

Company No.

89243	A
-------	---

KONSORTIUM LOGISTIK BERHAD
(Incorporated in Malaysia)

INTERIM FINANCIAL REPORTS

31 DECEMBER 2008

KONSORTIUM LOGISTIK BERHAD
CONDENSED CONSOLIDATED BALANCE SHEET
Interim Report for the Year Ended 31 December 2008
The figures have not been audited.

	As at 31/12/2008 RM'000	As at 31/12/2007 RM'000 (Audited)
ASSETS		
Non-current Assets		
Property, plant and equipment	195,658	187,276
Investment property	21,000	21,000
Prepaid lease payments	30,840	31,521
Goodwill	11,883	10,907
Investments in associates	25,917	24,089
Long term investments	8,989	1,827
Deferred tax assets	2,024	2,199
	<u>296,311</u>	<u>278,819</u>
Current Assets		
Consumable stores, at cost	144	217
Trade receivables	83,662	79,583
Other receivables	34,775	29,597
Amount due from associates	17,688	19,027
Current tax assets	5,936	7,019
Deposits, bank and cash balances	22,785	48,103
	<u>164,990</u>	<u>183,546</u>
Non-current assets classified as held for sale	-	6,050
TOTAL ASSETS	<u>461,301</u>	<u>468,415</u>
EQUITY		
Capital and reserves attributable to the Company's equity holders		
Share Capital	240,719	240,719
Reserves attributable to capital	74,485	74,485
Treasury shares	(14,620)	-
Reserves attributable to revenue	(12,253)	(9,727)
Retained profits	21,356	10,915
	<u>309,687</u>	<u>316,392</u>
Minority Interests	(1,792)	(980)
Total equity	<u>307,895</u>	<u>315,412</u>
LIABILITIES		
Non-current liabilities		
Borrowings	24,850	19,125
Provision for retirement benefits	1,954	1,949
Deferred tax liabilities	6,449	5,970
	<u>33,253</u>	<u>27,044</u>
Current Liabilities		
Trade payables	43,868	50,204
Other payables	34,499	17,843
Dividend payables	-	21,087
Borrowings	40,955	36,745
Provision for taxation	831	80
	<u>120,153</u>	<u>125,959</u>
Total Liabilities	<u>153,406</u>	<u>153,003</u>
TOTAL EQUITY AND LIABILITIES	<u>461,301</u>	<u>468,415</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	1.37	1.31

This Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the year ended 31 December 2007.

KONSORTIUM LOGISTIK BERHAD
CONDENSED CONSOLIDATED INCOME STATEMENT
Interim Report for the Year Ended 31 December 2008
The figures have not been audited.

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31 December 2008 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31 December 2007 RM'000 (Audited)	CURRENT YEAR ENDED 31 December 2008 RM'000	PRECEDING YEAR CORRESPONDING ENDED 31 December 2007 RM'000 (Audited)
Revenue	56,978	65,790	261,178	252,843
Operating Expenses	(52,096)	(60,613)	(234,863)	(223,868)
Other income	1,286	214	7,199	6,346
Profit from operations	6,168	5,391	33,514	35,321
Finance cost	(1,027)	(1,192)	(4,110)	(6,159)
Share of (loss)/profit of associates	(155)	653	1,828	3,149
Profit before taxation	4,986	4,852	31,232	32,311
Taxation	(1,212)	(685)	(7,706)	(7,932)
Profit for the period	3,774	4,167	23,526	24,379
Attributable to :				
Equity holders of the parent	3,939	4,054	24,338	24,132
Minority Interest	(165)	113	(812)	247
	3,774	4,167	23,526	24,379
Earnings per share for profit attributable to equity holders of the Company	sen	sen	sen	sen
- Basic	1.74	1.68	10.75	10.02
- Diluted	NA	NA	NA	NA

This Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the year ended 31 December 2007.

KONSORTIUM LOGISTIK BERHAD
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
Interim Report for the Year Ended 31 December 2008
The figures have not been audited.

