

QUARTERLY REPORT

This is a quarterly report on consolidated results for the period ended 31 March 2009
The figures have been audited.

CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE PERIOD ENDED 31 MARCH 2009

	INDIVIDUAL QUARTER		CUMULATIVE	
	CURRENT YEAR QUARTER 31 MARCH 2009 RM '000	PRECEDING YEAR CORRESPONDING QUARTER 31 MARCH 2008 RM '000	CURRENT YEAR TO DATE 31 MARCH 2009 RM '000	PRECEDING YEAR TO DATE 31 MARCH 2008 RM '000
Revenue	3,999,001	3,531,312	15,783,466	12,947,492
Other operating income	<u>101,153</u>	<u>189,131</u>	<u>370,113</u>	<u>394,814</u>
Operating profit	293,335	800,422	1,960,965	2,681,782
Gain on disposal of ships	-	127,161	-	180,481
Finance cost	(99,254)	(90,133)	(402,887)	(345,385)
Share of (loss)/profit of associates	(139)	407	342	1,551
Share of profit of jointly controlled entities	31,476	4,034	36,370	80,998
Profit before tax	<u>225,418</u>	<u>841,891</u>	<u>1,594,790</u>	<u>2,599,427</u>
Taxation	<u>(11,666)</u>	<u>(34,458)</u>	<u>(67,566)</u>	<u>(71,033)</u>
Profit after tax	<u>213,752</u>	<u>807,433</u>	<u>1,527,224</u>	<u>2,528,394</u>
Attributable to:				
Shareholders of the parent	181,858	764,484	1,404,542	2,420,358
Minority interests	<u>31,894</u>	<u>42,949</u>	<u>122,682</u>	<u>108,036</u>
	<u>213,752</u>	<u>807,433</u>	<u>1,527,224</u>	<u>2,528,394</u>
Earnings per share attributable to shareholders of the parent : -				
(i) Basic (based on 3,719,827,586 ordinary shares) (sen)	4.9	20.6	37.8	65.1
(ii) Diluted (based on 3,719,827,586 ordinary shares) (sen)	4.9	20.6	37.8	65.1

(The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Statements
for the year ended 31 March 2008)

CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2009

	AS AT END OF CURRENT QUARTER 31 MARCH 2009 RM '000	AS AT PRECEDING FINANCIAL YEAR END 31 MARCH 2008 RM '000
Ships	25,843,161	20,893,758
Property, Plant and Equipment	1,430,046	974,819
Prepaid Land & Building Lease Payments	111,640	111,568
Investments in Associates	3,320	2,582
Investments in Jointly Controlled Entities	311,754	181,649
Other non-current financial assets	645,684	1,125,534
Intangible Assets	1,023,532	962,432
Deferred Tax Asset	4,133	4,606
	<u>29,373,270</u>	<u>24,256,948</u>
Current Assets		
<i>Inventories</i>	441,627	399,584
<i>Trade & Other Receivables</i>	2,844,201	2,197,747
<i>Cash</i>	3,725,436	1,964,361
<i>Amounts due from Group Companies</i>	313,201	135,797
<i>Amounts due from Associates</i>	4,638	5,750
<i>Amounts due from Jointly Controlled Entities</i>	54,541	30,052
<i>Assets held for sale</i>	153	19,793
	<u>7,383,797</u>	<u>4,753,084</u>
Current Liabilities		
<i>Short Term Borrowings</i>	3,104,324	959,358
<i>Trade & Other Payables</i>	3,380,041	2,650,261
<i>Provision for Taxation</i>	52,621	35,782
<i>Amounts due to Group Companies</i>	42,998	57,181
<i>Amounts due to Associates</i>	4,821	3,802
<i>Amounts due to Jointly Controlled Entities</i>	1,210	2,036
	<u>6,586,015</u>	<u>3,708,420</u>
Net Current Assets	<u>797,782</u>	<u>1,044,664</u>
	<u>30,171,052</u>	<u>25,301,612</u>
Shareholders' Funds		
Shareholders of parent		
Share Capital	3,719,828	3,719,828
Reserves		
<i>Revaluation Reserve</i>	1,381	55
<i>Other Reserves</i>	2,206,538	(225,688)
<i>Statutory Reserve</i>	1,242	1,242
<i>Retained Profits</i>	15,024,173	14,915,709
	<u>20,953,162</u>	<u>18,411,146</u>
Minority interests	341,079	274,061
Total equity	<u>21,294,241</u>	<u>18,685,207</u>
Non-Current Liabilities		
<i>Long Term Borrowings</i>	8,747,646	6,568,769
<i>Deferred Taxation</i>	22,903	47,636
<i>Derivatives Liabilities</i>	106,262	-
	<u>30,171,052</u>	<u>25,301,612</u>

