

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

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE THREE MONTHS ENDED 31 DECEMBER 2007**

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

**CONDENSED CONSOLIDATED INCOME STATEMENT**  
**FOR THE THREE AND TWELVE MONTHS ENDED 31 DECEMBER 2007**

	Note	3 months ended		12 months ended	
		31.12.2007 RM'000 audited	31.12.2006 RM'000 audited	31.12.2007 RM'000 audited	31.12.2006 RM'000 audited
Operating revenue	10	92,676	75,294	443,148	262,118
Other income	11	10,529	9,442	48,820	39,825
		<u>103,205</u>	<u>84,736</u>	<u>491,968</u>	<u>301,943</u>
Staff costs		(20,912)	(21,900)	(85,397)	(77,696)
Depreciation and amortisation		(3,563)	(4,512)	(14,034)	(16,055)
Other operating expenses	12	(21,217)	(15,372)	(72,913)	(54,686)
<b>Profit from operations</b>		<u>57,513</u>	<u>42,952</u>	<u>319,624</u>	<u>153,506</u>
Finance costs		(160)	(162)	(644)	(593)
<b>Profit before tax</b>		<u>57,353</u>	<u>42,790</u>	<u>318,980</u>	<u>152,913</u>
Income tax expense	25	(7,864)	(14,204)	(78,355)	(44,004)
<b>Profit for the period</b>		<u>49,489</u>	<u>28,586</u>	<u>240,625</u>	<u>108,909</u>
Attributable to:					
Equity holders of the Company		49,489	28,586	240,625	108,105
Minority interests		-	-	-	804
		<u>49,489</u>	<u>28,586</u>	<u>240,625</u>	<u>108,909</u>
<b>Earnings per share attributable to equity holders of the Company (sen):</b>					
Basic	33(a)	<u>9.5</u>	<u>5.5</u>	<u>46.1</u>	<u>20.9</u>
Diluted	33(b)	<u>9.0</u>	<u>5.3</u>	<u>43.7</u>	<u>20.0</u>

*The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 December 2006 and the accompanying explanatory notes attached to the interim financial statements.*

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

**CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2007**

	Note	As at 31.12.2007 RM'000 audited	As at 31.12.2006 RM'000 audited
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Property, plant and equipment	14	267,531	325,341
Computer software		64,541	28,386
Goodwill		44,720	44,720
Other investments		80,580	95,772
Staff loans receivable		22,926	26,850
Deferred tax assets		9,687	706
		<u>489,985</u>	<u>521,775</u>
<b>Current Assets</b>			
Trade receivables		28,062	30,204
Other receivables		12,621	16,855
Tax recoverable		50	3,808
Short term investments		74,953	115,008
Cash and bank balances		841,325	719,773
		<u>957,011</u>	<u>885,648</u>
<b>TOTAL ASSETS</b>		<u>1,446,996</u>	<u>1,407,423</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity Attributable to Equity Holders of the Company</b>			
Share capital		261,825	259,801
Share premium		60,260	51,500
Other reserves		52,374	50,607
Retained earnings		405,770	447,515
<b>Total Equity</b>		<u>780,229</u>	<u>809,423</u>

**BURSA MALAYSIA BERHAD (30632-P)**  
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**CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2007**  
**(CONTD.)**

	Note	As at 31.12.2007 RM'000 audited	As at 31.12.2006 RM'000 audited
<b>EQUITY AND LIABILITIES (CONTD.)</b>			
<b>Non-current Liabilities</b>			
Retirement benefit obligations		20,771	18,454
Deferred income		2,477	2,831
Long term borrowings	29	219	439
Long term liability		-	46,181
Deferred tax liabilities		4,636	4,541
		<u>28,103</u>	<u>72,446</u>
<b>Current Liabilities</b>			
Trade payables	15(a)	524,915	436,625
Other payables		85,661	69,959
Trading Clearing Participants' ("TCPs") contributions to Clearing Guarantee Fund ("CGF")	15(b)	9,011	8,549
Tax payable		18,857	10,201
Short term borrowings	29	220	220
		<u>638,664</u>	<u>525,554</u>
<b>Total Liabilities</b>		<u>666,767</u>	<u>598,000</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>1,446,996</u>	<u>1,407,423</u>
<b>Net assets per share attributable to equity holders of the Company (RM)</b>		<u>1.49</u>	<u>1.56</u>

*The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 December 2006 and the accompanying explanatory notes attached to the interim financial statements.*

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

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2007**

	← Attributable to equity holders of the Company →									Minority interest	Total equity
	← Non-distributable →					Distributable					
	Share capital	Share premium	Capital reserve	Capital redemption reserve	Foreign currency exchange reserve	Share option reserve	Clearing Guarantee Fund reserve	Retained earnings	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 January 2006 (restated)</b>	256,530	38,117	12,600	3,000	(13)	4,368	-	568,449	883,051	21,432	904,483
Issuance of ordinary shares pursuant to Employees' Share Option Scheme ("ESOS")	3,271	13,383	-	-	-	-	-	-	16,654	-	16,654
Acquisition of remaining equity of an existing subsidiary	-	-	-	2,250	-	-	-	(15,639)	(13,389)	(22,236)	(35,625)
Foreign currency translation, representing net expense recognised directly in equity	-	-	-	-	(499)	-	-	-	(499)	-	(499)
Share options granted under ESOS	-	-	-	-	-	3,901	-	-	3,901	-	3,901
Transfer to CGF from a wholly-owned subsidiary	-	-	-	-	-	-	25,000	(25,000)	-	-	-
Dividends paid (Note 9)	-	-	-	-	-	-	-	(188,400)	(188,400)	-	(188,400)
Profit for the year	-	-	-	-	-	-	-	108,105	108,105	804	108,909
<b>At 31 December 2006</b>	<b>259,801</b>	<b>51,500</b>	<b>12,600</b>	<b>5,250</b>	<b>(512)</b>	<b>8,269</b>	<b>25,000</b>	<b>447,515</b>	<b>809,423</b>	<b>*</b>	<b>809,423</b>