	Attributable to equity holders of the Company					Total	Minority Interest	Total Equity
	Share Capital	Share Premium	Treasury Shares	Exchange translation reserves	Retained earnings			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January 2007	240,719	74,485	-	(5,033)	13,142	323,313	(1,227)	322,086
Foreign currency translations	-	-	-	(4,694)	0	(4,694)	-	(4,694)
Loss recognised directly in equity	-	-	-	(4,694)	-	(4,694)	-	(4,694)
Profit for the financial year	-	-	-	-	24,132	24,132	247	24,379
Total recognised income and expenses for the financial year	-	-	-	(4,694)	24,132	19,438	247	19,685
Dividends	-	-	-	-	(26,359)	(26,359)	-	(26,359)
Balance as at 31 December 2007	240,719	74,485	-	(9,727)	10,915	316,392	(980)	315,412
Balance as at 1 January 2008	240,719	74,485	-	(9,727)	10,915	316,392	(980)	315,412
Foreign currency translations	-	-	-	(2,526)	-	(2,526)	-	(2,526)
Loss recognised directly in equity	-	-	-	(2,526)	-	(2,526)	-	(2,526)
Shares repurchased	-	-	(14,620)	-	-	(14,620)	-	(14,620)
Profit for the financial year	-	-	-	-	24,338	24,338	(812)	23,526
Total recognised income and expenses for the financial year	-	-	(14,620)	(2,526)	24,338	7,192	(812)	6,380
Dividends	-	-	-	-	(13,897)	(13,897)	-	(13,897)
Balance as at 31 December 2008	240,719	74,485	(14,620)	(12,253)	21,356	309,687	(1,792)	307,895

This Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2007.

KONSORTIUM LOGISTIK BERHAD
CONDENSED CONSOLIDATED CASH FLOW STATEMENT
Interim Report for the Year Ended 31 December 2008
The figures have not been audited.

	12 months ended 31 December 2008 RM'000	12 months ended 31 December 2007 RM'000 (Audited)
Cash flows from operating activities		
Cash receipts from operations	273,015	265,122
Cash payments to suppliers and employees	(223,913)	(228,533)
Interest paid	(4,110)	(6,159)
Tax paid	(5,219)	(7,502)
<i>Net cash generated from operating activities</i>	<u>39,773</u>	<u>22,928</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(25,893)	(1,037)
Purchase of quoted shares and other investments	(8,049)	(110)
Proceeds from disposal of quoted/unquoted shares and other investment	919	11,389
Proceeds from disposal of property, plant and equipment	12,265	26,385
Proceeds from disposal of subsidiaries	5,400	600
Purchase of subsidiary	(6,000)	-
Interest received	329	758
Payment for project related activities	(17,544)	-
Proceed for project related activities	11,616	-
Repayment advance from associate	472	(153)
<i>Net cash (used in)/generated from investing activities</i>	<u>(26,485)</u>	<u>37,832</u>
Cash flows from financing activities		
Dividend paid	(34,984)	(5,272)
Dividend received	492	337
Proceeds from term loans and other bank borrowings	18,565	5,000
Repayment of loans and other bank borrowings	(12,637)	(14,439)
Proceeds from hire purchase	8,570	(3,386)
Repayment of hire purchase creditors	(4,563)	-
Shares repurchased	(14,090)	-
Restricted cash	(1,195)	(425)
<i>Net cash used in financing activities</i>	<u>(39,842)</u>	<u>(18,185)</u>
Effects of exchange rate changes on cash and cash equivalents	41	(30)
Net (decrease)/increase in cash and cash equivalents	(26,513)	42,545
Cash and cash equivalents brought forward	41,775	(770)
Cash and cash equivalents carried forward	<u>15,262</u>	<u>41,775</u>
<i>Cash and cash equivalents comprise:</i>		
Cash and bank balances	15,162	41,174
Deposits with licensed banks	7,623	6,929
Bank overdrafts	-	-
	<u>22,785</u>	<u>48,103</u>
Less: Restricted cash	(7,523)	(6,328)
Cash and cash equivalents	<u>15,262</u>	<u>41,775</u>

This Condensed Consolidated Cash Flow statement should be read in conjunction with the Annual Financial Report for the year ended 31 December 2007.

Company No.

89243	A
-------	---

KONSORTIUM LOGISTIK BERHAD

(Incorporated in Malaysia)

A. NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2008

A1. BASIS OF PREPARATION

The quarterly interim financial report is unaudited and has been prepared in accordance with FRS134 "Interim Financial Reporting" and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2007.

A2. REPORT OF THE AUDITORS TO THE MEMBERS OF KONSORTIUM

The reports of the auditors to the members of Konsortium and its subsidiary companies on the financial statements for the financial year ended 31 December 2007 were not subject to any qualification and did not include any adverse comments made under subsection (3) of Section 174 of the Companies Act, 1965.

A3. SEASONALITY OR CYCLICALITY OF INTERIM OPERATIONS

The Group's core businesses are generally affected by the festive months which normally record higher volume of activities in haulage, freight forwarding and warehousing.

A4. EXCEPTIONAL AND/OR EXTRAORDINARY ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR CASH FLOWS

There were no exceptional and/or extraordinary items affecting assets, liabilities, equity, net income or cash flows for the current quarter ended 31 December 2008.

