

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

**Condensed Consolidated Financial Statements**  
**For the Three Month Period Ended 30 September 2005**

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

**CONDENSED CONSOLIDATED INCOME STATEMENT**  
**FOR THE THREE AND NINE MONTH PERIOD ENDED 30 SEPTEMBER 2005**

	Note	3 months ended		9 months ended	
		30.09.2005 RM'000 unaudited	30.09.2004 RM'000 unaudited	30.09.2005 RM'000 unaudited	30.09.2004 RM'000 audited
Operating revenue	8	48,511	48,236	148,355	167,317
Other income	9	15,687	16,320	51,870	52,168
		<u>64,198</u>	<u>64,556</u>	<u>200,225</u>	<u>219,485</u>
Staff costs		(17,381)	(22,517)	(53,058)	(77,167)
Voluntary Separation Scheme ("VSS") cost		-	(353)	-	(37,318)
Depreciation		(3,488)	(4,113)	(9,751)	(11,427)
Other operating expenses	10	<u>(15,009)</u>	<u>(22,499)</u>	<u>(42,107)</u>	<u>(53,757)</u>
Profit from operations		<u>28,320</u>	<u>15,074</u>	<u>95,309</u>	<u>39,816</u>
Finance costs		<u>(130)</u>	<u>(38)</u>	<u>(206)</u>	<u>(112)</u>
Profit before taxation		<u>28,190</u>	<u>15,036</u>	<u>95,103</u>	<u>39,704</u>
Taxation	21	<u>(5,653)</u>	<u>(7,234)</u>	<u>(26,797)</u>	<u>(21,225)</u>
Profit after taxation		<u>22,537</u>	<u>7,802</u>	<u>68,306</u>	<u>18,479</u>
Minority interests		<u>(1,645)</u>	<u>(1,388)</u>	<u>(3,030)</u>	<u>(2,578)</u>
Net profit for the period		<u><u>20,892</u></u>	<u><u>6,414</u></u>	<u><u>65,276</u></u>	<u><u>15,901</u></u>
Earnings per share (sen)					
Basic	30 (a)	<u>4.14</u>	<u>1.28</u>	<u>13.71</u>	<u>3.18</u>
Diluted	30 (b)	<u>4.11</u>		<u>13.66</u>	

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

**BURSA MALAYSIA BERHAD (30632-P)**  
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**CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2005**

	Note	As at 30.09.2005 RM'000 unaudited	As at 31.12.2004 RM'000 audited
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		356,727	356,152
Other investments		106,535	248,434
Staff loans receivable		31,489	30,972
Net goodwill		45,456	47,661
Deferred tax assets		1,320	865
		<u>541,527</u>	<u>684,084</u>
<b>CURRENT ASSETS</b>			
Trade receivables		25,560	24,312
Other receivables		27,520	41,913
Tax recoverable		16,488	19,095
Short term investments		285,447	280,939
Short term deposits		649,763	707,344
Cash and bank balances		8,434	7,433
		<u>1,013,212</u>	<u>1,081,036</u>
<b>CURRENT LIABILITIES</b>			
Trade payables		132,114	124,253
Other payables		59,340	90,330
Tax payable		6,599	4,207
Short term borrowings	25	220	220
		<u>198,273</u>	<u>219,010</u>
<b>NET CURRENT ASSETS</b>			
		<u>814,939</u>	<u>862,026</u>
		<u>1,356,466</u>	<u>1,546,110</u>
<b>FINANCED BY:</b>			
Share capital		253,595	250,000
Retained profits		556,754	1,195,158
Share premium		452,396	12,400
Capital redemption reserve		3,000	2,750
Foreign exchange reserve		(13)	(13)
		<u>1,265,732</u>	<u>1,460,295</u>
Minority interest		20,525	17,855
		<u>1,286,257</u>	<u>1,478,150</u>
Retirement benefit obligations		17,420	15,334
Deferred income		2,831	2,831
Long term borrowings	25	879	879
Long term liability	26	46,720	47,259
Deferred tax liability		2,359	1,657
		<u>70,209</u>	<u>67,960</u>
		<u>1,356,466</u>	<u>1,546,110</u>
<b>Net tangible assets per share (RM)</b>		<u>2.41</u>	<u>2.83</u>

