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

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER AND YEAR ENDED 31 DECEMBER 2010

27 January 2011

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

CONSOLIDATED INCOME STATEMENT
FOR THE QUARTER AND YEAR ENDED 31 DECEMBER 2010

		3 months ended		12 months ended	
RM'000	**Note**	**31.12.2010**	**31.12.2009**	**31.12.2010**	**31.12.2009**
		Unaudited	Audited and not restated (see Note 2)	Audited	Audited and not restated (see Note 2)
Operating revenue	8	94,272	74,219	331,251	297,818
Other income	9	7,637	7,203	29,798	28,624
Gain on part disposal of a subsidiary		-	75,975	-	75,975
		101,909	157,397	361,049	402,417
Staff costs		(25,702)	(23,274)	(92,406)	(83,251)
Depreciation and amortisation		(10,030)	(11,478)	(43,233)	(38,911)
Other operating expenses	10	(19,225)	(17,261)	(61,042)	(60,449)
		46,952	105,384	164,368	219,806
Finance costs		(147)	(158)	(614)	(625)
Profit before tax		46,805	105,226	163,754	219,181
Income tax expense	24	(17,007)	(8,761)	(48,113)	(41,443)
Profit for the period/year		**29,798**	**96,465**	**115,641**	**177,738**
Profit attributable to:					
Owners of the Company		29,785	96,315	113,041	177,588
Minority interest		13	150	2,600	150
		29,798	96,465	115,641	177,738
Earnings per share (EPS) attributable to owners of the Company (sen):					
Basic EPS	33(a)	5.6	18.2	21.3	33.7
Diluted EPS	33(b)	5.6	18.2	21.3	33.6

The above consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

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

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER AND YEAR ENDED 31 DECEMBER 2010

	3 months ended		12 months ended	
RM'000	**31.12.2010**	**31.12.2009**	**31.12.2010**	**31.12.2009**
	Unaudited	**Audited and not restated (see Note 2)**	**Audited**	**Audited and not restated (see Note 2)**
Profit for the period/year	29,798	96,465	115,641	177,738
Foreign currency translation	12	(102)	(586)	(79)
Net fair value changes in available-for-sale (AFS) financial assets	14,016	-	(13,377)	-
Income tax relating to AFS financial assets	116	-	294	-
Total comprehensive income	**43,942**	**96,363**	**101,972**	**177,659**
Total comprehensive income attributable to:				
Owners of the Company	43,895	96,213	99,279	177,509
Minority interest	47	150	2,693	150
	43,942	96,363	101,972	177,659

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2010

RM'000	Note	As at 31.12.2010	As at 1.1.2010	As at 31.12.2009
		Audited	Audited and restated (see Note 2)	Audited and not restated (see Note 2)
ASSETS				
Property, plant and equipment		231,104	243,163	243,163
Computer software		73,056	83,609	83,609
Goodwill		42,957	42,957	42,957
Investment securities	15	110,404	140,958	137,347
Staff loans receivable		13,805	17,046	17,046
Deferred tax assets		1,023	3,931	4,139
Non-current Assets		472,349	531,664	528,261
Trade receivables		33,526	21,272	21,028
Other receivables		10,197	13,074	13,763
Tax recoverable		4,586	9,255	9,255
Investment securities	15	27,335	64,434	62,884
Cash collected from Clearing Participants (CPs) and Trading Clearing Participants (TCPs)	14	710,119	814,534	814,534
Cash and bank balances		450,142	336,916	336,916
Current Assets		1,235,905	1,259,485	1,258,380
TOTAL ASSETS		1,708,254	1,791,149	1,786,641
EQUITY AND LIABILITIES				
Share capital		265,700	264,328	264,328
Share premium		86,101	78,813	78,813
Other reserves		38,853	56,895	52,722
Retained earnings	25	461,650	444,052	444,152
Equity Attributable to owners of the Parent		852,304	844,088	840,015
Minority interest		11,266	8,573	8,597
Total Equity		863,570	852,661	848,612
Retirement benefit obligations		22,825	23,893	23,893
Deferred capital grants	12	10,986	12,211	12,211
Deferred tax liabilities		18,349	16,667	16,208
Non-current Liabilities		52,160	52,771	52,312

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

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONT'D.) AS AT 31 DECEMBER 2010

RM'000	Note	As at 31.12.2010	As at 1.1.2010	As at 31.12.2009
		Audited	Audited and restated (see Note 2)	Audited and not restated (see Note 2)
EQUITY AND LIABILITIES (CONT'D.)				
Trade payables	14	676,576	782,093	782,093
CPs' and TCPs' contributions to Clearing Funds	14	33,543	32,441	32,441
Other payables		68,916	64,114	64,114
Tax payable		13,489	7,069	7,069
Current Liabilities		792,524	885,717	885,717
Total Liabilities		844,684	938,488	938,029
TOTAL EQUITY AND LIABILITIES		1,708,254	1,791,149	1,786,641
Net assets per share attributable to owners of the Parent (RM)		1.60	1.60	1.59

The above consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE TWELVE MONTHS ENDED 31 DECEMBER 2010

	Attributable to equity holders of the Company										Minority interests	Total equity
	Non-distributable								Distributable			
RM'000	**Share capital**	**Share premium**	**Capital reserve**	**Capital redemption reserve**	**Available for sale reserve**	**Foreign currency exchange reserve**	**Share option reserve**	**Clearing Fund reserves**	**Retained earnings**	**Total**		
At 1 January 2009	262,943	70,736	13,700	5,250	-	(629)	6,369	30,000	343,886	732,255	*	732,255
Total comprehensive income for the year	-	-	-	-	-	(79)	-	-	177,588	177,509	150	177,659
Transactions with owners:												
Issuance of ordinary shares pursuant to ESOS	1,385	8,077	-	-	-	-	(1,685)	-	-	7,777	-	7,777
Share options granted under ESOS, net of options lapsed during the year	-	-	-	-	-	-	(204)	-	-	(204)	-	(204)
Part disposal of a subsidiary	-	-	-	-	-	-	-	-	-	-	8,447	8,447
Dividends paid (Note 7)	-	-	-	-	-	-	-	-	(77,322)	(77,322)	-	(77,322)
At 31 December 2009	264,328	78,813	13,700	5,250	-	(708)	4,480	30,000	444,152	840,015	8,597	848,612
At 1 January 2010	264,328	78,813	13,700	5,250	-	(708)	4,480	30,000	444,152	840,015	8,597	848,612
Effects of adopting FRS 139 (Note 2)	-	-	-	-	4,173	-	-	-	(100)	4,073	(24)	4,049
At 1 January 2010, as restated	264,328	78,813	13,700	5,250	4,173	(708)	4,480	30,000	444,052	844,088	8,573	852,661
Total comprehensive income for the year	-	-	-	-	(13,176)	(586)	-	-	113,041	99,279	2,693	101,972
Transactions with owners:												
Issuance of ordinary shares pursuant to ESOS	1,372	7,288	-	-	-	-	(1,614)	-	-	7,046	-	7,046
Issuance of preference shares by a subsidiary	-	-	200	-	-	-	-	-	-	200	**	200
ESOS expired during the year	-	-	-	-	-	-	(2,866)	-	2,866	-	-	-
Dividends paid (Note 7)	-	-	-	-	-	-	-	-	(98,309)	(98,309)	-	(98,309)
At 31 December 2010	265,700	86,101	13,900	5,250	(9,003)	(1,294)	-	30,000	461,650	852,304	11,266	863,570
											Note a	

