



CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Individual quarter		Cumulative quarter	
	3 months ended		12 months ended	
	31.12.10	31.12.09	31.12.10	31.12.09
	RM'000	RM'000	RM'000	RM'000
		(Restated)		(Restated)
Continuing operations				
Revenue	32,313	30,909	119,860	114,107
Operating costs	(39,031)	(35,453)	(118,987)	(111,457)
Other income	9,103	18,695	13,549	19,980
	<hr/>	<hr/>	<hr/>	<hr/>
Profit from operations	2,385	14,151	14,422	22,630
Finance costs	(1,819)	(1,136)	(6,143)	(6,191)
Share of results of				
Associates	(2,087)	264	(1,663)	2,324
Jointly controlled entity	(835)	85	(1,111)	(392)
	<hr/>	<hr/>	<hr/>	<hr/>
(Loss)/Profit before tax	(2,356)	13,364	5,505	18,371
Taxation	(2,155)	(5,764)	(6,486)	(6,850)
	<hr/>	<hr/>	<hr/>	<hr/>
(Loss)/Profit for continuing operations	(4,511)	7,600	(981)	11,521
Discontinued operation				
Profit/(loss) from discontinued operation, net of tax	16,089	(2,263)	21,664	(9,061)
	<hr/>	<hr/>	<hr/>	<hr/>
Profit for the period	11,578	5,337	20,683	2,460
Attributable to:				
Owners of the Company	13,549	517	20,496	(4,121)
Minority interest	(1,971)	4,820	187	6,581
	<hr/>	<hr/>	<hr/>	<hr/>
Profit for the period	11,578	5,337	20,683	2,460

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Audited Financial Statements of the Group for the year ended 31 December 2009.



CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Individual quarter		Cumulative quarter	
	3 months ended		12 months ended	
	31.12.10	31.12.09	31.12.10	31.12.09
	RM'000	RM'000	RM'000	RM'000
Profit for the period	11,578	5,337	20,683	2,460
Other comprehensive income, net of tax				
Foreign currency translation differences of foreign operations	10,836	2,520	(22,143)	4,930
Changes in fair value of available-for-sale financial assets	19	-	(171)	-
Other comprehensive income for the period, net of tax	10,855	2,520	(22,314)	4,930
Total comprehensive income for the period	<u>22,433</u>	<u>7,857</u>	<u>(1,631)</u>	<u>7,390</u>
Total comprehensive income attributable to:				
Owners of the Company	21,800	2,874	1,329	590
Minority interest	633	4,983	(2,960)	6,800
Total comprehensive income for the period	<u>22,433</u>	<u>7,857</u>	<u>(1,631)</u>	<u>7,390</u>
Earnings per share (sen)				
- Basic	<u>7.2</u>	<u>0.3</u>	<u>10.8</u>	<u>(2.2)</u>
- Diluted	<u>7.2</u>	<u>0.3</u>	<u>10.8</u>	<u>(2.2)</u>

The Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Audited Financial Statements of the Group for the year ended 31 December 2009.



CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	As at 31.12.10 RM'000	As at 31.12.09 RM'000 (Restated)
ASSETS		
Non-current assets		
Property, plant and equipment	180,930	356,912
Land use rights	127,331	122,066
Capital work-in-progress	38,939	-
Interest in associates	59,136	58,811
Interest in jointly controlled entity	27,809	30,862
Available-for-sale financial assets	1,124	924
Deferred tax assets	-	338
	435,269	569,913
Current assets		
Trade receivables	22,329	40,289
Other receivables, deposits and prepayments	23,645	29,186
Tax assets	1,391	609
Amount owing by jointly controlled entity	20,132	24,106
Cash & cash equivalents	128,813	102,689
	196,310	196,879
TOTAL ASSETS	631,579	766,792
EQUITY AND LIABILITIES		
Equity		
Share capital	197,026	197,026
Reserves	177,311	187,366
Treasury shares	(8,486)	(8,905)
Total equity attributable to owners of the Company	365,851	375,487
Minority interest	68,019	70,510
Total equity	433,870	445,997
Non-current liabilities		
Long term borrowings	107,655	180,021
Deferred tax liabilities	13,523	46,614
	121,178	226,635
Current liabilities		
Trade payables	4,449	8,398
Other payables, deposits and accruals	16,652	30,516
Amount owing to an associate	212	212
Short term borrowings	52,527	51,077
Taxation	2,691	3,957
	76,531	94,160
Total Liabilities	197,709	320,795
TOTAL EQUITY AND LIABILITIES	631,579	766,792
Net assets per ordinary shares (RM)	2.32	2.40

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Audited Financial Statements of the Group for the year ended 31 December 2009.



CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	12 months ended	
	31.12.10	31.12.09
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax from continuing operations	5,505	18,371
Profit/(loss) before tax from discontinued operation	19,968	(7,954)
Profit before tax, total	25,473	10,417
Adjustments for :-		
Amortisation and depreciation of property, plant and equipment	10,814	25,431
Amortisation of land use rights	2,613	2,920
Allowance for diminution in value of other investments	-	9
Bad debts written off	244	-
Deposits written off	117	-
Gain on disposal of property, plant and equipment & assets held for sale	(300)	(7,049)
Gain on disposal of investment	-	(9,920)
Gain on disposal of investment in subsidiaries	(13,750)	-
Goodwill written off	-	115
Impairment loss on investment in an associate	-	1,471
Impairment loss on property, plant and equipment	-	88
Impairment loss on land use right	4,743	-
(Reversal)/Allowance for doubtful debts	(128)	(163)
(Reversal)/Provision for employee benefits	(334)	281
Property, plant and equipment written off	22	2,615
Share of profits/(losses) of associates	1,663	(2,324)
Share of losses of jointly controlled entity	1,111	392
Unrealised gain on foreign exchange	(1,307)	(8)
Waiver of creditors	(36)	-
Interest revenue	(609)	(439)
Interest expenses	6,324	6,384
Operating Profit Before Working Capital Changes	36,660	30,220
Decrease in trade and other receivables	11,537	18,044
(Decrease)/Increase in trade and other payables	(11,423)	1,631
Cash Generated From Operations	36,774	49,895
Interest paid	(4,172)	(4,091)
Tax paid	(8,897)	(10,327)
Tax refund	434	2,212
Net Cash Generated From Operating Activities Carried Down	24,139	37,689



CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	12 months ended	
	31.12.10	31.12.09
	RM'000	RM'000
Net Cash Generated From Operating Activities Brought Down	24,139	37,689
CASH FLOWS FROM INVESTING ACTIVITIES		
Additional investment in an associate	(5,575)	-
Additional investment in jointly controlled entity	(349)	(34,528)
Capital repayments from an associate	-	250
Capital work-in-progress incurred	(38,939)	(391)
Capital contribution from minority shareholder	326	-
Proceeds from disposal of property, plant and equipment & land use right	686	65,018
Proceeds from disposal of assets held for sale	-	11,108
Proceeds from disposal of investment	-	9,849
Disposal of discontinued operation - consideration, net cash and cash equivalents disposed	79,990	-
Purchase of land use rights	(22,707)	(31,138)
Purchase of property, plant and equipment	(4,772)	(8,108)
Repayments from jointly controlled entity & associate	1,904	8,593
Interest received	609	439
Net Cash Generated From Investing Activities	11,173	21,092
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(2,152)	(2,293)
Proceeds from term loan and commercial financing i-facility	27,821	32,963
Repayments of term loan and commercial financing i-facility	(24,686)	(39,252)
Proceeds from revolving credit	9,000	12,500
Repayments of revolving credit	-	(10,000)
Proceeds from unsecured loan	4,990	-
Payments to hire purchase payables	(274)	(11)
Payment to share buy-back	(7,256)	(6,447)
Dividend paid	(4,061)	(2,875)
Net Cash Generated From/(Used In) Financing Activities	3,382	(15,415)
	<hr/> 38,694	<hr/> 43,366
Exchange differences	(12,570)	(3,215)
Net increase in cash and cash equivalents	26,124	40,151
Cash and cash equivalents at beginning of the year	102,689	62,538
Cash and cash equivalents at end of the period	128,813	102,689

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Annual Audited Financial Statements of the Group for the year ended 31 December 2009.



CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

	12 months ended	
	31.12.10	31.12.09
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax from continuing operations	5,505	18,371
Profit/(loss) before tax from discontinued operation	19,968	(7,954)
Profit before tax, total	25,473	10,417
Adjustment for :-		
Non-cash items	11,187	19,803
Operating Profit Before Working Capital Changes	36,660	30,220
Changes in working capital		
Net change in current (assets)/liabilities	(12,521)	7,469
Net Cash Generated From Operating Activities	24,139	37,689
CASH FLOWS FROM INVESTING ACTIVITIES		
Net Cash Generated From Investing Activities	11,173	21,092
CASH FLOWS FROM FINANCING ACTIVITIES		
Net Cash Generated From/(Used In) Financing Activities	3,382	(15,415)
	38,694	43,366
Foreign exchange translation differences	(12,570)	(3,215)
Net increase in cash and cash equivalents	26,124	40,151
Cash and cash equivalents at beginning of the year	102,689	62,538
Cash and cash equivalents at end of the period	128,813	102,689

The Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Annual Audited Financial Statements of the Group for the year ended 31 December 2009.



CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	-----Non-Distributable-----						Distributable				
	Share capital RM'000	Treasury shares RM'000	Share premium RM'000	Property revaluation reserve RM'000	Foreign exchange translation reserve RM'000	Fair value reserve RM'000	Statutory reserve fund RM'000	Retained profits RM'000	Total RM'000	Minority interest RM'000	Total equity RM'000
12 months ended 31 December 2010											
At 01.01.10	197,026	(8,905)	51,761	45,544	11,934	-	12,983	65,144	375,487	70,510	445,997
Effects of adopting FRS139						352			352	143	495
At 01.01.10, restated	197,026	(8,905)	51,761	45,544	11,934	352	12,983	65,144	375,839	70,653	446,492
Total comprehensive income for the period					(17,979)	(120)	(1,068)	20,496	1,329	(2,960)	(1,631)
Transfer							1,186	(1,186)	-		-
Realisation of revaluation surplus on sale of property				(6,855)				6,855	-		-
Treasury shares purchased		(7,256)							(7,256)		(7,256)
Final dividend of 3% per share less 25% in respect of the financial year ended 31.12.2009								(4,061)	(4,061)		(4,061)
Share dividend of one (1) treasury share for every twenty (20) existing ordinary shares of RM1.00 each held in the Company in respect of the financial year ended 31.12.2009		7,675	(7,675)						-		-
Capital contribution by minority shareholder									-	326	326
At 31.12.10	197,026	(8,486)	44,086	38,689	(6,045)	232	13,101	87,248	365,851	68,019	433,870
12 months ended 31 December 2009											
At 01.01.09	197,026	(2,458)	51,761	49,928	7,056	-	10,653	70,253	384,219	65,001	449,220
Total comprehensive income for the period					4,878		(167)	(4,121)	590	6,800	7,390
Transfer							2,497	(2,497)	-		-
Realisation of revaluation surplus on sale of property				(4,384)				4,384	-		-
Treasury shares purchased		(6,447)							(6,447)		(6,447)
Final dividend of 2% per share less 25% in respect of the financial year ended 31.12.2008								(2,875)	(2,875)		(2,875)
Dividends paid to minority shareholder									-	(1,291)	(1,291)
At 31.12.09	197,026	(8,905)	51,761	45,544	11,934	-	12,983	65,144	375,487	70,510	445,997

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Audited Financial Statements of the Group for the year ended 31 December 2009.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital RM'000	Treasury shares RM'000	Non-distributable reserve RM'000	Distributable Retained profits RM'000	Total RM'000	Minority interest RM'000	Total equity RM'000
12 months ended 31 December 2010							
At 01.01.10	197,026	(8,905)	122,222	65,144	375,487	70,510	445,997
Effects of adopting FRS139			352		352	143	495
At 01.01.10, restated	197,026	(8,905)	122,574	65,144	375,839	70,653	446,492
Total comprehensive income for the period			(19,167)	20,496	1,329	(2,960)	(1,631)
Transfer			1,186	(1,186)	-	-	-
Realisation of revaluation surplus on sale of property			(6,855)	6,855	-	-	-
Treasury shares purchased		(7,256)			(7,256)		(7,256)
Final dividend of 3% per share less 25% in respect of the financial year ended 31.12.2009				(4,061)	(4,061)		(4,061)
Share dividend of one (1) treasury share for every twenty (20) existing ordinary shares of RM1.00 each held in the Company in respect of the financial year ended 31.12.2009		7,675	(7,675)		-	-	-
Capital contribution by minority shareholder					-	326	326
At 31.12.10	197,026	(8,486)	90,063	87,248	365,851	68,019	433,870
12 months ended 31 December 2009							
At 01.01.09	197,026	(2,458)	119,398	70,253	384,219	65,001	449,220
Total comprehensive income for the period			4,711	(4,121)	590	6,800	7,390
Transfer			2,497	(2,497)	-	-	-
Realisation of revaluation surplus on sale of property			(4,384)	4,384	-	-	-
Treasury shares purchased		(6,447)			(6,447)		(6,447)
Final dividend of 2% per share less 25% in respect of the financial year ended 31.12.2008				(2,875)	(2,875)		(2,875)
Dividends paid to minority shareholder					-	(1,291)	(1,291)
At 31.12.09	197,026	(8,905)	122,222	65,144	375,487	70,510	445,997

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Audited Financial Statements of the Group for the year ended 31 December 2009.



NOTES TO THE INTERIM FINANCIAL STATEMENTS

A. Explanatory Notes As Per "FRS134"

A.1 Accounting Policies

The interim financial report is unaudited and has been prepared in accordance with FRS134, "Interim Financial Reporting" and Chapter 9.22 of Part K of the Listing Requirements of Bursa Malaysia and should be read in conjunction with the Group's most recent annual audited financial statements.

The accounting policies and methods of computation adopted in the interim financial statements are consistent with those adopted in the most recent annual financial statements except for the adoption of the following new and revised Financial Reporting Standards ("FRSs"), Amendments to FRSs and Interpretations that are effective from 1 January 2010:

FRS 4	Insurance Contracts
FRS 7	Financial Instruments: Disclosures
FRS 8	Operating Segments
FRS 101	Presentation of Financial Statements (Revised)
FRS 123	Borrowing Costs
FRS 139	Financial Instruments: Recognition and Measurement
Amendments to FRS 1	First-time Adoption of Financial Reporting Standards and FRS 127 Consolidated and Separate Financial Statements: Costs of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
Amendments to FRS 2	Share-based Payment: Vesting Conditions and Cancellations
Amendments to FRS 132	Financial Instruments: Presentation
Amendments to FRS 139	Financial Instruments: Recognition and Measurement, FRS 7 Financial Instruments: Disclosures and IC Interpretation 9 Reassessment of Embedded Derivatives
Amendments to FRSs contained in the document entitled "Improvements to FRSs (2010)"	
IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 10	Interim Financial Reporting and Impairment
IC Interpretation 11	FRS 2 - Group and Treasury Share Transactions
IC Interpretation 13	Customer Loyalty Programmes
IC Interpretation 14	FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TR i-3	Presentation of Financial Statements of Islamic Financial Institutions

