

TALIWORKS CORPORATION BERHAD (Company No 6052-V)
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS
FOR THE FINANCIAL QUARTER ENDED 31 MARCH 2009 (UNAUDITED)

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SUMMARY OF KEY FINANCIAL INFORMATION

	3 MONTHS ENDED		3 MONTHS ENDED		12 MONTHS
	31 MAR		31 MAR		ENDED
	2009	2008	2009	2008	31 DEC 2008
	RM'000	RM'000	RM'000	RM'000	(audited)
					RM'000
Revenue	36,752	65,351	36,752	65,351	226,406
EBITDA [i]	14,644	18,937	14,644	18,937	70,127
Operating profit	13,511	18,300	13,511	18,300	67,585
Profit before tax	11,292	16,723	11,292	16,723	59,360
Profit after tax	8,476	11,869	8,476	11,869	46,284
EPS (sen) - Basic	2.2	3.2	2.2	3.2	12.2
- Diluted	2.1	3.1	2.1	3.1	11.1
Gross DPS (sen)	-	-	-	-	6.25
EBITDA margin	40%	29%	40%	29%	31%
Operating margin	37%	28%	37%	28%	30%
Pre-tax margin [ii]	31%	26%	31%	26%	26%
Net margin	23%	18%	23%	18%	20%
ROE [iii]			2%	4%	14%
ROA [iv]			1%	2%	7%

	31 MAR 2009	31 MAR 2008	31 DEC 2008
			(audited)
Net assets per share attributable to ordinary equity holders of the Company (RM)	0.94	0.88	0.93
Net cash per share (RM)	0.08	0.09	0.11
Gearing (times)	0.66	0.69	0.66

[i] EBITDA is defined as net profit for the period/year before finance costs, taxation, depreciation and amortisation costs (and excludes share of results of jointly-controlled entities and associates).

[ii] Group pre-tax includes share of after-tax results of jointly-controlled entities and associates. Kindly refer to Note A8-Segmental Reporting for a better appreciation of the pre-tax margins recorded by individual business segments.

[iii] Return on Equity (ROE) is calculated by dividing the net profit for the period/year with the average of the opening and closing shareholders' equity and is tabulated for year-to-date results.

[iv] Return on Assets (ROA) is calculated by dividing the net profit for the period/year with the average of the opening and closing total assets and is tabulated for year-to-date results.

This Summary of Key Financial Information is not required under FRS134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad and is disclosed on a voluntary basis.

CONDENSED CONSOLIDATED INCOME STATEMENTS

	NOTE	3 MONTHS ENDED		3 MONTHS ENDED	
		31 MAR		31 MAR	
		2009	2008	2009	2008
		RM'000	RM'000	RM'000	RM'000
Revenue	A8	36,752	65,351	36,752	65,351
Operating expenses		(25,321)	(48,608)	(25,321)	(48,608)
Other operating income		2,080	1,557	2,080	1,557
Operating profit		13,511	18,300	13,511	18,300
Finance cost		(3,615)	(3,559)	(3,615)	(3,559)
Share of results of jointly controlled entity (net of tax)		1,137	1,839	1,137	1,839
Share of results of associates (net of tax)		259	143	259	143
Profit before tax	A8	11,292	16,723	11,292	16,723
Tax expense	B4	(2,816)	(4,854)	(2,816)	(4,854)
Profit for the financial quarter/period		8,476	11,869	8,476	11,869
Attributable to:					
Equity holders of the Company		8,422	11,916	8,422	11,916
Minority interest		54	(47)	54	(47)
Profit for the financial quarter/period		8,476	11,869	8,476	11,869
EPS (sen)	B12				
- Basic		2.2	3.2	2.2	3.2
- Diluted		2.1	3.1	2.1	3.1
DPS (sen)		-	-	-	-

The Condensed Consolidated Income Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to these interim financial statements.

