

**KONSORTIUM TRANSNASIONAL BERHAD**  
**(617580-T)**  
**Incorporated in Malaysia**

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE SECOND QUARTER ENDED**  
**30 JUNE 2009**

**THE FIGURES HAVE NOT BEEN AUDITED**

**I. CONDENSED CONSOLIDATED INCOME STATEMENT**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter 30/06/2009 RM'000	Preceding year corresponding quarter 30/06/2008 RM'000	Six months to 30/06/2009 RM'000	Six months to 30/06/2008 RM'000
1 (a) <b>Revenue</b>	73,517	69,291	144,136	131,828
(b) Cost of sales	(60,670)	(56,519)	(116,514)	(112,063)
(c) <b>Gross profit</b>	12,847	12,772	27,622	19,765
(d) Other income	1,461	1,158	1,709	2,034
(e) Other operating expenses	(10,787)	(11,328)	(19,912)	(21,787)
(f) <b>Profit/(Loss) from operations</b>	3,521	2,602	9,419	12
(g) Finance costs	(3,213)	(3,610)	(7,076)	(7,200)
(h) <b>Profit/(Loss) before income tax</b>	308	(1,008)	2,343	(7,188)
(i) Income tax	(85)	(934)	(1,038)	(1,605)
(j) <b>Profit/(Loss) for the period</b>	<b>223</b>	<b>(1,942)</b>	<b>1,305</b>	<b>(8,793)</b>
Attributable to:				
(k) Equity holders of the Company	223	(1,942)	1,305	(8,793)
(l) Minority interest	0	0	0	0
	<b>223</b>	<b>(1,942)</b>	<b>1,305</b>	<b>(8,793)</b>
2 <b>Earnings/(Loss) per share based on 1 (k) above:</b>				
Basic	<b>0.07 sen</b>	<b>(0.64) sen</b>	<b>0.43 sen</b>	<b>(2.91) sen</b>

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**

	<b>Unaudited</b> <b>Current quarter ended</b> <b>30/06/2009</b> <b>RM'000</b>	<b>Audited</b> <b>Financial year ended</b> <b>31/12/2008</b> <b>RM'000</b>
<b>ASSETS</b>		
<b>1. Non-current assets</b>		
Property, plant and equipment	237,967	251,375
Investment properties	961	979
Prepaid land lease payments	4,587	5,263
Other investments	109	109
Deferred tax assets	1,950	996
Goodwill on consolidation	87,036	87,036
	<b>332,610</b>	<b>345,758</b>
<b>2. Current assets</b>		
Inventories	2,085	1,537
Trade and other receivables	38,345	34,432
Amount due from related companies	46,743	45,358
Tax recoverable	1,907	1,907
Cash and bank balances	3,276	5,356
	<b>92,356</b>	<b>88,590</b>
<b>TOTAL ASSETS</b>	<b>424,966</b>	<b>434,348</b>
<b>EQUITY AND LIABILITIES</b>		
<b>3. Equity attributable to equity holders of the Company</b>		
Share capital	150,999	150,999
Reserves		
Capital reserve	5,811	5,811
Foreign currency translation reserve	(9)	(41)
Merger deficit	(53,124)	(54,428)
Accumulated profit	0	0
Irredeemable Convertible Secured Loan Stocks ("ICSLs") – equity	57,911	57,911
Total shareholders' equity	161,588	160,252
Minority interest	1,673	1,673
<b>Total equity</b>	<b>163,261</b>	<b>161,925</b>
<b>4. Non-current liabilities</b>		
Long term borrowings	97,725	108,566
Provision for retirement benefits	10,895	11,457
Deferred tax liabilities	4,256	5,900
ICSLs – liability	1,197	1,203
	<b>114,073</b>	<b>127,126</b>
<b>5. Current liabilities</b>		
Short term borrowings	59,933	66,169
Trade and other payables	64,075	52,426
Amount due to related companies	16,434	17,404
Current tax payables	5,915	6,370
Provision for retirement benefits	72	569
ICSLs – liability	1,203	2,359
	<b>147,632</b>	<b>145,297</b>
<b>Total liabilities</b>	<b>261,705</b>	<b>272,423</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>424,966</b>	<b>434,348</b>
<b>6. Net assets per share attributable to ordinary equity holders of the Company</b>	<b>RM0.06</b>	<b>RM0.05</b>