The adoption of the above FRSs, Amendments, Interpretations and TR do not have any material impact on the financial statements of the Group except for the following:

(a) FRS 8 Operating Segments

FRS 8, which replaces FRS 114 Segment Reporting, specifies how an entity should report information about its operating segments, based on information about the components of the entity that is available to the chief operating decision maker for the purposes of allocating resources to the segments and assessing their performance. The Standard also requires the disclosure of information about the products and services provided by the segments, the geographical areas in which the Group operates, and revenue from the Group's major customers. The Group concluded that the reportable operating segments determined in accordance with FRS 8 are the same as the business segments previously identified under FRS 114. The Group has adopted FRS 8 retrospectively.

(b) FRS 101: Presentation of Financial Statements

The revised FRS 101 separates owner and non-owner changes in equity. Therefore, the consolidated statement of changes in equity only includes details of transactions with owners. All non-owner changes in equity are presented as a single line labelled as total comprehensive income. The comparative information has been re-presented in order to conform with the revised standard. This standard does not have any impact on the financial position and results of the Group.

(c) FRS 139: Financial Instruments - Recognition and Measurement

FRS 139 establishes principles for recognising and measuring financial assets, financial liabilities and some contracts to buy and sell non-financial items. Financial instruments are recorded initially at fair value. Subsequent measurement of the financial instruments at the balance sheet date reflects the designation of the financial instruments.

A.1 Accounting Policies (cont'd)

Financial assets are classified as either financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. Financial liabilities are classified as either financial liabilities at fair value through profit or loss, other financial liabilities at amortised cost using the effective interest method, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

Available-for-sale financial assets of the Group have been measured at fair value and changes in the fair value are recognised directly in equity as "Fair Value Reserve" until the investment is derecognised, at which time the cumulative gain or loss is removed from the Fair Value Reserve and recognised in income statement. In the event where the investment is determined to be impaired, the cumulative loss is recognised in the income statement and removed from the Fair Value Reserve.

In accordance with the transitional provision of FRS139, the above changes are applied prospectively and the comparatives as at 31 December 2009 are not restated. Instead, the changes have been accounted for by restating the opening balance of the financial position as at 1 January 2010.

	As previously reported as at 01.01.2010 RM'000	Effects of adopting FRS139 RM'000	As restated as at 01.01.2010 RM'000
<u>Assets</u>			
Other investments	924	(924)	-
Available-for-sale financial assets	-	1,419	1,419
<u>Equity</u>			
Fair value reserve	-	495	495

(c) Amendments to FRSs: Improvement to FRSs (2009) - FRS 117: Leases

The amendments to FRS 117 requires an entity with existing leases of land and buildings to reassess the classification of land as a finance or operating lease. The Group has reclassified the existing long term leasehold land to property, plant and equipment following this reassessment. This standard does not have any impact on the financial position and results of the Group. Comparative balances have been restated as follows:

	As previously reported as at 31.12.2009 RM'000	Effects of amendments to FRS 117 RM'000	As restated as at 31.12.2009 RM'000
Property, plant and equipment	335,922	20,990	356,912
Land use rights	143,056	(20,990)	122,066

The following new and revised FRSs, Amendments to FRSs, IC Interpretations and Technical Releases ("TRs") were issued but not yet effective and have not been applied by the Group:

		For financial periods beginning on or after
FRS 1	First-time Adoption of Financial Reporting Standards	1 July 2010
FRS 3	Business Combinations (Revised)	1 July 2010
FRS 124	Related Party Disclosures (Revised)	1 January 2011
FRS 127	Consolidated and Separate Financial Statements (Revised)	1 July 2010
Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters (Amendments to FRS 1)		1 January 2011
Additional Exemptions for First-time Adopters (Amendments to FRS 1)		1 January 2011
Improving Disclosures about Financial Instruments (Amendments to FRS 7)		1 January 2011
Amendments to FRS 2	Share-based Payment	1 July 2010
Amendments to FRS 2	Group Cash-settled Share-based Payment Transactions	1 January 2011
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations	1 July 2010
Amendments to FRS 132	Financial Instruments: Presentation	1 March 2010
Amendments to FRS 138	Intangible Assets	1 July 2010
Amendments to FRSs contained in the document entitled "Improvements to FRSs 2010"		1 January 2011
IC Interpretation 4	Determining whether an Arrangement contains a Lease	1 January 2011
IC Interpretation 12	Service Concession Arrangements	1 July 2010
IC Interpretation 15	Arrangements for the Construction of Real Estate	1 January 2012
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation	1 July 2010
IC Interpretation 17	Distributions of Non-cash Assets to Owners	1 July 2010