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

**BURSA MALAYSIA BERHAD (30632-P)**  
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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2005**

	← Non-distributable →			Distributable			
	Membership fees RM'000	Share capital RM'000	Share premium RM'000	Capital redemption reserve RM'000	Foreign exchange reserve RM'000	Retained profits RM'000	Total RM'000
<b>At 1 January 2004</b>	80,966	-	12,400	2,750	(5)	1,329,117	1,425,228
Issuance of ordinary shares	(80,966)	250,000	-	-	-	(169,034)	-
Currency translation differences	-	-	-	-	(8)	-	(8)
Net profit for the period	-	-	-	-	-	15,901	15,901
<b>At 30 September 2004</b>	-	250,000	12,400	2,750	(13)	1,175,984	1,441,121
<b>At 1 January 2005</b>	-	250,000	12,400	2,750	(13)	1,195,158	1,460,295
Bonus issue	-	667,000	-	-	-	(667,000)	-
Capital reduction	-	(750,000)	-	-	-	-	(750,000)
Dividends paid	-	-	-	-	-	(36,430)	(36,430)
Issuance of ordinary shares:							
Pursuant to Initial Public Offering ("IPO")	-	83,000	438,448	-	-	-	521,448
Pursuant to the Employee Share Option Scheme ("ESOS")	-	3,595	17,986	-	-	-	21,581
Issuance of preference shares by a subsidiary	-	-	200	-	-	-	200
IPO expenses	-	-	(16,638)	-	-	-	(16,638)
Transfer to capital redemption reserve	-	-	-	250	-	(250)	-
Net profit for the period	-	-	-	-	-	65,276	65,276
<b>At 30 September 2005</b>	-	253,595	452,396	3,000	(13)	556,754	1,265,732

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

**BURSA MALAYSIA BERHAD (30632-P)**  
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**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2005**

	<b>9 months ended</b>	
	<b>30.09.2005</b>	<b>30.09.2004</b>
	<b>RM'000</b>	<b>RM'000</b>
	<b>unaudited</b>	<b>audited</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	95,103	39,704
Adjustment for:		
Amortisation of goodwill	2,206	2,206
Amortisation of premium less accretion of discount	492	(74)
Depreciation	9,751	11,427
Gain on disposal of subsidiary	-	(4,249)
Impairment of property, plant and equipment	-	5,512
Interest expense	15	19
Interest income	(35,859)	(40,614)
Net provision for bad and doubtful debts	200	1,841
Net gain on disposal of investments	(10,459)	(1,662)
Net gain on disposal of property, plant and equipment	(2,092)	(1,570)
Property, plant and equipment written off	4	-
Provision for retirement benefits	2,074	5,793
Provision for short term accumulating compensating unutilised leave	423	333
Reversal of write down of short term investments	-	(1,493)
Waiver of loans	-	221
Operating profit before working capital changes	<u>61,858</u>	<u>17,394</u>
Decrease in receivables	8,083	7,150
Increase in payables	<u>10,000</u>	<u>5,971</u>
Cash generated from operations	79,941	30,515
Retirement benefits paid	(15,622)	(11)
Interest paid	(15)	(19)
Taxes paid net of refund	<u>(21,476)</u>	<u>(30,571)</u>
<b>Net cash generated from/(used in) operating activities</b>	<u>42,828</u>	<u>(86)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	39,328	41,095
Net cash inflow from disposal of subsidiaries	-	5,434
Proceeds from disposal of property, plant and equipment	5,910	1,841
Purchase of property, plant and equipment	(14,148)	(40,066)
Proceeds from disposal/(purchase) of unquoted bonds and Malaysian Government Securities, net	144,463	(70,022)
Disbursement of staff loans, net	(518)	(3,852)
<b>Net cash generated from/(used in) investing activities</b>	<u>175,035</u>	<u>(65,570)</u>

**BURSA MALAYSIA BERHAD (30632-P)**  
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**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE NINE MONTH PERIOD ENDED 30 SEPTEMBER 2005**