A5. MATERIAL EFFECT OF CHANGES IN ESTIMATES

There were no changes in estimates used for accounting estimates which may have a material effect for the current quarter under review.

A6. DEBT AND EQUITY SECURITIES

During the current twelve months period, the Company repurchased a total of 14,344,300 ordinary shares of RM1.00 each from the open market for a total consideration of RM14,619,980. The repurchased transactions were financed by internally generated funds. The repurchased shares are held as treasury shares in accordance with the requirement of Section 67A of the Companies Act, 1965.

There were no issuances, cancellations, resale and repayment of debt and equity securities during the current quarter ended 31 December 2008.

Company No.

89243

A

KONSORTIUM LOGISTIK BERHAD

(Incorporated in Malaysia)

A. NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2008

A7. DIVIDEND PAID

In respect of financial year ended 31 December 2007, a first interim dividend of 12 sen per share on 240,718,829 ordinary share, less 27% tax, amounting to RM21,086,969 was paid on 31 January 2008.

In respect of financial year ended 31 December 2007, a final dividend of 8 sen per share on 234,740,591 ordinary share, less 26% tax, amounting to RM13,896,643 was paid on 10 September 2008.

A8. SEGMENT REPORTING

Analysis of the Group's revenue and results as at 31 December 2008 by business segments are as follows:

Group	Logistics Service	Internal & External	Shared Service	Consol	
	<u>Organisation</u> RM'000	<u>Affiliates</u> RM'000	<u>Organisation</u> RM'000	<u>Adjustment</u> RM'000	<u>Results</u> RM'000
<u>Revenue</u>					
External sales	120,419	140,759	-	-	261,178
Inter-segment sales	-	7,416	-	(7,416)	-
Total revenue	120,419	148,175	-	(7,416)	261,178
<u>Profit</u>					
Segment results	25,273	11,509	(3,268)	-	33,514
Finance costs					(4,110)
Share of results of associates					1,828
Profit from ordinary activities before taxation before tax					31,232
Taxation					(7,706)
Profit from ordinary activities after tax					23,526
Minority interest					812
Net profit for the year					24,338

A9. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

There was no valuation of property, plant and equipment during the financial quarter under review.

Company No.

89243	A
-------	---

KONSORTIUM LOGISTIK BERHAD

(Incorporated in Malaysia)

**A. NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER
2008**

A10. EVENTS SUBSEQUENT TO BALANCE SHEET DATE

There were no material events subsequent to the balance sheet date that have not been reported in the financial statements.

A11. CHANGES IN THE COMPOSITION OF THE GROUP

On 26 May 2008, the Company had entered into a Share Sale Agreement to acquire the entire issued and paid-up share capital of Asia Pacific Freight System Sdn Bhd comprising 1,000,000 ordinary shares of RM1.00 each for a total cash consideration of RM6,000,000.

On 29 May 2008, the Company had completed the acquisition of 100,000 ordinary share of RM1.00 each, representing remaining 40% equity interest in Parcel Tankers Malaysia Sdn Bhd. As a result, Parcel Tankers Malaysia Sdn Bhd is now a 100% wholly-owned subsidiary.

There were no material changes in the composition of the Group during the financial quarter under review.

A12. CONTINGENT LIABILITIES

Corporate guarantees to financial institutions for facilities granted to subsidiary companies amounted to RM17.2 million.

Company No.

89243	A
-------	---

KONSORTIUM LOGISTIK BERHAD

(Incorporated in Malaysia)

B. ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS

B1. TAXATION

	<u>Current Quarter</u> 31/12/2008 RM'000	<u>Cumulative Quarter</u> 31/12/2008 RM'000
Taxation		
- income tax	761	7,054
- deferred taxation	451	652
	<u>1,212</u>	<u>7,706</u>

B2. UNQUOTED INVESTMENT AND PROPERTIES

During the year, Diperdana Kontena Sdn Bhd, a wholly-owned subsidiary of Konsortium had completed the disposal of its properties held under HS(D) 262665 PTD 128158 in the Mukim of Pelentong, District of Johor Bahru, State of Johor, for a cash consideration of RM6,050,000.

Other than the above, there was no sale or purchase of unquoted investments or properties during the current quarter ended 31 December 2008.

B3. QUOTED SECURITIES

On 28 Jan 2008, Konsortium had disposed of its quoted shares for a cash consideration of RM866,785 and the gain arising from the disposal was RM17,056.

During the year, Konsortium had purchased quoted shares for a total consideration of RM8,048,560.

Company No.

