



CONDENSED CONSOLIDATED INCOME STATEMENT

	Individual quarter		Cumulative quarter	
	3 months ended		9 months ended	
	30.09.11	30.09.10	30.09.11	30.09.10
	RM'000	RM'000	RM'000	RM'000
Continuing operations				
Revenue	36,165	29,536	98,297	87,547
Operating costs	(33,489)	(26,820)	(92,532)	(79,955)
Other income	5,625	1,823	7,875	4,446
	<hr/>	<hr/>	<hr/>	<hr/>
Profit from operations	8,301	4,539	13,640	12,038
Finance costs	(898)	(1,508)	(2,882)	(4,324)
Share of results of				
Associates	191	(533)	682	424
Jointly controlled entities	(209)	7	(531)	(276)
	<hr/>	<hr/>	<hr/>	<hr/>
Profit before tax	7,385	2,505	10,909	7,862
Taxation	(1,439)	(2,408)	(2,531)	(4,332)
	<hr/>	<hr/>	<hr/>	<hr/>
Profit for continuing operations	5,946	97	8,378	3,530
Discontinued operations				
Profit from discontinued operations, net of tax	-	2,395	-	5,575
	<hr/>	<hr/>	<hr/>	<hr/>
Profit for the period	<u>5,946</u>	<u>2,492</u>	<u>8,378</u>	<u>9,105</u>
Attributable to:				
Owners of the Parent	3,992	1,938	5,759	6,947
Non-controlling interest	<u>1,954</u>	<u>554</u>	<u>2,619</u>	<u>2,158</u>
Profit for the period	<u>5,946</u>	<u>2,492</u>	<u>8,378</u>	<u>9,105</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 2010.



CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Individual quarter		Cumulative quarter	
	3 months ended		9 months ended	
	30.09.11	30.09.10	30.09.11	30.09.10
	RM'000	RM'000	RM'000	RM'000
Profit for the period	5,946	2,492	8,378	9,105
Other comprehensive income, net of tax				
Foreign currency translation differences of foreign operations	25,847	(15,844)	23,808	(32,979)
Changes in fair value of available-for-sale financial assets	(239)	-	23	(190)
	<hr/>	<hr/>	<hr/>	<hr/>
Other comprehensive income for the period, net of tax	25,608	(15,844)	23,831	(33,169)
	<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive income for the period	<u>31,554</u>	<u>(13,352)</u>	<u>32,209</u>	<u>(24,064)</u>
Total comprehensive income attributable to:				
Owners of the Parent	24,106	(11,333)	23,676	(20,471)
Non-controlling interest	7,448	(2,019)	8,533	(3,593)
	<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive income for the period	<u>31,554</u>	<u>(13,352)</u>	<u>32,209</u>	<u>(24,064)</u>
Earnings per share (sen)				
- Basic	<u>2.2</u>	<u>1.0</u>	<u>3.1</u>	<u>3.6</u>
- Diluted	<u>2.2</u>	<u>1.0</u>	<u>3.1</u>	<u>3.6</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 2010.



CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As at 30.09.11 RM'000	As at 31.12.10 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	183,325	180,930
Land use rights	109,322	127,331
Capital work-in-progress	57,797	38,939
Interest in associates	61,335	59,136
Interest in jointly controlled entities	28,221	27,809
Available-for-sale financial assets	1,270	1,124
	441,270	435,269
Current assets		
Trade receivables	33,838	22,329
Other receivables, deposits and prepayments	18,826	23,645
Tax assets	69	1,391
Amount owing by jointly controlled entity	31,230	20,132
Cash & cash equivalents	97,873	128,813
	181,836	196,310
NON-CURRENT ASSETS HELD FOR SALE	8,030	-
TOTAL ASSETS	631,136	631,579
EQUITY AND LIABILITIES		
Equity		
Share capital	197,026	197,026
Reserves	189,145	177,311
Treasury shares	(15,882)	(8,486)
Total equity attributable to owners of the Parent	370,289	365,851
Non-controlling interest	71,366	68,019
Total equity	441,655	433,870
Non-current liabilities		
Long term borrowings	127,635	107,655
Deferred tax liabilities	13,883	13,523
	141,518	121,178
Current liabilities		
Trade payables	5,608	4,449
Other payables, deposits and accruals	15,251	16,652
Amount owing to an associate	212	212
Short term borrowings	25,776	52,527
Taxation	1,116	2,691
	47,963	76,531
Total Liabilities	189,481	197,709
TOTAL EQUITY AND LIABILITIES	631,136	631,579

