

**Bintulu Port Holdings Berhad**

Company No. 380802-T  
(Incorporated in Malaysia)



**Interim Financial Statements**  
**31 March , 2011**

**Bintulu Port Holdings Berhad**Company No. 380802-T  
(Incorporated in Malaysia)**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL  
POSITION AS AT 31 MARCH 2011**

	31 March, 2011 (UNAUDITED)	31 December, 2010 (AUDITED)
	RM'000	RM'000
<b>ASSETS</b>		
<b>Non- current assets</b>		
Property, plant and equipment	620,837	630,609
Intangible assets	11,273	11,698
Deferred tax assets	776	776
	632,886	643,083
<b>Current assets</b>		
Property development expenditure	19,304	19,389
Trade receivables	26,200	24,627
Other receivables	68,980	60,742
Cash and cash equivalents	310,646	273,713
	425,130	378,471
<b>TOTAL ASSETS</b>	<b>1,058,016</b>	<b>1,021,554</b>
<b>EQUITIES AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	400,000	400,000
Share premium	92,950	92,950
Retained earnings	392,625	352,163
<b>Total Equity</b>	<b>885,575</b>	<b>845,113</b>
<b>Non-current liabilities</b>		
Retirement benefits	39,652	39,128
Deferred tax liabilities	24,212	24,261
	63,864	63,389
<b>Current liabilities</b>		
Other payables	97,972	106,692
Taxation	10,605	6,360
	108,577	113,052
<b>Total liabilities</b>	<b>172,441</b>	<b>176,441</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,058,016</b>	<b>1,021,554</b>
<b>NET TANGIBLE ASSET (RM)</b>	<b>2.21</b>	<b>2.11</b>

Note : The condensed consolidated balance sheets should be read in conjunction with the audited financial statements of the Group for the year ended 31 December, 2010 and the accompanying explanatory notes attached to the interim financial statements.

**Bintulu Port Holdings Berhad**Company No. 380802-T  
(Incorporated in Malaysia)**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE  
INCOME FOR THE FIRST QUARTER ENDED 31 MARCH 2011**

	Individual quarter		Cumulative quarter	
	ending 31 March		ending 31 March	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>	121,958	117,863	121,958	117,863
Other income	3,568	6,873	3,568	6,873
	125,526	124,736	125,526	124,736
Staff costs	(13,799)	(19,486)	(13,799)	(19,486)
Lease of port facilities	(27,993)	(26,283)	(27,993)	(26,283)
Maintenance and operational supplies	(12,729)	(13,800)	(12,729)	(13,800)
Administrative expenses	(3,859)	(3,319)	(3,859)	(3,319)
Depreciation and Amortisation	(12,251)	(8,040)	(12,251)	(8,040)
	54,895	53,808	54,895	53,808
<b>Profit before taxation</b>	54,895	53,808	54,895	53,808
Tax expense	(14,433)	(13,068)	(14,433)	(13,068)
	40,462	40,740	40,462	40,740
<b>Net profit for the period</b>	40,462	40,740	40,462	40,740
Basic earnings per share (sen)	10.12	10.19	10.12	10.19

Note : The condensed consolidated income statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
For the three months ended 31 March, 2011 & 31 March, 2010

	Share capital RM'000	Share Premium RM'000	Retained profits RM'000	Total RM'000
<b>At 1 January, 2010</b>	400,000	92,950	351,837	844,787
Net profit for the period	-	-	40,740	40,740
<b>At 31 March, 2010</b>	400,000	92,950	392,577	885,527
<b>At 1 January, 2011</b>	400,000	92,950	352,163	845,113
Net profit for the period	-	-	40,462	40,462
<b>At 31 March, 2011</b>	400,000	92,950	392,625	885,575

Note :

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements of the Group for the year ended 31 December, 2010 and the accompanying explanatory notes attached to the interim financial statements.