Note a

Included in minority interests of the Group at 31 December 2010 are issuance of non-cumulative preference shares of RM1 each in Bursa Malaysia Derivatives Berhad (Bursa Malaysia Derivatives), a 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 RM83

** Denotes RM1

The above consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

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

CONSOLIDATED STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 DECEMBER 2010

		12 months ended	
RM'000	**Note**	**31.12.2010**	**31.12.2009**
		Audited	**Audited and not restated (see Note 2)**
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		163,754	219,181
Adjustments for:			
Accretion of discount less amortisation of premium		(1,305)	200
Computer software written off		1,247	-
Depreciation and amortisation		43,233	38,911
Grant utilised	12	(2,297)	(1,658)
Impairment loss on computer software		-	2,006
Retirement benefit obligations		1,577	1,511
Interest income		(15,926)	(14,292)
Net gain on disposal of investment securities		(649)	(448)
Net gain on disposal of property, plant and equipment		-	(362)
Gain on part disposal of a subsidiary		-	(75,975)
Net reversal of impairment on investment securities		-	(1,317)
Net impairment loss on trade and other receivables		88	189
(Reversal of provision)/provision for short term accumulating compensated unutilised leave		(45)	47
Share options granted under ESOS, net of options lapsed during the year		-	(204)
Operating profit before working capital changes		189,677	167,789
Increase in receivables		(10,259)	(5,361)
Increase/(decrease) in other payables		6,755	(7,545)
Cash generated from operations		186,173	154,883
Staff loans repaid, net of disbursements		4,445	4,955
Retirement benefits paid		(2,645)	(558)
Taxes paid net of refund		(34,051)	(27,485)
Net cash generated from operating activities		**153,922**	**131,795**

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

CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 31 DECEMBER 2010 (CONTD.)

RM'000	Note	12 months ended 31.12.2010	31.12.2009
		Audited	Audited and not restated (see Note 2)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received		14,534	13,976
Proceeds from part disposal of a subsidiary		-	1,912
Proceeds from disposal of investments, net of purchases		55,894	6,378
Purchases of property, plant and equipment and computer software, net of proceeds		(23,745)	(30,104)
Net cash generated from/(used) in investing activities		**46,683**	**(7,838)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid	7	(98,309)	(77,322)
Dividends received		974	-
Grant received	13	3,324	-
Preference shares issued by a subsidiary		200	-
Proceeds from exercise of ESOS		7,046	7,777
Repayment of borrowings		-	(219)
Net cash used in financing activities		**(86,765)**	**(69,764)**
Net increase in cash and cash equivalents		**113,840**	**54,193**
Effects of exchange rate changes		(614)	(82)
Cash and cash equivalents at beginning of year		336,916	282,805
Cash and cash equivalents at end of year		**450,142**	**336,916**
COMPOSITION OF CASH AND CASH EQUIVALENTS			
Short term deposits		442,776	331,922
Cash and bank balances		7,366	4,994
Cash and cash equivalents at end of year	A	450,142	336,916

The above consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE YEAR ENDED 31 DECEMBER 2010 (CONTD.)

NOTE A

Included in cash and cash equivalents as at financial year end are the following:

(i) Cash set aside for the following Clearing Funds:

RM'000	As at 31.12.2010	As at 31.12.2009
Bursa Malaysia Securities Clearing Sdn. Bhd.'s (Bursa Malaysia Securities Clearing) appropriation to the Clearing Guarantee Fund (CGF)	25,000	25,000
Bursa Malaysia Derivatives Clearing Berhad's (Bursa Malaysia Derivatives Clearing) appropriation to the Derivatives Clearing Fund (DCF)	5,000	5,000
	30,000	30,000

(ii) An amount of RM8,310,000 (31.12.2009: RM8,949,000) 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.

PART A: EXPLANATORY NOTES PURSUANT TO FRS 134

1. BASIS OF PREPARATION

The interim financial statements have been prepared under the historical cost convention, other than financial instruments as disclosed in Note 2.2(c).

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 Main Market 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 2009. 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 2009.

2. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2009, except for the adoption of the following new Financial Reporting Standards (FRSs), Amendments to FRSs and IC Interpretations with effect from 1 January 2010.

2.1 Adoption of FRSs, Amendments to FRSs and IC Interpretations

On 1 January 2010, the Group adopted the following FRSs:-

FRS 7	Financial Instruments: Disclosures
FRS 8	Operating Segments
FRS 101	Presentation of Financial Statements (Revised 2009)
FRS 123	Borrowing Costs
FRS 139	Financial Instruments: Recognition and Measurement
Amendments to FRS 1	First-time Adoption of Financial Reporting Standards and FRS 127 Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
Amendments to FRS 2	Share-based Payment - Vesting Conditions and Cancellations
Amendments to FRS 132	Financial Instruments: Presentation
Amendments to FRS 139	Financial Instruments: Recognition and Measurement, FRS 7 Financial Instruments: Disclosures and IC Interpretation 9 Reassessment of Embedded Derivatives
IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 10	Interim Financial Reporting and Impairment
IC Interpretation 11	FRS 2 - Group and Treasury Share Transactions
IC Interpretation 13	Customer Loyalty Programmes
IC Interpretation 14	FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirement and their Interaction

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd.)

2.1 Adoption of FRSs, Amendments to FRSs, Interpretations and Technical Release (cont'd.)

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

Adoption of the above FRSs, Amendments to FRSs, IC Interpretations and Improvements to FRSs issued in 2009 did not have any effect on the financial performance, position or presentation of financials of the Group except as disclosed in Note 2.2 below.

2.2 Application of FRSs

(a) FRS 8: Operating Segments (FRS 8)

FRS 8 requires segment information to be presented on a similar basis to that used for internal reporting purposes. As a result, the Group's segmental reporting had been presented based on the internal reporting to the chief operating decision maker who makes decisions on the allocation of resources and assesses the performance of the reportable segments. This standard does not have any impact on the financial position and results of the Group.

(b) FRS 101: Presentation of Financial Statements (Revised) (FRS 101)

FRS 101 separates owner and non-owner changes in equity. Therefore, the current consolidated statement of changes in equity only includes details of transactions with owners. All non-owner changes in equity are presented as a single line labelled as total comprehensive income. Comparative information, with exception of the requirements under FRS 139, had been re-presented so that it is also in conformity with the revised standard. This standard does not have any impact on the financial position and results of the Group.

(c) FRS 139: Financial Instruments - Recognition and Measurement (FRS 139)

FRS 139 sets out the new requirements for the recognition and measurement of the Group's financial instruments. Financial instruments are recorded initially at fair value. Subsequent measurement of the financial instruments in the statement of financial position reflects the designation of the financial instruments. The Group determines the classification at initial recognition and for the purpose of the first adoption of the standard, as at transitional date on 1 January 2010.

Financial assets

Financial assets are classified as financial assets at fair value through profit or loss, loans and receivables, Held to Maturity (HTM) investments, AFS financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd.)

2.2 Application of FRSs (cont'd.)

(c) FRS 139: Financial Instruments - Recognition and Measurement (FRS 139) (cont'd.)

Financial assets (cont'd.)

The Group's financial assets include cash and short-term deposits, cash collected from CPs and TCPs, loans and receivables, and investment securities.

(i) Loans and receivables

Prior to 1 January 2010, loans and receivables were stated at gross receivables less provision for doubtful debts. Under FRS 139, loans and receivables are initially measured at fair value plus direct costs and subsequently at amortised cost using the effective interest method less impairment. Gains and losses arising from the derecognition of the loans and receivables, amortisation under the effective interest method and impairment losses are recognised in the income statement.