	<b>9 months ended</b>	
	<b>30.09.2005</b>	<b>30.09.2004</b>
	<b>RM'000</b>	<b>RM'000</b>
	<b>unaudited</b>	<b>audited</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Capital repayment (Note (a))	(701,229)	-
Dividends paid	(36,430)	-
Dividends paid to minority shareholders	(360)	-
IPO expenses	(16,638)	-
Proceeds from exercise of ESOS	21,581	-
Proceeds from subscription of IPO (Note (b))	472,677	-
Repayment of loan from Securities Commission	(13,505)	-
Repayment of long term liability	(539)	(539)
<b>Net cash used in financing activities</b>	<u>(274,443)</u>	<u>(539)</u>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(56,580)	(66,195)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	714,777	808,408
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<u>658,197</u>	<u>742,213</u>
<b>CASH AND CASH EQUIVALENTS COMPRISE:</b>		
Cash and bank balances	8,434	10,454
Short term deposits (Note (c))	649,763	731,759
	<u>658,197</u>	<u>742,213</u>

- (a) Capital repayment to shareholders amounting to RM701.2 million was net of IPO proceeds for shares subscribed by eligible remisiers amounting to RM48.8 million.
- (b) IPO proceeds for shares subscribed by eligible remisiers amounting to RM48.8 million was directly offset against the Shareholders' Scheme Account.
- (c) Included in short term deposits as at 30 September 2005 are cash deposits of RM128.8 million (30 September 2004: RM147.3 million) collected by Bursa Malaysia Derivatives Clearing Bhd., a wholly owned subsidiary, from clearing participants.

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

**BURSA MALAYSIA BERHAD (30632-P)**  
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**1. BASIS OF PREPARATION**

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

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2004. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2004.

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

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

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

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

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

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

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

**5. CHANGES IN ESTIMATES**

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

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**6. DEBT AND EQUITY SECURITIES**

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

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

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

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

**ii) IPO**

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

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

**iii) ESOS**

During the financial period ended 30 September 2005, the issued and paid-up share capital of the Company was increased to 507,189,800 Shares by the issuance of 7,189,800 Shares pursuant to the exercise of ESOS at the following option prices:

<u>No of Shares Issued</u>	<u>Price (RM)</u>
7,174,800	3.00
15,000	3.72



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**7. DIVIDENDS PAID**

During the financial period ended 30 September 2005, an interim dividend of 10 sen less 28% tax on 505,981,800 Shares in respect of the financial year ending 31 December 2005, amounting to RM36.4 million was paid on 29 August 2005.

**8. OPERATING REVENUE**

	<b>3 months ended 30.09.2005 RM'000</b>	<b>3 months ended 30.09.2004 RM'000</b>	<b>9 months ended 30.09.2005 RM'000</b>	<b>9 months ended 30.09.2004 RM'000</b>
Clearing fees - equity	18,416	18,947	59,526	74,795
Clearing fees - derivatives	1,037	995	2,998	3,196
SCORE (trading access) fees	2,247	2,142	7,080	8,245
Derivatives trade fees	4,038	3,600	11,256	11,946
Depository services	7,398	7,312	20,604	21,039
Information services	4,521	3,215	13,713	9,673
Broker services	3,710	3,520	10,943	10,303
Listing fees	2,820	3,188	9,569	10,010
Institutional Settlement Service fees	1,785	1,712	5,139	5,556
Participants' subscriptions	724	708	2,398	2,461
Guarantee/tender fee	408	358	975	968
Buying-in commissions	189	87	441	568
Other income/fees derived from operations of the Group	1,218	2,452	3,713	8,557
	<u>48,511</u>	<u>48,236</u>	<u>148,355</u>	<u>167,317</u>

**9. OTHER INCOME**

	<b>3 months ended 30.09.2005 RM'000</b>	<b>3 months ended 30.09.2004 RM'000</b>	<b>9 months ended 30.09.2005 RM'000</b>	<b>9 months ended 30.09.2004 RM'000</b>
Interest income	11,040	13,738	35,859	40,614
Net gain on disposal of investments	3,965	1,402	10,459	1,662
Net gain on disposal of subsidiaries	-	-	-	4,249
Gain on disposal of property, plant and equipment	-	4	2,092	1,570
Others	682	1,176	3,460	4,073
	<u>15,687</u>	<u>16,320</u>	<u>51,870</u>	<u>52,168</u>