**BURSA MALAYSIA BERHAD (30632-P)**  
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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2007 (CONTD.)**

	← Attributable to equity holders of the Company →									Minority interest	Total equity
	← Non-distributable →					Distributable					
	Share capital	Share premium	Capital reserve	Capital redemption reserve	Foreign currency exchange reserve	Share option reserve	Clearing Guarantee Fund reserve	Retained earnings	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 January 2007</b>	259,801	51,500	12,600	5,250	(512)	8,269	25,000	447,515	809,423	*	809,423
Issuance of ordinary shares pursuant to ESOS	2,024	8,760	-	-	-	-	-	-	10,784	-	10,784
Issuance of preference shares by a subsidiary	-	-	900	-	-	-	-	-	900	**	900
Foreign currency translation, representing net expense recognised directly in equity	-	-	-	-	(421)	-	-	-	(421)	-	(421)
Share options granted under ESOS	-	-	-	-	-	1,288	-	-	1,288	-	1,288
Dividends paid (Note 9)	-	-	-	-	-	-	-	(282,370)	(282,370)	-	(282,370)
Profit for the year	-	-	-	-	-	-	-	240,625	240,625	-	240,625
<b>At 31 December 2007</b>	<b>261,825</b>	<b>60,260</b>	<b>13,500</b>	<b>5,250</b>	<b>(933)</b>	<b>9,557</b>	<b>25,000</b>	<b>405,770</b>	<b>780,229</b>	<b>***</b>	<b>780,229</b>

**Note a**

**Note a**

Minority interest of the Group relates to subscriptions in the non-cumulative preference shares of RM1 each in Bursa Malaysia Derivatives Berhad ("Bursa Malaysia Derivatives"), a wholly-owned subsidiary, for registration as Trading Participants, at a subscription price determined by Bursa Malaysia Derivatives. The preference shareholders are not entitled to a refund of any part of the premium paid for the preference shares.

\* Denotes RM79; \*\* Denotes RM3; \*\*\* Denotes RM82

*The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2006 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 TWELVE MONTHS ENDED 31 DECEMBER 2007**

	<b>12 months ended</b>	
	<b>31.12.2007</b>	<b>31.12.2006</b>
	<b>RM'000</b>	<b>RM'000</b>
	<b>audited</b>	<b>audited</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	318,980	152,913
Adjustments for:		
Amortisation of computer software	2,639	382
Amortisation of premium less accretion of discount	(81)	(40)
Depreciation	11,395	15,673
Grant released	(354)	-
Impairment loss on investments	4,535	139
Interest expense	13	11
Interest income	(32,678)	(31,039)
Net gain on disposal of investments	(5,392)	(3,484)
Net gain on disposal of property, plant and equipment	-	(270)
Net unrealised (gain)/loss on foreign exchange differences	(23)	14
Net (reversal of)/provision for bad and doubtful debts	(345)	1,293
Property, plant and equipment written off	757	49
Provision for retirement benefits	2,811	2,979
Provision for short term accumulating compensated unutilised leave	256	281
Share options granted under ESOS	1,288	3,901
Operating profit before working capital changes	<u>303,801</u>	<u>142,802</u>
Decrease in receivables	4,858	2,137
Increase in payables	89,711	297,351
Cash generated from operations	<u>398,370</u>	<u>442,290</u>
Retirement benefits paid	(494)	(2,263)
Interest paid	(13)	(11)
Taxes paid net of refund	<u>(74,826)</u>	<u>(22,890)</u>
<b>Net cash generated from operating activities</b>	<u><u>323,037</u></u>	<u><u>417,126</u></u>

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

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2007 (CONTD.)**

	<b>12 months ended</b>	
	<b>31.12.2007</b>	<b>31.12.2006</b>
	<b>RM'000</b>	<b>RM'000</b>
	<b>audited</b>	<b>audited</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Acquisition of remaining equity of an existing subsidiary	-	(35,625)
Interest received	31,310	33,273
Proceeds from disposal of investments, net of purchases	56,858	63,614
Purchases of property, plant and equipment and computer software, net of proceeds	(24,792)	(6,012)
Staff loans repaid, net of disbursements	6,475	6,788
<b>Net cash generated from investing activities</b>	<u>69,851</u>	<u>62,038</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividends paid (Note 9)	(282,370)	(188,400)
Preference shares issued by a subsidiary	900	-
Proceeds from exercise of ESOS	10,784	16,654
Repayment of borrowings and liability	(220)	(759)
<b>Net cash used in financing activities</b>	<u>(270,906)</u>	<u>(172,505)</u>
<b>Net increase in cash and cash equivalents</b>	121,982	306,659
Effects of exchange rate changes	(430)	(510)
Cash and cash equivalents at beginning of year	719,773	413,624
<b>Cash and cash equivalents at end of year</b>	<u>841,325</u>	<u>719,773</u>
<b>Cash and cash equivalents comprise:</b>		
Short term deposits	832,887	711,410
Cash and bank balances	8,438	8,363
	<u>841,325</u>	<u>719,773</u>
	Note A	

*The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2006 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 TWELVE MONTHS ENDED 31 DECEMBER 2007 (CONTD.)**

**NOTE A**

Included in cash and cash equivalents as at 31 December 2007 are the following:

- (i) Cash collected by the following wholly-owned subsidiaries from:

	<b>As at</b> <b>31.12.2007</b> <b>RM'000</b>	<b>As at</b> <b>31.12.2006</b> <b>RM'000</b>
Clearing participants of Bursa Malaysia Derivatives Clearing Berhad ("Bursa Malaysia Derivatives Clearing") for security deposits and cash margins	483,358	433,335
TCPs of Bursa Malaysia Securities Clearing Sdn. Bhd. ("Bursa Malaysia Securities Clearing") as collateral for Securities Borrowing and Lending ("SBL")	41,980	-
TCPs of Bursa Malaysia Securities Clearing being contribution to the CGF	8,994	8,473
	<u>534,332</u>	<u>441,808</u>

- (ii) An amount of RM25,000,000 (2006: RM25,000,000) which has been set aside in respect of Bursa Securities Clearing's contribution to the CGF.
- (iii) An amount of RM10,879,000 (2006: RM14,014,000) which has been set aside to meet or secure the claims of creditors and certain lease payments pursuant to the High Court orders issued in relation to the reduction of capital of the Company on 27 January 2005 and of its wholly-owned subsidiary, Bursa Malaysia Securities Clearing, on 30 August 2007.