CONDENSED CONSOLIDATED BALANCE SHEETS

	<u>NOTE</u>	31 MAR 2009 RM'000	31 DEC 2008 RM'000 (audited)
NON-CURRENT ASSETS			
Property, plant and equipment		28,500	28,136
Investment properties		442	444
Concession rights		16,823	16,286
Jointly controlled entity		62,665	61,528
Associates		24,473	24,214
Goodwill on consolidation		2,007	2,007
Deferred tax assets		172	172
Long term receivables		51,771	51,722
Deposits, bank and cash balances		14,211	14,201
		201,064	198,710
CURRENT ASSETS			
Inventories		1,348	1,286
Trade and other receivables		165,602	159,412
Amount due from a jointly controlled entity		38,500	38,500
Tax recoverable		5,681	4,712
Investments	B6(a)	177,707	205,714
Deposits, bank and cash balances		74,599	55,626
		463,437	465,250
LESS: CURRENT LIABILITIES			
Borrowings	B8	1,613	1,539
Trade and other payables		66,100	71,893
Taxation		2,401	2,355
		70,114	75,787
NET CURRENT ASSETS		393,323	389,463
LESS: NON-CURRENT LIABILITIES			
Borrowings	B8	233,584	231,091
		360,803	357,082
CAPITAL AND RESERVES			
Share capital		188,333	188,295
Reserves		166,656	163,336
Shareholders' equity		354,989	351,631
Minority interest		5,814	5,451
Total equity		360,803	357,082
Net assets per share attributable to ordinary equity holders of the Company (RM)		0.9425	0.9337

The Condensed Consolidated Balance Sheets should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to these interim financial statements.

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

	<u>3 MONTHS</u> <u>ENDED</u> <u>31 MAR 2009</u> <u>RM'000</u>	<u>3 MONTHS</u> <u>ENDED</u> <u>31 MAR 2008</u> <u>RM'000</u>
OPERATING ACTIVITIES		
Profit before tax	11,292	16,723
Adjustments for:		
Non-cash items	(2,524)	(1,700)
Interest income	(133)	(272)
Finance cost	3,615	3,559
Operating profit before working capital changes	12,250	18,310
Changes in working capital:		
Net change in current assets	(6,339)	(16,596)
Net change in current liabilities	(7,067)	8,110
Net cash (outflow)/inflow from operations	(1,156)	9,824
Interest paid	-	(4)
Interest received	171	283
Tax paid	(3,739)	(4,325)
Net cash (outflow)/inflow from operating activities	(4,724)	5,778
INVESTING ACTIVITIES		
Purchase of property, plant & equipment	(199)	(223)
Net proceeds from redemptions of/(placement in) investments	29,465	(9,801)
Dividend received from investments	-	534
Net cash inflow/(outflow) from investing activities	29,266	(9,490)
FINANCING ACTIVITIES		
Proceeds from issuance of ordinary shares pursuant to exercise of ESOS options and Warrants	96	554
Dividends paid	(5,650)	(11,121)
Repayment of borrowings	(5)	(25)
Increase in deposit balances pledged as security	(10)	-
Net cash outflow from financing activities	(5,569)	(10,592)
Net change during the financial period	18,973	(14,304)
At beginning of financial period	55,626	44,306
At end of financial period	74,599	30,002
Cash and cash equivalents comprised the following balance sheet amounts:		
Deposits with licensed banks	25,589	37,384
Bank and cash balances	63,221	15,102
Total deposits, bank and cash balances	88,810	52,486
Less: Deposits pledged as security	(14,211)	(22,484)
	74,599	30,002

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to these interim financial statements.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Attributable to equity holders of the Company

