

Company No.

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**KONSORTIUM LOGISTIK BERHAD**  
**(Incorporated in Malaysia)**

**INTERIM FINANCIAL REPORTS**

**30 JUNE 2009**

**KONSORTIUM LOGISTIK BERHAD**  
**CONDENSED CONSOLIDATED BALANCE SHEET**  
**Interim Report for the Year Ended 30 June 2009**

*The figures have not been audited.*

	As at 30/6/2009 RM'000	As at 31/12/2008 RM'000 (Audited)
<b>ASSETS</b>		
Non-current Assets		
Property, plant and equipment	202,618	195,457
Investment property	20,000	20,000
Prepaid lease payments	29,046	30,840
Goodwill	11,883	11,883
Investments in associates	24,623	25,345
Long term investments	16,532	8,989
Deferred tax assets	2,871	2,987
	<u>307,573</u>	<u>295,501</u>
Current Assets		
Consumable stores, at cost	330	144
Trade receivables	77,689	86,889
Other receivables	50,934	34,159
Amount due from associates	17,649	17,717
Current tax assets	3,803	5,856
Deposits, bank and cash balances	29,295	23,310
	<u>179,700</u>	<u>168,075</u>
<b>TOTAL ASSETS</b>	<u><b>487,273</b></u>	<u><b>463,576</b></u>
<b>EQUITY</b>		
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	(11,922)	(14,620)
Reserves attributable to revenue	(12,245)	(12,278)
Retained profits	24,842	19,206
	<u>315,879</u>	<u>307,512</u>
Minority Interests	(2,433)	(1,848)
Total equity	<u>313,446</u>	<u>305,664</u>
<b>LIABILITIES</b>		
Non-current liabilities		
Borrowings	37,909	23,320
Provision for retirement benefits	1,897	1,954
Deferred tax liabilities	6,315	6,725
	<u>46,121</u>	<u>31,999</u>
Current Liabilities		
Trade payables	36,544	47,994
Other payables	29,802	34,738
Borrowings	60,533	42,397
Provision for taxation	827	784
	<u>127,706</u>	<u>125,913</u>
Total Liabilities	<u>173,827</u>	<u>157,912</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><b>487,273</b></u>	<u><b>463,576</b></u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	1.37	1.35

*This Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the year ended 31 December 2008.*

**KONSORTIUM LOGISTIK BERHAD**  
**CONDENSED CONSOLIDATED INCOME STATEMENT**  
**Interim Report for the Year Ended 30 June 2009**

*The figures have not been audited.*

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30 June 2009 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30 June 2008 RM'000	CURRENT YEAR ENDED 30 June 2009 RM'000	PRECEDING YEAR CORRESPONDING ENDED 30 June 2008 RM'000
Revenue	57,557	71,213	109,658	133,510
Operating Expenses	(46,206)	(61,141)	(91,160)	(117,707)
Other income	2,260	2,279	3,610	3,377
Profit from operations	13,611	12,351	22,108	19,180
Finance cost	(1,631)	(1,079)	(3,115)	(2,058)
Share of profit of associates	7	550	(372)	1,313
Profit before taxation	11,987	11,822	18,621	18,435
Taxation	(2,891)	(2,937)	(4,413)	(4,489)
Profit for the period	9,096	8,885	14,208	13,946
Attributable to :				
Equity holders of the parent	9,490	9,345	14,792	14,391
Minority Interest	(394)	(460)	(584)	(445)
	9,096	8,885	14,208	13,946
Earnings per share for profit attributable to equity holders of the company	sen	sen	sen	sen
- Basic	4.15	3.92	6.47	6.03
- Diluted	NA	NA	NA	NA

*This Condensed Consolidated Cash Flow statement should be read in conjunction with the Annual Financial Report for the year ended 31 December 2008.*

**KONSORTIUM LOGISTIK BERHAD**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**Interim Report for the Year Ended 30 June 2009**

