

**Trans-Asia Shipping Corporation Berhad**  
**(Company No:20218-T)**



**TASCO**

**Condensed Consolidated Financial Statements**  
**For The Quarter And Year-To-Date Ended**  
**31 March 2008**



**Trans-Asia Shipping Corporation Berhad**  
**Company No:20218-T**  
**Incorporated In Malaysia**

## **QUARTERLY REPORT**

<b>CONTENTS</b>	<b>PAGES</b>
Condensed Consolidated Income Statement	1
Condensed Consolidated Balance Sheet	2 - 3
Condensed Consolidated Statement of Changes in Equity	4
Condensed Consolidated Cash Flow Statement	5 - 6
Notes to the Interim Financial Report	7 - 14



**Condensed Consolidated Income Statement**  
**For The Quarter And Year-To-Date Ended 31 March 2008**

	Quarter And Year-To-Date Ended	
	31.03.2008 RM'000 Unaudited	31.03.2007 RM'000 Unaudited
Revenue	80,243	79,539
Cost of sales	(63,592)	(65,311)
Gross profit	16,651	14,228
Other operating income	21	19
General and administrative expenses	(13,048)	(11,602)
Profit from operations	3,624	2,645
Investment income	282	185
Share of profits of associated companies	154	233
Finance costs	(67)	(127)
Profit before taxation	3,993	2,936
Tax expense	(1,182)	(765)
Profit for the period	2,811	2,171
Attributable to:		
Shareholders of the Company	2,765	2,170
Minority interests	46	1
Earnings per share (sen) - basic	2.77	2.90
- diluted	-	-

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements



**Condensed Consolidated Balance Sheet As At 31 March 2008**

	As at 31.03.2008 RM'000 Unaudited	As at 31.12.2007 RM'000 Audited
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	69,514	55,372
Goodwill	865	865
Investment in associated companies	6,720	9,099
Other investments	1,201	1,201
Prepaid lease payments	6,071	6,087
<b>Total non-current assets</b>	<b>84,371</b>	<b>72,624</b>
<b>Current assets</b>		
Inventories	58	50
Trade receivables	56,212	64,195
Other receivables, deposits and prepayments	2,755	4,315
Amounts owing by associated companies	2	984
Current tax asset	-	17
Fixed deposits with a licensed bank	44,058	41,173
Cash and bank balances	21,568	21,014
	124,653	131,748
Non-current assets classified as held for sale	4,103	4,104
<b>Total current assets</b>	<b>128,756</b>	<b>135,852</b>
<b>TOTAL ASSETS</b>	<b>213,127</b>	<b>208,476</b>

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements



**Condensed Consolidated Balance Sheet As At 31 March 2008**

	As at 31.03.2008 RM'000 Unaudited	As at 31.12.2007 RM'000 Audited
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	100,000	100,000
Share premium	801	801
Exchange translation reserve	10	10
Unappropriated profit	60,936	58,171
	-----	-----
Equity attributable to shareholders of the Company	161,747	158,982
Minority interests	289	243
	-----	-----
<b>Total equity</b>	<b>162,036</b>	<b>159,225</b>
	-----	-----
<b>Non-current liabilities</b>		
Hire purchase and finance lease liabilities	714	1,777
Deferred tax liabilities	4,632	2,317
	-----	-----
<b>Total non-current liabilities</b>	<b>5,346</b>	<b>4,094</b>
	-----	-----
<b>Current liabilities</b>		
Trade payables	25,331	24,442
Other payables, deposits and accruals	14,281	12,144
Amounts owing to associated companies	1,245	1,599
Hire purchase and finance lease liabilities	3,261	3,695
Revolving credits ( <i>unsecured</i> )	-	1,480
Bank overdraft ( <i>unsecured</i> )	-	-
Current tax liabilities	1,627	1,797
	-----	-----
<b>Total current liabilities</b>	<b>45,745</b>	<b>45,157</b>
	-----	-----
<b>Total liabilities</b>	<b>51,091</b>	<b>49,251</b>
	-----	-----
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>213,127</b>	<b>208,476</b>
	=====	=====
<b>Net Assets per share (RM)</b>	<b>1.62</b>	<b>1.59</b>
	=====	=====

