

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



TASCO

Condensed Consolidated Financial Statements
For The Quarter And Year-To-Date Ended
30 June 2009



Condensed Consolidated Income Statement
For The Quarter And Year-To-Date Ended

30 June 2009

	3 months ended		Cumulative 6 months ended	
	30.06.2009 RM'000 Unaudited	30.06.2008 RM'000 Unaudited	30.06.2009 RM'000 Unaudited	30.06.2008 RM'000 Unaudited
Revenue	61,582	87,005	114,569	167,248
Cost of sales	(49,336)	(70,798)	(88,031)	(134,390)
Gross profit	12,246	16,207	26,538	32,858
Other operating income	60	641	518	662
General and administrative expenses	(9,264)	(12,794)	(23,787)	(25,842)
Profit from operations	3,042	4,054	3,269	7,678
Investment income	93	296	284	578
Share of profits of associated companies	160	116	329	270
Finance costs	(20)	(46)	(48)	(113)
Profit before taxation	3,275	4,420	3,834	8,413
Tax expense	(918)	(1,162)	(1,069)	(2,344)
Profit for the period	2,357	3,258	2,765	6,069
Attributable to:				
Shareholders of the Company	2,353	3,247	2,742	6,012
Minority interests	4	11	23	57
	2,357	3,258	2,765	6,069
Earnings per share (sen) - basic	2.35	3.25	2.74	6.01
- diluted	-	-	-	-

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.



Condensed Consolidated Balance Sheet As At

30 June 2009

	As at 30.06.2009 RM'000 Unaudited	As at 31.12.2008 RM'000 Audited
ASSETS		
Non-current assets		
Property, plant and equipment	104,143	107,590
Goodwill	865	865
Investment in associated companies	6,760	6,430
Other investments	1,215	1,223
Prepaid lease payments	20,393	20,540
	-----	-----
Total non-current assets	133,376	136,648
	-----	-----
Current assets		
Inventories	152	123
Trade receivables	42,877	57,300
Other receivables, deposits and prepayments	6,010	3,879
Amounts owing by associated companies	-	807
Current tax asset	2,019	1,018
Fixed deposits with a licensed bank	19,058	30,776
Cash and bank balances	11,544	15,658
	-----	-----
Total current assets	81,660	109,561
	-----	-----
TOTAL ASSETS	215,036	246,209
	=====	=====

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.



Condensed Consolidated Balance Sheet As At

30 June 2009

	As at 30.06.2009 RM'000 Unaudited	As at 31.12.2008 RM'000 Audited
EQUITY AND LIABILITIES		
Equity		
Share capital	100,000	100,000
Share premium	801	801
Revaluation Reserve	1,400	1,400
Exchange translation reserve	(27)	(10)
Unappropriated profit	80,648	77,906
	-----	-----
Equity attributable to shareholders of the Company	182,822	180,097
Minority interests	293	270
	-----	-----
Total equity	183,115	180,367
	-----	-----
Non-current liabilities		
Hire purchase and finance lease liabilities	438	751
Deferred tax liabilities	6,857	6,488
	-----	-----
Total non-current liabilities	7,295	7,239
	-----	-----
Current liabilities		
Trade payables	18,630	23,966
Other payables, deposits and accruals	4,628	30,548
Amounts owing to associated companies	-	1,904
Hire purchase and finance lease liabilities	985	1,978
Current tax liabilities	383	207
	-----	-----
Total current liabilities	24,626	58,603
	-----	-----
Total liabilities	31,921	65,842
	-----	-----
TOTAL EQUITY AND LIABILITIES	215,036	246,209
	=====	=====
Net Assets per share (RM)	1.83	1.80
	=====	=====

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.



Condensed Consolidated Statement of Changes in Equity For Year-To-Date Ended 30 June 2009 (Unaudited)

	-----Attributable to shareholders of the Company-----							
	Share capital RM'000	Share premium RM'000	Revaluation reserve RM'000	Exchange translation reserve RM'000	Retained earnings RM'000	Total RM'000	Minority interests RM'000	Total equity RM'000
Balance at 1 January 2008	100,000	801	-	10	58,171	158,982	243	159,225
Exchange differences on translating foreign operation	-	-	-	(20)	-	(20)	-	(20)
Revaluation reserve arising from acquisition of new subsidiary company	-	-	1,400	-	-	1,400	-	1,400
Adjustment on post-acquisition profit of previously held interest in a subsidiary	-	-	-	-	1,377	1,377	-	1,377
Net income / (expense) recognised directly in equity	-	-	1,400	(20)	1,377	2,757	-	2,757
Profit for the year	-	-	-	-	18,358	18,358	27	18,385
Total recognised (expense)/income for the year	-	-	1,400	(20)	19,735	21,115	27	21,142
Balance at 31 December 2008	100,000	801	1,400	(10)	77,906	180,097	270	180,367
Balance at 1 January 2009	100,000	801	1,400	(10)	77,906	180,097	270	180,367
Profit for the year	-	-	-	(17)	2,742	2,725	23	2,748
Balance at 30 June 2009	100,000	801	1,400	(27)	80,648	182,822	293	183,115

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.



