

KONSORTIUM TRANSNASIONAL BERHAD
(617580-T)
Incorporated in Malaysia

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FIRST QUARTER ENDED
31 MARCH 2009

THE FIGURES HAVE NOT BEEN AUDITED

I. CONDENSED CONSOLIDATED INCOME STATEMENT

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter 31/03/2009 RM'000	Preceding year corresponding quarter 31/03/2008 RM'000	Three months to 31/03/2009 RM'000	Three months to 31/03/2008 RM'000
1 (a) Revenue	70,619	62,537	70,619	62,537
(b) Cost of sales	(55,844)	(55,544)	(55,844)	(55,554)
(c) Gross profit	14,775	6,993	14,775	6,993
(d) Other income	248	877	248	877
(e) Other operating expenses	(9,125)	(10,460)	(9,125)	(10,460)
(f) Profit/(Loss) from operations	5,898	(2,590)	5,898	(2,590)
(g) Finance costs	(3,862)	(3,590)	(3,862)	(3,590)
(h) Profit/(Loss) before income tax	2,036	(6,180)	2,036	(6,180)
(i) Income tax	(953)	(671)	(953)	(671)
(j) Profit/(Loss) for the period	1,083	(6,851)	1,083	(6,851)
Attributable to:				
(k) Equity holders of the Company	1,083	(6,851)	1,083	(6,851)
(l) Minority interest	0	0	0	0
	1,083	(6,851)	1,083	(6,851)
2 Earnings/(Loss) per share based on 1 (k) above:				
Basic	0.36 sen	(2.27) sen	0.36 sen	(2.27) sen

The condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2008.

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II. CONDENSED CONSOLIDATED BALANCE SHEET

	Unaudited Current quarter ended 31/03/2009 RM'000	Audited Financial year ended 31/12/2008 RM'000
ASSETS		
1. Non-current assets		
Property, plant and equipment	244,799	251,375
Investment properties	970	979
Prepaid land lease payments	4,614	5,263
Other investments	109	109
Deferred tax assets	846	996
Goodwill on consolidation	87,036	87,036
	338,374	345,758
2. Current assets		
Inventories	1,663	1,537
Trade and other receivables	34,274	34,432
Amount due from related companies	46,692	45,358
Tax recoverable	1,907	1,907
Cash and bank balances	4,171	5,356
	88,707	88,590
TOTAL ASSETS	427,081	434,348
EQUITY AND LIABILITIES		
3. Equity attributable to equity holders of the Company		
Share capital	150,999	150,999
Reserves		
Capital reserve	5,811	5,811
Foreign currency translation reserve	(123)	(41)
Merger deficit	(53,345)	(54,428)
Accumulated profit	0	0
Irredeemable Convertible Secured Loan Stocks ("ICSLs") – equity	57,911	57,911
Total shareholders' equity	161,253	160,252
Minority interest	1,673	1,673
Total equity	162,926	161,925
4. Non-current liabilities		
Long term borrowings	104,320	108,566
Provision for retirement benefits	10,254	11,457
Deferred tax liabilities	5,683	5,900
ICSLs – liability	1,791	1,203
	122,048	127,126
5. Current liabilities		
Short term borrowings	63,195	66,169
Trade and other payables	54,877	52,426
Amount due to related companies	16,192	17,404
Current tax payables	6,024	6,370
Provision for retirement benefits	616	569
ICSLs – liability	1,203	2,359
	142,107	145,297
Total liabilities	264,155	272,423
TOTAL EQUITY AND LIABILITIES	427,081	434,348
6. Net assets per share attributable to ordinary equity holders of the Company	RM0.05	RM0.05

The condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2008.