(The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Statements for the year ended 31 March 2008)



CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 31 MARCH 2009

	CUMULATIVE	
	CURRENT	PRECEDING
	YEAR	YEAR
	TO DATE	TO DATE
	31 MARCH 2009	31 MARCH 2008
	RM '000	RM '000
Cash Flow from Operating Activities	3,409,131	4,039,209
Cash Flow from Investing Activities	(3,929,907)	(2,850,164)
Cash Flow from Financing Activities	2,076,959	(1,342,428)
Net Change in Cash & Cash Equivalents	<u>1,556,183</u>	<u>(153,383)</u>
Cash & Cash Equivalents at the beginning of the year	1,964,361	2,217,564
Currency translation difference	204,892	(99,820)
Cash & Cash Equivalent at the end of the period	<u><u>3,725,436</u></u>	<u><u>1,964,361</u></u>

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Statements for the year ended 31 March 2008)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2009

	Share Capital* Ordinary shares RM '000	Non-distributable Other reserves RM '000	Distributable Retained profits RM '000	Total RM '000	Minority interest RM '000	Total equity RM '000
12 MONTHS ENDED 31 MARCH 2009						
At 1 April 2008	3,719,828	(224,391)	14,915,709	18,411,146	274,061	18,685,207
Effects of adopting FRS 139	-	147,779	20,581	168,360	-	168,360
At 1 April 2008 (restated)	3,719,828	(76,612)	14,936,290	18,579,506	274,061	18,853,567
Currency translation differences	-	2,363,814	-	2,363,814	44,807	2,408,621
Revaluation reserves	-	1,326	-	1,326	-	1,326
Long term investments:						
Fair value loss	-	(25,174)	-	(25,174)	-	(25,174)
Cash flow hedge:						
Fair value loss	-	(54,193)	-	(54,193)	(52,069)	(106,262)
Net gain not recognised in income statement	-	2,285,773	-	2,285,773	(7,262)	2,278,511
Acquisition of subsidiaries	-	-	-	-	1,709	1,709
Dividend	-	-	(1,316,659)	(1,316,659)	(50,111)	(1,366,770)
Profit for the year	-	-	1,404,542	1,404,542	122,682	1,527,224
At 31 March 2009	3,719,828	2,209,161	15,024,173	20,953,162	341,079	21,294,241
12 MONTHS ENDED 31 MARCH 2008						
At 1 April 2007	3,719,828	1,121,422	13,797,911	18,639,161	241,435	18,880,596
Prior year adjustments	-	-	(33,319)	(33,319)	-	(33,319)
At 1 April 2007 (restated)	3,719,828	1,121,422	13,764,592	18,605,842	241,435	18,847,277
Currency translation differences	-	(1,325,090)	-	(1,325,090)	(29,486)	(1,354,576)
Transfer from reserves to retained profit	-	(35,217)	35,217	-	-	-
Transfer to reserves from retained profit	-	14,494	(14,494)	-	-	-
Net loss not recognised in income statement	-	(1,345,813)	20,723	(1,325,090)	(29,486)	(1,354,576)
Acquisition of a subsidiary	-	-	-	-	2,450	2,450
Reclass of a subsidiary to jointly controlled entity	-	-	-	-	(198)	(198)
Dividend	-	-	(1,289,964)	(1,289,964)	(48,176)	(1,338,140)
Profit for the year (restated)	-	-	2,420,358	2,420,358	108,036	2,528,394
At 31 March 2008	3,719,828	(224,391)	14,915,709	18,411,146	274,061	18,685,207

* Included in share capital is one preference share of RM1.