89243

A

KONSORTIUM LOGISTIK BERHAD

(Incorporated in Malaysia)

B. ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS

B4. BANK BORROWINGS

Details of the Group's borrowings as at 31 December 2008 are as follows:

	31 December 2008		
	<u>Secured</u> RM'000	<u>Unsecured</u> RM'000	<u>Total</u> RM'000
<u>Current</u>			
Term loans	12,800,264	600,000	13,400,264
Revolving credit	12,000,000	8,800,000	20,800,000
Hire purchase and finance lease liabilities	6,754,600	-	6,754,600
Overdraft	-	-	-
	<u>31,554,864</u>	<u>9,400,000</u>	<u>40,954,864</u>
<u>Non Current</u>			
Term loans	8,493,328	3,250,000	11,743,328
Hire purchase and finance lease liabilities	13,106,794	-	13,106,794
	<u>21,600,122</u>	<u>3,250,000</u>	<u>24,850,122</u>

B5. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

During the financial period to-date, the Group did not enter into any contracts involving off-balance sheet financial instruments.

B6. MATERIAL LITIGATION

The Group is not involved in any claim or legal action that will have a material effect on the Group's financial position, results of operations or liquidity.

Company No.

89243

A

KONSORTIUM LOGISTIK BERHAD

(Incorporated in Malaysia)

B. ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS

B7. REVIEW OF PERFORMANCE

The Group recorded Revenue and Net Profits of RM261.2Mil and RM24.3Mil for the year ending 31 December 2008, an increase of 3.3% and 0.85% over the previous corresponding period respectively.

The Group has reaped positive results from the various profits improvements plans and costs reduction programmes it implemented during the year. The profits improvement plans include the review and closure of low margin and loss making businesses as well as slow paying customers via the relocation of resources from these customers to serve higher margins and profitable customers, while the costs reduction programmes are initiatives implemented throughout the year to minimise costs and to drive assets utilisation efficiencies.

B8. QUARTERLY RESULTS COMPARISON

The Revenue recorded in Quarter 4, 2008 amounted to RM57Mil, a shortfall of RM8.8Mil over the previous corresponding period. The slowdown in the economy during the quarter has a direct impact on the number of containers transported and handled during this period, which affected the Haulage divisions' revenue. Nevertheless, the costs control and process improvement plans that were put in place have yielded positive results as the Group posted a slightly higher profits before tax for the quarter ending 31 December 2008 of RM4.99Mil against the previous corresponding period of RM4.85Mil.

B9. PROSPECT

The inevitable slowdown of economy in 2009 will have direct impact on certain divisions in the Group, namely the Haulage, Port and Customs Clearance and Air Freight divisions, which handle containers and cargo movements for both export and import. However, the Group has embarked on costs reduction programmes since early 2008, which seeks to reduce the overall costs via improving the productivity of assets utilisation and the replacement of old fleet of prime movers. These initiatives have reduced the cost of doing business vastly. With an improved cost model and more efficient assets utilisation, the divisions impacted by the loss of business volumes due to the economic slowdown will still be able to contribute positively to the Group's bottom line.

While the Group may suffer a shortfall in revenue from the containers and cargo related businesses in 2009, the Group's other businesses which relates directly to the customers' logistics supply chain activities remains relatively positive. These logistics business segments are mostly tied on long-term contracts, with some recently renewed in 2008. The Group has also successfully tendered and secured new business opportunities in other logistics supply chain from its current as well as new customers and these new businesses will mitigate any loss of businesses.

The drive for high productivity and costs effectiveness will continue throughout the year and despite the downturn of the global and domestic economy, the Group is confident that it can overcome the negative economic impact and will continue to maintain its profit growth in 2009.

Company No.

89243	A
-------	---

B10 VARIANCE ON PROFIT FORECAST/ SHORTFALL IN PROFIT GUARANTEE

Not applicable.

B11. DIVIDEND

The Board has declared an interim share dividend on the basis of one (1) treasury share for every twenty five (25) existing ordinary shares of RM1 each held in the Company, fractions of treasury shares to be disregarded ("Share Dividend") in respect of the financial year ended 31 December 2008. The entitlement date and crediting of the Share Dividend will be announced in due course.

The Board also recommends a final dividend of 4 sen per ordinary share, less tax, amounting to RM6,791,236 in respect of the financial year ended 31 December 2008, subject to the approval of members at the forthcoming Annual General Meeting of the Company.

Company No.

89243	A
-------	---

KONSORTIUM LOGISTIK BERHAD

(Incorporated in Malaysia)

C. ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS

B12. EARNINGS PER SHARE

	12 months ended 31 December 08	12 months ended 31 December 07
Net profit for the period (RM'000)	24,338	24,132
Issued ordinary shares at beginning of period ('000)	240,719	240,719
Treasury share	(14,620)	-
	<u>226,099</u>	<u>240,719</u>
Basic earnings per share (sen)	10.75	10.02