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 2010.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	9 months ended	
	30.09.11	30.09.10
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax from continuing operations	10,909	7,862
Profit before tax from discontinued operation	-	6,216
Profit before tax, total	10,909	14,078
Adjustments for :-		
Amortisation and depreciation of property, plant and equipment	5,492	9,177
Amortisation of land use rights	1,770	1,953
Deposits written off	-	117
Gain on disposal of property, plant and equipment & assets held for sale	(28)	(354)
Gain on disposal of investment in subsidiary	(4,211)	-
Reversal for doubtful debts	(53)	(127)
Reversal for employee benefits	-	(269)
Property, plant and equipment written off	-	1
Share of profits of associates	(682)	(424)
Share of losses of jointly controlled entities	531	276
Unrealised loss/(gain) on foreign exchange	263	(1,653)
Interest revenue	(1,067)	(406)
Interest expenses	2,882	4,505
Operating Profit Before Working Capital Changes	15,806	26,874
(Increase)/Decrease in trade and other receivables	(6,636)	2,064
Increase in trade and other payables	1,413	14,321
Cash Generated From Operations	10,583	43,259
Interest paid	(2,771)	(2,560)
Tax paid	(3,683)	(7,785)
Tax refund	775	433
Net Cash Generated From Operating Activities	4,904	33,347
CASH FLOWS FROM INVESTING ACTIVITIES		
Additional investment in an associate	-	(5,440)
Capital repayments from an associate	19	-
Capital work-in-progress incurred	(15,803)	(14,771)
Capital contribution from non-controlling shareholder	4,308	-
Proceeds from disposal of property, plant and equipment & assets held for sale	29	371
Effect of disposal of a subsidiary, net of cash disposed	28,123	-
Purchase of leasehold land	-	(14,532)
Purchase of property, plant and equipment	(4,344)	(1,879)
Advance to jointly controlled entity	(9,989)	-
Repayments from jointly controlled entity & associate	-	1,286
Interest received	1,067	406
Net Cash Generated From/(Used In) Investing Activities	3,410	(34,559)
CASH FLOWS FROM FINANCING ACTIVITIES		
Interest paid	(111)	(1,945)
Proceeds from term loan	28,565	-
Repayments of term loan and commercial financing i-facility	(29,429)	(21,325)
Proceeds from revolving credit	-	9,000
Repayments of revolving credit	(20,000)	-
Proceeds from unsecured loan	1,285	-
Repayments of unsecured loan	(2,457)	-
Payments to hire purchase payables	(401)	(238)
Payment to share buy-back	(7,396)	(6,056)
Dividend paid	(11,842)	(4,061)
Net Cash Used In Financing Activities	(41,786)	(24,625)
	(33,472)	(25,837)
Exchange differences	2,532	(11,850)
Net decrease in cash and cash equivalents	(30,940)	(37,687)
Cash and cash equivalents at beginning of the year	128,813	102,689
Cash and cash equivalents at end of the period	97,873	65,002

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 2010.



CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	9 months ended	
	30.09.11	30.09.10
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax from continuing operations	10,909	7,862
Profit before tax from discontinued operation	-	6,216
Profit before tax, total	10,909	14,078
Adjustment for :-		
Non-cash items	4,897	12,796
Operating Profit Before Working Capital Changes	15,806	26,874
Changes in working capital		
Net change in current (assets)/liabilities	(10,902)	6,473
Net Cash Generated From Operating Activities	4,904	33,347
CASH FLOWS FROM INVESTING ACTIVITIES		
Net Cash Generated From/(Used In) Investing Activities	3,410	(34,559)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net Cash Used In Financing Activities	(41,786)	(24,625)
Foreign exchange translation differences	2,532	(11,850)
Net decrease in cash and cash equivalents	(30,940)	(37,687)
Cash and cash equivalents at beginning of the year	128,813	102,689
Cash and cash equivalents at end of the period	97,873	65,002

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 2010.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	-----Non-Distributable-----							Distributable		Non-controlling interest RM'000	Total equity RM'000
	Share capital RM'000	Treasury shares RM'000	Share premium RM'000	Asset revaluation reserve RM'000	Foreign exchange translation reserve RM'000	Fair value reserve RM'000	Statutory reserve fund RM'000	Retained earnings RM'000	Total RM'000		
9 months ended 30 September 2011											
At 01.01.11	197,026	(8,486)	44,086	38,689	(6,045)	232	13,101	87,248	365,851	68,019	433,870
Total comprehensive income for the period	-	-	-	-	17,453	35	429	5,759	23,676	8,533	32,209
Treasury shares purchased	-	(7,396)	-	-	-	-	-	-	(7,396)	-	(7,396)
Final dividend of 3.5% per share less 25% in respect of the financial year ended 31.12.2010	-	-	-	-	-	-	-	(4,876)	(4,876)	-	(4,876)
Special dividend of 5% per share less 25% in respect of the financial year ended 31.12.2010	-	-	-	-	-	-	-	(6,966)	(6,966)	-	(6,966)
Capital contribution by non-controlling shareholder	-	-	-	-	-	-	-	-	-	4,308	4,308
Dividend payable transfer to loan from a non-controlling shareholder	-	-	-	-	-	-	-	-	-	(9,494)	(9,494)
At 30.09.11	197,026	(15,882)	44,086	38,689	11,408	267	13,530	81,165	370,289	71,366	441,655
9 months ended 30 September 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	-	-	-	-	(25,976)	(133)	(1,309)	6,947	(20,471)	(3,593)	(24,064)
Treasury shares purchased	-	(6,056)	-	-	-	-	-	-	(6,056)	-	(6,056)
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)	-	-	-	-	-	-	-	-
At 30.09.10	197,026	(7,286)	44,086	45,544	(14,042)	219	11,674	68,030	345,251	67,060	412,311

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 2010.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital RM'000	Treasury shares RM'000	Non-distributable reserve RM'000	Distributable Retained earnings RM'000	Total RM'000	Non-controlling interest RM'000	Total equity RM'000
9 months ended 30 September 2011							
At 01.01.11	197,026	(8,486)	90,063	87,248	365,851	68,019	433,870
Total comprehensive income for the period	-	-	17,917	5,759	23,676	8,533	32,209
Treasury shares purchased	-	(7,396)	-	-	(7,396)	-	(7,396)
Final dividend of 3.5% per share less 25% in respect of the financial year ended 31.12.2010	-	-	-	(4,876)	(4,876)	-	(4,876)
Special dividend of 5% per share less 25% in respect of the financial year ended 31.12.2010	-	-	-	(6,966)	(6,966)	-	(6,966)
Capital contribution by non-controlling shareholder	-	-	-	-	-	4,308	4,308
Dividend payable transfer to loan from a non-controlling shareholder	-	-	-	-	-	(9,494)	(9,494)
At 30.09.11	197,026	(15,882)	107,980	81,165	370,289	71,366	441,655
9 months ended 30 September 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	-	-	(27,418)	6,947	(20,471)	(3,593)	(24,064)
Treasury shares purchased	-	(6,056)	-	-	(6,056)	-	(6,056)
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)	-	-	-	-
At 30.09.10	197,026	(7,286)	87,481	68,030	345,251	67,060	412,311

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 2010.