NOTES TO THE CONDENSED FINANCIAL REPORT

The figures have been audited.

A1. ACCOUNTING POLICIES

The interim financial statements have been prepared under the historical cost convention except for the derivatives financial instruments and available-for-sale financial assets that have been measured at fair value.

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

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 March 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 year ended 31 March 2008.

A2. CHANGES IN ACCOUNTING POLICIES

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 March 2008 except for the adoption of the following revised standards and amendments to published standards that are effective for the financial periods beginning 1 April 2008:

FRS 107: Cash Flow Statements
FRS 111: Construction Contracts
FRS 112: Income Taxes
FRS 118: Revenue
FRS 120: Accounting for Government Grants and Disclosure of Government Assistance
FRS 134: Interim Financial Reporting
FRS 137: Provisions, Contingent Liabilities and Contingent Assets
Amendment to FRS 121: The Effects of Changes in Foreign Exchange Rates - Net Investment in Foreign Operation
IC Interpretation 1: Changes in existing Decommissioning, Restoration and Similar Liabilities
IC Interpretation 2: Members' Shares in Co-operative Entities and Similar Instruments
IC Interpretation 5: Rights to interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
IC Interpretation 6: Liabilities arising from Participating in Specific Market - Waste Electrical and Electronic Equipment
IC Interpretation 7: Applying the Restatement Approach under FRS 129₂₀₀₄ - Financial Reporting in Hyperinflationary Economies
IC Interpretation 8: Scope of FRS 2

The Group has applied the above standards and amendments to the published standards effective financial period beginning 1 April 2008. The application of the above standards and amendments to published standards did not result in any significant impact on the financial results and financial position of the Group.

Malaysia Accounting Standards Board has issued FRS 139: Financial Instruments: Recognition and Measurement to be adopted effective 1 January 2010. However, the Group has elected to early adopt the FRS 139 with effect 1 April 2008. In conjunction with adoption of FRS 139, the Group has also early adopted IC Interpretation 9: Reassessment of Embedded Derivatives and IC Interpretation 10: Interim Financial Reporting and Impairment.

The principal changes in accounting policies and their effects resulting from the adoption are discussed below:

FRS 139: Financial instruments: Recognition and Measurements

The adoption of FRS 139 has affected classification and consequential accounting of financial assets and financial liabilities.

FRS 139 provides guidance for the measurement of financial instruments. Depending on the categorisation applied for each individual financial asset and liability, some financial assets and liabilities will need to be fair valued and others are stated at amortised costs. FRS 139 prescribes prospective application for the first time adoption. Significant accounting policies has been summarised below.

Financial Assets

Prior to 1 April 2008, loans and receivables were stated at gross proceeds receivables less provision for doubtful debts. The adoption of FRS 139 has resulted the loans and receivables to be stated at amortised costs using the effective interest rate methods. Gains and losses are recognised in the consolidated income statement when the loans and receivables are derecognised or through the amortisation process.

Prior to 1 April 2008, availed-for-sale financial assets such as quoted equity investments were accounted for at cost less impairment losses for diminution in value that was other than temporary, which was recognised in the income statement when they arose. Any reversal of the impairment loss was also recognised in the income statement. Under FRS139, available-for-sale is measured at fair value initially and subsequently with unrealised gains or losses recognised directly in equity until the investment is derecognised.

Financial Liabilities

Prior to 1 April 2008, borrowings were stated at the proceed received and transaction costs on borrowing were expensed off. FRS 139 required the borrowings to be measured at fair value initially and at amortised cost subsequently using the effective interest rate method.

Other financial liabilities

Prior to 1 April 2008, derivatives were not recognised in the financial statements. Under the new FRS 139, derivatives are required to be initially recognised at fair value on the date the derivative contract is entered into and subsequently premeasured at fair value at each balance sheet date. Derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative. Any gain or losses arising from change in fair value on derivatives that do not qualify for hedge accounting are recognised in the income statement. However, where derivatives qualify for hedge accounting, recognition of any resultant gain or loss depends on the nature of item being hedged as follows:

Cash flow hedge

The effective portion of the gain or loss on the hedging instrument is recognised directly in equity, while an ineffective portion is recognised immediately in the income statement. Amounts taken to equity are transferred to the income statement when the hedged transaction affects profit or loss, such as when the hedged financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts taken to equity are transferred to the initial carrying amount of non-financial asset or liability.