	Number of shares	Nominal value	Share premium	Warrant reserve	Share Option reserve	Currency Translation reserve	Merger deficit	Retained earnings	Shareholders' equity	Minority interest	Total Equity
	'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2009	376,590	188,295	22,059	6,492	2,139	1,434	(71,500)	202,712	351,631	5,451	357,082
Net profit for the financial quarter	-	-	-	-	-	-	-	8,422	8,422	54	8,476
Issue of ordinary shares pursuant to:-											
- exercise of ESOS options	-	-	-	-	-	-	-	-	-	-	-
- exercise of warrants	75	38	58	-	-	-	-	-	96	-	96
Transfer to/(from) reserve upon exercise of warrants	-	-	7	(7)	-	-	-	-	-	-	-
2 nd interim dividend FY08	-	-	-	-	-	-	-	(5,650)	(5,650)	-	(5,650)
Currency translation differences	-	-	-	-	-	490	-	-	490	309	799
At 31 March 2009	376,665	188,333	22,124	6,485	2,139	1,924	(71,500)	205,484	354,989	5,814	360,803
At 1 January 2008	375,396	187,698	19,945	6,544	2,929	114	(71,500)	183,394	329,124	4,501	333,625
Net profit for the financial quarter	-	-	-	-	-	-	-	11,916	11,916	(47)	11,869
Issue of ordinary shares pursuant to:-											
- exercise of ESOS options	309	155	383	-	-	-	-	-	538	-	538
- exercise of warrants	13	6	10	-	-	-	-	-	16	-	16
Transfer to/(from) reserve upon exercise of warrants	-	-	1	(1)	-	-	-	-	-	-	-
2 nd interim dividend FY07	-	-	-	-	-	-	-	(11,121)	(11,121)	-	(11,121)
Currency translation differences	-	-	-	-	-	284	-	-	284	(68)	216
At 31 March 2008	375,718	187,859	20,339	6,543	2,929	398	(71,500)	184,189	330,757	4,386	335,143

The Condensed Consolidated Statements Of Changes In Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to these interim financial statements.

**PART A – EXPLANATORY NOTES PURSUANT TO
FRS 134: INTERIM FINANCIAL REPORTING**

A1 – Basis of Preparation

- (a) The interim financial statements are unaudited and have been prepared in compliance with the requirements of FRS134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”).

The interim financial statements should be read in conjunction with the latest audited financial statements of the Company and its subsidiary companies (“Group”) for the year ended 31 December 2008. The 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 previous financial year.

The accounting policies and methods of computation adopted in these interim financial statements are consistent with those adopted in the most recent audited financial statements. No new, revised or amended Financial Reporting Standards (“FRS”) and Interpretations were issued by the Malaysian Accounting Standards Board (“MASB”) to be adopted effective for financial periods beginning on or after 1 January 2009.

As at the date of this report, the Group has not applied the following new standards which have been issued by the Malaysian Accounting Standards Board, but are not yet effective:

- FRS 8 Operating Segments (effective for annual periods beginning on or after 1 July 2009). FRS 8 replaces FRS 114²⁰⁰⁴ Segment Reporting. The new standard requires a ‘management approach’, under which segment information is presented on the same basis as that used for internal reporting purposes. The Group will apply this standard from financial periods beginning on 1 January 2010.
- IC Interpretation 9 Reassessment of Embedded Derivatives (effective for annual periods beginning on or after 1 January 2010). IC Interpretation 9 requires an entity to assess whether an embedded derivative is required to be separated from the host contract and accounted for as a derivative when the entity first becomes a party to the contract. Subsequent reassessment is prohibited unless there is a change in the terms of the contract that significantly modifies the cash flows that otherwise would be required under the contract, in which case reassessment is required. The Group will apply this standard from financial periods beginning on 1 January 2010.
- IC Interpretation 10 Interim Financial Reporting and Impairment (effective for annual periods beginning on or after 1 January 2010). IC Interpretation 10 prohibits the impairment losses recognized in an interim period on goodwill and investments in equity instruments and in financial assets carried at cost to be reversed at a subsequent balance sheet date. The Group will apply this standard from financial periods beginning on 1 January 2010.
- FRS 139 Financial Instruments: Recognition and Measurement (effective for annual periods beginning on or after 1 January 2010). This new standard establishes principles for recognizing and measuring financial assets, financial liabilities and some contracts to buy and sell non-financial items. Hedge accounting is permitted only under strict circumstances. The Group will apply this standard from financial periods beginning on 1 January 2010.

A1 – Basis of Preparation (cont'd)

- FRS 7 Financial Instruments: Disclosures (effective for annual periods beginning on or after 1 January 2010). This standard only impacts the extent of disclosures in the financial statements, hence it is expected that there will be no material impact on the financial statements when the Group applies this standard. The Group will apply this standard from financial periods beginning on 1 January 2010.