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III. CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	Unaudited Three months to 31/03/2009 RM'000	Unaudited Three months to 31/03/2008 RM'000
Operating Activities		
Cash receipts from customers	69,692	68,938
Cash payments to suppliers and employees	(51,545)	(52,591)
Cash generated from operations	18,147	16,347
Income taxes paid	(492)	(454)
Retirement benefits paid	(511)	(54)
Net cash from operating activities	17,144	15,839
Investing Activities		
Proceeds from disposal of property, plant and equipment	248	96
Purchase of property, plant and equipment	(65)	(26)
Interest received	2	3
Dividends received	0	0
Net cash from investing activities	185	73
Financing Activities		
Repayment of bank borrowings	(765)	(886)
Repayment of lease financing	(10,994)	(11,285)
Interest paid	(3,862)	(3,590)
Net cash used in financing activities	(15,621)	(15,761)
Net change in Cash and Cash Equivalents	1,708	(151)
Cash and Cash Equivalents as at beginning of financial period	2,463	2,312
Cash and Cash Equivalents as at end of financial period	4,171	2,463

The condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2008.

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IV. CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN TOTAL EQUITY

	<-----Attributable to equity holders of the Company ----->							Minority interest RM'000	Total equity RM'000
	Share capital RM'000	Capital reserve RM'000	Merger deficit RM'000	Exchange reserve RM'000	Accumulated profit/(loss) RM'000	ICSLS RM'000	Total RM'000		
Three months to 31 March 2009 (unaudited)									
Balance as at 1 January 2009	150,999	5,811	(54,428)	(41)	0	57,911	160,252	1,673	161,925
Profit for the period	0	0	0	0	1,083	0	1,083	0	1,083
Transfer to merger deficit	0	0	1,083	0	(1,083)	0	0	0	0
Issue of ICSLS	0	0	0	0	0	0	0	0	0
Foreign currency translation reserve	0	0	0	(82)	0	0	(82)	0	(82)
Balance as at 31 March 2009	150,999	5,811	(53,345)	(123)	0	57,911	161,253	1,673	162,926
Twelve months to 31 December 2008 (audited)									
Balance as at 1 January 2008									
As previously stated	150,999	5,811	(53,192)	30	0	57,911	161,559	1,504	163,063
Prior year adjustment	0	0	(4,561)	0	0	0	(4,561)	0	(4,561)
	150,999	5,811	(57,753)	30	0	57,911	156,998	1,504	158,502
Profit for the year	0	0	0	0	3,325	0	3,325	169	3,494
Transfer to merger deficit	0	0	3,325	0	(3,325)	0	0	0	0
Foreign currency translation reserve representing total recognised income in equity.		0	0	(71)	0	0	(71)	0	(71)
Balance as at 31 December 2008	150,999	5,811	(54,428)	(41)	0	57,911	160,252	1,673	161,925

The condensed Consolidated Statement of Changes in Total Equity should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2008.

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V. NOTES TO THE CONDENSED FINANCIAL STATEMENTS

The notes to the condensed Financial Statements should be read in conjunction with the Annual Financial Statements for the year ended 31 December 2008.

1. ACCOUNTING POLICIES AND METHODS OF COMPUTATION

The quarterly consolidated financial statements have been prepared by applying accounting policies and methods of computation consistent with those used in the preparation of the most recent audited financial statements of the Group and are in accordance with FRS 134₂₀₀₄, Interim Financial Reporting and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”), except for the adoption of the following revised Financial Reporting Standards (“FRS”) effective 1 January 2007:

Revised FRS 114₂₀₀₄ : Segmental Reporting

The objective of the adoption of FRS 114₂₀₀₄ is to establish the principles for reporting financial information by segment – information about the different types of products and services the Group produces and the geographical areas in which the Group operates.

The purpose of this adoption is to have a better understanding of the Group’s past performance, better assess to the Group’s risk and return and make more informed judgements about the Group as a whole.

2. AUDIT REPORT IN RESPECT OF THE 2008 FINANCIAL STATEMENTS

The audit report on the Group’s financial statements for the financial year ended 31 December 2008 was not qualified.

3. SEASONAL OR CYCLICAL FACTORS

The Group’s operations are not subject to any significant seasonal or cyclical factors.

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

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

5. MATERIAL CHANGES IN ESTIMATES USED

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

6. DEBT AND EQUITY SECURITIES

The Company did not undertake any issuance and/or repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current quarter ended 31 March 2009.