(ii) Investment securities

Prior to 1 January 2010, short term and other investments were accounted for at the lower of cost and market value determined on an aggregate basis and at cost adjusted for amortisation of premium and accretion of discount less impairment, respectively. Under FRS 139, these investments are classified as AFS financial assets or as HTM investments.

AFS financial assets are measured at fair value plus direct costs initially, and subsequently with amortisation of premium with accretion of discount and other accrual of income and foreign exchange gains or losses on monetary items recognised in income statement and with unrealised gains or losses recognised as other comprehensive income in the AFS reserve until the investment is derecognised, at which time the cumulative gain or loss is recognised in the income statement or determined to be impaired, at which time the cumulative loss is recognised in the income statement and removed from the AFS reserve.

Financial assets with fixed or determinable payments and fixed maturity are classified as HTM when the Group has the positive intention and ability to hold the investments to maturity. Subsequent to initial recognition, HTM investments are measured at amortised cost using the effective interest method. Gains and losses are recognised in the profit or loss when the HTM investments are derecognised or impaired, and through the amortisation process.

Financial liabilities

Financial liabilities, within the scope of FRS 139, are recognised in the statement of financial position when, and only when, the Group become a party to the contractual provisions of the financial instrument. Financial liabilities are classified as financial liabilities at fair value through profit or loss or other financial liabilities.

The Group's financial liabilities include trade and other payables and CPs' and TCPs' contribution to Clearing Funds, and are carried at amortised cost.

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd.)

2.2 Application of FRSs (cont'd.)

(c) FRS 139: Financial Instruments - Recognition and Measurement (FRS 139) (cont'd.)

Impact on opening balances

In accordance with the transitional provisions of FRS 139, the above changes are applied prospectively and the comparatives as at 31 December 2009 are not restated. Instead, the changes have been accounted for by restating the opening balances as at 1 January 2010 in the consolidated statement of financial position. The effect of changes in the consolidated statement of financial position is as follows:

RM'000	As at 31.12.2009	Effects of FRS139	As at 1.1.2010
Non-current Assets			
Investment securities	137,347	3,611	140,958
Deferred tax assets	4,139	(208)	3,931
Current Assets			
Trade receivables	21,028	244	21,272
Other receivables	13,763	(689)	13,074
Investment securities	62,884	1,550	64,434
Liabilities			
Deferred tax liabilities	16,208	459	16,667
Equity			
Other reserves - AFS reserves	-	4,173	4,173
Retained earnings	444,152	(100)	444,052
Minority interests	8,597	(24)	8,573

The above changes in accounting policies on the financial statements resulted in a decrease in the Group's equity by RM13,005,000 and increase in profit for the current financial year of RM79,000.

2.3 FRSs, Amendments to FRSs and Interpretations issued but not yet effective

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

FRSs, Amendments to FRSs and Interpretations		Effective for financial periods beginning on or after
FRS 1	First-time Adoption of Financial Reporting Standards	1 July 2010
FRS 3	Business Combinations (revised)	1 July 2010
FRS 124	Related Party Disclosures	1 January 2012
FRS 127	Consolidated and Separate Financial Statements	1 July 2010

2. SIGNIFICANT ACCOUNTING POLICIES (Cont'd.)

2.3 FRSs, Amendments to FRSs and Interpretations issued but not yet effective (cont'd.)

FRSs, Amendments to FRSs and Interpretations		**Effective for financial periods beginning on or after**
Amendments to FRS 1	Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters	1 January 2011
Amendments to FRS 1	Additional Exemptions for First-time Adopters	1 January 2011
Amendments to FRS 2	Share-based Payment: Vesting Conditions and Cancellations	1 July 2010
Amendments to FRS 2	Group Cash-settled Share-based Payment Transactions	1 January 2011
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations	1 July 2010
Amendments to FRS 7	Improving Disclosures about Financial Instruments	1 January 2011
Amendments to FRS 127	Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	1 July 2010
Amendments to FRS 132	Classification of Rights Issues	1 March 2010
Amendments to FRS 1, FRS 3, FRS 7, FRS 101 FRS 121, FRS 128, FRS 131, FRS 132, FRS 134, FRS 139 and Amendments to IC Interpretation 13	Improvements to FRSs (2010)	1 January 2011
Amendments to FRS 138	Intangible Assets	1 July 2010
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives	1 July 2010
Amendments to IC Interpretation 14	Prepayments of a Minimum Funding Requirement	1 July 2011
IC Interpretation 4	Determining Whether an Arrangement contains a Lease	1 January 2011
IC Interpretation 12	Service Concession Arrangements	1 July 2010
IC Interpretation 15	Agreements for the Construction of Real Estate	1 January 2012
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation	1 July 2010
IC Interpretation 17	Distributions of Non-cash Assets to Owners	1 July 2010
IC Interpretation 18	Transfer of Assets from Customers	1 January 2011
IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments	1 July 2011

Except for the changes in accounting policies arising from the adoption of the revised FRS 3, the adoption of the other FRSs, Amendments to FRSs and Interpretations above will have no material impact on the financial results of the Group in the period of initial application. The revised FRS 3 introduces a number of changes in the accounting for business combinations occurring after 1 July 2010. These changes will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs, and future acquisitions and transactions with minority interests.

3. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS

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

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

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the current quarter and financial year except for the effects arising from the adoption of FRS 139 as disclosed in Note 2.2(c).

5. SIGNIFICANT ESTIMATES AND CHANGES IN ESTIMATES

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

6. DEBT AND EQUITY SECURITIES

There were no issuances, repurchases and repayments of debt and equity securities during the financial year ended 31 December 2010 other than the issuance of 2,743,000 new ordinary shares of RM0.50 each pursuant to the exercise of the ESOS at the following option prices:

Exercise price	(RM)	2.06	2.81	3.41	4.10	4.50
No. of shares issued	('000)	1,889	300	36	353	165

7. DIVIDENDS PAID

The following dividends were paid during the current and previous year:

	31.12.2010	31.12.2009
Interim dividend for the financial year	31 December 2010	31 December 2009
Approved and declared on	16 July 2010	20 July 2009
Date paid	13 August 2010	18 August 2009
Number of ordinary shares on which dividends were paid ('000)	531,399	527,529
Amount per share (franked)	-	5.1 sen less 25 per cent taxation
Amount per share (single-tier)	9.5 sen	5 sen
Net dividend paid (RM'000)	50,483	46,554
Final dividend for the financial year	31 December 2009	31 December 2008
Approved and declared on	29 March 2010	2 April 2009
Date paid	15 April 2010	4 May 2009
Number of ordinary shares on which dividends were paid ('000)	531,399	525,927
Amount per share	9 sen tax exempt	7.8 sen less 25 per cent taxation
Net dividend paid (RM'000)	47,826	30,768