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**

	<b>Unaudited Six months to 30/06/2009 RM'000</b>	<b>Unaudited Six months to 30/06/2008 RM'000</b>
<b>Operating Activities</b>		
Cash receipts from customers	143,943	139,741
Cash payments to suppliers and employees	(111,763)	(105,933)
Cash generated from operations	32,180	33,808
Income taxes paid	(1,423)	(1,067)
Income tax refunded	0	55
Retirement benefits paid	(1,059)	(628)
<b>Net cash from operating activities</b>	<b>29,698</b>	<b>32,168</b>
<b>Investing Activities</b>		
Proceeds from disposal of property, plant and equipment	1,425	233
Purchase of property, plant and equipment	(5,539)	(1,507)
Interest received	1	8
Dividends received	5	4
Cash from acquisition of subsidiary company	0	10
<b>Net cash from investing activities</b>	<b>(4,108)</b>	<b>(1,252)</b>
<b>Financing Activities</b>		
Repayment of bank borrowings	(17,077)	(946)
Repayment of lease financing	(3,517)	(21,621)
Interest paid	(7,076)	(7,200)
<b>Net cash used in financing activities</b>	<b>(27,670)</b>	<b>(29,767)</b>
<b>Net change in Cash and Cash Equivalents</b>	<b>(2,080)</b>	<b>1,149</b>
Cash and Cash Equivalents as at beginning of financial period	5,356	2,312
<b>Cash and Cash Equivalents as at end of financial period</b>	<b>3,276</b>	<b>3,461</b>

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		
<b>Six months to 30 June 2009</b>									
<b>(unaudited)</b>									
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	1,304	0	1,304	0	1,304
Transfer to merger deficit	0	0	1,304	0	(1,304)	0	0	0	0
Issue of ICSLS	0	0	0	0	0	0		0	0
Foreign currency translation reserve	0	0	0	32	0	0	32	0	32
Balance as at 30 June 2009	<b>150,999</b>	<b>5,811</b>	<b>(53,124)</b>	<b>(9)</b>	<b>0</b>	<b>57,911</b>	<b>161,588</b>	<b>1,673</b>	<b>163,261</b>
<b>Twelve months to 31 December 2008</b>									
<b>(audited)</b>									
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)
	<b>150,999</b>	<b>5,811</b>	<b>(57,753)</b>	<b>30</b>	<b>0</b>	<b>57,911</b>	<b>156,998</b>	<b>1,504</b>	<b>158,502</b>
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	<b>150,999</b>	<b>5,811</b>	<b>(54,428)</b>	<b>(41)</b>	<b>0</b>	<b>57,911</b>	<b>160,252</b>	<b>1,673</b>	<b>161,925</b>

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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**(617580-T)**  
**Incorporated in Malaysia**

**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 134<sub>2004</sub>, 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 114<sub>2004</sub> : Segmental Reporting

The objective of the adoption of FRS 114<sub>2004</sub> 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 assessment of the Group’s risks 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 30 June 2009.

**7. DIVIDEND**

The Directors do not recommend any interim dividend on ordinary shares of RM0.50 each for the current period ended 30 June 2009 (2008: Nil).

**KONSORTIUM TRANSNASIONAL BERHAD**  
(617580-T)  
Incorporated in Malaysia

8. **SEGMENT INFORMATION FOR THE CURRENT FINANCIAL PERIOD**

(a) Primary reporting format – by products and services

	<b>Individual Quarters</b>		<b>Cumulative Quarters</b>	
	<b>Current Year Quarter 30/06/2009 RM'000</b>	<b>Preceding Year Quarter 30/06/2008 RM'000</b>	<b>Six months to 30/06/2009 RM'000</b>	<b>Six months to 30/06/2008 RM'000</b>
<b>Revenue</b>				
Public transportation services	72,125	67,667	141,680	128,379
Trading of vehicles	673	476	1,298	1,400
Others	719	1,148	1,158	2,049
	<u>73,517</u>	<u>69,291</u>	<u>144,136</u>	<u>131,828</u>
<b>Net profit/(loss) for the period</b>				
Public transportation services	(252)	(1,937)	963	(9141)
Trading of vehicles	559	(4)	536	350
Others	(84)	(1)	(194)	(2)
	<u>223</u>	<u>(1,942)</u>	<u>1,305</u>	<u>(8,793)</u>