**Bintulu Port Holdings Berhad**Company No. 380802-T  
(Incorporated in Malaysia)**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW**

For the three months ended 31 March, 2011 &amp; 31 March, 2010

	<b>3 months ended 31 March, 2011 RM'000</b>	<b>3 months ended 31 March, 2010 RM'000</b>
Net cash inflow from operating activities	35,215	61,048
Net cash inflow / <outflow> from investing activities	1,718	(11,327)
Net increase in cash and cash equivalents	36,933	49,721
Cash and cash equivalents at 1 January	273,713	313,714
<b>Cash and cash equivalents</b>	<b>310,646</b>	<b>363,435</b>

	<b>3 months ended 31 March, 2011 RM'000</b>	<b>3 months ended 31 March, 2010 RM'000</b>
<b>Cash and cash equivalents comprise:</b>		
Short term deposits with licensed banks and financial institutions	87,873	98,037
Deposits with other institution	209,683	228,330
	297,556	326,367
REPO, Cash and Bank Balances	13,090	37,068
	310,646	363,435

Notes :

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements of the Group for the year ended 31 December, 2010 and the accompanying explanatory notes attached to the interim financial statements.

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## **SELECTED EXPLANATORY NOTES ON QUARTERLY FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2011**

### **PART A. EXPLANATORY NOTES PURSUANT TO FRS 134**

#### **A1. Basis of Preparation**

The interim financial statements have been prepared under the historical cost convention.

The interim financial statements are unaudited and have been prepared in compliance with the requirements of FRS 134 : Interim Financial Reporting and paragraph 9.22, Appendix 9B, of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 December, 2010. 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, 2010.

#### **Changes in Accounting Policies**

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2010 except for the adoption of the following new/revised Financial Reporting Standards ("FRS"):

Effective for financial periods beginning on or after 1 July 2010:

FRS 1	First-time Adoption of Financial Reporting Standards
FRS 3	Business Combinations (Revised)
Amendments to FRS 2	Share-based Payment
Amendments to FRS 5	Non-current Asset Held for Sale and Discontinued Operations
Amendments to FRS 127	Consolidated and Separate Financial Statements
Amendments to FRS 138	Intangible Assets
IC Interpretation 12	Service Concession Arrangements

Effective for financial periods beginning on or after 1 January 2011:

Amendments to FRS 1	Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters
Amendments to FRS 7	Improving Disclosures about Financial Instruments

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### **A2. Segmental Reporting**

Segmental analysis of the Group's operation is categorised into port services and edible oil bulking facilities and services.

No information is provided on a geographical basis as the Group's activities are carried out predominantly in Malaysia.

The directors are of the opinion that all inter-segment transactions have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from those obtainable in transactions with unrelated parties.

	<b>Operating Revenue</b>	<b>Profit/(Loss) before taxation</b>	<b>Tangible Assets Employed</b>
	<b>31/03/2011 RM'000</b>	<b>31/03/2011 RM'000</b>	<b>31/03/2011 RM'000</b>
Port services	116,437	52,079	805,754
Bulking services	5,521	1,203	127,457
Investment Holdings	-	1,613	124,805
	<b>121,958</b>	<b>54,895</b>	<b>1,058,016</b>

### **A3. Unusual Items due to their Nature, Size or Incidence**

There were no unusual items for the current quarter and financial year-to-date.

### **A4. Changes in Estimates**

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

### **A5. Comments about Seasonal or Cyclical Factors**

The revenue from port's services is subject to the seasonal and cyclical factors of the respective industries.

### **A6. Dividends Paid**

There was no dividend paid during the quarter under review.

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**A7. Debt and Equity Securities**

There was no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current quarter and financial year-to-date.

**A8. Changes in the Composition of the Group**

There were no other changes in the composition of the Group for the current quarter and financial year-to date.

**A9. Subsequent Events**

There were no materials events subsequent to the end of the reporting period that have not been reflected in the financial statements.

**A10. Valuation of Property, Plant and Equipment**

There has not been any valuation of property, plant and equipment for the Group.

**A11. Contingent Liabilities or Contingent Assets**

There were no contingent liabilities or contingent assets since the last annual statement of financial position as at 31 December 2010.

**A12. Acquisitions and Disposals of Property, Plant and Equipment**

For the three months period ended 31 March 2011, there were no major acquisitions of property, plant and equipment.



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### A13. Commitments

As at 31 March 2011, the commitments were as follows:

	<b>RM'000</b>
Approved and contracted for :	
Property, plant and equipment	90,368
Lease (a)	1,490,596
	<hr/> 1,580,964
Approved but not contracted for :	
Property, plant and equipment	5,165
	<hr/> 1,586,129

(a) The lease commitment is in respect of leases for land, buildings and port structures at Bintulu Port payable to Bintulu Port Authority extending to 31 December, 2022.