8. OPERATING REVENUE

	3 months ended		12 months ended	
RM'000	**31.12.2010**	**31.12.2009**	**31.12.2010**	**31.12.2009**
Securities clearing fees	42,323	28,178	140,059	116,289
Securities trade fees	5,559	3,500	18,028	14,317
Institutional Settlement Service (ISS) fees	2,655	1,944	9,233	8,139
Buying-in commissions	260	73	599	315
Trading revenue from securities market	50,797	33,695	167,919	139,060
Derivatives clearing fees	2,369	1,831	8,536	8,484
Derivatives trade fees	7,065	5,390	25,578	25,439
Other derivatives trading revenue	1,083	1,005	3,530	4,554
Trading revenue from derivatives market	10,517	8,226	37,644	38,477
Total trading revenue	**61,314**	**41,921**	**205,563**	**177,537**
Listing fees	9,587	9,410	36,106	32,009
Depository services	9,762	8,556	33,138	32,925
Information services	4,541	4,655	16,993	17,387
Broker services	2,893	2,795	11,242	10,907
Access fees	1,661	1,872	7,286	7,393
Participants' fees	914	964	3,044	3,000
Total stable revenue	**29,358**	**28,252**	**107,809**	**103,621**
Other operating revenue	3,600	4,046	17,879	16,660
Total operating revenue	**94,272**	**74,219**	**331,251**	**297,818**

9. OTHER INCOME

RM'000	3 months ended 31.12.2010	3 months ended 31.12.2009	12 months ended 31.12.2010	12 months ended 31.12.2009
Fines income	272	1,082	1,162	3,847
Interest income	4,399	3,423	15,926	14,292
Net gain on disposal of investment securities	16	89	649	448
Net gain on disposal of motor vehicles	-	-	-	362
Rental income	1,544	1,445	5,911	5,543
Miscellaneous income	1,406	1,164	6,150	4,132
Total other income	**7,637**	**7,203**	**29,798**	**28,624**

10. OTHER OPERATING EXPENSES

RM'000	3 months ended 31.12.2010	3 months ended 31.12.2009	12 months ended 31.12.2010	12 months ended 31.12.2009
Market development and promotions	3,970	3,219	12,308	15,384
Technology charges	6,655	2,286	17,710	14,244
Professional fees	792	1,568	2,712	3,246
Administrative expenses	1,921	1,895	7,257	7,989
Building management costs	2,467	2,672	10,201	10,140
CDS consumables	1,155	485	3,738	2,403
Net reversal of impairment on investments	-	779	-	(1,317)
Impairment loss on computer software	-	2,006	-	2,006
Miscellaneous expenses	2,265	2,351	7,116	6,354
Total other operating expenses	**19,225**	**17,261**	**61,042**	**60,449**

PART A: EXPLANATORY NOTES PURSUANT TO FRS 134

11. SEGMENTAL INFORMATION

The "Others" segment comprise the provision of an offshore financial exchange, bond trading platform and a Sha'riah compliant commodity trading platform.

RM'000	Securities market	Derivatives market	Holding company	Others	Consolidated
RESULTS FOR 3 MONTHS ENDED 31 DECEMBER 2010					
Operating revenue	80,311	13,369	-	592	94,272
Other income	2,514	719	3,963	441	7,637
	82,825	14,088	3,963	1,033	101,909
Operating expenses	(35,106)	(12,787)	(1,409)	(5,624)	(54,926)
Segment results	**47,719**	**1,301**	**2,554**	**(4,591)**	**46,983**
Segment margins	***58%***	***9%***	***64%***	***-444%***	
Unallocated costs					(31)
Finance costs					(147)
Profit before tax					46,805

RM'000	Securities market	Derivatives market	Holding company	Others	Consolidated
RESULTS FOR 3 MONTHS ENDED 31 DECEMBER 2009					
Operating revenue	62,759	11,135	-	325	74,219
Other income	3,019	204	79,570	385	83,178
	65,778	11,339	79,570	710	157,397
Operating expenses	(31,961)	(6,612)	(12,032)	(1,397)	(52,002)
Segment results	**33,817**	**4,727**	**67,538**	**(687)**	**105,395**
Segment margins	***51%***	***42%***	***85%***	***-97%***	
Unallocated costs					(11)
Finance costs					(158)
Profit before tax					105,226

PART A: EXPLANATORY NOTES PURSUANT TO FRS 134

11. SEGMENTAL INFORMATION (CONT'D.)

RM'000	Securities market	Derivatives market	Holding company	Others	Consolidated
RESULTS FOR 12 MONTHS ENDED 31 DECEMBER 2010					
Operating revenue	276,363	52,896	-	1,992	331,251
Other income	9,673	2,574	15,700	1,851	29,798
	286,036	55,470	15,700	3,843	361,049
Operating expenses	(127,740)	(42,198)	(12,519)	(14,178)	(196,635)
Segment results	**158,296**	**13,272**	**3,181**	**(10,335)**	**164,414**
Segment margins	***55%***	***24%***	***20%***	***-269%***	
Unallocated costs					(46)
Finance costs					(614)
Profit before tax					163,754

RM'000	Securities market	Derivatives market	Holding company	Others	Consolidated
RESULTS FOR 12 MONTHS ENDED 31 DECEMBER 2009					
Operating revenue	243,547	53,108	-	1,163	297,818
Other income	11,432	2,528	89,104	1,535	104,599
	254,979	55,636	89,104	2,698	402,417
Operating expenses	(126,058)	(29,521)	(20,603)	(6,382)	(182,564)
Segment results	**128,921**	**26,115**	**68,501**	**(3,684)**	**219,853**
Segment margins	***51%***	***47%***	***77%***	***-137%***	
Unallocated costs					(47)
Finance costs					(625)
Profit before tax					219,181

PART A: EXPLANATORY NOTES PURSUANT TO FRS 134

11. SEGMENTAL INFORMATION (CONT'D.)

RM'000	Securities market	Derivatives market	Holding company	Others	Consolidated
ASSETS AND LIABILITIES AS AT 31 DECEMBER 2010					
Assets that belong to the Group	406,758	118,603	427,415	39,787	992,563
Cash collaterals and contributions	15,101	695,018	-	-	710,119
Segment assets	421,859	813,621	427,415	39,787	1,702,682
Unallocated corporate assets					5,572
Total assets					1,708,254
Liabilities that belong to the Group	26,623	13,932	45,086	17,086	102,727
Cash collaterals and contributions	15,101	695,018	-	-	710,119
Segment liabilities	41,724	708,950	45,086	17,086	812,846
Unallocated corporate liabilities					31,838
Total liabilities					844,684
ASSETS AND LIABILITIES AS AT 31 DECEMBER 2009					
Assets that belong to the Group	406,168	104,581	404,949	43,015	958,713
Cash collaterals and contributions	14,219	800,315	-	-	814,534
Segment assets	420,387	904,896	404,949	43,015	1,773,247
Unallocated corporate assets					13,394
Total assets					1,786,641
Liabilities that belong to the Group	23,641	6,401	59,036	11,140	100,218
Cash collaterals and contributions	14,219	800,315	-	-	814,534
Segment liabilities	37,860	806,716	59,036	11,140	914,752
Unallocated corporate liabilities					23,277
Total liabilities					938,029

12. DEFERRED CAPITAL GRANTS

RM'000	
At 1 January 2010	12,211
Grant recognised	1,072
Grants utilised	(2,297)
At 31 December 2010	10,986

The grant recognised by the Group is in relation to the bond trading platform.

13. RELATED PARTY DISCLOSURES

Significant transactions within the Group between Bursa Malaysia Berhad and its subsidiaries are as follows:

	3 months ended		**12 months ended**	
RM'000	**31.12.2010**	**31.12.2009**	**31.12.2010**	**31.12.2009**
Administration fee income from Securities Compensation Fund, a fund managed by Bursa Malaysia Berhad	224	219	889	865
Administration fee income from Derivatives Fidelity Fund, a fund managed by Bursa Malaysia Derivatives Berhad	30	30	120	120

The Directors are of the opinion that the above transactions have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

The grant received from Capital Market Development Fund (CMDF), a shareholder of the Company, during the financial year amounting to RM3,324,000 includes grant receivable of RM2,252,000 from the previous financial year and RM1,072,000 from 1Q 2010.