**BURSA MALAYSIA BERHAD (30632-P)**  
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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 audited 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 2006. 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 2006.

**2. CHANGES IN ACCOUNTING POLICIES**

**2.1. ADOPTION OF REVISED FINANCIAL REPORTING STANDARDS**

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2006 except for the adoption of the following revised Financial Reporting Standards ("FRSs") effective for financial periods beginning on or after 1 January 2007:

FRS 117 Leases  
FRS 119 Employee Benefits  
FRS 124 Related Party Transactions

The adoption of the abovementioned FRSs does not result in significant changes in accounting policies of the Group, other than the change in accounting treatment for leasehold land following the adoption of FRS 117.

Prior to 1 January 2007, freehold land leased from Government and held for own use was classified as property, plant and equipment and was stated at cost less accumulated depreciation and accumulated impairment losses. The adoption of the revised FRS 117 resulted in a change in accounting policy relating to the classification of leases of land. The said land is now classified as operating lease.

As such, freehold land and the corresponding liability arising from the lease from Government have been removed from the balance sheet as at 1 January 2007. Lease payments are recognised in the income statement on an accrual basis. The Group has applied this change in accounting policy prospectively.

**BURSA MALAYSIA BERHAD (30632-P)**  
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**2. CHANGES IN ACCOUNTING POLICIES (CONTD.)**

**2.1. ADOPTION OF REVISED FINANCIAL REPORTING STANDARDS (CONTD.)**

Had the previous policy on the land been applied in the current year:

- Property, plant and equipment, long term liability and other payables would have been higher by RM46,181,000, RM45,642,000 and RM539,000 respectively; and
- Depreciation would have increased by RM539,000 and other operating expenses would have decreased by the same amount.

At the date of authorisation of these financial statements, the following FRSs and Interpretations were issued but not yet effective and have not been applied by the Company:

<b>FRSs and Interpretations</b>	<b>Effective for financial periods beginning on or after</b>
FRS 107 Cash Flow Statements	1 July 2007
FRS 111 Construction Contracts	1 July 2007
FRS 112 Income Taxes	1 July 2007
FRS 118 Revenue	1 July 2007
FRS 120 Accounting for Government Grants and Disclosure of Government Assistance	1 July 2007
FRS 134 Interim Financial Reporting	1 July 2007
FRS 137 Provisions, Contingent Liabilities and Contingent Assets	1 July 2007
FRS 139 Financial Instruments: Recognition and Measurement	Deferred
IC Interpretation 1 Changes in Existing Decommissioning, Restoration and Similar Liabilities	1 July 2007
IC Interpretation 2 Members' Shares in Co-operative Entities and Similar Instruments	1 July 2007
IC Interpretation 5 Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds	1 July 2007
IC Interpretation 6 Liabilities arising from Participating in a Specific Market - Waste Electrical and Electronic Equipment	1 July 2007
IC Interpretation 7 Applying the Restatement Approach under FRS 129 <sub>2004</sub> - Financial Reporting in Hyperinflationary Economies	1 July 2007
IC Interpretation 8 Scope of FRS 2	1 July 2007

## **2.2. ADOPTION OF NEW ACCOUNTING POLICY**

### **SBL**

Collaterals lodged by borrowers in the form of cash are treated as current liabilities on the balance sheet. Collaterals lodged by borrowers in the form of bank guarantees, letters of credit and approved securities are not reflected as assets and liabilities in the balance sheet.

Borrowing and lending fees are recognised in the income statement on an accrual basis.

## **3. COMPARATIVES**

The comparative figures for segmental information have been restated to reflect property, plant and equipment and computer software, and the corresponding depreciation and amortisation charges, in the respective markets and business segments according to their usage.

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

The auditors' report on the financial statements for the financial year ended 31 December 2006 was unqualified.

## **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 and derivatives 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.

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

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

**BURSA MALAYSIA BERHAD (30632-P)**  
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**8. DEBT AND EQUITY SECURITIES**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the financial year ended 31 December 2007 other than the issuance of 4,047,000 new ordinary shares of RM0.50 each pursuant to the exercise of the ESOS at the following option prices:

<b>No. of shares issued '000</b>	<b>Exercise price RM</b>
1,733	2.28
1,953	2.31
30	2.83
18	3.78
19	3.83
100	4.99
34	5.38
160	8.82
<u>4,047</u>	

**9. DIVIDENDS PAID**

The following dividends were paid during the financial year:

	<b>31.12.2007</b>	<b>31.12.2006</b>
<b>Special dividend for the financial year</b>	<b>2007</b>	<b>2006</b>
Approved and declared on	11 October 2007	31 October 2006
Date paid	7 November 2007	30 November 2006
Number of ordinary shares on which dividends were paid ('000)	523,287	519,267
Amount per share	28 sen less 27 per cent taxation	28 sen less 28 per cent taxation
Net dividend paid (RM'000)	106,960	104,684
<b>Interim dividend for the financial year</b>	<b>2007</b>	<b>2006</b>
Approved and declared on	17 July 2007	27 July 2006
Date paid	10 August 2007	28 August 2006
Number of ordinary shares on which dividends were paid ('000)	522,714	516,993
Amount per share	32 sen less 27 per cent taxation	12.5 sen less 28 per cent taxation
Net dividend paid (RM'000)	122,106	46,529

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**9. DIVIDENDS PAID (CONTD.)**