A.1 Accounting Policies (cont'd)

The following new and revised FRSs, Amendments to FRSs, IC Interpretations and Technical Releases ("TRs") were issued but not yet effective and have not been applied by the Group (cont'd):

	For financial periods beginning on or after
IC Interpretation 18	1 January 2011
Transfers of Assets from Customers	
Amendments to IC Interpretation 4: Prepayments of a Minimum Funding Requirement	1 July 2011
Amendments to IC Interpretation 9: Reassessment of Embedded Derivatives	1 July 2010
TR i-4	1 January 2011
Shariah Compliant Sale Contracts	

Except for the changes in accounting policies arising from the adoption of the revised FRS 3, the amendments to FRS 127 and IC Interpretation 15, as well as the new disclosures required under the Amendments to FRS 7, the director expect that the adoption of other standards and interpretations above will have no material impact on the financial statements in the period of initial application.

A.2 Qualification of Preceding Annual Financial Statements

The audit report of the Company's most recent annual financial statements was reported without qualification.

A.3 Seasonal or Cyclical Factors

The business operations of the Group were not materially affected by any seasonal or cyclical factors.

A.4 Unusual Material Event

There were no material unusual events affecting assets, liabilities, equity, net income or cash flows during the current financial quarter under review.

A.5 Material Changes in Estimates

There were no significant changes in estimates of amounts reported which have a material effect in the current financial quarter under review.

A.6 Debts and Equity Securities

During the current financial quarter, the Company had repurchased a total of 1,251,400 ordinary shares of RM1.00 each of its issued share capital from the open market at an average cost of RM0.959 per share. The total consideration paid for the share buy-back was RM1,199,637 and was financed by internally generated funds. As at 31 December 2010, a total of 9,731,400 treasury shares were held by the Company. The repurchased shares are held as treasury shares in accordance with the requirements of Section 67A of the Companies Act, 1965.

On 15 June 2010, a total of 9,025,100 treasury shares were distributed pursuant to the share dividend for the financial year ended 31 December 2009.

Apart from the above, there were no other issuance or repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale / repurchase of treasury shares during the current financial year-to-date.

A.7 Dividend Paid

A first and final dividend of 3% per share less 25% income tax amounting to RM4,061,473 and a share dividend on the basis of one (1) treasury share for every twenty (20) existing ordinary shares of RM1.00 each held in the Company totaling to 9,025,100 treasury shares, of which fraction of a treasury share is to be disregarded, in respect of the financial year ended 31 December 2009 were paid and distributed respectively on 15 June 2010.

A.8 Operating Segments

The Group has three reportable segments below, which are the Group's strategic business units in two principal geographical areas. Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment.

a. By Activity

	Warehousing & related value added services RM'000	Transportation & distribution RM'000	Freight forwarding RM'000	Consolidated RM'000
Continuing operations				
12 months ended 31.12.2010				
External revenue	98,650	20,020	1,190	119,860
Segment profit	5,318	2,160	569	8,047
12 months ended 31.12.2009				
External revenue	93,364	19,521	1,222	114,107
Segment profit/(loss)	19,161	1,629	1,172	21,962
Reconciliation of reportable segment profit				
			12 months ended	
			31.12.2010	31.12.2009
			RM'000	RM'000
Total profit from reportable segments			8,047	21,962
Segment results of discontinued operation			19,968	(7,954)
Other non-reportable segments			232	(5,523)
Share of results of associates			(1,663)	2,324
Share of results of jointly controlled entity			(1,111)	(392)
Consolidated profit/(loss) before tax			25,473	10,417

b. By Geographical Location

External revenue	Continuing operations		Discontinued operation	
	12 months ended		12 months ended	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
	RM'000	RM'000	RM'000	RM'000
Malaysia	5	(101)	59,060	72,904
The People's Republic of China (incl. Hong Kong)	119,855	114,208	-	-
	119,860	114,107	59,060	72,904
	Consolidated external revenue		Non-current assets	
	12 months ended		12 months ended	
	31.12.2010	31.12.2009	31.12.2010	31.12.2009
	RM'000	RM'000	RM'000	RM'000
Malaysia	59,065	72,803	9,235	176,306
The People's Republic of China (incl. Hong Kong)	119,855	114,208	337,965	302,672
	178,920	187,011	347,200	478,978

Non-current assets consist of property, plant and equipment, prepaid land lease payment and capital work-in-progress.

A9. Discontinued Operation

The comparative consolidated statements of comprehensive income has been represented to show the discontinued operation separately from the continuing operations following the disposal of subsidiaries to AWH Equity Holdings Sdn Bhd during the current financial quarter under review.