**BURSA MALAYSIA BERHAD (30632-P)**  
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**10. OTHER OPERATING EXPENSES**

	<b>3 months ended 30.09.2005 RM'000</b>	<b>3 months ended 30.09.2004 RM'000</b>	<b>9 months ended 30.09.2005 RM'000</b>	<b>9 months ended 30.09.2004 RM'000</b>
Upkeep and maintenance of information technology	4,556	4,192	11,154	13,046
Building maintenance costs	2,001	2,729	6,291	7,780
Others	8,452	15,578	24,662	32,931
	<u>15,009</u>	<u>22,499</u>	<u>42,107</u>	<u>53,757</u>

**11. SEGMENTAL INFORMATION**

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

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

- (i) The exchange business mainly comprises of the provision and operation of the securities, derivatives and offshore exchanges.
- (ii) The clearing, settlement and depository business involves the provision, operation and maintenance of clearing houses for securities and derivatives exchanges and central depository for securities listed on the securities exchange.
- (iii) The information business relates to the provision and dissemination of information relating to securities quoted on exchanges within the Group.
- (iv) The exchange holding business refers to the operation of the Company which functions as an investment holding company.

An analysis of the Group's current quarter and financial period-to-date results and assets and liabilities as at 30 September 2005 by business segments is as follows:

	<b>Clearing, settlement and Information Exchanges RM'000</b>	<b>depository RM'000</b>	<b>services RM'000</b>	<b>Exchange holding RM'000</b>	<b>Others RM'000</b>	<b>Elimination RM'000</b>	<b>3 months ended 30.09.2005 Consolidated RM'000</b>
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**CURRENT QUARTER RESULTS**

<b>Segment revenue</b>							
External revenue	24,886	19,109	4,481	35	-		48,511
Inter-segment revenue	64	36	252	10,142	-	(10,494)	-
Total operating revenue	<u>24,950</u>	<u>19,145</u>	<u>4,733</u>	<u>10,177</u>	<u>-</u>	<u>(10,494)</u>	<u>48,511</u>
Other income	1,086	4,448	698	89,855	80	(80,480)	15,687
	<u>26,036</u>	<u>23,593</u>	<u>5,431</u>	<u>100,032</u>	<u>80</u>		<u>64,198</u>

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

	Clearing, settlement and Information Exchange					Others	Elimination	3 months ended 30.09.2005 Consolidated
	Exchanges	depository	services	holding				RM'000
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>CURRENT QUARTER RESULTS (CONTD.)</b>								
<b>Segment operating expenses</b>								
Staff costs	(969)	(1,046)	(429)	(14,937)	-			(17,381)
Depreciation	(68)	(43)	(1)	(1,855)	(1)			(1,968)
Other operating expenses	(4,878)	(6,266)	(1,449)	(12,675)	(5)	10,264		(15,009)
Unallocated corporate expenses								(1,520)
	<u>(5,915)</u>	<u>(7,355)</u>	<u>(1,879)</u>	<u>(29,467)</u>	<u>(6)</u>			<u>(35,878)</u>
<b>Segment results</b>								
Profit from operations	<u>20,121</u>	<u>16,238</u>	<u>3,552</u>	<u>70,565</u>	<u>74</u>			<u>28,320</u>
<b>FINANCIAL PERIOD-TO-DATE RESULTS</b>								
<b>Segment revenue</b>								
External revenue	77,212	57,363	13,721	59	-			148,355
Inter-segment revenue	166	36	756	71,334	-	(72,292)		-
Total operating revenue	<u>77,378</u>	<u>57,399</u>	<u>14,477</u>	<u>81,925</u>	<u>-</u>	<u>(72,292)</u>		<u>148,355</u>
Other income	3,444	18,803	1,117	108,794	192	(80,480)		51,870
	<u>80,822</u>	<u>76,202</u>	<u>15,594</u>	<u>190,719</u>	<u>192</u>			<u>200,225</u>
<b>Segment operating expenses</b>								
Staff costs	(3,805)	(4,139)	(1,604)	(43,510)	-			(53,058)
Depreciation	(292)	(147)	(4)	(5,551)	(6)			(6,000)
Other operating expenses	(42,868)	(32,170)	(4,891)	(33,779)	(5)	71,606		(42,107)
Unallocated corporate expenses								(3,751)
	<u>(46,965)</u>	<u>(36,456)</u>	<u>(6,499)</u>	<u>(82,840)</u>	<u>(11)</u>			<u>(104,916)</u>
<b>Segment results</b>								
Profit from operations	<u>33,857</u>	<u>39,746</u>	<u>9,095</u>	<u>107,879</u>	<u>181</u>			<u>95,309</u>