7. DIVIDEND

The Directors do not recommend any interim dividend on ordinary shares of RM0.50 each for the current period ended 31 March 2009 (2008: Nil).

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8. SEGMENT INFORMATION FOR THE CURRENT FINANCIAL PERIOD

(a) Primary reporting format – by products and services

	Individual Quarters		Cummulative Quarters	
	Current Year Quarter 31/03/2009 RM'000	Preceding Year Quarter 31/03/2008 RM'000	Three months to 31/03/2009 RM'000	Three months to 31/03/2008 RM'000
Revenue				
Public transportation services	69,602	61,613	69,602	61,613
Trading of vehicles	625	924	625	924
Others	392	0	392	0
	<u>70,619</u>	<u>62,537</u>	<u>70,619</u>	<u>62,537</u>
Net profit/(loss) for the period				
Public transportation services	1,115	(7,204)	1,115	(7,204)
Trading of vehicles	(22)	353	(22)	353
Others	(10)	0	(10)	0
	<u>1,083</u>	<u>(6,851)</u>	<u>1,083</u>	<u>(6,851)</u>

(b) Secondary reporting format – by geographical segments

	Individual Quarters		Cummulative Quarters	
	Current Year Quarter 31/03/2009 RM'000	Preceding Year Quarter 31/03/2008 RM'000	Three 31/03/2009 RM'000	Three months to 31/03/2008 RM'000
Revenue				
Malaysia	69,994	61,613	69,994	61,613
Indonesia	625	924	625	924
	<u>70,619</u>	<u>62,537</u>	<u>70,619</u>	<u>62,537</u>
Net profit/(loss) for the period				
Malaysia	1,105	(7,204)	1,105	(7,204)
Indonesia	(22)	353	(22)	353
	<u>1,083</u>	<u>(6,851)</u>	<u>1,083</u>	<u>(6,851)</u>

9. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

The valuations of property, plant and equipment used in the condensed financial statements have been brought forward without amendment from the previous financial statements.

10. MATERIAL EVENTS SUBSEQUENT TO THE END OF THE CURRENT FINANCIAL PERIOD

In the opinion of the Directors, there are no items, transactions or events of a material and unusual nature which have arisen since 31 March 2009 to the date of this announcement which would substantially affect the financial results of the Group for the period ended 31 March 2009.

11. CHANGES IN THE COMPOSITION OF THE GROUP

There were no significant changes in the composition of the Group arising from business combination, acquisition or disposal of subsidiary companies and long term investment for the current quarter.

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12. CONTINGENT LIABILITIES

The Group does not have any contingent liabilities as at the date of this announcement.

13. CAPITAL COMMITMENTS

As at 31 March 2009, the Group had entered into several agreements with certain bus suppliers to purchase new buses amounting to RM57,577,136

There are no other material capital commitments.

14. INCOME TAX

	Individual Quarter		Cumulative Quarter	
	Current year quarter	Preceding year corresponding quarter	Three months to	Three months to
	31/03/2009	31/03/2008	31/03/2009	31/03/2008
	RM'000	RM'000	RM'000	RM'000
Malaysian taxation:				
- Current taxation	723	132	723	912
- Under provision in prior years	0	398	0	398
- Deferred taxation	230	141	230	141
	<u>953</u>	<u>671</u>	<u>953</u>	<u>671</u>

15. DISPOSAL OF UNQUOTED INVESTMENTS AND/OR PROPERTIES

There were no disposal of unquoted investments and/or properties in the current period.

16 (a) ACQUISITIONS AND DISPOSALS OF QUOTED SECURITIES

There were no acquisitions and disposals of quoted securities in the current period.

16 (b) INVESTMENTS IN QUOTED SECURITIES

Total investments in quoted securities are as follows:

	As at	As at
	31/03/2009	31/03/2008
	RM'000	RM'000
Total investment at cost	<u>187</u>	<u>187</u>
Total investment at book value net of accumulated impairment loss	<u>109</u>	<u>109</u>
Total investment at market value	<u>133</u>	<u>126</u>

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17. STATUS OF CORPORATE PROPOSALS ANNOUNCED BUT NOT COMPLETED AS AT THE DATE OF THIS ANNOUNCEMENT

There are no corporate proposals announced but not completed as at the date of this announcement.