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements



**Condensed Consolidated Statement of Changes in Equity For Year-To-Date Ended 31 March 2008 (Unaudited)**

	-----Attributable to shareholders of the Company-----						
	Share capital RM'000	Share premium RM'000	Exchange translation reserve RM'000	Unappropriated profit RM'000	Total RM'000	Minority interests RM'000	Total equity RM'000
Balance at 1 January 2007	45,000	-	10	74,813	119,823	222	120,045
Profit for the year	-	-	-	2,170	2,170	1	2,171
Balance at 31 March 2007	45,000	-	10	76,983	121,993	223	122,216
Balance at 1 January 2008	100,000	801	10	58,171	158,982	243	159,225
Profit for the year	-	-	-	2,765	2,765	46	2,811
Balance at 31 March 2008	100,000	801	10	60,936	161,747	289	162,036

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements



**Condensed Consolidated Cash Flow Statement**  
**For The Year-To-Date Ended 31 March 2008**

	Year-To-Date Ended	
	31.03.2008	31.03.2007
	RM'000	RM'000
	Unaudited	Unaudited
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	3,993	2,936
Adjustments for:		
Bad and doubtful debts	5	-
Depreciation	1,899	1,452
Property, plant and equipment written off	2	2
Share of profits of associated companies	(154)	(233)
Interest income	(282)	(112)
Dividend income	-	(73)
Interest expense	65	127
Operating profit before working capital changes	5,528	4,099
Changes in inventories	(8)	11
Changes in receivables	8,063	7,700
Changes in payables	23	(3,425)
Cash generated from operations	13,606	8,385
Tax paid	(952)	(904)
Net cash generated from operating activities	12,654	7,481
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(685)	(1,343)
Acquisition of subsidiary companies	(6,681)	-
Repayment from / (Advance to) an associated company	974	(2)
Dividend received from other investment	-	73
Interest received	282	112
Net cash used in investing activities	(6,110)	(1,160)

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements



**Condensed Consolidated Cash Flow Statement**  
**For The Year-To-Date Ended 31 March 2008**

	<b>Year-To-Date Ended</b>	
	<b>31.03.2008</b>	<b>31.03.2007</b>
	<b>RM'000</b>	<b>RM'000</b>
	<b>Unaudited</b>	<b>Unaudited</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment / (Drawdown) of revolving credits / bank overdraft	(1,480)	-
Payment of hire purchase and finance lease liabilities	(1,558)	(1,660)
Interest paid	(67)	(127)
Net cash generated from / (used in) financing activities	(3,105)	(1,787)
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>3,439</b>	<b>4,534</b>
<b>CASH AND CASH EQUIVALENTS BROUGHT FORWARD</b>	<b>62,187</b>	<b>36,812</b>
<b>CASH AND CASH EQUIVALENTS CARRIED FORWARD</b>	<b>65,626</b>	<b>41,346</b>
Represented by:		
Fixed deposits with a licensed bank	44,058	28,416
Cash and bank balances	21,568	12,930
	<b>65,626</b>	<b>41,346</b>

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial statements





## Notes to the Interim Financial Report

### Explanatory Notes In Compliance With Financial Reporting Standards ("FRS") 134 Interim Financial Reporting

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

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

These 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.

The interim financial report should be read in conjunction with the Company's audited financial statements for the financial year ended (FYE) 31 December 2007. 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 FYE 31 December 2007.

