

NCB HOLDINGS BHD

(Company No. 475221-K)

Incorporated in Malaysia

**NCB HOLDINGS**

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2009**

	2009 Current Quarter Ended 30 September RM '000	2008 Current Quarter Ended 30 September RM '000	2009 9 Months Cumulative YTD 30 September RM '000	2008 9 Months Cumulative YTD 30 September RM '000
Revenue	218,331	248,193	606,847	713,892
Expenditure	(171,729)	(213,840)	(515,045)	(599,917)
Other Operating Income	9,329	13,672	37,125	27,570
Profit from Operations	<u>55,931</u>	<u>48,025</u>	<u>128,927</u>	<u>141,545</u>
Interest Expenses	-	-	-	(2)
Share of Profit of Associate Companies	146	122	525	325
Profit Before Taxation	<u>56,077</u>	<u>48,147</u>	<u>129,452</u>	<u>141,868</u>
Taxation	(11,558)	(15,453)	(26,119)	(46,152)
Profit After Tax	<u>44,519</u>	<u>32,694</u>	<u>103,333</u>	<u>95,716</u>
Attributable to:				
Equity Holders of The Parent	44,558	32,665	103,288	95,491
Minority Interest	(39)	29	45	225
	<u>44,519</u>	<u>32,694</u>	<u>103,333</u>	<u>95,716</u>
Basic Earnings Per Share (Sen)	<u>9.5</u>	<u>6.9</u>	<u>21.9</u>	<u>20.3</u>
Fully Diluted Earnings Per Share (Sen)	<u>9.5</u>	<u>6.9</u>	<u>21.9</u>	<u>20.3</u>

(The Condensed Consolidated Income Statement 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).

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**UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 30 SEPTEMBER 2009**

	As at 30 September 2009 RM '000	As at 31 December 2008 RM '000
NON-CURRENT ASSETS		
Property, Plant and Equipment	867,888	901,354
Prepaid Land Lease Payments	151,091	153,279
Investment Properties	2,310	2,358
Intangible Assets	74,343	87,494
Investments in Associates	6,100	5,574
Other Investments	1,527	1,534
Long Term Receivables	1,202	597
Deferred Tax Assets	11,523	11,523
	<u>1,115,984</u>	<u>1,163,713</u>
CURRENT ASSETS		
Inventories	6,298	6,943
Trade and Other Receivables	174,920	173,087
Tax Recoverable	43,790	38,197
Deposits with Financial Institutions	712,022	630,813
	<u>937,030</u>	<u>849,040</u>
TOTAL ASSETS	<u>2,053,014</u>	<u>2,012,753</u>
EQUITY AND LIABILITIES		
Equity Attributable To Equity Holders of The Company		
Share Capital	470,253	470,253
Reserves	1,361,587	1,321,783
	<u>1,831,840</u>	<u>1,792,036</u>
Minority Interest	<u>2,758</u>	<u>2,713</u>
TOTAL EQUITY	<u>1,834,598</u>	<u>1,794,749</u>
NON-CURRENT LIABILITIES		
Deferred Tax Liabilities	54,494	54,494
CURRENT LIABILITIES		
Bank Overdraft	-	554
Trade and Other Payables	162,673	160,842
Taxation	1,249	2,114
	<u>163,922</u>	<u>163,510</u>
TOTAL LIABILITIES	<u>218,416</u>	<u>218,004</u>
TOTAL EQUITY AND LIABILITIES	<u>2,053,014</u>	<u>2,012,753</u>
Net Assets Per Share (RM)	<u>3.90</u>	<u>3.82</u>

(The Condensed Consolidated Balance Sheet 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).