*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
<b>Balance as at 1 January 2008</b>	240,719	74,485	-	(9,727)	10,915	316,392	(979)	315,413
Foreign currency translations	-	-	-	(2,551)	0	(2,551)	-	(2,551)
Loss recognised directly in equity	-	-	-	(2,551)	-	(2,551)	-	(2,551)
Profit for the financial year	-	-	-	-	22,188	22,188	(869)	21,319
Total recognised income and expenses for the financial year	-	-	-	(2,551)	22,188	19,637	(869)	18,768
Purchase of Company's own shares	-	-	(14,620)	-	-	(14,620)	-	(14,620)
Dividends	-	-	-	-	(13,897)	(13,897)	-	(13,897)
<b>Balance as at 31 December 2008</b>	<b>240,719</b>	<b>74,485</b>	<b>(14,620)</b>	<b>(12,278)</b>	<b>19,206</b>	<b>307,512</b>	<b>(1,848)</b>	<b>305,664</b>
<b>Balance as at 1 January 2009</b>	240,719	74,485	(14,620)	(12,278)	19,206	307,512	(1,848)	305,664
Foreign currency translations	-	-	-	33	-	33	-	33
Loss recognised directly in equity	-	-	-	33	-	33	-	33
Purchase of Company's own shares	-	-	(6,458)	-	-	(6,458)	-	(6,458)
Profit for the financial year	-	-	-	-	14,792	14,792	(585)	14,206
Total recognised income and expenses for the financial year	-	-	(6,458)	33	14,792	8,367	(585)	7,782
Dividends	-	-	9,156	-	(9,156)	-	-	-
<b>Balance as at 30 June 2009</b>	<b>240,719</b>	<b>74,485</b>	<b>(11,922)</b>	<b>(12,245)</b>	<b>24,842</b>	<b>315,879</b>	<b>(2,433)</b>	<b>313,446</b>

*This Condensed Consolidated Cash Flow statement should be read in conjunction with the Annual Financial Report for the year ended 31 December 2008*

**KONSORTIUM LOGISTIK BERHAD**  
**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**  
**Interim Report for the Year Ended 30 June 2009**

*The figures have not been audited.*

	6 months ended 30 June 2009 RM'000	6 months ended 30 June 2008 RM'000
<b>Cash flows from operating activities</b>		
Cash receipts from operations	104,182	136,573
Cash payments to suppliers and employees	(91,575)	(114,460)
Interest paid	(3,115)	(2,058)
Net Tax paid and recovered	(2,611)	(5,479)
<i>Net cash generated from operating activities</i>	<u>6,881</u>	<u>14,576</u>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(21,344)	(6,028)
Purchase of quoted shares and other investments	(8,029)	(36)
Proceeds from disposal of quoted/unquoted shares and other investment	523	867
Proceeds from disposal of property, plant and equipment	1,517	1,899
Proceeds from disposal of subsidiaries	-	5,400
Purchase of subsidiary	-	(600)
Interest received	115	196
Payment for project related activities	-	(15,000)
Repayment advance from associate	68	378
<i>Net cash used in investing activities</i>	<u>(27,150)</u>	<u>(12,924)</u>
<b>Cash flows from financing activities</b>		
Dividend paid	-	(21,087)
Dividend received	1	301
Proceeds from term loans and other bank borrowings	41,239	2,000
Repayment of loans and other bank borrowings	(9,649)	(2,502)
Proceeds from hire purchase	4,096	-
Repayment of hire purchase creditors	(2,961)	(1,831)
Shares repurchased	(6,458)	(3,613)
Restricted cash	(29)	4,343
<i>Net cash from/(used in) financing activities</i>	<u>26,239</u>	<u>(22,389)</u>
Effects of exchange rate changes on cash and cash equivalents	(14)	(30)
<b>Net increase/(decreased) in cash and cash equivalents</b>	5,956	(20,767)
<b>Cash and cash equivalents brought forward</b>	<u>14,844</u>	<u>41,775</u>
<b>Cash and cash equivalents carried forward</b>	<u><u>20,800</u></u>	<u><u>21,008</u></u>
<b><i>Cash and cash equivalents comprise:</i></b>		
Cash and bank balances	20,700	20,907
Deposits with licensed banks	8,595	2,085
	<u>29,295</u>	<u>22,992</u>
Less: Restricted cash	(8,495)	(1,984)
Cash and cash equivalents	<u><u>20,800</u></u>	<u><u>21,008</u></u>

*This Condensed Consolidated Cash Flow statement should be read in conjunction with the Annual Financial Report for the year ended 31 December 2008.*

## **KONSORTIUM LOGISTIK BERHAD**

(Incorporated in Malaysia)

### **A. NOTES TO THE INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER AND FINANCIAL PERIOD ENDED 30 JUNE 2009**

#### **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 2008.

#### **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 2008 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 30 June 2009.