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 report are consistent with those adopted in the most recent annual audited financial statements except for the adoption of the following new and revised Financial Reporting Standards ("FRSs"), Amendments to FRSs, Issues Committee ("IC") Interpretations and Technical Releases ("TRs") that are effective from 1 January 2011:

FRS 1	First-time Adoption of Financial Reporting Standards
FRS 3	Business Combinations (Revised)
FRS 127	Consolidated and Separate Financial Statements (Revised)
Amendments to FRS 1	Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters
Amendments to FRS 1	Additional Exemptions for First-time Adopters
Amendments to FRS 2	Share-based Payment
Amendments to FRS 2	Group Cash-settled Share-based Payment Transactions
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS 7	Improving Disclosures about Financial Instruments
Amendments to FRS 132	Financial Instruments: Presentation
Amendments to FRS 138	Intangible Assets
Amendments to FRSs contained in	the document entitled "Improvements to FRSs 2010"
IC Interpretation 4	Determining whether an Arrangement contains a Lease
IC Interpretation 12	Service Concession Arrangements
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17	Distributions of Non-cash Assets to Owners
IC Interpretation 18	Transfers of Assets from Customers
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives
TR i-4	Shariah Compliant Sale Contracts

The following new and revised FRSs, Amendments to FRSs and IC Interpretations were issued but not yet effective and have not been adopted by the Group:

	For financial periods beginning on or after
FRS 124	1 January 2012
IC Interpretation 15	1 January 2012
IC Interpretation 19	1 July 2011
Amendments to IC Interpretation 4	1 July 2011

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 interim financial report 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 4,760,400 ordinary shares of RM1.00 each of its issued share capital from the open market at an average cost of RM0.802 per share. The total consideration paid for the share buy-back was RM3,818,660 and was financed by internally generated funds. As at 30 September 2011, a total of 18,152,500 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.

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 3.5% per share less 25% income tax amounting to RM4,876,158 and a special dividend of 5% per share less 25% income tax amounting RM6,965,936, in respect of the financial year ended 31 December 2010 was paid on 3 May 2011.

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				
9 months ended 30.09.2011				
External revenue	<u>80,851</u>	<u>16,512</u>	<u>934</u>	<u>98,297</u>
Segment profit	<u>7,307</u>	<u>1,403</u>	<u>159</u>	<u>8,869</u>
9 months ended 30.09.2010				
External revenue	<u>71,589</u>	<u>15,051</u>	<u>907</u>	<u>87,547</u>
Segment profit	<u>8,090</u>	<u>1,931</u>	<u>109</u>	<u>10,130</u>
Reconciliation of reportable segment profit				
			9 months ended	
			30.09.2011	30.09.2010
			RM'000	RM'000
Total profit from reportable segments			8,869	10,130
Segment results of discontinued operation			-	6,216
Other non-reportable segments			1,889	(2,416)
Share of results of associates			682	424
Share of results of jointly controlled entities			(531)	(276)
Consolidated profit before tax			<u>10,909</u>	<u>14,078</u>

A.8 Operating Segments (cont'd)

b. By Geographical Location

External revenue	Continuing operations		Discontinued operation	
	9 months ended		9 months ended	
	30.09.2011	30.09.2010	30.09.2011	30.09.2010
	RM'000	RM'000	RM'000	RM'000
Malaysia	-	-	-	59,060
The People's Republic of China (incl. Hong Kong)	98,297	87,547	-	-
	<u>98,297</u>	<u>87,547</u>	<u>-</u>	<u>59,060</u>
	Consolidated external revenue		Non-current assets	
	9 months ended		9 months ended	
	30.09.2011	30.09.2010	30.09.2011	30.09.2010
	RM'000	RM'000	RM'000	RM'000
Malaysia	-	59,060	9,186	173,119
The People's Republic of China (incl. Hong Kong)	98,297	87,547	349,288	300,788
	<u>98,297</u>	<u>146,607</u>	<u>358,474</u>	<u>473,907</u>

Non-current assets consist of property, plant and equipment, land use rights and capital work-in-progress.