(b) Secondary reporting format – by geographical segments

	<b>Individual Quarters</b>		<b>Cumulative Quarters</b>	
	<b>Current Year Quarter 30/06/2009 RM'000</b>	<b>Preceding Year Quarter 30/06/2008 RM'000</b>	<b>Six months to 30/06/2009 RM'000</b>	<b>Six months to 30/06/2008 RM'000</b>
<b>Revenue</b>				
Malaysia	72,844	68,815	142,838	130,428
Indonesia	673	476	1,298	1,400
	<u>73,517</u>	<u>69,291</u>	<u>144,136</u>	<u>131,828</u>
<b>Net profit/(loss) for the period</b>				
Malaysia	(336)	(1,938)	769	(9,143)
Indonesia	559	(4)	536	350
	<u>223</u>	<u>(1,942)</u>	<u>1,305</u>	<u>(8,793)</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 30 June 2009 to the date of this announcement which would substantially affect the financial results of the Group for the period ended 30 June 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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**(617580-T)**  
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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 30 June 2009, the Group had entered into several agreements with certain bus suppliers to purchase new buses amounting to RM54,419,136.

There are no other material capital commitments.

**14. INCOME TAX**

	Individual Quarter		Cumulative Quarter	
	Current year quarter	Preceding year corresponding quarter	Six months to	Six months to
	30/06/2009	30/06/2008	30/06/2009	30/06/2008
	RM'000	RM'000	RM'000	RM'000
Malaysian taxation:				
- Current taxation	(85)	392	638	524
- Under provision in prior years	0	398	0	796
- Deferred taxation	170	144	400	285
	85	934	1,038	1,605

**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 30/06/2009 RM'000	As at 30/06/2008 RM'000
Total investment at cost	187	187
Total investment at book value net of accumulated impairment loss	109	109
Total investment at market value	228	120

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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 30 June 2009 are as follows:-

	Long-term borrowings			Short-term borrowings		
	Secured RM'000	Unsecured RM'000	Total RM'000	Secured RM'000	Unsecured RM'000	Total RM'000
<b><u>Debt securities</u></b>						
Domestic						
- ICSSL – liability	1,197	0	1,197	1,203	0	1,203
<b><u>Borrowings</u></b>						
Domestic						
- Finance lease	92,902	0	92,902	47,518	0	47,518
- Revolving credit	0	0	0	0	0	0
- Term loan	4,823	0	4,823	12,415	0	12,415
<b>TOTAL</b>	<b>97,725</b>	<b>0</b>	<b>97,725</b>	<b>59,933</b>	<b>0</b>	<b>59,933</b>

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.



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**(617580-T)**  
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**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.

Judgment in default obtained by Exing dated 18 July 2007 has been set aside by the court and Siana has also filed its application for security for cost on 25 May 2009, which is fixed for hearing on 13 October 2009. The court has also fixed the date for pre-trial case management on 25 November 2009.

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

The Group posted a lower profit before tax of RM0.3 million in the current quarter as compared to a profit before tax of RM1 million in the immediate preceding quarter

The negative impact of the economic slowdown and the latest H1N1 pandemic are the main cause for the lower profit recorded in the current quarter as compared to the immediate preceding quarter.

**23. REVIEW OF PERFORMANCE**

The Group’s recorded revenue of RM73.5 million and RM144.1 million for the current quarter and for the financial period ended 30 June 2009 under review as compared to RM69.3 million and RM131.8 million in the previous year corresponding quarter and period ended 30 June 2008.

The increase in revenue was mainly due to the introduction of new routes.

The Group recorded profit before tax of RM0.3 million and RM1.3 million for the current quarter and the financial period ended 30 June 2009 as compared to loss before tax of RM1.0 million and RM7.2 million in the previous year corresponding quarter and period ended 30 June 2008.

The higher profit is mainly due to higher revenue and stringent cost control measures.

**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 although this is mitigated by the H1N1 pandemic. 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.

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**(617580-T)**  
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**25. EARNINGS PER SHARE**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter	Preceding year corresponding quarter	Six Months to	Six months to
	30/06/2009	30/06/2008	30/06/2009	30/06/2008
Profit/(Loss) for the period attributable to equity holders of the Company (RM'000)	223	(1,942)	1,305	(8,793)
Weighted average number of shares in issue ('000)	301,998	301,998	301,998	301,998
Earnings/(Loss) per share (sen)	0.07	(0.64)	0.43	(2.91)

**By Order of the Board**

**TIFLA HAIRI TAIB (LS0008017)**  
Secretary

**Kuala Lumpur**  
26 August 2009