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE 9 MONTHS ENDED 30 SEPTEMBER 2009

	← Attributable to Equity Holders of the Parent →							Minority Interest	Total Equity	
	← Non - Distributable →					Distributable →				
	Share Capital	Share Premium	Capital Reserve	Revaluation Reserve	Translation Reserve	Merger Reserve	Retained Profits			Total
	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000	RM '000			RM '000
For The 9 Months Period <u>Ended 30 September 2009</u>										
Balance at 1 January 2009	470,253	305	35,259	99,794	358	66,004	1,120,063	1,792,036	2,713	1,794,749
Profit For The Period	-	-	-	-	-	-	103,288	103,288	45	103,333
Dividend 2008	-	-	-	-	-	-	(63,484)	(63,484)	-	(63,484)
As at 30 September 2009	470,253	305	35,259	99,794	358	66,004	1,159,867	1,831,840	2,758	1,834,598
For The 9 Months Period <u>Ended 30 September 2008</u>										
Balance at 1 January 2008	470,253	305	35,259	98,822	359	66,004	1,058,404	1,729,406	2,460	1,731,866
Profit For The Period	-	-	-	-	-	-	95,491	95,491	225	95,716
Dividend 2007	-	-	-	-	-	-	(69,597)	(69,597)	-	(69,597)
As at 30 September 2008	470,253	305	35,259	98,822	359	66,004	1,084,298	1,755,300	2,685	1,757,985

(The Condensed Consolidated Statement of Changes in Equity 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).

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**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE 9 MONTHS ENDED 30 SEPTEMBER 2009**

	9 Months Ended 30/09/2009 RM'000	9 Months Ended 30/09/2008 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	129,452	141,868
Adjustment for:		
Non-Cash Items	84,520	101,052
Non-Operating Items	(12,125)	(20,125)
Operating profit before working capital changes	<u>201,847</u>	<u>222,795</u>
Net change in Current Assets	(2,738)	(18,836)
Net change in Current Liabilities	(9,148)	(8,994)
Cash generated from operations	<u>189,961</u>	<u>194,965</u>
Net Taxes Paid	(21,598)	(49,876)
Net cash generated from operating activities	<u>168,363</u>	<u>145,089</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Other Investments	(23,116)	(87,954)
Net cash used in investing activities	<u>(23,116)</u>	<u>(87,954)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	(63,484)	(69,597)
Net cash used in financing activities	<u>(63,484)</u>	<u>(69,597)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	81,763	(12,462)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	630,259	623,457
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>712,022</u>	<u>610,995</u>
Cash and cash equivalents comprise of:		
Cash and bank balances	29,684	12,768
Short term deposits	682,338	599,820
Less: Bank Overdraft	-	(1,593)
	<u>712,022</u>	<u>610,995</u>

(The Condensed Consolidated Cash Flow Statement 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).

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SELECTED EXPLANATORY NOTES ON QUARTERLY FINANCIAL REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2009

PART A. EXPLANATORY NOTES PURSUANT TO FRS 134

A1. Basis of Preparation

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

A2. Segmental Information

The Group's primary basis of segment reporting is on business segments. There are three segments namely the Port Operation, Haulage/Logistics Operation and Investment Holding.

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The analysis of results by business activity for the period ended 30 September 2009 is as follows :-.

	3 months ended		9 months ended	
	30.09.2009	30.09.2008	30.09.2009	30.09.2008
	RM'000	RM'000	RM'000	RM'000
Segment Revenue				
Revenue from continuing operations:				
Port Operation	162,146	175,408	441,489	517,145
Haulage/Logistics Operation	58,417	75,337	171,544	204,594
Investment Holding	695	933	125,714	2,843
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenue including inter-segment sales	221,258	251,678	738,747	724,582
Elimination of inter-segment sales	(2,927)	(3,485)	(131,900)	(10,690)
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenue	218,331	248,193	606,847	713,892
	<hr/>	<hr/>	<hr/>	<hr/>
Other Income:				
Port Operation	4,846	8,827	23,803	13,092
Haulage/Logistics Operation	1,801	974	4,499	2,149
Investment Holding	2,682	3,871	8,823	12,329
	<hr/>	<hr/>	<hr/>	<hr/>
	9,329	13,672	37,125	27,570
	<hr/>	<hr/>	<hr/>	<hr/>
Total Income				
Port Operation	166,992	184,235	465,292	530,237
Haulage/Logistics Operation	57,986	73,759	169,857	198,896
Investment Holding	2,682	3,871	8,823	12,329
	<hr/>	<hr/>	<hr/>	<hr/>
	227,660	261,865	643,972	741,462
	<hr/>	<hr/>	<hr/>	<hr/>