If the forecast transaction or firm commitment is no longer expected to occur, amounts previously recognised in equity are transferred to the income statement. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover, or if its designation as a hedge is revoked, amounts previously recognised in equity remain in equity until the forecast transaction or firm commitment occurs.

The Group has entered into an interest rate swap ("IRS") to hedge in interest rate risks. The IRS is designated as cash flow hedge and was assessed to be highly effective.

1. Interest rate swap that is cash flow hedge for the Group's exposure to interest rate risk on its borrowings. This interest rate swap entitles the Group to receive interest rate at a fixed interest rate of 5.09% per annum and obliges to pay interest at a floating rate. As at 31 March 2009, the IRS resulted in a net unrealised loss of RM 54.2 million included in equity.

A3. AUDIT REPORT OF PRECEDING ANNUAL FINANCIAL STATEMENTS

There was no qualified audit report issued by the auditors in the annual financial statements for the year ended 31 March 2008.

A4. SEASONALITY OR CYCLICALITY OF OPERATIONS

The businesses of the Group are subject to market fluctuations.

A5. EXCEPTIONAL ITEMS

There were no exceptional items during the quarter ended 31 March 2009.

A6. CHANGES IN ESTIMATES

During the year, the Group has revised the residual value of ships which were accounted prospectively as a change in accounting estimates. As a result of this revision, the depreciation charges of the Group has been increased by RM9.8 million.

A7. ISSUANCE OR REPAYMENT OF DEBT AND EQUITY SECURITIES

During the current quarter ended 31 March 2009, there were no issuance or repayment of debt and equity securities, share buy-backs, share cancellation or shares held as treasury shares and resale of treasury shares.

A8. DIVIDENDS

The Group paid a final dividend of 20 sen per share tax exempt dividend (2006/2007:20 sen) on 29 August 2008, in respect of the 2007/2008 financial year, amounting to RM788.3 million (2006/2007:727.9 million) in total.

On 24 December 2008, the Group also paid an interim dividend of 15 sen per share tax exempt (2007/2008: 15 sen) in respect of the 2008/2009 financial year amounting to RM528.3 million.

A9. SEGMENT REPORT

Segmental analysis for the current financial period to date is as follows:

	Energy related Shipping ¹⁾ RM '000	Other Energy Businesses ²⁾ RM '000	Integrated Liner Logistics RM '000	Non- Shipping RM '000	Total RM '000
REVENUE AND RESULT					
Revenue					
Total Revenue - External sales	8,023,566	3,209,889	4,550,010	-	15,783,466
Result					
Operating profit	2,218,034	706,406	(990,471)	26,996	1,960,965

1) LNG, petroleum and chemical

2) Offshore and heavy engineering

A10. VALUATION OF PROPERTY

The valuations of land and buildings have been brought forward without any amendments from the most recent annual audited financial statements as no revaluation has been carried out since 31 March 2008.

A11. SUBSEQUENT MATERIAL EVENT

There were no material events subsequent to the current financial quarter to date.

A12. CHANGES IN THE COMPOSITION OF THE GROUP

There were no material change in the composition of the Group.

A13. CONTINGENT LIABILITIES

Contingent liabilities of the Group comprise the following :-

	RM '000
Letters of guarantee issued in respect of banking facilities extended to third party	148,968
Bank guarantees extended to customers for performance bond on contracts	192,596

B1. REVIEW OF PERFORMANCE

The Group profit before taxation of RM225.4 million was 68.5% lower than the corresponding quarter of RM714.7 million (excluding gain on disposal of vessels). The decrease was mainly due to losses in Liner business.