Profits attributable to the discontinued operation were as follows:-

	Individual quarter 3 months ended		Cumulative quarter 12 months ended	
	31.12.2010 RM'000	31.12.2009 RM'000	31.12.2010 RM'000	31.12.2009 RM'000
Revenue	-	18,613	59,060	72,904
Operating costs	420	(21,280)	(52,851)	(81,863)
Other income	(419)	97	190	1,198
Profit/(loss) from operations	1	(2,570)	6,399	(7,761)
Finance costs	-	5	(181)	(193)
Gain on disposal of discontinued operation	13,750	-	13,750	-
Profit/(loss) before tax	13,751	(2,565)	19,968	(7,954)
Taxation	2,338	302	1,696	(1,107)
Profit/(loss) for the period	16,089	(2,263)	21,664	(9,061)

A.10 Valuations of Property, Plant and Equipment

The valuation of land and building has been brought forward without amendment from the previous audited Annual Financial Statements.

A.11 Material Subsequent Events

There is no material event subsequent to the end of the period under review.

A.12 Changes in The Composition of the Group

On 5 February 2010, Integrated Logistics Henan (HK) Limited, a wholly-owned subsidiary of Integrated Logistics (HK) Limited which ILB has 70% effective equity interest, has incorporated a wholly-owned subsidiary, namely Henan ISH Logistics Co. Ltd in Xinxiang, Henan, The People's Republic of China with a registered capital of HK\$80 million.

On 12 May 2010, Shenzhen ISH Logistics Co. Ltd ("Shenzhen ISH"), a wholly-owned subsidiary of ISH Logistics (Shenzhen II) Limited, which ILB has 70% effective equity interest, has established a joint venture company with Sunga Logistics (Chong Qing) Co. Ltd in The People's Republic of China, namely Chongqing ISH Sunga Customs Broker Co. Limited ("Chongqing ISH Sunga"), with registered capital of RMB1.5 million to provide customs clearance services.

Integrated Logistics Services Sdn Bhd, a wholly-owned subsidiary of ILB and under Members' Voluntary Winding-up, has dissolved in August 2010.

Wayson Construction & Engineering Sdn Bhd, a wholly-owned subsidiary of Integrated Forwarding & Shipping Berhad, which in turn is a wholly-owned subsidiary of ILB, has dissolved in August 2010.

On 30 August 2010, Shenzhen ISH Logistics Co. Ltd ("Shenzhen ISH"), a wholly-owned subsidiary of ISH Logistics (Shenzhen II) Limited, which ILB has 70% effective equity interest, has incorporated a wholly-owned subsidiary in The People's Republic of China, namely Xiamen ISH Logistics Co. Limited ("Xiamen ISH"), with registered capital of RMB300,000 to provide logistics services.

On 7 September 2010, Integrated Logistics (HK) Limited, a wholly-owned subsidiary of ISH Group (BVI) Limited which ILB has 70% effective equity interest, has incorporated two wholly-owned subsidiaries in Hong Kong, namely Harbin ISH Logistics (HK) Co. Ltd ("HISH Logistics") and Harbin ISH Supply Chain (HK) Ltd ("HISH Supply") with registered capital of HK\$10,000 each. Presently, both HISH Logistics and HISH Supply have not commenced business.

On 28 September 2010 through Harbin ISH Logistics (HK) Co. Ltd, a wholly-owned subsidiary of Integrated Logistics (HK) Limited which ILB has 70% effective equity interest, incorporated a wholly-owned subsidiary in The People's Republic of China, namely Harbin ISH Logistics Co. Ltd ("HISH China"), with a registered capital of HK\$40 million. Presently, HISH China has not commenced business.

Warisan Megah Sdn Bhd, a wholly-owned subsidiary of ILB and under Members' Voluntary Winding-up, has dissolved in December 2010.

A.12 Changes in The Composition of the Group (cont'd)

On 1 October 2010, ILB has completed the Share Sale Agreement ("SSA") for the disposal of 100% equity interest in Integrated Logistics Solutions Sdn Bhd ("ILS") to AWH Equity Holdings Sdn Bhd. The sale price of the Share Sale is RM29 million in cash. ILS has acquired the entire equity interests in Integrated Warehouse Sdn Bhd and M.I. Logistics Sdn Bhd, wholly-owned subsidiaries of ILB, for a nominal consideration of RM1.00 each prior to the completion of the SSA.

On 16 November 2010, Shenzhen ISH Logistics Co. Ltd ("Shenzhen ISH"), a wholly-owned subsidiary of ISH Logistics (Shenzhen II) Limited, which ILB has 70% effective equity interest, has incorporated a 65% owned subsidiary in Chongqing City, The People's Republic of China, namely Chongqing ISH Logistics Co. Limited ("Chongqing ISH"), with registered capital of RMB2 million to provide logistics services. Sunga Logistics (Chong Qing) Co. Ltd owned 35% of Chongqing ISH.

A.13 Contingent Liabilities and Contingent Assets

Corporate guarantees given by the Company to financial institutions for banking facilities granted to the subsidiary companies amounted to RM63,255,836.