	<b>31.12.2007</b>	<b>31.12.2006</b>
<b>Final dividend for the financial year</b>	<b>2006</b>	<b>2005</b>
Approved and declared on	6 April 2007	28 April 2006
Date paid	7 May 2007	31 May 2006
Number of ordinary shares on which dividends were paid ('000)	521,564	516,485
Amount per share	14 sen less	10 sen less
	27 per cent taxation	28 per cent taxation
Net dividend paid (RM'000)	53,304	37,187

**10. OPERATING REVENUE**

	<b>3 months ended</b>		<b>12 months ended</b>	
	<b>31.12.2007</b>	<b>31.12.2006</b>	<b>31.12.2007</b>	<b>31.12.2006</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Trading revenue</b>				
Revenue from equity market:				
Clearing fees	49,294	38,684	256,614	127,617
SCORE fees (equity trade fees)	5,427	3,913	27,019	12,532
Institutional Settlement Service ("ISS") fees	2,594	1,815	11,093	7,257
Buying-in commissions	308	256	1,814	783
	<u>57,623</u>	<u>44,668</u>	<u>296,540</u>	<u>148,189</u>
Revenue from derivatives market:				
Clearing fees	2,102	2,048	9,439	6,556
Trade fees	6,752	7,687	31,706	24,628
Guarantee / tender fees	1,023	588	3,531	2,012
	<u>9,877</u>	<u>10,323</u>	<u>44,676</u>	<u>33,196</u>
Total trading revenue	<u>67,500</u>	<u>54,991</u>	<u>341,216</u>	<u>181,385</u>
<b>Stable revenue</b>				
Depository services	6,696	6,276	28,391	26,057
Listing fees	6,946	2,814	27,082	10,896
Information services	5,099	5,037	19,776	19,357
Broker services	3,801	3,926	15,043	15,530
Participants' fees	780	1,056	3,639	3,715
Total stable revenue	<u>23,322</u>	<u>19,109</u>	<u>93,931</u>	<u>75,555</u>
<b>Other operating income</b>	<u>1,854</u>	<u>1,194</u>	<u>8,001</u>	<u>5,178</u>
	<u>92,676</u>	<u>75,294</u>	<u>443,148</u>	<u>262,118</u>

**BURSA MALAYSIA BERHAD (30632-P)**  
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**11. OTHER INCOME**

	<b>3 months ended</b>		<b>12 months ended</b>	
	<b>31.12.2007</b>	<b>31.12.2006</b>	<b>31.12.2007</b>	<b>31.12.2006</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Conference fee and exhibition related income	56	-	3,304	2,457
Fines income	689	344	2,014	794
Interest income	7,608	8,282	32,678	31,039
Net gain on disposal of investments	-	540	5,392	3,484
Net gain on disposal of property, plant and equipment	-	218	-	270
Rental income	714	14	1,582	79
Miscellaneous income	1,462	44	3,850	1,702
	<u>10,529</u>	<u>9,442</u>	<u>48,820</u>	<u>39,825</u>

**12. OTHER OPERATING EXPENSES**

	<b>3 months ended</b>		<b>12 months ended</b>	
	<b>31.12.2007</b>	<b>31.12.2006</b>	<b>31.12.2007</b>	<b>31.12.2006</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Market development and promotions	6,217	3,103	18,119	5,454
Information technology ("IT") upkeep and maintenance	1,916	3,552	13,421	16,496
Building management costs	2,387	2,286	9,359	8,334
Professional fees	5,225	873	7,170	2,226
Administrative expenses	347	2,274	6,675	8,470
CDS consumables	851	885	2,964	2,643
Conference and exhibition related expenses	26	277	2,628	2,408
Impairment loss on investments	1,846	(42)	4,535	139
Miscellaneous expenses	2,402	2,164	8,042	8,516
	<u>21,217</u>	<u>15,372</u>	<u>72,913</u>	<u>54,686</u>

**13. SEGMENTAL INFORMATION**

Segmental information is provided in two formats, one based on market segments and the other based on business segments. Expenses, assets and liabilities which are common and cannot be meaningfully allocated to the segments are presented under unallocated expenses, assets and liabilities, respectively.

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

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

**(a) 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</b>								
<b>3 MONTHS ENDED</b>								
<b>31 DECEMBER 2007</b>								
<b>Segment revenue</b>								
External revenue	77,539	10,132	67	4,938	-	-	-	92,676
Inter-segment revenue	146	-	-	241	285,297	-	(285,684)	-
Total operating revenue	77,685	10,132	67	5,179	285,297	-	(285,684)	92,676
Other income	4,187	2,428	69	35	3,467	504	(161)	10,529
	81,872	12,560	136	5,214	288,764	504	(285,845)	103,205
<b>Segment operating expenses</b>								
	(33,160)	(7,821)	(98)	(3,305)	(41,399)	1	41,473	(44,309)
<b>Segment results</b>								
	48,712	4,739	38	1,909	247,365	505	(244,372)	58,896
Unallocated corporate expenses								(1,383)
Finance costs								(160)
Consolidated profit before tax								57,353
<b>RESULTS FOR</b>								
<b>3 MONTHS ENDED</b>								
<b>31 DECEMBER 2006</b>								
<b>Segment revenue</b>								
External revenue	59,766	10,531	125	4,872	-	-	-	75,294
Inter-segment revenue	107	-	-	235	35,913	-	(36,255)	-
Total operating revenue	59,873	10,531	125	5,107	35,913	-	(36,255)	75,294
Other income	3,705	2,367	90	67	3,193	26	(6)	9,442
	63,578	12,898	215	5,174	39,106	26	(36,261)	84,736
<b>Segment operating expenses</b>								
	(29,035)	(6,587)	(151)	(3,144)	(38,063)	(8)	36,433	(40,555)
<b>Segment results</b>								
	34,543	6,311	64	2,030	1,043	18	172	44,181
Unallocated corporate expenses								(1,229)
Finance costs								(162)
Consolidated profit before tax								42,790