(b) The principal closing rates used in translation of foreign currency amounts are as follows:

<u>Foreign currency</u>	<u>31 Mar 2009</u> RM	<u>31 Dec 2008</u> RM
1 US Dollar	3.65	3.48
100 Hong Kong Dollars	47.06	44.87
100 Chinese Renminbi	53.35	50.88

A2 – Auditors' Reports

The auditors' report on the financial statements of the Company and its subsidiary companies for the most recent audited financial statements were not subject to any qualification.

A3 – Comments about the Seasonal or Cyclical of Interim Operations

There are no significant seasonal or cyclical factors affecting the operations of the Group.

A4 – Unusual Nature and Amount of Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no items affecting the assets, liabilities, equity, net income or cash flows of the Group that were unusual because of their nature, size or incidence during the current quarter and financial period.

A5 – Accounting Estimates

There were no changes in estimates of amounts reported in prior financial years that have had a material effect in the current quarter and financial period.

A6 – Issuance, Cancellation, Repurchases, Resale and Repayments of Debt and Equity Securities

During the current quarter and financial period, there was no issuance or repayment of equity or debt securities by the Company save and except for the issuance of new ordinary shares of RM0.50 each from the exercise of:-

	During the Current Quarter	Year-to-date	Balance remaining unexercised as at the reporting period
ESOS options at RM1.31 per share *	-	-	240,000
ESOS options at RM1.90 per share *	-	-	4,519,000
Warrants at RM1.27 per share **	75,400	75,400	69,817,300

* *expiring on 29 September 2010 (unless extended by the Company)*

** *expiring on 21 September 2010*

A6 – Issuance, Cancellation, Repurchases, Resale and Repayments of Debt and Equity Securities (cont'd)

Unless redeemed or converted in accordance with the Principal Terms and Conditions, the RM225 million nominal value of the Convertible Bonds 2007/12 issued by the Company will mature on 5 December 2012. The Convertible Bonds can also be redeemed at the option of the holders at the end of the 3rd anniversary of the issuance. The final conversion price has been re-set to RM2.16 in accordance with the Trust Deed dated 29 November 2007 constituting the Convertible Bonds.

A7 – Dividends Paid

During the current quarter and financial period, the following dividends were paid:-

RM'000

In respect of the financial year ended 31 December 2008

- 2nd interim gross dividend of 2.0 sen per share on 376,665,700 ordinary shares of RM0.50 each, less income tax at 25%, paid on 30 March 2009 5,650

A8 – Segmental Reporting

Segmental information is presented in respect of the Group's business segments, which is the Group's primary basis of segmental reporting.

(a) Revenue

	3 Months Ended 31 Mar 2009 RM'000	3 Months Ended 31 Mar 2008 RM'000	3 Months Ended 31 Mar 2009 RM'000	3 Months Ended 31 Mar 2008 RM'000
Water business (Malaysia)	33,074	33,584	33,074	33,584
Construction (Malaysia)	-	29,294	-	29,294
Waste management (China)	3,678	2,473	3,678	2,473
	36,752	65,351	36,752	65,351

(b) Profit Before Tax

	3 Months Ended 31 Mar 2009 RM'000	3 Months Ended 31 Mar 2008 RM'000	3 Months Ended 31 Mar 2009 RM'000	3 Months Ended 31 Mar 2008 RM'000
Water business	13,224	13,856	13,224	13,856
Construction	(684)	5,462	(684)	5,462
Waste management	1,179	78	1,179	78
Investment holding and others	(86)	(977)	(86)	(977)
	13,633	18,419	13,633	18,419
Elimination	(122)	(119)	(122)	(119)
Operating profit	13,511	18,300	13,511	18,300
Finance cost	(3,615)	(3,559)	(3,615)	(3,559)
Share of results of a jointly controlled entity	1,137	1,839	1,137	1,839
Share of results of associates	259	143	259	143
Profit before tax	11,292	16,723	11,292	16,723

A9 – Material Subsequent Events

There were no material events subsequent to the end of the interim period that have not been reflected in the interim financial statements.

A10 – Changes in Composition of the Group

There were no changes to the composition of the Group during the current quarter and financial period including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinued operations.