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### A14. Significant Related Party Transactions

	Current year quarter 31/03/2011 RM'000	Current year- to-date 31/03/2011 RM'000
Transactions with subsidiaries of a substantial shareholder, Petroliam Nasional Berhad:		
Rendering of services:		
Malaysia LNG Sdn.Bhd	80,127	80,127
ASEAN Bintulu Fertilizer Sdn. Bhd	74	619
MISC Agencies (Sarawak) Sdn. Bhd.	407	407
PS Terminal Sdn. Bhd.	365	365
Purchases of fuel and lubricants:		
Petronas Dagangan Berhad	(894)	(894)

The directors are of the opinion that all the transactions above have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from that obtainable in transactions with unrelated parties.

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### **PART B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

#### **B1. Review of Performance**

The Group registered a profit before taxation amounting to RM54.89 million in the current quarter against RM53.81 million achieved in the preceding year corresponding quarter.

The Group's operating revenue increased by RM4.10 million (3.48%) for the current quarter from RM117.86 million to RM121.96 million in Q1 2011. Revenue generated from the port's services is RM116.44 million with the revenue from the handling of LNG vessel calls and cargo contributing RM95.84 million (78.58%) towards the total operating revenue. Revenue from the bulking services contributed RM5.52 million (4.52%) towards the total operating revenue.

There have been no other material factors affecting the earnings and/or revenue of the Group for the current quarter.

#### **B2. Material Changes in the Quarterly Results compared to the Results of the Preceding Quarter**

The pre-tax profit for the first quarter of 2011 amounting to RM54.89 million is higher compared to RM50.35 million achieved in the preceding quarter.

The operating revenue is higher by RM3.89 million from RM118.07 million to RM121.96 million. Revenue generated from the port's services is higher by RM4.29 million from RM112.15 million in Q4 2010 to RM116.44 million in Q1 2011. Revenue from the handling of LNG vessel calls and cargo remains the major contributor. Revenue from the bulking services however shows a decrease of RM0.40 million from RM5.92 million to RM5.52 million.

There were no other unusual items affecting profits for the current quarter.

#### **B3. Current Year's Prospects**

In 2011, the handling of LNG vessel calls and cargoes will still be Bintulu Port most important revenue contributor. The bulking operation is also expected to contribute positively towards the revenue growth. Other cargoes that are expected to contribute positively towards the revenue are bulk fertiliser, palm oil, palm kernel and alumina.

Barring any unforeseen circumstances, the Board expects the performance of the Group for the year 2011 to remain satisfactory.

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### **B4. Board of Directors Statement on Internal Targets**

The Company did not announce or disclose any internal management targets in a public document.

### **B5. Profit Forecast or Profit Guarantee**

The Company did not announce or disclose any profit forecast or profit guarantee in a public document.

### **B6. Tax Expense**

Tax expense comprises:

	<b>Current year quarter 31/03/2011 RM'000</b>	<b>Current year- to-date 31/03/2011 RM'000</b>
Current tax expense	14,482	14,482
Deferred tax expense	(49)	(49)
	<b>14,433</b>	<b>14,433</b>

The effective tax rate for the current quarter is higher than the statutory tax rate mainly due to certain expenses which are not deductible for tax purposes.

### **B7. Sale of Unquoted Investments and/or Properties**

There was no sale of unquoted investments and/or properties for the current quarter and financial year-to-date.

### **B8. Purchase and Disposal of Quoted Securities**

Not applicable.

### **B9. Status of Corporate Proposals**

- There were no corporate proposals which were announced at the end of the reporting period.
- The proceeds from the listing has been fully utilised in 2010.

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### **B10. Group Borrowings and Debt Securities**

There were no borrowings and debt securities at the end of the reporting period.

### **B11. Off Balance Sheet Financial Instruments**

With the adoption of FRS 139, there is no longer any off balance sheet financial instruments items. The Company pursuant to Bursa Malaysia's directive dated 25<sup>th</sup> March 2010 confirms that there does not exist any outstanding derivatives as at 26<sup>th</sup> May 2011.

