenance costs is expected to increase further when Bursa Trade goes live in the second half of 2006. Similarly, the corresponding increase in depreciation is expected for the same period upon implementation of Bursa Trade.

**22. 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.

**23. INCOME TAX EXPENSE**

	<b>3 months and year-to-date ended</b>	
	<b>31.3.2006</b>	<b>31.3.2005</b>
	<b>RM'000</b>	<b>RM'000</b>
Current tax	9,116	12,838
Deferred tax	1,503	(1,390)
	<u>10,619</u>	<u>11,448</u>

The effective tax rate of the Group for the quarter is higher than the statutory tax rate due to certain expenses which are not deductible for tax purposes.

**24. SALE OF PROPERTIES**

There were no sales of properties since the last annual balance sheet as at 31 December 2005.

On 3 March 2006, the Company announced that it has agreed to accept an offer by Hwang Enterprises Sdn. Bhd., a company with a common director, for the disposal of a freehold property for a cash consideration of RM4,400,000. The Company is in the midst of finalising the Sale and Purchase Agreement pertaining to the disposal. The disposal is expected to be completed in the third quarter of 2006.

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**25. MARKETABLE SECURITIES**

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

	<b>3 months and year-to-date ended 31.3.2006 RM'000</b>
Purchase of marketable securities (at cost)	22,498
Disposal of marketable securities (proceeds)	83,021
Gain on disposal	<u>3,285</u>

The Group does not invest in quoted securities.

**26. CORPORATE PROPOSALS**

On 2 March 2006, the Company completed the acquisition of 6,250,000 ordinary shares of RM1.00 each representing the remaining 25 per cent equity interest in Bursa Depository for a total cash consideration of RM35,625,000 or RM5.70 per ordinary share. Following this transaction, Bursa Depository became a wholly owned subsidiary of the Company.

The acquisition of Bursa Depository is accounted for using the "entity concept method" whereby the difference between the purchase consideration and the net assets acquired is treated as an equity transaction and recognised directly in the statement of changes in equity.

**27. BORROWINGS AND DEBT SECURITIES**

	<b>As at 31.3.2006 RM'000</b>
Unsecured:	
Short term borrowings	220
Long term borrowings	<u>659</u>
	<u>879</u>

Borrowings relate to an outstanding amount payable to the Government of Malaysia in respect of two interest free unsecured loans of RM697,000 and RM1,500,000. 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.

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**28. LONG TERM LIABILITY**

	<b>As at</b> <b>31.3.2006</b> <b>RM'000</b>
Short term portion of lease (included in other payables)	539
Long term portion of lease	46,182
	<hr/> <b>46,721</b> <hr/>

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 instalments of RM539,000 each.

**29. OFF BALANCE SHEET FINANCIAL INSTRUMENTS**

There were no off balance sheet financial instruments as at 27 April 2006.

**30. CHANGES IN MATERIAL LITIGATION**

As at 31 March 2006, there was no material litigation against the Group.

**31. DIVIDEND PROPOSED**

At the forthcoming Annual General Meeting to be held on 28 April 2006, a final dividend in respect of financial year ended 31 December 2005 of 10 sen per share less 28.0 per cent taxation, amounting to net dividend payable of approximately RM36,940,000 or 7.2 sen per share, computed based on the issued and paid up capital as at 31 December 2005 of 513,060,000 ordinary shares of RM0.50 each, will be proposed to shareholders for approval.

No interim ordinary dividend has been declared for the current quarter ended 31 March 2006 (31 March 2005: Nil).

**32. 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>3 months and</b> <b>year-to-date ended</b>	
	<b>31.3.2006</b>	<b>31.3.2005</b>
Profit attributable to equity holder of parent (RM'000)	22,194	23,964
Weighted average number of ordinary shares in issue ('000)	513,343	420,727
Basic EPS (sen)	<hr/> <b>4.3</b> <hr/>	<hr/> <b>5.7</b> <hr/>

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**32. EARNINGS PER SHARE ("EPS") (CONTD.)**

**(b) Diluted EPS**

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

	<b>3 months and year-to-date ended</b>	
	<b>31.3.2006</b>	<b>31.3.2005</b>
Profit attributable to equity holder of parent (RM'000)	<u>22,194</u>	<u>23,964</u>
Weighted average number of ordinary shares in issue ('000)	513,343	420,727
Effect of dilution ('000)	<u>20,110</u>	<u>1,535</u>
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	<u>533,453</u>	<u>422,262</u>
Diluted EPS (sen)	<u>4.2</u>	<u>5.7</u>

**33. 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 27 April 2006.