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

	Exchanges RM'000	Clearing, settlement and depository RM'000	Information services RM'000	Exchange holding RM'000	Others RM'000	Elimination RM'000	As at 30.09.2005 Consolidated RM'000
<b>FINANCIAL PERIOD-TO-DATE RESULTS (CONTD.)</b>							
<b>ASSETS AND LIABILITIES</b>							
<b>Segment assets</b>							
Assets	133,743	485,278	16,471	872,557	10,296		1,518,345
Unallocated corporate assets							36,394
Consolidated total assets							<u>1,554,739</u>
<b>Segment liabilities</b>							
Liabilities	9,387	142,355	2,270	105,462	50		259,524
Unallocated corporate liabilities							8,958
Consolidated total liabilities							<u>268,482</u>

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

The five major market segments of the Group are as follows:

- (i) The cash market mainly comprises of the provision and operation of the listing, trading, clearing and depository services for the securities market.
- (ii) The derivatives market mainly comprises of the provision and operation of the trading, clearing and depository services for the derivatives market.
- (iii) The offshore market mainly comprises of the provision and operation of the listing and trading function for the offshore market.
- (iv) The information services relates to the provision and dissemination of information relating to securities quoted on exchanges within the Group.
- (v) The exchange holding business refers to the operation of the Company which functions as an investment holding company.

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

An analysis of the Group's current quarter and financial period-to-date results and assets and liabilities as at 30 September 2005 by market segments is as follows:

	<b>3 months ended</b>						
	<b>30.09.2005</b>						
	<b>Cash Market</b>	<b>Derivatives Market</b>	<b>Offshore Market</b>	<b>Information Services</b>	<b>Exchange Holding</b>	<b>Others</b>	<b>Elimination Consolidated</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>CURRENT QUARTER RESULTS</b>							
<b>Segment revenue</b>							
External revenue	38,292	5,649	54	4,481	35	-	48,511
Inter-segment revenue	100	-	-	252	10,142	-	(10,494)
Total operating revenue	<u>38,392</u>	<u>5,649</u>	<u>54</u>	<u>4,733</u>	<u>10,177</u>	<u>-</u>	<u>(10,494)</u>
Other income	4,311	1,156	67	698	89,855	80	(80,480)
	<u>42,703</u>	<u>6,805</u>	<u>121</u>	<u>5,431</u>	<u>100,032</u>	<u>80</u>	<u>64,198</u>
<b>Segment operating expenses</b>							
Staff costs	(1,470)	(421)	(124)	(429)	(14,937)	-	(17,381)
Depreciation	(39)	(69)	(3)	(1)	(1,855)	(1)	(1,968)
Other operating expenses	(8,794)	(2,157)	(193)	(1,449)	(12,675)	(5)	10,264
Unallocated corporate expenses							(1,520)
	<u>(10,303)</u>	<u>(2,647)</u>	<u>(320)</u>	<u>(1,879)</u>	<u>(29,467)</u>	<u>(6)</u>	<u>(35,878)</u>
<b>Segment results</b>							
Profit from operations	<u>32,400</u>	<u>4,158</u>	<u>(199)</u>	<u>3,552</u>	<u>70,565</u>	<u>74</u>	<u>28,320</u>
<b>FINANCIAL PERIOD-TO-DATE RESULTS</b>							
<b>Segment revenue</b>							
External revenue	118,588	15,781	206	13,721	59	-	148,355
Inter-segment revenue	202	-	-	756	71,334	-	(72,292)
Total operating revenue	<u>118,790</u>	<u>15,781</u>	<u>206</u>	<u>25,009</u>	<u>81,925</u>	<u>-</u>	<u>(72,292)</u>
Other income	17,633	4,461	153	1,117	108,794	192	(80,480)
	<u>136,423</u>	<u>20,242</u>	<u>359</u>	<u>26,126</u>	<u>190,719</u>	<u>192</u>	<u>200,225</u>
<b>Segment operating expenses</b>							
Staff costs	(5,771)	(1,772)	(401)	(1,604)	(43,510)	-	(53,058)
Depreciation	(125)	(264)	(50)	(4)	(5,551)	(6)	(6,000)
Other operating expenses	(63,672)	(10,987)	(379)	(4,891)	(33,779)	(5)	71,606
Unallocated corporate expenses							(3,751)
	<u>(69,568)</u>	<u>(13,023)</u>	<u>(830)</u>	<u>(6,499)</u>	<u>(82,840)</u>	<u>(11)</u>	<u>(104,916)</u>
<b>Segment results</b>							
Profit from operations	<u>66,855</u>	<u>7,219</u>	<u>(471)</u>	<u>19,627</u>	<u>107,879</u>	<u>181</u>	<u>95,309</u>