### **B12. Gains/Losses Arising from Fair Value Changes to Financial Liabilities**

All financial liabilities of the Group are classified as payables and other payables.

Gains and losses are recognised in the statement of comprehensive income when the liabilities are derecognised as well as through the amortisation process. In the Group, payables are carried at amortised cost which are not materially different from the fair value.

### **B13. Material Litigation**

**Writ of Summons between Bintulu Port Sdn Bhd (Co. No.254396-V), Awang Faizol bin Awang Sallam, Ibrahim bin Zaini & Abu Bakar Bin Husaini, suing on behalf of themselves and as representatives of 210 other Purchasers of houses in the BPSB Staff Housing Project at Bintulu [Plaintiffs] Against Promin Development Sdn Bhd (Co. No. 243753-U), [Defendant] vide suit no. 22-21-2006 (BTU)**

In the above case, Bintulu Port Sdn. Bhd. ("BPSB") and 210 other Purchasers of houses in the BPSB Staff Housing Project at Bintulu (Plaintiffs) are suing Promin Development Sdn Bhd ("the Defendant") for the transfer of separate individual titles of each units and the claim for specific damages for the sum of **RM12,159,915.92 only**, general damages and costs for BPSB's portion whilst the staffs portion, the claim for specific damages is **RM6,557,600.00 only**, general damages and costs. The Defendant has filed their Statement of Defence and Counter-Claim for the sum of **RM14,112,904.61 only**, interest and costs.

The terms of settlement of the Deed of Settlement have been finalized and mutually agreed upon, whereby the Deed of Settlement was duly executed by both parties on 9<sup>th</sup> March 2011 ("the said Deed of Settlement").

This matter was fixed for Mention on 11<sup>th</sup> March 2011 whereby a Consent Order was entered and recorded by the Honourable Court.

Both parties are in the midst of discharging their respective duties and responsibilities in accordance and in compliance with the terms and conditions of the Deed of Settlement.

In the event that the Defendant failed to discharged or comply to the same, BPSB can apply for a hearing before the courts to determine whether the Defendant has committed a contempt of court.

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### B14. Dividend Proposed

The Board has recommended a first interim single tier dividend of 7.50 sen per share on 400,000,000 ordinary shares, amounting to RM30,000,000 in respect of the financial year ending 31 December 2011 (previous corresponding period: single tier dividend of 7.50 sen per share).

Details of the book closure will be announced separately.

### B15. Earnings Per Share

Basic earnings per share is calculated by dividing the net profit attributable to shareholders by the number of ordinary shares in issue during the period.

	Current year quarter		Current year-to-date	
	31 March		31 March	
	2011	2010	2010	2009
	RM'000	RM'000	RM'000	RM'000
Net profit attributable to shareholders (RM'000)	40,462	40,740	40,462	40,740
Number of ordinary shares in issue ('000)	400,000	400,000	400,000	400,000
Basic earnings per share (sen)	10.12	10.19	10.12	10.19

### B16. Audit Report

The audit report of the previous annual financial statements for the year ended 31 December 2010 was not subject to any qualification.

### B17. Disclosure of Realised and Unrealised Profits

The breakdown of the retained earnings of the Group and of the Company as at 31<sup>st</sup> March 2011 into realised and unrealised profits is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25<sup>th</sup> March 2010 and prepared in accordance with Guidance on Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, as issued by the Malaysian Institute of Accountants.

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**B17. Disclosure of Realised and Unrealised Profits (continued)**

The breakdown of the retained earnings of the Group and of the Company as at 31 March 2011 into realised and unrealised profits, pursuant to directives, is as follows:-

	<b>Group</b> <b>31/03/2011</b> <b>RM'000</b>	<b>Group</b> <b>31/12/2010</b> <b>RM'000</b>
Total retained earnings of the Company and its Subsidiaries:		
- Realised	416,061	375,648
- Unrealised	(23,436)	(23,485)
	<u>392,625</u>	<u>352,163</u>

The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Malaysia and should not be applied for any other purposes.

**B18. Authorisation for Issue**

The interim financial statements were authorised for issue by the Board of Directors on 26<sup>th</sup> May 2011.

BY ORDER OF THE BOARD

HAJI NIK ABD RAHMAN BIN NIK ISMAIL  
Company Secretary

Date: 26 May 2011