Condensed Consolidated Cash Flow Statement
For The Year-To-Date Ended 30 June 2009

	Year-To-Date Ended	
	30.06.2009	30.06.2008
	RM'000	RM'000
	Unaudited	Unaudited
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	3,834	8,413
Adjustments for:		
Bad and doubtful debts	-	5
Depreciation	5,690	3,549
Gain on disposal of property, plant and equipment	(786)	(516)
Property, plant and equipment written off	-	2
Amortisation of prepaid lease payments	147	270
Share of profits of associated companies	(430)	(269)
Interest income	(247)	(578)
Dividend income	(37)	-
Interest expense	48	220
Operating profit before working capital changes	8,219	11,096
Changes in inventories	(29)	(89)
Changes in receivables	12,250	11,159
Changes in payables	(33,075)	(4,394)
Cash generated from operations	(12,635)	17,772
Tax paid	(1,538)	(1,760)
Net cash generated from operating activities	(14,173)	16,012
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(2,715)	(11,124)
Proceeds from disposal of property, plant and equipment	1,317	4,618
Additions to prepaid lease payments	-	(1,614)
Disposal of other investment	6	-
Acquisition of subsidiary companies	-	(6,681)
Dividend received from other investment	37	-
Dividend received from an associated company	806	-
Interest received	247	578
Net cash used in investing activities	(302)	(14,223)

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.



Condensed Consolidated Cash Flow Statement
For The Year-To-Date Ended 30 June 2009

	Year-To-Date Ended	
	30.06.2009	30.06.2008
	RM'000	RM'000
	Unaudited	Unaudited
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of revolving credits	-	(1,480)
Payment of hire purchase and finance lease liabilities	(1,305)	(2,399)
Interest paid	(48)	(220)
	-----	-----
Net cash generated used in financing activities	(1,353)	(4,099)
	-----	-----
NET INCREASE IN CASH AND CASH EQUIVALENTS	(15,828)	(2,310)
CASH AND CASH EQUIVALENTS BROUGHT FORWARD	46,434	62,187
EFFECT OF EXCHANGE RATE CHANGES	(4)	(1)
	-----	-----
CASH AND CASH EQUIVALENTS CARRIED FORWARD	30,602	59,876
	=====	=====
 Represented by:		
 Fixed deposits with a licensed bank	19,058	44,912
Cash and bank balances	11,544	14,964
	-----	-----
	30,602	59,876
	=====	=====

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2008 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 2008. 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 2008.

A2. Adoption of Revised Financial Reporting Standards

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2008.

At the date of authorisation of these interim financial statements, the following FRSs and Interpretations were issued but not yet effective and have not been applied by the Group:

FRSs and Interpretations

<i>FRS 4</i>	Insurance Contracts
<i>FRS 7</i>	Financial Instruments: Disclosures
<i>FRS 8</i>	Operating Segments
<i>FRS 139</i>	Financial Instruments: Recognition and Measurement
<i>IC Interpretation 9</i>	Reassessment of Embedded Derivatives
<i>IC Interpretation 10</i>	Interim Financial Reporting and Impairment

The adoption of the above FRSs and Interpretations upon their effective dates are not expected to have any significant impact on the interim financial statements of the Group. The Group is exempted from disclosing the possible impact, if any, to the financial statements upon its initial application of FRS139.

A3. Audit Report

The Audit Report of the Group's annual financial statements for the FYE 31 December 2008 was not subjected to any qualification.

A4. Seasonal or Cyclical Factors

The Group's operations are generally affected by festive seasons.

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

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows in the current quarter under review.

A6. Changes in Estimates

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



Notes to the Interim Financial Report

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

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

	<u>Segmental Revenue</u>		<u>Segmental Result (PBT)</u>	
	<u>6 months ended 30.06.2009</u>	<u>6 months ended 30.06.2008</u>	<u>6 months ended 30.06.2009</u>	<u>6 months ended 30.06.2008</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
<u>International Business Solutions</u>				
International Air Freight Division	39,759	73,781	(475)	1,811
International Sea Freight Division	9,307	12,170	(46)	680
International Network Solutions Division	1,017	929	127	26
	<u>50,083</u>	<u>86,880</u>	<u>(394)</u>	<u>2,517</u>
<u>Domestic Business Solutions</u>				
Forwarding Division	39,306	54,341	2,135	3,953
Trucking Division	23,743	23,883	1,464	1,594
Auto Logistics Division	1,437	2,144	160	(327)
	<u>64,486</u>	<u>80,368</u>	<u>3,759</u>	<u>5,220</u>
Others	-	-	469	676
Total	<u>114,569</u>	<u>167,248</u>	<u>3,834</u>	<u>8,413</u>

A10. Subsequent Events

Between 30 June 2009 and the date of this announcement, there is no material or unusual item, transaction or event likely to affect substantially the results of the operations of the Group for the Financial Period Ended 30 June 2009 except for the following:

- (a) Acquisition of property from JVC Manufacturing Malaysia Sdn Bhd on 1 July 2009; and
- (b) Disposal of property to Greenway Link Sdn Bhd on 7 July 2009.