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	3 months ended		9 months ended	
	30.09.2009	30.09.2008	30.09.2009	30.09.2008
	RM'000	RM'000	RM'000	RM'000
Segment Results				
Results from continuing operations:				
Port Operation	51,066	41,370	114,897	124,098
Haulage/Logistics Operation	1,167	1,850	2,657	2,426
Investment Holding	477	878	124,955	2,865
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	52,710	44,098	242,509	129,389
Elimination	(695)	(933)	(125,714)	(2,843)
	<hr/>	<hr/>	<hr/>	<hr/>
	52,015	43,165	116,795	126,546
Finance income:				
Port Operation	585	751	2,450	2,009
Haulage/Logistics Operation	649	238	859	661
Investment Holding	2,682	3,871	8,823	12,329
	<hr/>	<hr/>	<hr/>	<hr/>
	3,916	4,860	12,132	14,999
Interest expenses :				
Haulage/Logistics Operation	-	-	-	(2)
	<hr/>	<hr/>	<hr/>	<hr/>
Net Results:				
Port Operation	51,651	42,121	117,347	126,107
Haulage/Logistics Operation	1,816	2,088	3,516	3,085
Investment Holding	2,464	3,816	8,064	12,351
	<hr/>	<hr/>	<hr/>	<hr/>
	55,931	48,025	128,927	141,543
Associates Results	146	122	525	325
	<hr/>	<hr/>	<hr/>	<hr/>
Profit Before Taxation	56,077	48,147	129,452	141,868

A3. Unusual Items due to their Nature, Size or frequency

There were no material unusual items affecting assets, liabilities, equity, net income, or cashflow during the financial period ended 30 September 2009.

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A4. Changes in Estimates

The Group has adopted the FRS 116: Property, Plant and Equipment with effect from financial year 31 December 2006. The residual value of certain plant and equipment were revised in the year 2008. The revisions were accounted for as a change in accounting estimates.

There were no other changes in estimates that had a material effect in the current quarter results.

A5. Comments about Seasonal or Cyclical Factors

The Group's businesses are generally affected by the various festive seasons.

A6. Dividends Paid

There were no dividend paid during the current quarter ended 30 September 2009 but the interim dividend declared of 7.0 sen per share less 25% income tax was paid on 9 October 2009.

A7. Carrying Amount of Revalued Assets

The valuation of property, plant and equipment have been brought forward without any amendments from the financial statements for the year ended 31 December 2008.

A8. Debt and Equity Securities

There have been no issues and repayment of equity security, repurchases or new issuance for the current quarter ended 30 September 2009.

A9. Changes in Composition of the Group

There were no changes in the composition of the Group during the interim financial period ended 30 September 2009.

A10. Subsequent Events

There were no material events subsequent to the end of the current quarter that have not been reflected in this Interim Financial Statement.

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A11. Changes in Contingent Liabilities

Contingent liabilities by way of corporate guarantees to financial institutions for banking facilities granted to subsidiary have decreased from RM7.2 million as at 31 December 2008 to RM7.0 million as at 30 September 2009.

Contingent liabilities in respect of claims for damages to goods and other claims have decreased from RM4.3 million as at 31 December 2008 to RM3.8 million as at 30 September 2009.

Contingent liabilities in respect of claims for payment of quit rent against subsidiaries remain unchanged at RM1.4 million since the last balance sheet date, 31 December 2008.

There were no other changes in the contingent liabilities and contingent assets since the last annual balance sheet dated 31 December 2008.