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

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

**(a) 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</b>								
<b>12 MONTHS ENDED</b>								
<b>31 DECEMBER 2007</b>								
<b>Segment revenue</b>								
External revenue	377,996	45,558	308	19,286	-	-	-	443,148
Inter-segment revenue	684	-	-	951	557,617	-	(559,252)	-
Total operating revenue	378,680	45,558	308	20,237	557,617	-	(559,252)	443,148
Other income	16,915	10,242	305	172	20,736	524	(74)	48,820
	395,595	55,800	613	20,409	578,353	524	(559,326)	491,968
<b>Segment operating expenses</b>								
	(124,764)	(28,209)	(512)	(12,934)	(157,765)	-	156,077	(168,107)
<b>Segment results</b>	270,831	27,591	101	7,475	420,588	524	(403,249)	323,861
Unallocated corporate expenses								(4,237)
Finance costs								(644)
Consolidated profit before tax								318,980
<b>RESULTS FOR</b>								
<b>12 MONTHS ENDED</b>								
<b>31 DECEMBER 2006</b>								
<b>Segment revenue</b>								
External revenue	208,926	34,188	393	18,611	-	-	-	262,118
Inter-segment revenue	376	-	-	959	269,741	-	(271,076)	-
Total operating revenue	209,302	34,188	393	19,570	269,741	-	(271,076)	262,118
Other income	12,879	6,429	327	168	19,914	114	(6)	39,825
	222,181	40,617	720	19,738	289,655	114	(271,082)	301,943
<b>Segment operating expenses</b>								
	(106,151)	(20,289)	(583)	(10,387)	(138,085)	(13)	131,825	(143,683)
<b>Segment results</b>	116,030	20,328	137	9,351	151,570	101	(139,257)	158,260
Unallocated corporate expenses								(4,754)
Finance costs								(593)
Consolidated profit before tax								152,913

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

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

**(a) 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>ASSETS AND LIABILITIES AS AT 31 DECEMBER 2007</b>								
<b>Segment assets</b>								
Assets	392,118	608,779	6,631	9,599	399,597	5,827	-	1,422,551
Unallocated corporate assets								24,445
Consolidated total assets								<u>1,446,996</u>
<b>Segment liabilities</b>								
Liabilities	58,229	487,740	223	2,249	94,830	3	-	643,274
Unallocated corporate liabilities								23,493
Consolidated total liabilities								<u>666,767</u>

**(b) Business Segments**

	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 ENDED 31 DECEMBER 2007</b>							
<b>Segment revenue</b>							
External revenue	52,732	35,006	4,938	-	-	-	92,676
Inter-segment revenue	-	8	241	285,297	-	(285,546)	-
Total operating revenue	52,732	35,014	5,179	285,297	-	(285,546)	92,676
Other income	2,472	4,212	35	3,467	504	(161)	10,529
	<u>55,204</u>	<u>39,226</u>	<u>5,214</u>	<u>288,764</u>	<u>504</u>	<u>(285,707)</u>	<u>103,205</u>
<b>Segment operating expenses</b>							
	<u>(25,051)</u>	<u>(16,028)</u>	<u>(3,305)</u>	<u>(41,399)</u>	<u>1</u>	<u>41,473</u>	<u>(44,309)</u>

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

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

**(b) 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</b>							
<b>3 MONTHS ENDED</b>							
<b>31 DECEMBER 2007</b>							
<b>(CONTD.)</b>							
<b>Segment results</b>	30,153	23,198	1,909	247,365	505	(244,234)	58,896
Unallocated corporate expenses							(1,383)
Finance costs							(160)
Consolidated profit before tax							<u>57,353</u>
<b>RESULTS FOR</b>							
<b>3 MONTHS ENDED</b>							
<b>31 DECEMBER 2006</b>							
<b>Segment revenue</b>							
External revenue	41,646	28,776	4,872	-	-	-	75,294
Inter-segment revenue	-	12	235	35,913	-	(36,160)	-
Total operating revenue	41,646	28,788	5,107	35,913	-	(36,160)	75,294
Other income	1,569	4,593	67	3,193	26	(6)	9,442
	<u>43,215</u>	<u>33,381</u>	<u>5,174</u>	<u>39,106</u>	<u>26</u>	<u>(36,166)</u>	<u>84,736</u>
<b>Segment operating expenses</b>	(21,566)	(14,207)	(3,144)	(38,063)	(8)	36,433	(40,555)
<b>Segment results</b>	21,649	19,174	2,030	1,043	18	267	44,181
Unallocated corporate expenses							(1,229)
Finance costs							(162)
Consolidated profit before tax							<u>42,790</u>

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

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

**(b) Business Segments (Contd.)**

	Exchanges RM'000	Clearing, settlement and depository RM'000	and Information services RM'000	Exchange holding RM'000	Others RM'000	Elimination RM'000	Consolidated RM'000
<b>RESULTS FOR</b>							
<b>12 MONTHS ENDED</b>							
<b>31 DECEMBER 2007</b>							
<b>Segment revenue</b>							
External revenue	255,030	168,832	19,286	-	-	-	443,148
Inter-segment revenue	15	38	951	557,617	-	(558,621)	-
Total operating revenue	255,045	168,870	20,237	557,617	-	(558,621)	443,148
Other income	8,724	18,738	172	20,736	524	(74)	48,820
	263,769	187,608	20,409	578,353	524	(558,695)	491,968
<b>Segment operating expenses</b>							
	(92,236)	(61,249)	(12,934)	(157,765)	-	156,077	(168,107)
<b>Segment results</b>							
	171,533	126,359	7,475	420,588	524	(402,618)	323,861
Unallocated corporate expenses							(4,237)
Finance costs							(644)
Consolidated profit before tax							318,980
<b>RESULTS FOR</b>							
<b>12 MONTHS ENDED</b>							
<b>31 DECEMBER 2006</b>							
<b>Segment revenue</b>							
External revenue	141,903	101,604	18,611	-	-	-	262,118
Inter-segment revenue	-	50	959	269,741	-	(270,750)	-
Total operating revenue	141,903	101,654	19,570	269,741	-	(270,750)	262,118
Other income	5,024	14,611	168	19,914	114	(6)	39,825
	146,927	116,265	19,738	289,655	114	(270,756)	301,943
<b>Segment operating expenses</b>							
	(76,429)	(50,594)	(10,387)	(138,085)	(13)	131,825	(143,683)