A11 – Changes in Contingent Liabilities or Contingent Assets

There were no changes to the contingent liabilities of the Group since the last audited balance sheet.



PART B – EXPLANATORY NOTES PURSUANT TO PARAGRAPH 9.22 OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1 – Review of Performance

(a) *Revenue*

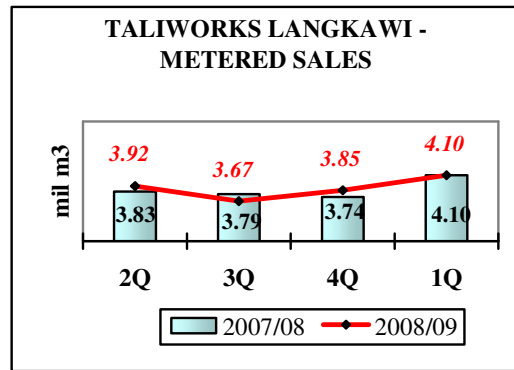
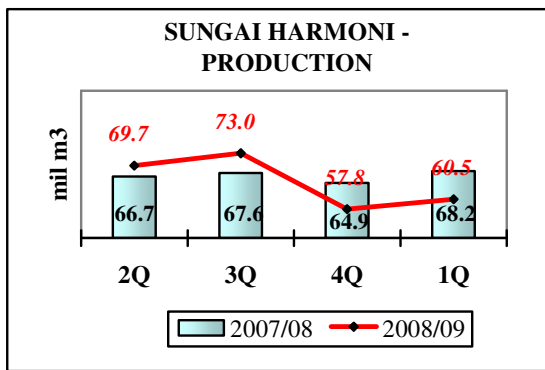
	3 Months Ended 31 Mar 2009 RM'000	3 Months Ended 31 Dec 2008 RM'000	3 Months Ended 31 Mar 2008 RM'000
Water business	33,074	31,807	33,584
Construction	-	(14,497)	29,294
Waste management	3,678	4,890	2,473
	36,752	22,200	65,351

(b) *Profit Before Tax*

	3 Months Ended 31 Mar 2009 RM'000	3 Months Ended 31 Dec 2008 RM'000	3 Months Ended 31 Mar 2008 RM'000
Water business	13,224	10,443	13,856
Construction	(684)	3,425	5,462
Waste management	1,179	1,797	78
Investment holding and others	(86)	34,385	(977)
	13,633	50,050	18,419
Elimination	(122)	(31,862)	(119)
Operating profit	13,511	18,188	18,300
Finance cost	(3,615)	(3,657)	(3,559)
Share of results of a jointly controlled entity	1,137	(261)	1,839
Share of results of associates	259	134	143
Profit before tax	11,292	14,404	16,723

Revenue

The following is the production statistics of Sungai Harmoni Sdn Bhd (“SHSB”) and metered sales of Taliworks (Langkawi) Sdn Bhd (“TLSB”)



B1 – Review of Performance (cont'd)

Revenue (cont'd)

In the previous quarter, revenue from construction was reversed due to over-estimation of the percentage of completion of projects and variation orders recognised earlier which currently are being disputed. Excluding the reversal, revenue was slightly above Q-o-Q. In the current quarter, no revenue was recognised in the construction segment as there has been no progress in the projects undertaken by the Group.

Production from Sungai Selangor Water Treatment Works Phase I (“SSP1”) increased from 57.8 million m³ to 60.5 million m³, an increase of 5%. However, taken on a million litre per day (“MLD”) basis, production came off slightly by 2% to 672 MLD from 688 MLD. On the other hand, TLSB registered metered sales of 4.10 mil m³, a 6% increase Q-o-Q.

In the waste management division, the revenue reported in the previous quarter included a tariff hike adjustment with a net impact of an equivalent of RM1.7 million in Puresino (Guanghan) Water Co Ltd, a subsidiary involved in the management, operation and maintenance of a wastewater treatment plant in China.

Y-o-Y, Group revenue dropped significantly due to absence of contribution from the construction division. Whilst SSP1 registered a drop of 11% in production from 68.2 million m³ to 60.5 million m³, revenue only decreased in a smaller percentage due to additional income from electricity rebates allowed under the contractual agreement.