14. TRADE PAYABLES AND CONTRIBUTIONS TO CLEARING FUNDS

	As at 31.12.2010		
RM'000	**Cash**	**Non-Cash**	**Total**
From CPs of Bursa Malaysia Derivatives Clearing:			
Trade margins and collaterals	661,376	292,500	953,876
Security deposits	11,214	15,000	26,214
	672,590	307,500	980,090
Securities Borrowing and Lending collaterals from TCPs of Bursa Malaysia Securities Clearing	3,986	-	3,986
Total trade payables	676,576	307,500	984,076
Contribution from CPs of Bursa Malaysia Derivatives Clearing to the DCF	22,428	-	22,428
Contributions from TCPs of Bursa Malaysia Securities Clearing to the CGF	11,115	6,179	17,294
Total contributions to Clearing Funds	33,543	6,179	39,722
Total cash and non-cash from CPs and TCPs	710,119	313,679	1,023,798
		Note a	

Note a
The amount of non-cash collaterals and contributions held by the Group not included in the statement of financial position as at 31 December 2010 comprises the following:

RM'000	**As at 31.12.2010**
Collaterals in the form of letters of credit	307,500
Contributions to the CGF in the form of bank guarantees	6,179
	313,679

15. INVESTMENT SECURITIES

The Group's investment securities comprise AFS financial assets and HTM investments. AFS financial assets include shares quoted outside Malaysia and unquoted bonds while HTM investments comprise investments in commercial papers.

16. CHANGES IN COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the financial year.

17. CONTINGENT ASSETS & LIABILITIES

There were no changes in contingent assets or liabilities since the last annual reporting date.

18. CAPITAL COMMITMENTS

Capital commitments for the purchase of property, plant and equipment and computer software not provided for in the interim financial statements as at the reporting date were as follows:

RM'000	Approved and contracted for	Approved but not contracted for
Computers and office automation	15,819	5,317
Renovations and office equipment	448	-
Total capital commitments	16,267	5,317

19. OPERATING LEASE ARRANGEMENTS

(a) As Lessee - for the lease of land

The future aggregate minimum lease payments under operating leases contracted for as at reporting date but not recognised as liabilities were as follows:

RM'000	As at 31.12.2010
Not later than 1 year	539
Later than 1 year and not later than 5 years	2,155
Later than 5 years	41,331
Total future minimum lease payments	44,025

19. OPERATING LEASE ARRANGEMENTS (CONT'D.)

(b) As Lessor - for building rental

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

RM'000	As at 31.12.2010
Not later than 1 year	5,693
Later than 1 year and not later than 2 years	5,590
Later than 2 years and not later than 5 years	2,468
Total future minimum lease receivables	13,751

20. SUBSEQUENT EVENT

There was no material event subsequent to the end of the current quarter.

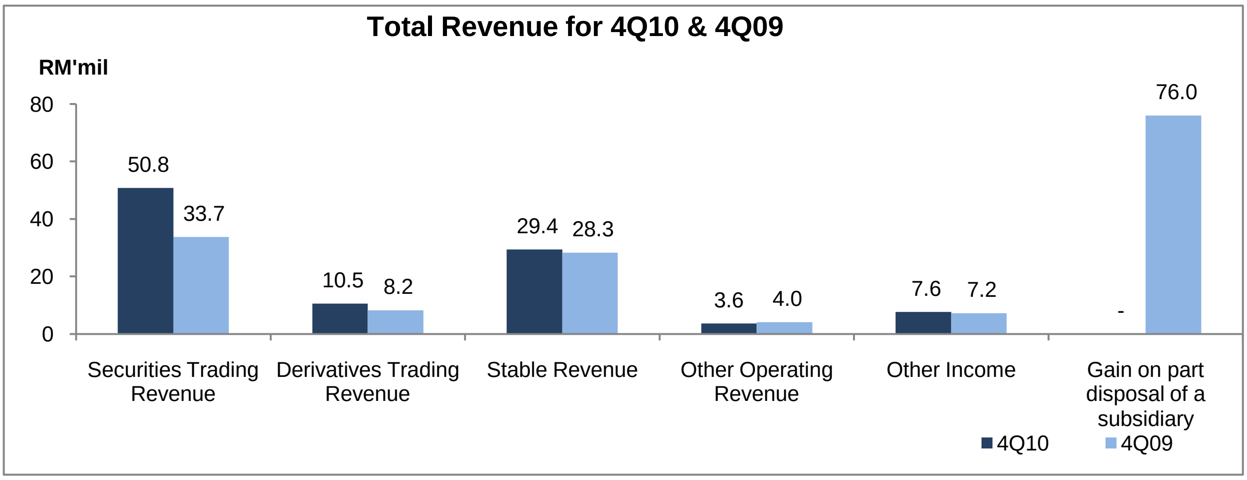
21. PERFORMANCE REVIEW

(a) 4Q10 vs. 4Q09

The Group's **profit attributable to owners of the Company** for the quarter ended 31 December 2010 (4Q10) decreased by 69 per cent or RM66.5 million to RM29.8 million from RM96.3 million for the quarter ended 31 December 2009 (4Q09). This was mainly due to the RM76.0 million gain on disposal of 25 per cent equity interest in Bursa Malaysia Derivatives in 4Q09.

If the gain on disposal was excluded from the Group's 4Q09 profit, 4Q10 profit would be 47 per cent or RM9.5 million higher.

<u>**Total Revenue**</u>



Securities trading revenue increased by 51 per cent to RM50.8 million in 4Q10 compared to 4Q09. Daily average trading value for on-market trades (OMT) and direct business trades (DBT) was higher at RM2.00 billion (4Q09: RM1.21 billion). The impact of the higher trading value on revenue was partially offset by a decline in effective clearing fee rate to 2.34 basis points (4Q09: 2.47 basis points).

Derivatives trading revenue increased by 28 per cent to RM10.5 million in 4Q10 compared to 4Q09. Total contracts traded in 4Q10 was 1.72 million compared to 1.36 million traded in 4Q09.

Stable revenue increased marginally by 4 per cent to RM29.4 million in 4Q10 compared to 4Q09 primarily due to higher public issue fees from large market capitalisation initial public offerings (IPOs).

Other operating revenue decreased by 11 per cent mainly due to lower interest earned from participants' cash contributions in 4Q10 compared to 4Q09 following the withdrawal of excess cash by participants.

Other income increased by 6 per cent mainly due to higher interest income as a result of a higher level of funds available for investment and dividend income from CME shares. This was partially offset by lower fines income.