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

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

**(b) 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</b>							
<b>12 MONTHS ENDED</b>							
<b>31 DECEMBER 2006</b>							
<b>(CONTD.)</b>							
<b>Segment results</b>	70,498	65,671	9,351	151,570	101	(138,931)	158,260
Unallocated corporate expenses							(4,754)
Finance costs							(593)
Consolidated profit before tax							<u>152,913</u>
<b>ASSETS AND</b>							
<b>LIABILITIES AS AT</b>							
<b>31 DECEMBER 2007</b>							
<b>Segment assets</b>							
Assets	262,445	745,083	9,599	399,597	5,827	-	1,422,551
Unallocated corporate assets							24,445
Consolidated total assets							<u>1,446,996</u>
<b>Segment liabilities</b>							
Liabilities	2,472	543,720	2,249	94,830	3	-	643,274
Unallocated corporate liabilities							23,493
Consolidated total liabilities							<u>666,767</u>

**14. CARRYING AMOUNT OF REVALUED ASSETS**

There has been no revaluation of property, plant and equipment during the financial year.

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

**15(a) TRADE PAYABLES**

	<b>As at 31.12.2007 RM'000</b>
Trade margins from clearing participants of Bursa Malaysia Derivatives Clearing, including accrued interest:	
Margin and excess cash on derivatives contracts	453,342
Security deposits and clearing fund contributions	30,097
SBL collaterals from TCPs of Bursa Malaysia Securities Clearing:	
Cash collaterals	41,476
	<u>524,915</u>

As at 31 December 2007, the amount of non-cash collateral held by the Group not included in the balance sheet were as follows:

	<b>As at 31.12.2007 RM'000</b>
Trade margins from clearing participants of Bursa Malaysia Derivatives Clearing:	
Letter of credits	264,970
Shares *	45
SBL collaterals from TCPs of Bursa Malaysia Securities Clearing:	
Bank guarantees	100,000
	<u>365,015</u>

\* This represents the fair value of shares held as margins as at 31 December 2007.

**15(b) TCPS' CONTRIBUTIONS TO CGF**

	<b>As at 31.12.2007 RM'000</b>
Contributions from TCPs of Bursa Malaysia Securities Clearing, including accrued interest, are in the form of:	
Cash	9,011
Bank guarantees	6,714
	<u>15,725</u>

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

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

On 28 February 2007, the following four wholly-owned dormant subsidiaries of the Company were placed in voluntary winding-up, pursuant to Section 254(1)(b) of the Companies Act, 1965:

- Bursa Malaysia IT Sdn. Bhd.
- Bursa Malaysia Property Sdn. Bhd.
- Commodity and Monetary Exchange of Malaysia
- Malaysia Monetary Exchange Berhad

The voluntary winding-up will not have any material impact on the results, balance sheet and cash flows of the Group.

There were no changes in the composition of the Group during the financial year ended 31 December 2007 other than as disclosed above.

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

There were no changes in contingent liabilities or contingent assets since the last financial year as at 31 December 2006.

**18. CAPITAL COMMITMENTS**

The amount of commitments for the purchase of property, plant and equipment and computer software not provided for in the interim financial statements as at 31 December 2007 were as follows:

	<b>Approved and contracted for RM'000</b>	<b>Approved but not contracted for RM'000</b>
Computer and office automation:		
Trading system	12,972	12,812
Other information technology systems	4,833	4,369
Renovations and office equipment	351	478
	<u>18,156</u>	<u>17,659</u>

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

**19. OPERATING LEASE ARRANGEMENTS**

**(a) As Lessee**

Following the implementation of FRS 117, leasehold land and the corresponding liability arising from lease arrangements with remaining lease periods of 85 and 88 years each have been removed from the balance sheet. The future aggregate minimum lease payments under operating leases contracted for as at 31 December 2007 but not recognised as liabilities were as follows:

	<b>As at 31.12.2007 RM'000</b>
<b>Future minimum lease payments</b>	
Not later than 1 year	539
Later than 1 year and not later than 2 years	539
Later than 2 years and not later than 5 years	1,616
Later than 5 years	42,948
	<u>45,642</u>

**(b) As Lessor**

During the year, the Company entered into non-cancellable operating lease agreements for the rental of parts of the building. The leases have lives of 3 years and have a fixed rental rate in the said lease period.

The future aggregate minimum lease payments receivable under non-cancellable operating leases contracted for as at the balance sheet date but not recognised as receivables are as follows:

	<b>As at 31.12.2007 2007 RM'000</b>
<b>Future minimum lease receivables</b>	
Not later than 1 year	2,820
Later than one year and not later than two years	2,820
Later than two years and not later than five years	1,272
Later than five years	-
	<u>6,912</u>

**20. SUBSEQUENT EVENTS**

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



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

**21. PERFORMANCE REVIEW**

The Group recorded a profit attributable to equity holders of the Company of RM49.5 million for the quarter ended 31 December 2007 ("4Q07"), 73 per cent higher compared to the profit of RM28.6 million for the quarter ended 31 December 2006 ("4Q06"). The Group's profit before tax improved by 34 per cent to RM57.4 million in 4Q07 compared to 4Q06.

Operating revenue increased by 23 per cent to RM92.7 million in 4Q07 compared to 4Q06. This was mainly attributed to the better performance in the equity market. The equity market recorded a velocity of 41 per cent (4Q06: 39 per cent) and a total daily average trading value of RM1.8 billion (4Q06: RM1.5 billion). This resulted in an increase in equity trading revenue of 29 per cent to RM57.6 million in 4Q07 compared to 4Q06. The performance of the equity market buoyed the market capitalisation on Bursa Malaysia Securities Berhad to RM1.1 trillion as at 31 December 2007.