#### A2. **Adoption of Revised Financial Reporting Standards**

The significant accounting policies adopted are consistent with those of the previous year except for the following new and revised Financial Reporting Standards (FRSs) and new Interpretations effective for financial periods beginning on or after 1 January 2008:

<i>FRS 107</i>	Cash Flow Statements
<i>FRS 111</i>	Construction Contracts
<i>FRS 112</i>	Income Taxes
<i>FRS 118</i>	Revenue
<i>FRS 120</i>	Accounting for Government Grants and Disclosure of Government Assistance
<i>FRS 134</i>	Interim Financial Reporting
<i>FRS 137</i>	Provisions, Contingent Liabilities and Contingent Assets
<i>IC Interpretation 1</i>	Changes in Existing Decommissioning, Restoration and Similar Liabilities
<i>IC Interpretation 2</i>	Members' Shares in Co-operative Entities and Similar Instruments
<i>IC Interpretation 5</i>	Rights to interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
<i>IC Interpretation 6</i>	Liabilities arising from Participating in a Specific Market - Waste Electrical and Electronic Equipment
<i>IC Interpretation 7</i>	Applying the Restatement Approach under FRS 129 2004 - Financial Reporting in Hyperinflationary Economies
<i>IC Interpretation 8</i>	Scope of FRS 2

FRS 139 Financial Instruments: Recognition and Measurement has been deferred and has not been adopted by the Group.

The adoption of the abovementioned FRSs does not result in significant changes in accounting policies of the Group.



## Notes to the Interim Financial Report

### Explanatory Notes In Compliance With Financial Reporting Standards ("FRS") 134 Interim Financial Reporting

**A3. Audit Report**

The Audit Report of the Group's annual financial statements for the FYE 31 December 2007 was not subjected to any qualification.

**A4. Seasonal or Cyclical Factors**

The Group's operations generally experience higher volume in the third and fourth quarter of the calendar year which coincide with the festive seasons such as Christmas and Hari Raya during the end of the calendar year.

**A5. Unusual Items due to their Nature, Size or Incidence**

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during in the current quarter under review except as disclosed in Note A 11

**A6. Changes in Estimates**

There were no changes in estimates that have had a material effect in the current quarter under review.

**A7. Issuances, Cancellation, Repurchases, Resale and Repayments of Debt and Equity Securities**

There were no issuances, cancellation, repurchases, resale and repayments of debt and equity securities in the current quarter under review.

**A8. Dividends paid**

No interim or final dividends were paid in the current quarter under review.

**A9. Segmental Reporting**

	<b>Segmental Revenue</b>		<b>Segmental Result (PBT)</b>	
	<b>3 months ended 31.03.2008</b>	<b>3 months ended 31.03.2007</b>	<b>3 months ended 31.03.2008</b>	<b>3 months ended 31.03.2007</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
International Air Freight Division	34,186	40,004	824	860
Forwarding Division	25,992	20,174	1,890	1,223
Trucking Division	12,025	12,383	953	701
International SeaFreight Division	6,623	4,861	458	364
Others	1,417	2,117	(132)	(212)
<b>Total</b>	<b>80,243</b>	<b>79,539</b>	<b>3,993</b>	<b>2,936</b>

Note: Internatioanl Air Freight Division is formerly known as Air Division  
Forwarding Division is formerly known as Ocean Division  
Trucking Division is formerly known as Land Division  
International Sea Freight Division is formerly known as International Freight Division



## Notes to the Interim Financial Report

### Explanatory Notes In Compliance With Financial Reporting Standards ("FRS") 134 Interim Financial Reporting

**A10. Subsequent Events**

There was no material event subsequent to the end of the current quarter.

**A11. Changes in Composition of the Group**

There were no changes in the composition of the Group in the current quarter under review except that TASCO had on 11 February 2008 and 19 February 2008 acquired 100% and 67.5% equity interest in Maya Kekal Sdn Bhd and Precious Fortune Sdn Bhd respectively.