B. Explanatory Notes As Per Bursa Malaysia - Listing Requirements Chapter 9.22 of Part K

B.1 Review of Performance

The Group posted for the current quarter, revenue from continuing operations of RM32.3million which was 4.5% higher than the revenue achieved in the corresponding period in the preceding year of RM30.9million. The Group posted a pre-tax loss from continuing operations of RM2.3million for the current quarter as compared to the pre-tax profit for the corresponding period in the preceding year of RM13.3million. An impairment loss of RM4.7million was recognised for the current quarter for the land use right in Shanghai, The People's Republic of China. The increase in pre-tax profit for the corresponding period in the preceding year was due mainly to an exceptional gain of RM13.6million arising from the disposal of investment and warehouse in Shenzhen, The People's Republic of China. The increase of pre-tax profit of the current quarter from discontinued operation was due mainly to an exceptional gain of RM13.7million arising from the disposal of Malaysia operations of which the exercise was completed on 1 October 2010 (note A9).

B.2 Comparison With Immediate Preceding Quarter's Results

Compared to the immediate preceding quarter, the Group's revenue from continuing operations recorded an increase of 9.4% from RM29.5million to RM32.3million. The Group has recorded a pre-tax loss from continuing operations of RM2.3million for the current quarter as compared to the immediate preceding quarter's pre-tax profit of RM2.5million. An impairment loss of RM4.7million was recognised for the current quarter for the land use right in Shanghai, The People's Republic of China. The increase of the pre-tax profit of the current quarter from discontinued operation was due mainly to an exceptional gain of RM13.7million arising from the sale of the Malaysia operations of which the exercise was completed on 1 October 2010 (note A9).

B.3 Prospects

The management is optimistic the China operations will be well-positioned to capture the growth of the logistics industry in The Peoples' Republic of China with its business expansion plans. Barring any unforeseen circumstances, the management is confident the performance in the coming financial quarter will be satisfactory.

B.4 Variance of Actual Profit from Forecast Profit

Not applicable as there was no profit forecast issued.

B.5 Taxation

	Current financial quarter ended 31.12.10 RM'000	Current financial year-to-date ended 31.12.10 RM'000
Taxation comprises :-		
Current taxation	(1,683)	4,857
Under/(over) provision in prior year	2,918	2,920
Deferred taxation	(1,418)	(2,987)
Tax expense for the period	<u>(183)</u>	<u>4,790</u>

B.6 Profit/(Loss) on Sale of Unquoted Investments and/or Properties

On 12 March 2010, the Company entered into a share sale agreement ("SSA") with AWH Equity Holdings Sdn Bhd ("AWH") to dispose off 100% equity interest in Integrated Logistics Solutions Sdn Bhd ("ILS"), a wholly-owned subsidiary of ILB, for a total consideration of RM170,000,000 ("Proposed Disposal"). Prior to the completion of the SSA, ILS acquired Integrated Warehouse Sdn Bhd and M.I. Logistics Sdn Bhd, wholly-owned subsidiaries of the Company. The Proposed Disposal was approved by Shareholders of the Company at an extraordinary general meeting on 17 May 2010. AWH has settled RM29,000,000 in cash, being the Share Sale Consideration on 30 August 2010. The Inter-Company Indebtedness of RM141,000,000 was fully settled on 27 December 2010.

B.7 Purchase or Disposal of Quoted Securities

There was no purchase or disposal of quoted securities during the current quarter and financial year-to-date.

B.8 Status of Corporate Proposals

On 12 March 2010, the Company has entered into a share sale agreement ("SSA") with AWH Equity Holdings Sdn Bhd ("AWH") to formalise the Proposed Disposal of 100% equity interest, comprising 33,810,000 ordinary shares in Integrated Logistics Solutions Sdn Bhd ("ILS"), a wholly-owned subsidiary of ILB, for a total consideration of RM170,000,000. As an integral part of the SSA, ILS shall acquire the following wholly-owned subsidiaries of ILB prior to the completion of the SSA:

- (a) 7,000,000 ordinary shares of RM1.00 each in Integrated Warehouse Sdn Bhd ("IWS"); and
- (b) 14,400,000 ordinary shares of RM1.00 each in M.I. Logistics Sdn Bhd ("MIL")

Prior to the completion of the proposed acquisitions by ILS of IWS and MIL, the Company undertakes to transfer the current assets and liabilities of IWS and MIL to ILB. Hence, ILS shall acquire the entire equity interests in IWS and MIL for a nominal cash consideration of RM1.00 each. Pursuant to the terms of SSA, the Company shall retain the Excluded Land. The Share Sale Consideration is further subject to an increase or a reduction, whichever applicable, equal to the Adjustment Sum. This Adjustment Sum is the net differential amount between the Current Assets and Current Liabilities of ILS, which shall be determined from the balance sheet of ILS periodically as at end of 30, 60 and 90 days from the Completion Date. On 14 April 2010, AWH has confirmed there are no other issues arising from due diligence exercise. As agreed between AWH and ILB, a total sum of RM6.0 million shall be retained by ILS from the Adjustment Sum following the completion of the Proposed Disposal.