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

	Cash	Derivatives	Offshore	Information	Exchange	Others	Elimination	As at 30.09.2005 Consolidated
	Market	Market	Market	Services	Holding	RM'000	RM'000	RM'000
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>FINANCIAL PERIOD-TO-DATE</b>								
<b>RESULTS (CONTD.)</b>								
<b>ASSETS AND LIABILITIES</b>								
<b>Segment assets</b>								
Assets	417,828	193,571	7,622	16,471	872,557	10,296		1,518,345
Unallocated corporate assets								36,394
Consolidated total assets								<u>1,554,739</u>
<b>Segment liabilities</b>								
Liabilities	14,340	137,131	271	2,270	105,462	50		259,524
Unallocated corporate liabilities								8,958
Consolidated total liabilities								<u>268,482</u>

**12. CARRYING AMOUNT OF REVALUED ASSETS**

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

**13. SUBSEQUENT EVENTS**

There were no material events subsequent to the end of the current quarter except as disclosed in Note 24.

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

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

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

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

- (i) The claim of RM3.7 million by a local telecommunications company against the Company, in respect of leased line charges omitted from billings since 1994, has since been resolved. The claim has been reduced to RM1.6 million, of which RM1.4 million is claimable from participating organisations.

**16. CAPITAL COMMITMENTS**

The amount of commitments for the purchase of property, plant and equipment not provided for in the interim condensed financial statements as at 30 September 2005 were as follows:

	<b>As at 30.09.2005 RM'000</b>
Approved and contracted for:	
Computer and office automation:	
Trading system	26,041
Other information technology systems	14,750
	<u>40,791</u>
Approved but not contracted for:	
Computer and office automation:	
Trading system	1,184
Other information technology systems	595
	<u>1,779</u>

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**17. PERFORMANCE REVIEW**

The Group recorded profit before tax of RM95.1 million for the nine months ended 30 September 2005 compared to RM39.7 million for the nine months ended 30 September 2004.

Operating revenue decreased by 11.4 per cent to RM148.3 million for the nine months ended 30 September 2005 from RM167.3 million for the nine months ended 30 September 2004 mainly due to lower turnover in the equity market. Total trading value (on market and direct business) transacted on Bursa Securities declined by 13.2 per cent to RM161.1 billion during the period ended 30 September 2005 from RM185.7 billion during the corresponding period in the previous financial year. As a result, clearing fees and SCORE fees, declined by 19.8 per cent to RM66.6 million from RM83.0 million for the respective periods.