Meanwhile, revenue from waste management division registered an increase of 49% driven by increases in tariff and production volume from both subsidiaries, Puresino (Guanghan) Water Co Ltd and Tianjin-SWM (M) Environment Co Ltd. and the appreciation of the RMB.

Profit before Taxation (“PBT”)

Although the revenue for the quarter was almost similar Q-on-Q (excluding the reversal in construction revenue), PBT reduced by RM3.1 million to RM11.3 million. The reduction in the PBT was attributable to the following main factors:-

- (a) the absence of contribution from the construction division; and
- (b) capital gains of RM3.2 million realised in the previous quarter from the redemption of investments in money market unit trust funds.

However, the reduction in PBT was moderated by the higher contribution from these segments:-

- (a) the water business from the increases in production/sales coupled by the lower rehabilitation and maintenance expenses in the current quarter; and
- (b) share of results from the jointly controlled entity which suffered losses in the previous quarter from higher amortisation of concession assets and goodwill of RM2.6 million and an impairment of RM0.7 million of its quoted investment in Sunway Infrastructure Berhad. In the current quarter additional impairment amounting to RM0.5 million was made. The average daily traffic (“ADT”) for both quarters was at the 191,000 vehicles/day level.

Y-o-Y, PBT has declined substantially due to the absence of contribution from the construction division. However, there was a marked improvement in the performance of the waste management corresponding with the increases in revenue.

B1 – Review of Performance (cont'd)

PBT (cont'd)

Share of results from a jointly controlled entity slipped 38% (or RM0.7 million) from the lower ADT for the Cheras-Kajang Highway i.e. from 201,654 vehicles/day to 191,595 vehicles/day and the additional impairment made on its quoted investment.

B2 – Current Year Prospects

The current economic condition is expected to have an impact to the Group, particularly its ability to secure construction projects locally to replenish the depleting order book.

Despite the challenging operating environment, the Group does not expect the performance of its concession-based businesses to be severely affected.

B3 – Profit Forecasts or Profit Guarantees

Not applicable as no profit forecast or guarantees was published.

B4 – Taxation

The tax expense is in respect of the estimated Malaysian income tax charge for the period. The effective tax rate of the Group is lower than the statutory tax rate principally due to the receipt of tax exempt dividend income and capital gains arising from the redemption of investments. However, this was moderated by certain expenses not allowed as tax deductions and tax effect of share of results of jointly controlled entity and associates.

B5 – Profits on Sale of Unquoted Investments and Properties

There was no sale of unquoted investments and properties for the current quarter and financial period.

B6 – Purchase or Disposal of Quoted Securities

- (a) There were no purchases or disposals of quoted securities for the current quarter and financial period except for the investment and redemption of quoted money market unit trusts included as Investments. As at the end of the reporting period, the Investments of the Group were as follows:-

	RM'000
Book value / carrying amount	177,707
Market value	178,170

- (b) There were no investments in quoted shares as at end of the reporting period.

B7 – Status of Corporate Proposals Announced But Not Completed

- (i) *Status of Corporate Proposals*

There were no proposals announced but not completed as at end of the reporting period.

B7 – Status of Corporate Proposals Announced But Not Completed (cont'd)

(ii) Status of Proposed Utilisation of Proceeds

As at 22 May 2009 (being a date not earlier than 7 days from the date of this report), the status of utilisation of proceeds raised from the issuance of the Convertible Bonds was as follows:-

	Total Net Proceeds Raised (RM'000)	Amount Unutilised (RM'000)
(i) For future local and overseas business expansion	196,400	170,916
(ii) For general working capital purposes (current requirements and those arising from future local and overseas business expansion)	21,850	9,150
TOTAL	218,250	180,066

- (a) Depending on the funding requirements of the Company, its subsidiaries and its joint venture companies namely Cerah Sama Sdn Bhd (“CSSB”), the Company may re-allocate the amount of proceeds to be utilised between each of the abovementioned categories.
- (b) In addition, any proceeds not fully utilised under (i) above within the stipulated timeframe will be utilised for general working capital purposes if not re-allocated during the stipulated timeframe. Proceeds under (i) above may also be utilised to fund any shareholders’ advances to CSSB.
- (c) The proceeds are to be utilised within 2 years from the issuance of the Convertible Bonds. There was no deviation in the utilisation of proceeds.