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

B1. Performance Review

The Group's revenue for the current quarter amounted to RM218.3 million, which is 12.0% lower than the corresponding comparative quarter's figure of RM248.1 million. The port operating subsidiary contributed RM162.1 million while the haulage/logistics subsidiary contributed RM56.2 million. The year-to-date revenue of the Group amounted to RM606.8 million, a decrease of 15.0% compared to the corresponding period of RM713.8 million. The decrease in revenue for the current quarter was mainly due to decreased business volume undertaken by the subsidiaries.

Northport achieved a throughput during the current quarter of 760,279 TEUs reflecting a decrease of 3.3% as compared to the corresponding period last year of 786,289 TEUs. The year-to-date throughput achieved is 2,059,841 TEUs representing a decrease of 10.0% compared against the corresponding period last year of 2,289,977 TEUs. As for the haulage division in the haulage/logistics subsidiary the total volume handled during the quarter is 69,469 TEUs which is a decrease of 23.5% as compared to the figure for the corresponding quarter in 2008 of 90,829 TEUs. The year-to-date volume achieved is 196,428 TEUs representing a decrease of 27.0% compared to the figure for the corresponding period last year of 268,949 TEUs. For the quarter under review, the decrease in the volume handled was recorded in all categories i.e. import, export and transshipment. The decline in business is the result of the effects of the economic downturn.

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

B2. Comment on Material Change in Profit Before Taxation

The profit before tax for the current quarter amounted to RM56.0 million, is higher than the immediate preceding quarter's profit before tax of RM37.7 million.

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

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B3. Commentary on Prospects

- a) The economic downturn continues to affect the business of the Group. Northport has registered a year-on-year decline of 10.0% in its teu's handled. The haulage division of the haulage/logistics subsidiary has also registered a 27.0% decline in the number of boxes moved.

The decline in business of port operation is lesser compared to quarter two.

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

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. Income Tax Expense

The provision for income tax for the current quarter does not contain any deferred tax or adjustment for under or over provision in respect of prior years.

The taxation amount is lower than the statutory tax rate mainly due to Investment Allowance relief received by the port operating subsidiary, Northport (Malaysia) Bhd.

B7. Sale of Unquoted Investments and Properties

There were no sale of unquoted investments and/or properties for the current quarter ended 30 September 2009.

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B8. Sale of Quoted Investments

There were no purchase or disposal of quoted securities during the quarter ended 30 September 2009.

B9. Corporate Proposals

There were no corporate proposals which were announced but not completed as at 19 October 2009.

B10. Borrowings

	As at 30.09.2009 RM'000	As at 31.12.2008 RM'000
Short term borrowings		
Bank overdraft - unsecured	-	554
Unsecured and interest free	-	200
	<hr/>	<hr/>
	-	754

B11. Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments as at 19 October 2009.

B12. Changes in Material Litigation

As at 19 October 2009, there were no changes in material litigation, including the status of pending material litigation, since the last annual balance sheet date of 31 December 2008.

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B13. Dividend Payable

Dividend:

- a)
- i) No interim dividend has been recommended or declared for the current quarter ended 30 September 2009;
 - ii) Not applicable;
 - iii) Not applicable;
 - iv) Not applicable; and
 - v) Not applicable; and
- b) The total dividend for the current financial year being only the recommended interim dividend of 7.0 sen less 25% income tax paid on 9 October 2009.

B14. Earnings Per Share

In respect of earnings per share:-

- a) Basic/Diluted earnings per share

	3 months ended		9 months ended	
	30.09.2009	30.09.2008	30.09.2009	30.09.2008
	'000	'000	'000	'000
Profit after Tax (RM) Attributable to:				
Equity Holders of The Parent	44,558	32,665	103,288	95,491
Weighted average no. of ordinary shares in issue	470,253	470,253	470,253	470,253
Basic/Diluted earnings per share (Sen)	9.5	6.9	21.9	20.3

B15. Audit Report

The audit report of the previous annual financial statements for the year ended 31 December 2008 was not subject to any qualification.

B16. Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors on 26 October 2009.