The trade volume on Bursa Derivatives also registered a slight decline in 2005 resulting in a 5.3 per cent decrease in derivatives clearing and trade fee to RM14.3 million for the period ended 30 September 2005 from RM15.1 million for the corresponding period ended 30 September 2004. A total of 1,875,468 contracts were traded, compared to 2,019,398 contracts in the same period last year.

Revenue from information services, however, recorded a 41.2 per cent growth to RM13.7 million for the nine months ended 30 September 2005 from RM9.7 million for the nine months ended 30 September 2004 due to the implementation of the new pricing model in October 2004 and an increase in the number of subscribers for information service.

The Group's other income decreased slightly by 0.6 per cent to RM51.9 million for the nine months ended 30 September 2005 from RM52.2 million for the nine months ended 30 September 2004. Lower interest income was recorded in the current period following the reduction in the size of the Group's investment portfolio after the capital repayment exercise. This was, however, offset by the higher gain on the disposal of investment of RM10.5 million for the nine months ended 30 September 2005.

Operating expenses were lower at RM104.9 million for the nine months ended 30 September 2005 compared to RM179.7 million for the nine months ended 30 September 2004. This was mainly due to the VSS cost of RM37.3 million incurred in June 2004. Staff costs, depreciation and other operating expenses such as upkeep and maintenance of information technology and building maintenance costs, were also lower in the nine months ended 30 September 2005 as a direct result of the VSS exercise and ongoing efforts by the Group to enhance cost efficiency.

On quarter-to-quarter basis, the Group's profit before tax increased to RM28.2 million for the three months ended 30 September 2005 from RM15.0 million for the three months ended 30 September 2004 mainly due to lower operating expenses. Lower staff costs and other operating expenses were recorded in the third quarter of 2005 as a result of the VSS exercise and other cost reduction measures undertaken by the Group. Higher trading value of RM50.4 billion was recorded for the three months ended 30 September 2005 compared to the RM48.1 billion for the same quarter last financial year resulting in slightly higher revenue. The increase in revenue was, however, offset by lower other income.



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

The Group's profit before taxation for the current quarter of RM28.2 million represents a decrease of RM1.9 million or 6.3 per cent from the preceding quarter of RM30.1 million. The higher revenue recorded during the current quarter was however offset by higher operating expenses, hence resulting in lower profit before taxation.

Total value transacted on Bursa Securities increased by 8.9 per cent to RM50.4 billion in the current quarter compared to RM46.3 billion turnover in the preceding quarter. This resulted in a 2.8 per cent increase in operating revenue to RM48.5 million during the current quarter from RM47.2 million the preceding quarter. Other income for the two quarters remained relatively unchanged.

Total operating expenses increased by 10.8 per cent to RM35.9 million in the current quarter from RM32.4 million in the preceding quarter as a result of increase in IT maintenance costs due to Bursa Trade (Common Trading Platform) hardware maintenance services and advertising expenses in the print and electronic media incurred for market promotions.

**19. COMMENTARY ON PROSPECTS**

The Group's financial performance will continue to hinge significantly on the level of activities in the securities market in the near term, given that a major portion of the revenue is derived from clearing fee income. As such, the Group will continue to focus on efforts to enhance market promotion and increase liquidity.

Revenue from information services continued to grow during the third quarter of 2005 on a normalised basis as the number of subscribers for information services increased. Whilst the Group's cash balance is expected to decrease by RM416.0 million by year end in conjunction with the capital repayment, the impact on investment income in the last quarter of 2005 is expected to be minimal and may be offset by the favourable position of the fixed income portfolio.

The Group will continue to pursue operational efficiency as part of its corporate strategic objectives. Nevertheless, IT maintenance costs will increase in the second half of the current financial year primarily due to the maintenance cost of the Bursa Trade hardware. The Group had earlier projected depreciation cost to increase during the second half of the year. However, the increase would be much less than expected, primarily due to the delay in the implementation of Bursa Trade and also reduction in capital expenditure for certain IT projects.

The Group's net profit as at September 2005 of RM65.3 million had exceeded the full-year forecast net profit of RM60.3 million as stated in the Prospectus issued pursuant to the IPO.