A9. Discontinued Operation

The comparative consolidated income statements 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 4th quarter 2010 under review.

Profits attributable to the discontinued operation were as follows:-

	Individual quarter		Cumulative quarter	
	3 months ended		9 months ended	
	30.09.2011	30.09.2010	30.09.2011	30.09.2010
	RM'000	RM'000	RM'000	RM'000
Revenue	-	20,491	-	59,060
Operating costs	-	(18,508)	-	(53,272)
Other income	-	243	-	609
Profit from operations	-	2,226	-	6,397
Finance costs	-	(57)	-	(181)
Profit before tax	-	2,169	-	6,216
Taxation	-	226	-	(641)
Profit for the period	-	2,395	-	5,575

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

On 8 November 2011, ILB had completed the transaction pursuant to the Sale and Purchase Agreement dated 5 August 2011 entered through Integrated Logistics Solutions Sdn Bhd and Integrated Warehouse Sdn Bhd (both were formerly wholly-owned subsidiaries of ILB) with Tanjung Balai Holdings Sdn Bhd for the disposal of the freehold vacant industrial land held under Geran No. 298954, Lot 122410, Pekan Hicom, Daerah Petaling, Negeri Selangor for a total cash consideration of RM18,240,408. This transaction is expected to result in an after tax gain of RM8.9million to the company.

A.12 Changes in The Composition of the Group

On 17 February 2011, Shenzhen ISH Logistics Co. Limited, a wholly-owned subsidiary of ISH Logistics (Shenzhen) Co. Limited which ILB has 70% effective equity interest, has incorporated a wholly-owned subsidiary in The People's Republic of China, namely Beijing ISH Logistics Co. Ltd ("Beijing ISH"), with a registered capital of RMB1 million.

On 5 April 2011, ILB has acquired 2 ordinary shares of RM1.00 each in Business Protocol Sdn. Bhd. ("Business Protocol"), representing 100% of the issued and paid up share capital of Business Protocol for a total cash consideration of RM2.00.

On 18 July 2011, Integrated Logistics (China) Co. Limited ("ILCN"), a wholly-owned subsidiary of Integrated Logistics (H.K.) Limited which ILB has 70% effective equity interest, had completed the share sale in relation to the Share Sale Agreement dated 2 June 2011 entered into between ILCN and Shanghai Zhong Se Realty Company Limited, for the sale of 100% equity interest in Integrated Shun Hing Logistics (Lingang) Co. Limited ("ISH Lingang"), a wholly-owned subsidiary of ILCN. ISH Lingang owns the land located at No.A2304-B, Yangshan Free Trade Zone, The People's Republic of China.

Integrated Cargo Services Sdn Bhd, a 50% owned associate of ILB was dissolved under the Members' Voluntary Winding-up in July 2011.

A.13 Contingent Liabilities and Contingent Assets

There were no material changes in contingent liabilities and contingent assets since the last annual reporting date.

A.14 Capital Commitment

As at the end of the reporting quarter, the Group has approved and contracted for capital commitments of RM7.0million in respect of the construction of warehouse buildings.

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 RM36.2million which was 22.7% higher than the revenue achieved in the corresponding period in the preceding year of RM29.5million. The Group posted a pre-tax profit from continuing operations of RM7.4million for the current quarter as compared to the pre-tax profit for the corresponding period in the preceding year of RM2.5million. The increase of pre-tax profit for the current quarter was due mainly to an exceptional gain of RM4.2million arising from the disposal of a subsidiary, Integrated Shun Hing Logistics (Lingang) Co.Limited in The People's Republic of China and the additional profit generated from increase in revenue. There is no profit or loss arising from discontinued operations for the current quarter because the exercise involving the sale of Malaysia operations 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 15.3% from RM31.4million to RM36.2million. The Group has recorded a pre-tax profit from continuing operations of RM7.4million for the current quarter as compared to the immediate preceding quarter's pre-tax profit of RM1.3million. The increase of pre-tax profit for the current quarter was due mainly to an exceptional gain of RM4.2million arising from the disposal of a subsidiary, Integrated Shun Hing Logistics (Lingang) Co.Limited in The People's Republic of China and the additional profit generated from increase in revenue. There is no profit or loss arising from discontinued operations for the current quarter because the exercise involving the sale of Malaysia operations 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 30.09.11 RM'000	Current financial year-to-date ended 30.09.11 RM'000
Taxation comprises :-		
Current taxation	1,491	2,612
Deferred taxation	(52)	(81)
Tax expense for the period	<u>1,439</u>	<u>2,531</u>