Details of the acquisition are as follows:

<u>Name of subsidiary company</u>	<u>Purchase consideration</u> RM'000	<u>Group's effective interest %</u>	
		31-Mar-08	31-Dec-07
Maya Kekal Sdn Bhd (MKSB)	2,521	100.00%	0.00%
Precious Fortune Sdn Bhd (PFSB)	5,738	100.00%	32.50%

Details of the assets, liabilities and net cash outflow arising from the acquisition of MKSB and PFSB in 2008 were as follows:

	<b>RM'000</b>
Property, plant and equipment	14,664
Cash and bank balances	1,578
Deposits prepayment	56
Payables and accruals	(5,277)
Net assets acquired	11,021
Add: Goodwill arising from acquisition	-
Less: Previously accounted under Equity Method	(2,762)
Total purchase consideration	8,259
Less: Cash and cash equivalent acquired	(1,578)
Net cash outflow on acquisition	6,681



## Notes to the Interim Financial Report

### Explanatory Notes In Compliance With Financial Reporting Standards ("FRS") 134 Interim Financial Reporting

#### A11. **Changes in Composition of the Group (continued)**

The revenue and loss for the period from 1 January 2008 and 31 March 2008 and its post acquisition contribution included in the consolidated income statement were as follows:

<b>Revenue</b>	<b>RM'000</b>
During the financial period	-
Pre-Acquisition	-
	-----
Post acquisition	-
	=====
<b>Loss for the period</b>	
During the financial period	(191)
Pre-Acquisition	(135)
	-----
Post acquisition	(56)
	=====

The net assets of the acquired subsidiary company included in the consolidated balance sheet as at 31 March 2008 were as follows:

	<b>Total</b>
	<b>RM'000</b>
Property, plant and equipment	14,664
Cash and bank balances	1,578
Deposits and prepayment	56
Payables and accruals	(2,273)
	-----
Group's share of net assets	14,025
	=====

#### A12. **Contingent Liabilities**

There was no material contingent liabilities since the last annual balance sheet date to the date of this report.



**Disclosure Requirements Pursuant to Part A, Appendix 9B of Bursa Malaysia  
Securities Berhad Listing Requirements**

**B1. Performance Review**

Revenue of RM80.2 million for the financial period ended (FPE) 31 March 2008 is higher by RM0.7 million or 1% than that of the FPE 31 March 2007. This is mainly due to increase in volume handled and new customers secured by Forwarding Division (previously known as Ocean Division) and Internatioanl Sea Freight Division (formerly known as International Freight Division) in 2008 as compared to that of 2007.

Despite a minor increase of revenue in 2007, the Group has achieved profit after taxation of RM2.8 million for the FPE 31 March 2008 which is higher by RM0.6 million or 29% than that of the FPE 31 March 2007. This is mainly due to the revenue mix whereby higher margin division namely Forwarding Division and International Sea Freight Division has achieved higher sales for the FPE 31 March 2008.

**B2. Comparison with preceding Quarter's results**

Revenue of RM80.2 million for the financial period ended (FPE) 31 March 2008 is higher by RM0.7 million or 1% than that of the FPE 31 March 2007. This is mainly due to increase in volume handled and new customers secured by Forwarding Division (previously known as Ocean Division) and Internatioanl Sea Freight Division (formerly known as International Freight Division) in 2008 as compared to that of 2007.

Despite a minor increase of revenue in 2007, the Group has achieved profit after taxation of RM2.8 million for the FPE 31 March 2008 which is higher by RM0.6 million or 29% than that of the FPE 31 March 2007. This is mainly due to the revenue mix whereby higher margin division namely Forwarding Division and International Sea Freight Division has achieved higher sales for the FPE 31 March 2008.

**B3. Prospects for the Remaining Period to the End of the Financial Year**

Although market conditions have remained challenging, the Directors are confident that the performance of the Group for the rest of the financial year ending 2008 will be satisfactory.