21. PERFORMANCE REVIEW (CONTD.)

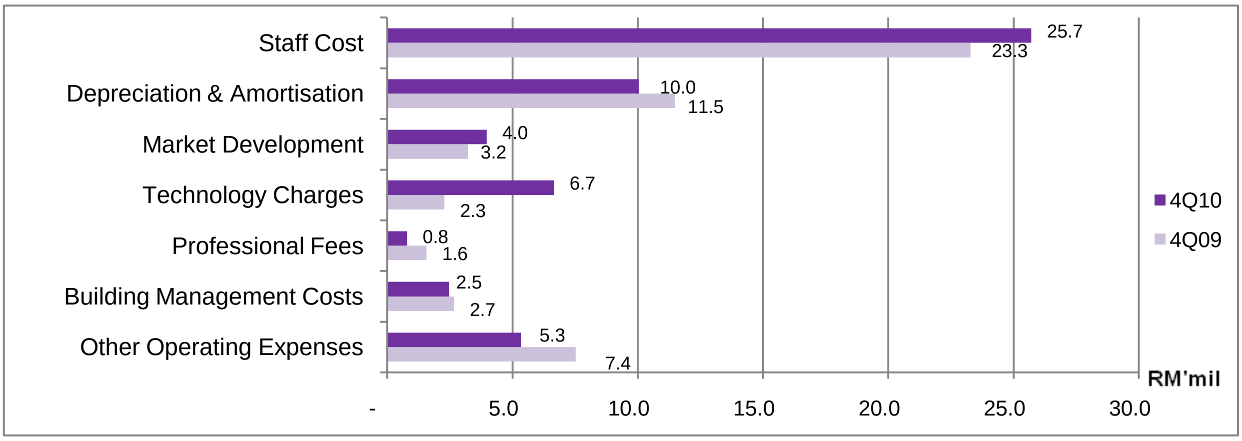
(a) 4Q10 vs. 4Q09 (Contd.)

Total Revenue (Contd.)

Key securities market data			
		4Q10	**4Q09**
Daily average trading value	(RM'billion)	2.00	1.21
Daily average trading volume	(billion)	1.28	0.92
Effective clearing fee rate	(basis points)	2.34	2.47
Velocity	(per cent)	37	28
Number of initial public offerings		8	8
Number of new structured warrant listings		65	47
Total funds raised:			
- IPOs	(RM'billion)	15.17	11.64
- Secondary issues	(RM'billion)	0.20	2.45
Market capitalisation at end of year	(RM'billion)	1,275.28	999.45

Key derivatives market data			
		4Q10	**4Q09**
FCPO contracts	(million)	1.21	0.98
FKLI contracts	(million)	0.50	0.35
Other contracts	(million)	0.01	0.03
Total	(million)	1.72	1.36
Daily average contracts		27,776	21,550

Total Expenses



Total expenses of the Group increased by 6 per cent to RM55.0 million in 4Q10 compared to 4Q09. This was mainly due to recruitment and retention efforts, market development and technology charges. The higher technology charges were due to the license fees charged by CME following the cutover of derivatives trading activity onto Globex in September 2010 and IT maintenance for new systems. Moreover, there was a reversal of IT maintenance accruals in 4Q09. The above increases were further offset by impairment made in 4Q09 for the bond trading system, lower depreciation and amortisation charges and professional fees.

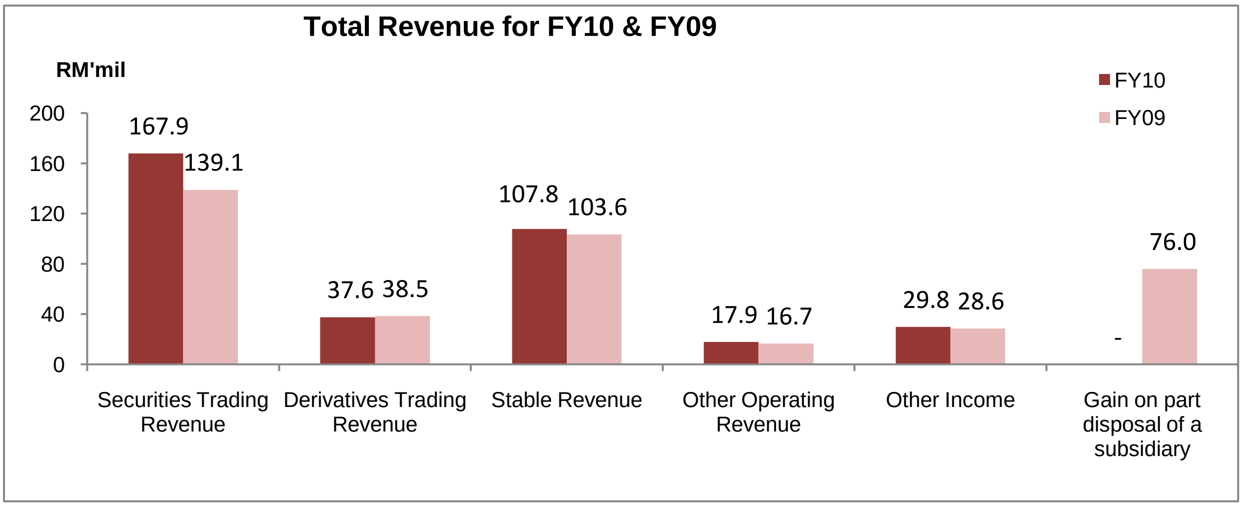
21. PERFORMANCE REVIEW (CONTD.)

(b) FY10 vs. FY09

The Group recorded a **profit attributable to owners of the Company** of RM113.0 million for the financial year ended 31 December 2010 (FY10), a decrease of 36 per cent compared to the profit of RM177.6 million for the financial year ended 31 December 2009 (FY09). FY09 recorded a higher profit mainly due to the gain on disposal of 25 per cent equity interest in Bursa Malaysia Derivatives of RM76.0 million.

If the gain on disposal was excluded from the Group's FY09 profit, FY10 profit would be 11 per cent or RM11.6 million higher than FY09 profit.

<u>Total Revenue</u>



Securities trading revenue increased by 21 per cent to RM167.9 million in FY10 due to higher daily average trading value for OMT and DBT of RM1.57 billion in FY10 (FY09: RM1.22 billion). The impact of the higher trading value on revenue was partially offset by a decline in effective clearing fee rate to 2.38 basis points (FY09: 2.52 basis points).

Derivatives trading revenue recorded a marginal decline of 2 per cent to RM37.6 million in FY10. The drop was mainly due to lower guarantee fees as a result of lower average daily open positions. The decrease was partially offset by higher contracts traded in FY10 of 6.15 million compared to 6.14 million traded in FY09.

The increase in **stable revenue** by 4 per cent to RM107.8 million in FY10 compared to FY09 was primarily due to higher listing fees and issue fees as a result of an increase in IPOs, structured warrants and secondary issues.

Other operating revenue increased by 7 per cent to RM17.9 million in FY10 compared to FY09 mainly due to the new processing fees and higher participation in the Palm and Lauric Oil Conference (POC) 2010 compared to POC 2009. These increases were partially offset by lower interest earned from participants' contribution in FY10 compared to FY09.

21. PERFORMANCE REVIEW (CONTD.)

(b) FY10 vs. FY09 (Contd.)

<u>Total Revenue (Contd.)</u>

Other income increased by 4 per cent to RM29.8 million in FY10 compared to FY09 mainly due to higher interest income, dividend income, grant income and transfer fees. This was partially offset by the lower fines income in FY10 compared to FY09.