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

There were no sales of unquoted investment and/or properties during the current quarter and financial year-to-date.

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 5 August 2011, ILB had through Integrated Logistics Solutions Sdn Bhd and Integrated Warehouse Sdn Bhd (both were formerly wholly-owned subsidiaries of ILB) entered into a Sale and Purchase Agreement with Tanjung Balai Holdings Sdn Bhd for the disposal of the freehold vacant industrial land held under Geran No. 298954, Lot 122410, Pekan Hicom, Daerah Petaling, Negeri Selangor for a total cash consideration of RM18,240,408.

B.9 Group Borrowings and Debt Securities

a. Short term borrowings

	As at 30.09.11 RM'000	As at 30.09.10 RM'000
Secured :-		
Hire purchase payable	-	890
Portion of term loans payable within 12 months	25,776	38,084
	<u>25,776</u>	<u>38,974</u>
Unsecured :-		
Term loan	-	900
Revolving Credit	-	30,000
	<u>25,776</u>	<u>69,874</u>

b. Long term borrowings

	As at 30.09.11 RM'000	As at 30.09.10 RM'000
Secured :-		
Hire purchase payable	-	2,816
Portion of term loans payable after 12 months	75,183	95,014
	<u>75,183</u>	<u>97,830</u>
Unsecured :-		
Loan from a non-controlling shareholder	52,452	36,823
	<u>127,635</u>	<u>134,653</u>

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

	As at 30.09.11 RM'000	As at 30.09.10 RM'000
(i) In Chinese Renminbi		
Portion of term loans payable within 12 months	7,230	31,177
Portion of term loans payable after 12 months	18,828	40,366
(ii) In US Dollars		
Portion of term loans payable within 12 months	18,546	2,907
Portion of term loans payable after 12 months	56,355	11,648
(ii) In Hong Kong Dollars		
Loan from a non-controlling shareholder	52,452	36,823

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 reporting date.

B.13 Dividend Payable

No dividend has been declared or paid for this financial quarter.

B.14 Earnings Per Share ("EPS")

	Individual Quarter		Cumulative Quarters	
	3 months ended		9 months ended	
	30.09.11	30.09.10	30.09.11	30.09.10
Profit attributable to owners of the Parent (RM'000)	3,992	1,938	5,759	6,947
Weighted average number of ordinary shares for basic EPS ('000)	181,207	188,842	184,157	191,161
Weighted average number of ordinary shares for diluted EPS ('000)	181,207	188,842	184,157	191,161
Basic EPS (sen)	2.2	1.0	3.1	3.6
Diluted EPS (sen)	2.2	1.0	3.1	3.6

B.15 Realised and Unrealised Profits/(Losses) Disclosure

	As at 30.09.11	As at 31.12.10
	RM'000	RM'000
Total retained profits of the Company and its subsidiaries		
- Realised	55,665	57,228
- Unrealised	13,620	14,830
	<u>69,285</u>	<u>72,058</u>
Total share of retained profits from associates		
- Realised	6,025	5,343
- Unrealised	-	-
	<u>6,025</u>	<u>5,343</u>
Total share of retained profits from jointly controlled entities		
- Realised	(2,215)	(1,684)
- Unrealised	-	-
	<u>(2,215)</u>	<u>(1,684)</u>
Less : Consolidation adjustments	8,070	11,531
Total retained profits of the Group	<u>81,165</u>	<u>87,248</u>

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
30 November 2011