**Disclosure Requirements Pursuant to Part A, Appendix 9B of Bursa Malaysia Securities Berhad Listing Requirements**

**B4. Profit Forecast**

	Unaudited 3 months ended 31.03.2008	Extrapolated to 12 months ending 31.12.2008	Forecast 12 months ending 31.12.2008	Variance	
	RM'000	RM'000	RM'000	RM'000	%
Revenue	80,243	320,972	360,967	(39,995)	-11%
Cost of sales	(63,592)	(254,368)	(284,659)	30,291	11%
Gross profit	16,651	66,604	76,308	(9,704)	-13%
Group's profit before tax	3,792	15,168	19,880	(4,712)	-24%
Share of profits of associate companies	154	616	612	4	1%
Profit before tax	3,946	15,784	20,492	(4,708)	-23%
Tax	(1,182)	(4,728)	(5,669)	941	17%
Profit after tax (PAT)	2,764	11,056	14,823	(3,767)	-25%
Minority Interest (MI)	46	184	(23)	207	900%
PAT after MI	2,811	11,240	14,800	(3,560)	-24%

Based on the extrapolated results, the Group has not achieved its forecast PAT after MI of RM14.8 million (based on the Prospectus issued by the Company on 7 December 2007) by RM3.6 million or 24% for the financial year ending 31 December 2008.

Notwithstanding above, the Group's operations generally experience higher sales and profit in the third and fourth quarter of the calendar year (see Note A4). Barring unforeseen circumstances, the Directors are confident that the performance of the Group for the rest of the financial year ending 2008 will be satisfactory.

**B5. Tax expense**

	Quarter and Year-To-Date Ended	
	31.03.2008 RM'000	31.03.2007 RM'000
Current year tax:		
- Malaysia tax	1,182,000	765,000
	1,182,000	765,000

The Group's effective tax rate of 30% is higher than the statutory tax rate of 26% for the current quarter under review is mainly due to non-deductible expenses.



**Disclosure Requirements Pursuant to Part A, Appendix 9B of Bursa Malaysia Securities Berhad Listing Requirements**

**B6. Sale of Unquoted Investments and Properties**

There were no disposal of unquoted investments and/or properties for the current quarter under review.

**B7. Quoted Investments**

There were no purchases or disposals of any quoted investments during the quarter under review.

Investments in quoted securities as at 31 March 2008 are as follows:

	<b>RM'000</b>
Cost	33 =====
Book value	33 =====
Market value	17 =====

**B8. Corporate Proposals**

There were no new proposals made for the quarter under review.

**B9. Borrowing**

	<b>As At 31.03.2008 RM'000</b>	<b>As At 31.12.2007 RM'000</b>
Short term borrowing (unsecured)	- =====	1,480 =====

The borrowing is denominated in Ringgit Malaysia.



**Disclosure Requirements Pursuant to Part A, Appendix 9B of Bursa Malaysia Securities Berhad Listing Requirements**

**B10. Off Balance Sheet Financial Instruments**

The foreign currency forward contracts outstanding as at 31 March 2008 and 31 December 2007 are as follows:

	<u>Amount to be paid</u>		Average contractual rate	<u>Settlement period</u>	
	JPY'000	Equivalent RM'000		Within 1 year RM'000	2 to 5 years RM'000
31.03.2008					
Trade payables	32,825	1,051	0.032	1,051	-
	=====	=====	=====	=====	=====
31.12.2007					
Trade payables	49,287	1,499	0.030	1,499	-
	=====	=====	=====	=====	=====

**B11. Litigation**

There was no material litigation pending since the last annual balance sheet date to the date of this report

**B12. Dividend Payable**

No interim or final dividends were declared in the current quarter under review.

**B13. Earnings per share**

	<u>Quarter and Year-To-Date Ended</u>	
	31.03.2008	31.03.2007
PAT after MI (RM'000)	2,765	2,170
Weighted average number of ordinary shares in issue ('000)	100,000	74,800
Earnings per share (sen)	2.77	2.90
	=====	=====

The Company does not have any dilutive potential ordinary shares outstanding as at 31 March 2008. Accordingly, no diluted earnings per share is presented.