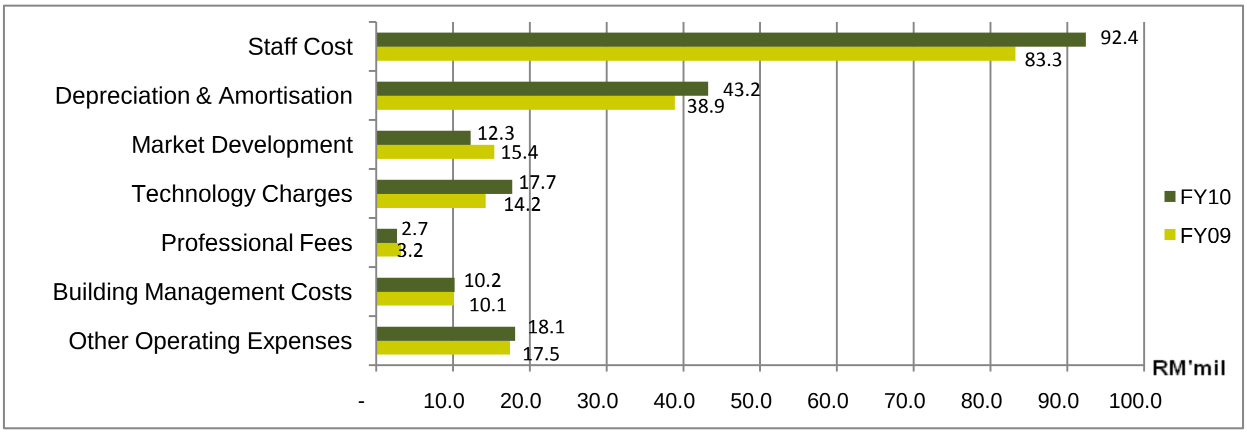
Key securities market data			
		FY10	**FY09**
Daily average trading value	(RM'billion)	1.57	1.22
Daily average trading volume	(billion)	1.02	1.00
Effective clearing fee rate	(basis points)	2.38	2.52
Velocity	(per cent)	33	34
Number of initial public offerings		29	14
Number of new structured warrant listings		204	124
Total funds raised:			
- IPOs	(RM'billion)	19.87	12.04
- Secondary issues	(RM'billion)	13.10	15.71
Market capitalisation at end of year	(RM'billion)	1,275.28	999.45

Key derivatives market data			
		FY10	**FY09**
FCPO contracts	(million)	4.06	4.01
FKLI contracts	(million)	1.99	2.00
Other contracts	(million)	0.10	0.13
Total	(million)	6.15	6.14
Daily average contracts		24,818	24,749

21. PERFORMANCE REVIEW (CONTD.)

(b) FY10 vs. FY09 (Contd.)

<u>Total Expenses</u>

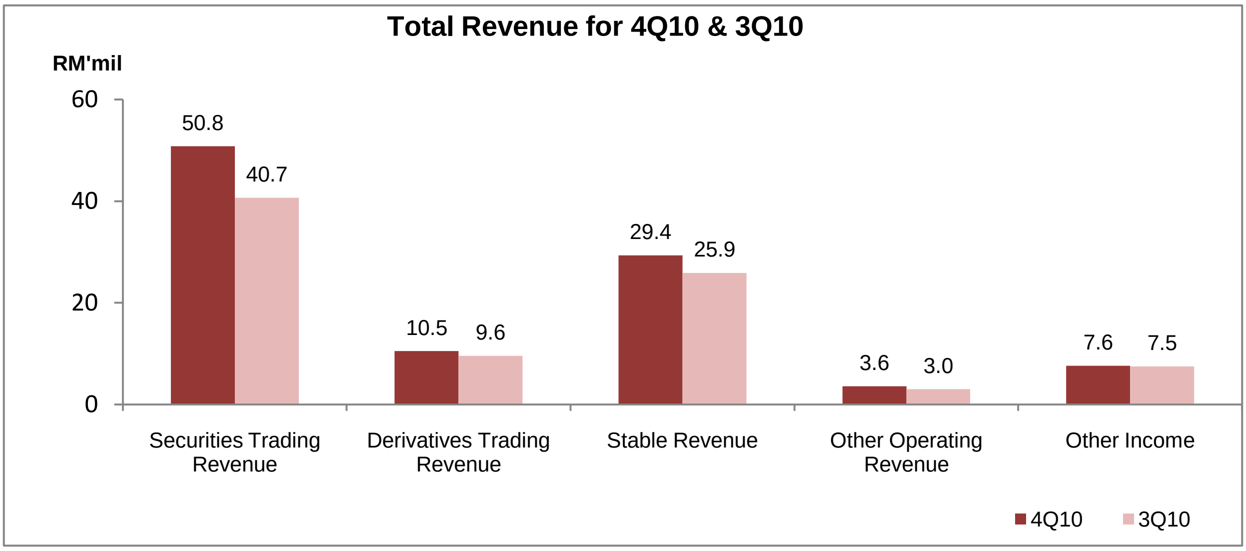


The Group's **total expenses** increased by 8 per cent to RM196.7 million in FY10 compared to FY09. This was mainly due to higher staff costs incurred to recruit and retain talent. The cutover from Bursa Trade Derivatives (BTD) to CME's Globex electronic trading platform also resulted in higher depreciation and amortisation and technology charges from the accelerated depreciation of BTD and license fees for the use of Globex respectively.

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

The Group recorded a slightly higher **profit before tax** of RM46.9 million for 4Q10 compared to RM38.8 million in 3Q10, representing an increase of 21 per cent.

Total Revenue



Securities trading revenue increased by 25 per cent to RM50.8 million in 4Q10 compared to 3Q10 due to higher daily average trading value for OMT and DBT of RM2.00 billion in 4Q10 (3Q10: 1.48 billion). Effective clearing fee rate saw a slight drop to 2.34 basis points from 2.38 basis points.

Derivatives trading revenue increased by 9 per cent to RM10.5 million in 4Q10 compared to 3Q10 due to an increase in the number of contracts traded (4Q10: 1.72m; 3Q10: 1.58m).

Stable revenue increased by 13 per cent to RM29.4 million in 4Q10 compared to 3Q10 mainly due to higher issue fees and listing fees from an increase in the number of IPOs in 4Q10 compared to 3Q10.

Other operating revenue increased by 19 per cent to RM3.6 million in 4Q10 compared to 3Q10 mainly due to higher processing fees.

Other income remained fairly stable at RM7.6 million in 4Q10 compared to 3Q10.

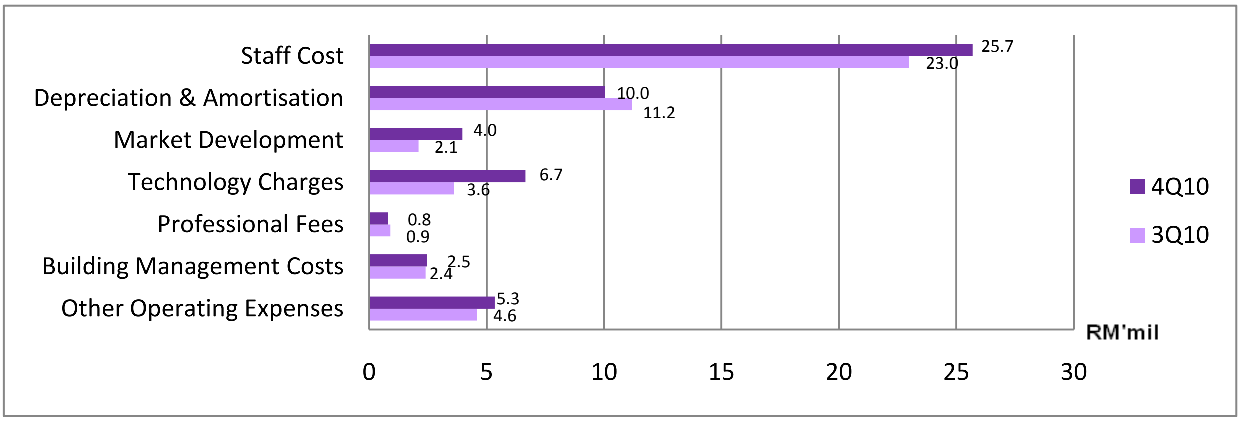
22. MATERIAL CHANGE IN PROFIT BEFORE TAX OF CURRENT QUARTER COMPARED WITH PRECEDING QUARTER (CONTD.)