For further details, please refer to the Group's announcements published in Bursa website.

A11. Changes in Composition of the Group

There were no changes in the composition of the Group in the current quarter under review.

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 (Year-to-date, 2009 vs Year-to-date 2008)

The Group achieved revenue of RM114.6 million for the financial period ended (FPE) 30 June 2009 and it was lower by RM52.7 million or 31% than that of 2008. Both International and Domestic Business Solutions experienced drop in revenue especially International Air Freight Division, Forwarding Division and International Sea Freight Division which were adversely affected by the global financial crisis.

With the decrease of revenue in 2009, the Group achieved profit from operations of RM3.3 million for FPE 30 June 2009 which is lower by RM4.4 million or 57% than that of 2008. This is mainly due to decrease in revenue. On the other hand, continuous efforts on internal savings especially on the general and administrative expenses have contributed positively to the Group's profit from operations.

Overall, the Group experienced approximately 54% drop in both Profit Before Taxation of RM3.8 million and Profit After Taxation of RM2.8 million for FPE 30 June 2009.

B2. Comparison with preceding Quarter's results (Quarter 2, 2009 vs Quarter 1, 2009)

The Group achieved revenue of RM61.6 million for the 2nd quarter ended 30 June 2009 and it was higher by RM8.6 million or 16% than the 1st quarter ended 31 March 2009. Both International and Domestic Business Solutions experienced increase in revenue of RM4.7 million and RM3.9 million respectively. As compared to 1st quarter ended 31 March 2009, our major divisions Forwarding Division increased by RM4.1 million, International Air Freight Division increased by RM4.0 million, International Sea Freight Division increased by RM0.7 million. The increase was mainly due to surge in volume handled especially on the import and export shipments which were badly affected by the global financial crisis in the 1st quarter ended 31 March 2009.

With the increase of revenue in the 2nd quarter of 2009, the Group achieved profit from operations of RM3.0 million for the 2nd quarter of 2009 which is higher by RM2.8 million or 1240% than the 1st quarter ended 31 March 2009. The increase in revenue and the continuous efforts on internal saving of the general and administrative expenses have contributed positively to the Group's profit from operations.

Overall, the Group experienced approximately 486% increase in Profit Before Taxation of RM3.3 million and approximately 478% increase in Profit After Taxation of RM2.4 million for the 2nd quarter of 2009.

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

The outlook for the Group's business depends on the performance of the local manufacturing sectors and international trading business which continue to be challenged by the ongoing global financial crisis. We are however positive that the government's stimulus measures would, to some extent, mitigate the adverse impact of the global financial crisis on the domestic economy.

Amidst the challenges and uncertainties facing the global and local scenes, we remain focused in our efforts to service our customers with innovative logistics solutions, extensive logistics network and high qualities. While we reinforce our commitment to a cost discipline culture in 2009, we will continue to invest which we believe will deliver long term growth and value.

B4. Profit Forecast

Not applicable as there is no forecast / profit guarantee.



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

B5. Tax expense

	Cumulative 6 months ended	
	30.06.2009	30.06.2008
	RM'000	RM'000
Income tax	700	462
Deferred tax	369	1,882
	-----	-----
	1,069	2,344
	=====	=====

The Group's effective tax rate of 28% is higher than the statutory tax rate of 25% for the current quarter under review is mainly due to non-deductible expenses.

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 30 June 2009 are as follows:

	RM'000
Cost	26
	=====
Book value	26
	=====
Market value	9
	=====

B8. Corporate Proposals

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

B9. Borrowing

	As At	As At
	30.06.2009	31.12.2008
	RM'000	RM'000
Short term borrowing		
Hire purchase and finance lease liabilities	985	1,978
Long term borrowing		
Hire purchase and finance lease liabilities	438	751
	-----	-----
	1,423	2,729
	=====	=====

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 are as follows:

	Amount to be paid		Average contractual rate	Settlement period	
	JPY'000	Equivalent RM'000		Within 1 year RM'000	2 to 5 years RM'000
30.06.2009					
Trade payables	12,938	481	0.037	481	-
	=====	=====	=====	=====	=====
31.12.2008					
Trade payables	21,830	854	0.039	854	-
	=====	=====	=====	=====	=====

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

	Cumulative 6 months ended	
	30.06.2009	30.06.2008
PAT after MI (RM'000)	2,742	6,012
Weighted average number of ordinary shares in issue ('000)	100,000	100,000
Earnings per share (sen)	2.74	6.01
	=====	=====

The Company does not have any dilutive potential ordinary shares outstanding as at 30 June 2009. Accordingly, no diluted earnings per share is presented.