18. STATUS OF COMPLIANCE WITH THE SECURITIES COMMISSION'S REQUIREMENTS AS AT THE DATE OF THIS ANNOUNCEMENT

Please refer to the attachment (Appendix 1) for details on compliance with the SC's requirements as at the date of this announcement, in compliance with one of the conditions imposed by the SC via its letter dated 29 January 2005.

19. BORROWINGS AND DEBT SECURITIES

Details of the Group's borrowings and debt securities as at 31 March 2009 are as follows:-

	Long-term borrowings			Short-term borrowings		
	Secured	Unsecured	Total	Secured	Unsecured	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>Debt securities</u>						
Domestic						
- ICSSL – liability	1,203	0	0	1,791	0	0
<u>Borrowings</u>						
Domestic						
- Finance lease	99,212	0	99,212	51,109	0	51,109
- Revolving credit	0	0	0	10,000	0	10,000
- Term loan	5,108	0	5,108	2,086	0	2,086
TOTAL	104,320	0	104,320	63,195	0	63,195

All borrowings are denominated in Ringgit Malaysia.

20. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

There are no financial instruments with off-balance sheet risks as at the date of this announcement.

21. MATERIAL LITIGATION

The Company and its subsidiaries have no outstanding material litigation as at the date of this announcement except for the following:-

Further to the general announcement made by Park May Berhad ("PMB") on 30 May 2007, Siana Corporation Sdn Bhd ("Siana"), a subsidiary of PMB has on 29 May 2007 been served with a Notice of Demand pursuant to Section 218 of the Companies Act by Exing (M) Sdn Bhd (in liquidation) ("Exing"). Subsequent to Siana's application for an injunction to stop Exing from instituting winding up proceeding against Siana, Exing had withdrawn their Section 218 Notice on 4th December 2007.

Siana has been advised by its solicitors that Exing's claim is subject to proof and may ultimately be proven to be unsubstantiated with regards to the sum claimed. Further, Siana has also been advised by its solicitors that it has a sound defence to Exing's claim.

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Judgment in default obtained by Exing dated 18 July 2007 has been set aside by the court and the court has fixed the date for pre trial case management on 22 July 2009. Siana has also filed its application for Security for costs on 25 May 2009.

22. COMPARISON BETWEEN THE CURRENT QUARTER AND THE IMMEDIATE PRECEDING QUARTER

The Group posted profit before tax of RM2.0million in the current quarter as compared to a loss before tax in immediate preceding quarter of RM6.2 million.

The profit before tax recorded is mainly due to the increase in revenue and the Group's successful implementation of cost cutting measures to counter the rising operational costs such as labour, spare parts, tyres, etc.

23. REVIEW OF PERFORMANCE

The Group's revenue for the current period was RM70.6 million as compared to the previous year corresponding period of RM62.5 million. The increase in revenue was mainly due to the introduction of new routes.

The profit after tax recorded in the current quarter as compared to the previous corresponding quarter is mainly due to higher revenue and stringent cost control measures as explained in item 22 above.

24. PROSPECTS FOR THE CURRENT FINANCIAL YEAR

With the economic slow down, the Group expects the public transport business to remain the main choice of transportation. Hence, the Group is continuously looking for innovative ways to remain competitive in the transport industry and continue as market leader. We are currently exploring other selected growth opportunities which may include viable overseas ventures.

25. EARNINGS PER SHARE

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter 31/03/2009	Preceding year corresponding quarter 31/03/2008	Three months to 31/03/2009	Three months to 31/03/2008
Profit/(Loss) for the period attributable to equity holders of the Company (RM'000)	1,083	(6,851)	1,083	(6,851)
Weighted average number of shares in issue ('000)	301,998	301,998	301998	301,998
Earnings/(Loss) per share (sen)	0.36	(2.27)	0.36	(2.27)

By Order of the Board

TIFLA HAIRI TAIB (LS0008017)
Secretary

Kuala Lumpur
28 May 2009