#### **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 six months period, the Company repurchased a total of 6,886,700 ordinary shares of RM1.00 each from the open market for a total consideration of RM6,458,029. The repurchased transactions were financed by internally generated funds and external borrowings. The repurchased shares are held as treasury shares in accordance with the requirement of Section 67A of the Companies Act, 1965.

During the financial period ended, the Company has resale a total of 48,000 ordinary shares of RM1.00 each to the open market for a total consideration of RM51,698.

There were no issuances, cancellations and repayment of debt and equity securities during the current quarter ended 30 June 2009.

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## KONSORTIUM LOGISTIK BERHAD

(Incorporated in Malaysia)

### A. NOTES TO THE INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER AND FINANCIAL PERIOD ENDED 30 JUNE 2009

#### A7. DIVIDEND PAID

In respect of financial year ended 31 December 2008, an interim gross dividend of one (1) treasury share for every twenty five (25) existing ordinary shares of RM1 each, amounting to RM9,155,508 was distributed on 31 March 2009.

#### A8. SEGMENT REPORTING

Analysis of the Group's revenue and results as at 30 June 2009 by business segments are as follows:

	<u>Logistics Service Organisation</u> RM'000	<u>Internal &amp; External Affiliates</u> RM'000	<u>Shared Service Organisation</u> RM'000	<u>Consol Adjustment</u> RM'000	<u>Group Results</u> RM'000
<b><u>Revenue</u></b>					
External sales	57,070	52,588	-	-	109,658
Inter-segment sales	-	3,572	-	(3,572)	-
Total revenue	<u>57,070</u>	<u>56,160</u>	<u>-</u>	<u>(3,572)</u>	<u>109,658</u>
<b><u>Profit</u></b>					
Segment results	17,654	5,281	(827)	-	22,108
Finance costs					(3,115)
Share of results of associates					(372)
Profit from ordinary activities before taxation before tax					<u>18,621</u>
Taxation					(4,413)
Profit from ordinary activities after tax					<u>14,208</u>
Minority interest					584
Net profit for the period					<u>14,792</u>

#### A9. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

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

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## **KONSORTIUM LOGISTIK BERHAD**

(Incorporated in Malaysia)

### A. NOTES TO THE INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 30 JUNE 2009

#### 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

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

The Company had on 30 April 2009 entered into an Agreement for the sales & purchase of shares with Qteam Sdn Bhd to dispose of the entire share held in Fleet Engineering Services Sdn Bhd ("Fleet"), being the wholly owned subsidiaries of Konsortium, for a total cash consideration of RM1,500,000.

#### A12. CONTINGENT LIABILITIES

Corporate guarantees to financial institutions for facilities granted to subsidiary companies amounted to RM30 million.

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## KONSORTIUM LOGISTIK BERHAD

(Incorporated in Malaysia)

### B. ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS

#### B1. TAXATION

	<u>Current Quarter</u> <u>30/06/2009</u> RM'000	<u>Cumulative Quarter</u> <u>30/06/2009</u> RM'000
Taxation		
- income tax	2,038	3,926
- deferred taxation	853	487
	<u>2,891</u>	<u>4,413</u>

#### B2. UNQUOTED INVESTMENT AND PROPERTIES

There was no sale or purchase of unquoted investments or properties during the current quarter ended 30 June 2009

#### B3. QUOTED SECURITIES

The Group's quoted investments as at 30 June 2009 are as follows:

	<u>RM'000</u>
Cost	15,546
Carrying value/book value	15,546
Market value	15,664

The market value for the quoted shares as at 11 August 2009 is as follow:

	<u>RM'000</u>
Market value	21,776

During the financial period, the Group had purchased quoted shares for a total consideration of RM8,029,315.