On 24 June 2010, ILB and AWH have mutually agreed to extend the Completion Date to 31 August 2010. On 30 August 2010, AWH has paid ILB an additional amount of RM23.9 million in cash ("Additional Payment") which sum together with the Deposit (RM5.1 million paid prior to the execution of the SSA) make up an amount equivalent to the Share Sale Consideration. ILB and AWH have mutually agreed to defer the Completion Date to 31 December 2010 to allow time for both parties to fulfill outstanding conditions for completion of the SSA. A supplemental agreement ("1st Supplemental SSA") was entered into by the parties on 30 August 2010 to give effect to the amendments above and also to provide that out of Additional Payment, RM11.9 million shall be treated as additional deposit, which is forfeitable, pending completion of the SSA.

A second supplemental agreement ("2nd Supplemental SSA") was entered into by the parties on 1 October 2010 to confirm that the Completion Date of the SSA shall be 1 October 2010 and AWH shall be the beneficial owner of the Sale Shares. Pursuant to the 2nd Supplemental SSA, the parties recognise that the Inter-Company Indebtedness remains as a debt due and owing by ILSSB to ILB as at Completion Date and which shall be fully settled by 31 December 2010. To secure the punctual payment of the Inter-Company Indebtedness, the parties has also on even date execute all relevant security documents ("Security Documents") as requested by ILB in such form and substance according to ILB's satisfaction over such assets of AWH as specified by ILB and deliver all necessary approvals and consents for the charging and dealing of the assets pursuant to the terms of the Security Documents to ILB simultaneously with the execution of the Security Documents.

The Inter-Company Indebtedness had been fully settled on 27 December 2010.

B.9 Group Borrowings and Debt Securities

a. Short term borrowings

	As at 31.12.10 RM'000	As at 31.12.09 RM'000
Secured :-		
Commercial financing i-facility and hire purchase payable	159	692
Portion of term loans payable within 12 months	32,368	28,185
	<u>32,527</u>	<u>28,877</u>
Unsecured :-		
Term loan	-	1,200
Revolving Credit	20,000	21,000
	<u>52,527</u>	<u>51,077</u>

b. Long term borrowings

	As at 31.12.10 RM'000	As at 31.12.09 RM'000
Secured :-		
Commercial financing i-facility and hire purchase payable	242	3,090
Portion of term loans payable after 12 months	64,686	135,376
	<u>64,928</u>	<u>138,466</u>
Unsecured :-		
Term loan	-	600
Loan from a minority shareholder	42,727	40,955
	<u>107,655</u>	<u>180,021</u>

B.9 Group Borrowings and Debt Securities (cont'd)

- c. All the above borrowings are denominated in Ringgit Malaysia except for the following loans which are denominated in foreign currencies:-

	As at 31.12.10	As at 31.12.09
	RM'000	RM'000
(i) In Chinese Renminbi		
Portion of term loans payable within 12 months	32,368	20,951
Portion of term loans payable after 12 months	64,686	73,995
(ii) In US Dollars		
Portion of term loans payable within 12 months	-	3,234
Portion of term loans payable after 12 months	-	15,382
(ii) In Hong Kong Dollars		
Loan from a minority shareholder	42,727	40,955

B.10 Off-Balance Sheet Financial Instruments

There were no off-balance sheet instruments as at the date of this report.

B.11 Financial Instruments

(a) Derivatives

There were no outstanding derivatives (including instruments designated as hedging instruments) in the current financial quarter under review.

(b) Gains/(losses) arising from fair value changes in financial liabilities

There were no gain/(loss) arising from the fair value changes in financial liabilities in the current financial quarter under review.

B.12 Material Litigation

As at the date of this announcement, there were no material changes in litigations since the last annual Balance Sheet date.

B.13 Dividend Payable

Subject to shareholders' approval at the forthcoming Annual General Meeting, a first & final dividend and special dividend in respect of the financial year ended 31 December 2010 have been recommended, with details as follows:-

- (i) A first and final dividend of 3.5% less 25% tax;
- (ii) A special dividend of 5.0% less 25% tax;

The entitlement and payment dates in respect of these proposed dividends will be announced at a later date.

B.14 Earnings Per Share ("EPS")

	Individual Quarter		Cumulative Quarters	
	3 months ended		12 months ended	
	31.12.10	31.12.09	31.12.10	31.12.09
Group's Net profit after Tax and MI (RM'000)	13,549	517	20,496	(4,121)
Weighted average number of ordinary shares for basic EPS ('000)	187,737	186,086	190,298	189,194
Weighted average number of ordinary shares for diluted EPS ('000)	187,737	186,086	190,298	189,194
Basic EPS (sen)	7.2	0.3	10.8	(2.2)
Diluted EPS (sen)	7.2	0.3	10.8	(2.2)

B.15 Realised and Unrealised Profits Disclosure

	As at end of current quarter 31.12.10 RM'000	As at end of preceding quarter 30.09.10 RM'000
Realised	72,418	23,088
Unrealised	14,830	44,942
	87,248	68,030

B.16 Comparative Figures

Certain comparative figures have been reclassified where necessary to conform with current quarter's presentation.

By Order of the Board

Amarjit Singh A/L Banta Singh
Company Secretary

Selangor
25 February 2011