There was no utilisation since the previous quarter.

B8 – Group Borrowings and Debt Securities

Included in the borrowings are:-	Short Term		Long Term	
	Secured RM'000	Unsecured RM'000	Secured RM'000	Unsecured RM'000
Hire purchase	18	-	37	-
Bank borrowings	1,595	-	-	-
Government support loan	-	-	-	3,201
Convertible bonds	-	-	-	230,346
	1,613	-	37	233,547

Borrowings denominated in foreign currency are:-	US Dollars'000	Renminbi'000
	Secured: Not later than one year	(i)438
Unsecured: Later than one year but not later than five years	-	(ii)6,000

(i) This amount has been fully repaid by the Company at the date of this report.

(ii) To be repaid by a subsidiary in the People's Republic of China.

B9 – Off Balance Sheet Financial Instruments

As at 21 May 2009 (being a date not earlier than 7 days from the date of this Report), the Group is not aware of any contracts on financial instruments with off balance sheet risk.

B10 – Material Litigations

As at 21 May 2009 (being a date not earlier than 7 days from the date of this Report), the Group is not aware of any pending material litigations against the Company or its subsidiary companies.

B11 – Dividends

The Board is not recommending any dividend for the current quarter.

B12 – Earnings Per Share (“EPS”)

(a) *Basic earnings per share*

The basic earnings per share is calculated by dividing the net profit attributable to equity holders of the Company by the weighted average number of shares in issue.

(b) *Diluted earnings per share*

The diluted earnings per share is calculated by dividing the net profit attributable to equity holders of the Company (as adjusted) by the weighted average number of shares in issue (as adjusted). The net profit attributable to equity holders of the Company is adjusted for net savings from the after-tax effects of the financing costs of the Convertible Bond as if the Convertible Bonds were converted into shares at the beginning of the financial period. The weighted average number of shares in issue is adjusted for potential dilutive shares from the exercise of outstanding ESOS options, Warrants and Convertible Bonds of the Company.

	3 Months Ended <u>31 Mar 2009</u>	3 Months Ended <u>31 Mar 2008</u>	3 Months Ended <u>31 Mar 2009</u>	3 Months Ended <u>31 Dec 2008</u>
(a) <i>Basic earnings per share</i>				
Net Profit attributable to equity holders of the Company (RM'000)	8,422	11,916	8,422	11,916
Weighted average number of shares in issue ('000)	376,637	375,509	376,637	375,509
Basic EPS (sen)	2.2	3.2	2.2	3.2

B12 – Earnings Per Share (“EPS”) (cont’d)

(b) *Diluted earnings per share (cont’d)*

	3 Months Ended <u>31 Mar 2009</u>	3 Months Ended <u>31 Mar 2008</u>	3 Months Ended <u>31 Mar 2009</u>	3 Months Ended <u>31 Dec 2008</u>
(b) Diluted earnings per share				
Net Profit attributable to equity holders of the Company (as adjusted) (RM’000)	8,422	15,394	8,422	15,394
Weighted average number of shares in issue (as adjusted) (‘000)	398,605	497,700	398,605	497,700
Diluted EPS (sen)	2.1	3.1	2.1	3.1

B13 – Adjustments and Restatement of Comparatives

Comparatives may differ from the unaudited consolidated results announced for the 4th quarter 2008 as they have been adjusted to reflect the audited results of the Group for the year ended 31 December 2008.

B14 – Authorisation for Release

This Interim Financial Report for the current quarter and financial period ended 31 March 2009 has been seen and approved by the Board for public release.

By Order of the Board
Ng Yim Kong
Company Secretary (LS 0009297)
29 May 2009

For more information on **TALIWORKS CORPORATION BERHAD**, shareholders and the general public can access the Company’s website at <http://www.taliworks.com.my>. The Company also participates in the CMDF-Bursa Research Scheme to facilitate greater investors’ understanding of the Group. Copies of independent research reports on the Company can be downloaded from <http://www.bursamalaysia.com>