B2. COMPARISON WITH PRECEDING QUARTER'S RESULTS

The Group profit before taxation of RM225.4 million was 27.8% lower than the preceding quarter of RM312.1 million. The decrease was mainly due to losses in Liner business.

B3. CURRENT YEAR PROSPECTS

The Group's earnings arising from existing and new long term charters in the LNG and Offshore businesses will provide the Group with stable earnings. The global petroleum and container shipping rates are softening in line with weakening demand and oversupply of vessels.

The slowdown in global economy is expected to pose significant challenges to the shipping industry and correspondingly, the Group's results are expected to be under pressure.

B4. VARIANCE OF ACTUAL RESULTS COMPARED WITH FORECASTED AND SHORTFALL IN PROFIT GUARANTEE

The Company did not provide any profit forecast or profit guarantee in any public document.

B5. TAXATION

	Jan 09-March 09 RM '000	Apr 08-March 09 RM '000
Taxation for the period comprises the following charge		
Income tax charge		
- current period	57,811	118,281
- prior year	(21,681)	(27,763)
Deferred taxation	(24,464)	(22,952)
	<u>11,666</u>	<u>67,566</u>

The income of the Group that is derived from the operations of sea-going Malaysian registered ships is tax exempt under Section 54A of the Income Tax Act, 1967. The taxation charge for the Group is attributable to tax in respect of other activities of the Group.

B6. PROFITS ON SALE OF INVESTMENTS AND/OR PROPERTIES

There were no material sales of investments and/or properties for the current financial year to date.

B7. PURCHASES AND SALES OF QUOTED SECURITIES

- i) There were no purchases and sales of quoted securities for the current financial year to date.
- ii) Investments in quoted securities as at 31 March 2009 are as follows:-

Other Investments (Long Term)	RM '000
At cost	159,488
At carrying value	270,456
At market value	270,456

B8. STATUS OF CORPORATE PROPOSALS

There are no outstanding corporate proposals submitted by the Group for the quarter ended 31 March 2009.

B9. GROUP BORROWINGS

- i) The tenure of Group borrowings as at 31 March 2009 classified as short and long term as well as secured and unsecured categories are as follows :-

	RM '000
Short Term Borrowings	
Secured	396,213
Unsecured	2,708,111
	<u>3,104,324</u>
Long Term Borrowings	
Secured	2,321,241
Unsecured	6,426,405
	<u>8,747,646</u>
Total	<u><u>11,851,970</u></u>

- ii) Foreign borrowings in Ringgit Malaysia equivalent as at 31 March 2009 are as follows :-

	RM '000
US Dollars	10,536,818

B10. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

There were no off balance sheet financial instruments for the quarter ended 31 March 2009 as a result of early adoption of FRS 139: Financial instruments: Recognition and Measurement. The interest rate swap which was previously classified as off balance sheet financial instruments has been recognised in the balance sheet as derivative financial instruments.

B11. CHANGES IN MATERIAL LITIGATION

There was no material litigation involving the Group.

B12. DIVIDENDS

The Board of Directors has declared a final dividend of 20 sen per share tax exempt dividend (2007/2008:20 sen) in respect of the 2008/2009 financial year amounting to RM744.0 million (2007/2008: RM788.3 million). The proposed dividend will be paid on 28 August 2009 to shareholders registered at the close of business on 21 August 2009. A depositor shall qualify for entitlement to the dividend. A depositor shall qualify for entitlement only in respect of:

- i. securities transferred into the Depositor's Securities Account before 4:00 pm on 21 August 2009 in respect of Ordinary Transfers; and
- ii. shares bought on the "BMSB" on a cum entitlement basis according to the rules of "BMSB".

B13. EARNINGS PER SHARE

In respect of earnings per share :-

- i) The amount used as numerator for the calculation of basic earnings per share is RM181.9 million for the fourth quarter ended 31 March 2009 and RM1,404.5 million for the current financial year to 31 March 2009 which are the same as the net profits shown in the condensed consolidated income statement.
- ii) The number of ordinary shares used as the denominator in calculating the earnings per share is 3,719.8 million.

The Group does not have any financial instrument or other contract that may entitle its holder to ordinary shares and therefore, dilutive to its basic earnings per share.