The derivatives market recorded a marginal increase in the total number of contracts traded, from 1.35 million contracts in 4Q06 to 1.37 million contracts in 4Q07. Despite the increase in trades, trading revenue from the derivatives market declined by 4 per cent to RM9.9 million in 4Q07 compared to 4Q06. This was mainly due to the downward revision in fee structure in 2007.

The growth in stable revenue by 22 per cent to RM23.3 million in 4Q07 compared to 4Q06 was primarily due to the change in listing fee structure which became effective on 1 January 2007 and a higher income from depository services due to higher additional/public issue fees during the quarter.

Other income increased by 12 per cent to RM10.5 million in 4Q07 compared to 4Q06 mainly due to rental income, refund of capital following the liquidation of a company in which a wholly owned subsidiary company was a member and a higher fines income in the current quarter. This was partially offset by lower investment income due to a lower fund size available for investment following dividend payments during the year.

Total expenses increased by 9 per cent to RM45.7 million in 4Q07 compared to 4Q06. Other operating expenses increased by 38 per cent mainly due to higher market development and promotional expenses, professional fees and impairment of investments. The increase in total expenses was partially offset by a decrease in depreciation and amortisation by 21 per cent mainly due to the cessation of depreciation of leased land following the classification of the lease as an operating lease in line with FRS117 which became effective in 2007. Staff cost was lower by 5% mainly due to higher bonus provision in 4Q06.

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

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

The Group recorded a lower profit before tax of RM57.4 million for 4Q07 compared to RM75.7 million for the quarter ended 30 September 2007 ("3Q07"), representing a decrease of 24 per cent or RM18.3 million.

Operating revenue decreased by 17 per cent to RM92.7 million from RM111.3 million in 3Q07. The decline was primarily due to lower trading activity on both equity and derivatives markets following global market uncertainties caused by sub-prime issues and escalating oil prices. The total daily average trading value dropped to RM1.9 billion in 4Q07 from RM2.2 billion in 3Q07. Market velocity likewise was lower at 41 per cent in 4Q07 compared to 50 per cent in 3Q07. This resulted in a decrease in trading revenue from the equity market of 23 per cent to RM57.6 million compared to RM74.4 million in 3Q07.

Trading revenue from the derivatives market decreased by 11 per cent to RM9.9 million in 4Q07 compared to RM11.1 million in 3Q07. Total contracts traded was 1.4 million in 4Q07 compared to 1.6 million in 3Q07. This translated to a daily average number of contracts traded of 22,151 in 4Q07 compared to 24,797 in 3Q07. The decrease was mainly attributable to a drop in FKL I trades by 19 per cent or 158,000 contracts, as the market reacted with caution towards the uncertainties in the US market. The number of FCPO traded at broadly the same level as 3Q07 and decreased only towards the end of the year due to the lack of buyers as a result of the high FCPO price and the effects of the holiday season. 640,000 FCPO contracts were traded in 4Q07 compared to 666,000 contracts traded in 3Q07.

Stable revenue decreased by 2 per cent to RM23.3 million in 4Q07 compared to RM23.8 million in 3Q07. The decline was mainly due to lower Record of Depositors fees and transfer fees in 4Q07 as a result of a slowdown in market activities.

Other income decreased marginally by 4 per cent to RM10.5 million in 4Q07 compared to RM11.0 million in 3Q07. The decrease was primarily due to higher interest income and net gains on disposal of investments in the preceding quarter. This was partially offset by a refund of capital following the liquidation of a company in which a wholly-owned subsidiary was a member in the current quarter.

Total expenses decreased marginally by 2 per cent to RM45.7 million in 4Q07 compared to RM46.5 million in 3Q07. Staff costs decreased by RM0.8 million mainly due to lower unutilised leave expenses in 4Q07 and higher staff benefits expenses in 3Q07. This was partially offset by the increase in market development costs, professional fees and impairment of investments. Depreciation and amortisation remained relatively stable.

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

**23(a) COMMENTARY ON PROSPECTS**

The Group's financial performance is driven by the level of activities on the local equity and derivatives markets, which is in turn driven by domestic fundamentals and global events. The domestic fundamentals of Malaysia are expected to continue to be strong as they are supported by the implementation of projects under the Ninth Malaysia Plan and Government incentives, the fast growing plantation industry, high crude oil prices and a strengthening Ringgit. While the turmoil in the global market has adversely affected the Malaysian market, Malaysia's sound market and economic fundamentals are expected to continue to somewhat cushion the impact of the volatility in the global markets on the Malaysian economy.

The growth of the Malaysian derivatives market is expected to continue to be supported by the trading of FCPO and FKLI contracts. The price of crude palm oil ("CPO") has seen a healthy growth since the start of 2007 and is expected to continue to be supported by a strong demand environment and an expected shortfall in supply. Interest in FKLI contracts is expected to continue to reflect the sentiments on the equity market.

The Group will continue to focus on growing sustainable market velocity and place emphasis on increasing retail participation in the equity market and improving the volume traded on the derivatives market in 2008. The Group worked towards enhancing the quality of public listed companies ("PLCs") in Malaysia in 2007, and ended the year with a focus on retail participation through the "What If" Campaign and the very well-received Bursa Pursuit Investment Challenge. Efforts towards enhancing the quality of PLCs and the development and education of the retail market will continue in 2008. The introduction of the Central Matching Facility, Bursa Trade Securities (the new trading platform for equities), Direct Market Access ("DMA") Equity and more Exchange Traded Fund products are also expected to grow the equity market in 2008. On the derivatives front, the Group will continue to make the market more attractive – more accessible and liquid – through the introduction of DMA Derivatives and new products such as USD denominated CPO futures contracts and FBM 30 futures, market-making capabilities and dual licensing, among others. The new Financial Markets Trading Platform will also be rolled out in 2008 for the trading of bonds on the exchange.