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**20. PROFIT FORECAST**

The Group's net profit as at September 2005 of RM65.3 million had exceeded the full-year forecast net profit of RM60.3 million as stated in the Prospectus. This was mainly attributable to higher investment income coupled with lower operating expenses recorded by the Group for the financial period-to-date compared to the amount forecast earlier.

**21. TAXATION**

	<b>3 months ended 30.09.2005 RM'000</b>	<b>9 months ended 30.09.2005 RM'000</b>
Income tax - Current period's provision	5,722	28,256
Deferred taxation relating to origination and reversal of temporary differences	(69)	(1,459)
	<u>5,653</u>	<u>26,797</u>

**22. SALE OF PROPERTIES**

There were no sales of properties other than the disposal of a piece of leasehold land held under PN 147624, Lot No. 9458N, Bandar Ipoh, Daerah Kinta, Perak Darul Ridzuan to Kinta Ceria Sdn. Bhd. for a cash consideration of RM5.0 million. The disposal was completed on 31 January 2005 and resulted in a gain of approximately RM1.5 million for the Company.

**23. MARKETABLE SECURITIES**

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

	<b>3 months ended 30.09.2005 RM'000</b>	<b>9 months ended 30.09.2005 RM'000</b>
Purchase of marketable securities (at cost)	122,570	465,515
Disposal of marketable securities (proceeds)	163,043	609,015
Gain on disposal	3,965	10,459

The Group does not invest in quoted securities.

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**24. CORPORATE PROPOSALS**

**(a) Status of Corporate Proposals**

The corporate proposal announced but not completed as at 27 October 2005 is as follows:-

- (i) On 1 August 2005, the Company announced a proposed capital distribution of RM416.0 million to its shareholders. The proposed capital distribution was approved by the shareholders at an Extraordinary General Meeting held on 5 October 2005 and is pending the approval of the High Court of Malaya. The exercise is expected to be completed in the last quarter of 2005.

The proposed RM416.0 million cash distribution will be effected via bonus issue of 832.0 million new Shares which will be capitalised from the share premium account of the Company. The new Shares will immediately be cancelled under Section 64 of the Companies Act, 1965.

**(b) Status of Utilisation of Proceeds**

The IPO proceeds of RM504.8 million, being net of IPO expenses of RM16.6 million, have been used to partially restore our balance sheet after the Capital Reduction to shareholders and utilised for working capital requirements.

**25. BORROWINGS AND DEBT SECURITIES**

	<b>As at 30.09.2005 RM'000</b>
Short term borrowings	220
Long term borrowings	879
	<hr/> <u>1,099</u>

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

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

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**26. LONG TERM LIABILITY**

	<b>As at 30.09.2005 RM'000</b>
Short term portion of lease (included in other payables)	539
Long term portion of lease	46,720
	<u>47,259</u>

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

**27. OFF BALANCE SHEET FINANCIAL INSTRUMENTS**

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

**28. CHANGES IN MATERIAL LITIGATION**

As at 27 October 2005, there was no material litigation against the Group.

**29. DIVIDEND PAYABLE**

An interim ordinary dividend has not been declared for the 3 months period ended 30 September 2005 (30 September 2004: Nil).

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

**(a) Basic EPS**

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

	<b>3 months ended 30.09.2005</b>	<b>9 months ended 30.09.2005</b>
Net profit for the period (RM'000)	20,892	65,276
Weighted average number of ordinary shares in issue ('000)	504,981	476,103
Basic EPS (sen)	<u>4.14</u>	<u>13.71</u>

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

**(b) Diluted EPS**

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

	<b>3 months ended 30.09.2005</b>	<b>9 months ended 30.09.2005</b>
Net profit for the period (RM'000)	<u>20,892</u>	<u>65,276</u>
Weighted average number of ordinary shares in issue ('000)	504,981	476,103
Effect of dilution ('000)	<u>2,949</u>	<u>1,930</u>
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	<u>507,930</u>	<u>478,033</u>
Diluted EPS (sen)	<u>4.11</u>	<u>13.66</u>

**31. AUTHORISED FOR ISSUE**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 27 October 2005.