During the financial period, Konsortium had disposed of its quoted shares for a cash consideration of RM523,252.

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## 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 30 June 2009 are as follows:

	30 June 2009		
	<u>Secured</u> RM'000	<u>Unsecured</u> RM'000	<u>Total</u> RM'000
<b><u>Current</u></b>			
Term loans	17,041	600	17,641
Revolving credit	17,000	12,500	29,500
Banker acceptance	5,671	-	5,671
Hire purchase and finance lease liabilities	7,721	-	7,721
	<u>47,433</u>	<u>13,100</u>	<u>60,533</u>
<b><u>Non Current</u></b>			
Term loans	24,271	450	24,721
Hire purchase and finance lease liabilities	13,188	-	13,188
	<u>37,459</u>	<u>450</u>	<u>37,909</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.

## **KONSORTIUM LOGISTIK BERHAD**

(Incorporated in Malaysia)

### **B. ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS**

#### **B7. REVIEW OF PERFORMANCE**

The Group recorded a decline in Revenue of 17.9% to RM109.6Mil for the six months ending 30 June 2009 as compared to RM133.5Mil recorded in the previous corresponding period. The slowdown in the country's economy during the first half of 2009 has a negative impact on the logistics' supply chain activities. The sharp decline in the country's import and export activities further dampened the transportation and customs' clearance requirements.

Despite the sharp decline in Revenue, the Group has managed to contain its costs and improve upon its assets utilisations and process improvement plans as it posted an improved Net Profits (attributable to equity holders of the parent) of RM14.8Mil during the first half of 2009 as compared to RM14.4mil recorded in the previous corresponding quarter. Better selection of customers, which eventhough reduces our revenue gives us better margin through improved utilisation of assets, resulting in higher profits.

#### **B8. QUARTERLY RESULTS COMPARISON**

The Revenue recorded in Quarter 2, 2009 amounted to RM57.6Mil, 19.2% lower than the previous corresponding period's Revenue of RM71.2Mil. Despite a slight recovery shown towards the end of Quarter 2, 2009, businesses continued to be tough with a significantly lower number of containers transported and handled during this period as compared to the previous corresponding quarter, thus severely affecting the Haulage and Port and Customs' Clearance divisions' revenue.

Nevertheless, the costs control and process improvement plans continue to yield positive results as the Group posted higher Profits from Operations during the quarter ending 30 June 2009 at RM13.6Mil against the previous corresponding period of RM12.4Mil.

#### **B9. PROSPECT**

As the economic activities across major industries slowed down significantly during the first half of 2009, the decline in Group Revenue was inevitable. The Group concentrated on costs efficiencies and productivity as a way to mitigate the slower business volume. As a logistic service provider, costs efficiencies are critical, more so in the current economic climate. The Group is confident that the continuous effort to increase productivity will ensure good returns to shareholders' fund.

#### **B10 VARIANCE ON PROFIT FORECAST/ SHORTFALL IN PROFIT GUARANTEE**

Not applicable.

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## KONSORTIUM LOGISTIK BERHAD

(Incorporated in Malaysia)

### B. ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS

#### B11. DIVIDEND

The Board has declared a final gross dividend of 4 sen per ordinary share, less tax at 25%, amounting to RM6,791,236 in respect of the financial year ended 31 December 2008 to be paid on 10 September 2009.

The Board has proposed an interim share dividend on the basis of one (1) treasury share for every thirty three (33) 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 ending 31 December 2009. The Company to fix the following dates for the entitlement and crediting of the Interim Share Dividend:

Entitlement Date : 10 September 2009  
Date of crediting the Share Dividend : 8 October 2009

#### B12. EARNINGS PER SHARE

	<b>6 months ended 30 June 09</b>	<b>6 months ended 30 June 08</b>
Net profit for the period (RM'000)	14,792	14,391
Issued ordinary shares at beginning of period ('000)	240,719	240,719
Treasury share	(12,172)	(2,173)
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	228,547	238,546
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Basic earnings per share (sen)	6.47	6.03