While the above efforts are expected to contribute to the long term growth of the Group, the immediate impact will be seen in increases in market development and promotional expenses as well as in depreciation and amortisation of new systems. Depreciation and amortisation is expected to increase in future years due to the implementation of Bursa Trade Securities in 2008. The impact of the revision in clearing fees announced during Budget 2008 is expected to be countered by higher turnover arising from improvements in trading infrastructure, through Bursa Trade Securities and DMA Equity, and higher retail participation, following the Group's initiatives to promote the investment in securities to retail participants. Listing fees are also expected to increase following the full implementation of the new listing fee structure which was made effective 1 January 2008.

Barring further unforeseen circumstances, the equity and derivatives markets are expected to continue to be resilient and sustain the Group's financial performance.

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

**23(b) PROJECTION OF TARGETS PREVIOUSLY ANNOUNCED**

On 31 January 2007, the Group announced that its target was to achieve 16.8 per cent return on equity ("ROE"), 40 per cent velocity and a 40 per cent growth in derivatives contracts by the end of financial year 2007. As at 31 December 2007, the Group had achieved a 30.3 per cent ROE, a velocity of 53 per cent and a 49 per cent growth in derivatives contracts.

**24. PROFIT FORECAST OR PROFIT GUARANTEE**

No profit forecast or profit guarantee was published.

**25. INCOME TAX EXPENSE**

	3 months ended		12 months ended	
	31.12.2007	31.12.2006	31.12.2007	31.12.2006
	RM'000	RM'000	RM'000	RM'000
<b>Income Tax</b>				
Current tax	17,515	11,262	87,050	42,322
Under/(over) provision of tax in prior year	-	-	191	(1,228)
	<u>17,515</u>	<u>11,262</u>	<u>87,241</u>	<u>41,094</u>
<b>Deferred tax</b>				
Relating to origination and reversal of temporary differences	(10,405)	1,814	(10,266)	1,656
Relating to changes in tax rates	-	-	626	126
Underprovision of deferred tax liability in prior years	754	1,128	754	1,128
	<u>(9,651)</u>	<u>2,942</u>	<u>(8,886)</u>	<u>2,910</u>
	<u>7,864</u>	<u>14,204</u>	<u>78,355</u>	<u>44,004</u>

The statutory tax rate was reduced to 27% from the previous year's rate of 28% effective in the current year of assessment. The statutory tax rate will be reduced to 26% effective year of assessment 2008 and subsequently to 25% effective year of assessment 2009. The computation of deferred tax has reflected these changes.

The effective tax rate of the Group for the current quarter and financial year was lower than the statutory tax rate of the year principally due to the recognition of unutilised capital allowances and unabsorbed business losses of a profit-making subsidiary as deferred tax assets following the confirmation by the Ministry of Finance that there would be no extension to the tax exemption enjoyed by the subsidiary which expired at the end of year of assessment 2006.

The effective tax rate of the Group for the previous corresponding quarter and financial year was marginally higher than the statutory tax rate of that year principally due to certain expenses which were not deductible for tax purposes.

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

**26. SALE OF PROPERTIES**

There was no sale of properties since the last financial year ended at 31 December 2006.

**27. MARKETABLE SECURITIES**

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

	<b>3 months ended</b>		<b>12 months ended</b>	
	<b>31.12.2007</b>	<b>31.12.2006</b>	<b>31.12.2007</b>	<b>31.12.2006</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Purchase (at cost)	14,729	33,201	122,390	94,064
Disposal (proceeds)	<u>31,043</u>	<u>38,948</u>	<u>179,248</u>	<u>157,678</u>
Net gain on disposal	<u>-</u>	<u>540</u>	<u>5,392</u>	<u>3,484</u>

The Group does not invest in quoted securities.

**28. CORPORATE PROPOSALS**

There were no corporate proposals announced but not completed as at 31 January 2008.

**29. BORROWINGS AND DEBT SECURITIES**

	<b>As at</b> <b>31.12.2007</b> <b>RM'000</b>
Short term borrowings	220
Long term borrowings	<u>219</u>
	<u>439</u>

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

**30. OFF BALANCE SHEET FINANCIAL INSTRUMENTS**

There were no off balance sheet financial instruments as at 31 January 2008.

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

**31. CHANGES IN MATERIAL LITIGATION**

There was no material litigation against the Group as at 31 January 2008.

**32. PROPOSED DIVIDEND**

At the forthcoming Annual General Meeting, a final dividend in respect of the financial year ended 31 December 2007, of 25 sen per share less 26 per cent taxation on 523,650,000 ordinary shares, amounting to a dividend payable of approximately RM96,875,000 (18.5 sen net per ordinary share) will be proposed for shareholders' approval.

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

**(a) Basic EPS**

Basic EPS is calculated by dividing the profit for the period attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	<b>3 months ended</b>		<b>12 months ended</b>	
	<b>31.12.2007</b>	<b>31.12.2006</b>	<b>31.12.2007</b>	<b>31.12.2006</b>
Profit attributable to equity holders of the Company (RM'000)	49,489	28,586	240,625	108,105
Weighted average number of ordinary shares in issue ('000)	523,405	518,486	521,847	516,143
Basic EPS (sen)	<u>9.5</u>	<u>5.5</u>	<u>46.1</u>	<u>20.9</u>

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

**33. 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 have been adjusted for the dilutive effects of all potential ordinary shares, i.e. share options granted to employees.

	<b>3 months ended</b>		<b>12 months ended</b>	
	<b>31.12.2007</b>	<b>31.12.2006</b>	<b>31.12.2007</b>	<b>31.12.2006</b>
Profit attributable to equity holders of the Company (RM'000)	<u>49,489</u>	<u>28,586</u>	<u>240,625</u>	<u>108,105</u>
Weighted average number of ordinary shares in issue ('000)	523,405	518,486	521,847	516,143
Effect of dilution ('000)	<u>28,261</u>	<u>25,793</u>	<u>28,255</u>	<u>24,924</u>
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	<u>551,666</u>	<u>544,279</u>	<u>550,102</u>	<u>541,067</u>
Diluted EPS (sen)	<u>9.0</u>	<u>5.3</u>	<u>43.7</u>	<u>20.0</u>

**34. 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 31 January 2008.