Total Revenue (Contd.)

Key securities market data			
		4Q10	**3Q10**
Daily average trading value	(RM'billion)	2.00	1.48
Daily average trading volume	(billion)	1.28	0.92
Effective clearing fee rate	(basis points)	2.34	2.38
Velocity	(per cent)	37	31
Number of initial public offerings		8	9
Number of new structured warrant listings		65	53
Total funds raised:			
- IPOs	(RM'billion)	15.17	2.44
- Secondary issues	(RM'billion)	0.20	1.29
Market capitalisation at end of period	(RM'billion)	1,275.28	1,150.12

Key derivatives market data			
		4Q10	**3Q10**
FCPO contracts	(million)	1.21	1.07
FKLI contracts	(million)	0.50	0.50
Other contracts	(million)	0.01	0.01
Total	(million)	1.72	1.58
Daily average contracts		27,776	25,111

Total Expenses



Total expenses increased by 15 per cent to RM55.0 million in 4Q10 compared to RM47.8 million in 3Q10. The increase was mainly due to adjustments to performance rewards in 4Q10, higher accruals for staff development and market development, and the Globex license fees which commenced in September 2010.

PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

23. COMMENTARY ON PROSPECTS AND TARGETS

Equity markets in the region including Malaysia have generally performed well in 2010. Key regional benchmark indices have registered large gains, with the FBM KLCI rising 19 per cent in 2010.

Moving forward in 2011, Bursa remains committed in ensuring that market continues to be sustainable and vibrant. Our efforts to increase market competitiveness as well as developing the robustness and resilience of our market will go on. We expect to see continued interest in the markets on the back of rising confidence on the sustainability of global economic recovery and renewed global investor interest in emerging markets.

Domestically, potential catalysts for the market include the award of projects or contracts under the Economic Transformation Programme, Budget 2011 as well as the Tenth Malaysia Plan, greater merger and acquisition activities and further divestments by government-linked companies. A sustainable macro-economic story in Malaysia coupled with continued strengthening of the Ringgit and sustainable domestic corporate earnings growth is also expected to attract more foreign capital inflows into the local bourse. The recognition of Malaysia as an “Advanced Emerging Market” in the FTSE Global Equity Index Series effective June 2011 will further increase the attractiveness of our market.

We also look forward to an improved performance on the derivatives market in 2011. We expect the FCPO and FKLI contracts to move in tandem with the volatility level of the crude palm oil (CPO) and FBM KLCI. The recent migration of our derivatives products on CME Globex will further enhance trading activities in 2011. We believe the CME partnership would increase the visibility of our products, globalise the Malaysian CPO futures market and thus, improve Bursa’s derivatives revenue. The approval given by the United States Commodity Futures Trading Commission to Malaysian futures brokers to market our TPs and products to the US customers is expected to bring new and renewed interest into our derivatives market. In order to further broaden our market horizon, we will widen our distribution channels, increase sales force and provide greater accessibility to our products.

We continue to invest in the development of the capital market and the regulatory environment while keeping a close watch on our expenditure.

While we have had a strong start to the year, we expect continued volatility in the global market throughout the year. Barring any adverse developments, we expect an improved performance in our markets and results in 2011.

24. INCOME TAX EXPENSE

	3 months ended		12 months ended	
RM'000	**31.12.2010**	**31.12.2009**	**31.12.2010**	**31.12.2009**
Income tax				
Current tax	16,138	10,005	43,095	33,911
Underprovision of tax in prior year	3	-	134	5,285
	16,141	10,005	43,229	39,196
Deferred tax				
Current tax	883	(433)	4,505	6,593
Under/(over) provision of tax in prior year	(17)	(811)	379	(4,346)
	866	(1,244)	4,884	2,247
Total income tax expense	17,007	8,761	48,113	41,443

Income tax is calculated at the Malaysian statutory tax rate of 25% (2009: 25%) of the estimated assessable profit for the year.

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

The effective tax rate of the Group for the previous corresponding quarter and financial year was lower than the statutory tax rate of that year principally due to income which is not taxable.

25. RETAINED EARNINGS

RM'000	**As at 31.12.2010**	**As at 30.09.2010**
Realised	476,870	445,869
Unrealised	(17,346)	(15,922)
	459,524	429,947
Consolidation adjustments	2,126	2,211
Total Group retained earnings as per consolidated accounts	461,650	432,158

26. SALE OF UNQUOTED SECURITIES AND PROPERTIES

The net gain on disposal of unquoted securities for the current quarter and financial year is disclosed in Note 9.

There was no sale of property since the last annual reporting date.

PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

27. QUOTED SECURITIES

	Year ended	
RM'000	**31.12.2010**	**31.12.2009**
Shares quoted outside Malaysia:		
- Cost	84,488	84,488
- Carrying value/market value	75,997	88,057

28. CORPORATE PROPOSALS

On 4 June 2010, the Group announced that the Securities Commission of Malaysia (SC) has approved the Proposed Establishment of a Share Grant Plan (Proposed SGP) and that the implementation of the Proposed SGP is subject to:

i) SC's approval on the operationalisation details and plans of the Proposed SGP as well as the specific performance targets set for restricted share plan and performance share plan; and

ii) approval of the shareholders of the Company at an extraordinary general meeting (EGM) to be convened.

On 29 November 2010, SC had approved an extension of time of six months up to 2 June 2011 to implement the approved Proposed SGP. SC having reviewed the operationalisation details and plans, had on 19 January 2011, approved the implementation of the Proposed SGP. The said proposal is now pending approval of the shareholders of the Company at an EGM to be convened.

Other than above, there are no other corporate proposals announced but not completed, as at the reporting date.

29. BORROWINGS AND DEBT SECURITIES

As at the reporting date, there were no short term borrowings and the Group had not issued any debt securities.

30. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

There were no off balance sheet financial instruments as at the reporting date other than the put and call option entered into which was disclosed as a contingent liability in the audited financial statements for the financial year ended 31 December 2009.

31. CHANGES IN MATERIAL LITIGATION

There was no material litigation against the Group as at the reporting date.

32. PROPOSED DIVIDEND

At the forthcoming Annual General Meeting, a final dividend in respect of the financial year ended 31 December 2010, of 10.5 sen per share under the single tier system on 531,399,000 ordinary shares, amounting to a dividend payable of approximately RM55,797,000 will be proposed for shareholders' approval.

33. EPS

(a) Basic EPS

	3 months ended		12 months ended	
	31.12.2010	**31.12.2009**	**31.12.2010**	**31.12.2009**
Profit attributable to owners of the Company (RM'000)	29,785	96,315	113,041	177,588
Weighted average number of ordinary shares in issue ('000)	531,399	528,095	530,984	526,970
Basic EPS (sen)	5.6	18.2	21.3	33.7

(b) Diluted EPS

	3 months ended		12 months ended	
	31.12.2010	**31.12.2009**	**31.12.2010**	**31.12.2009**
Profit attributable to owners of the Company (RM'000)	29,785	96,315	113,041	177,588
Weighted average number of ordinary shares in issue ('000)	531,399	528,095	530,984	526,970
Effect of dilution ('000)	-	865	961	1,354
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	531,399	528,960	531,945	528,324
Diluted EPS (sen)	5.6	18.2	21.3	33.6

34. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements for the financial year ended 31 December 2009 was unqualified.

35. 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 January 2011.