

Company No.

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

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

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

**FOR THE QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2010**

**KONSORTIUM LOGISTIK BERHAD**  
**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 SEPTEMBER 2010**

*The figures have not been audited.*

	As at 30/9/2010 RM'000	As at 31/12/2009 RM'000 (Restated)
<b>ASSETS</b>		
Non-current Assets		
Property, plant and equipment	238,260	244,611
Investment property	15,000	20,000
Goodwill	11,883	11,883
Investments in associates	37,856	42,556
Available -for-sale financial assets	22,267	18,047
Long term investments	812	943
Deferred tax assets	1,366	2,050
	<u>327,444</u>	<u>340,090</u>
Current Assets		
Consumable stores, at cost	13	37
Trade receivables	90,054	98,909
Other receivables	34,285	47,728
Current tax assets	1,944	4,244
Deposits, bank and cash balances	48,553	38,908
	<u>174,849</u>	<u>189,826</u>
<b>TOTAL ASSETS</b>	<u><b>502,293</b></u>	<u><b>529,916</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	52,497	58,396
Treasury shares	(5,965)	(8,042)
Available for sales	(1,720)	1,890
Reserves attributable to revenue	(1,452)	(10,239)
Retained profits	21,746	37,199
	<u>305,825</u>	<u>319,923</u>
Minority Interests	-	(3,553)
Total equity	<u>305,825</u>	<u>316,370</u>
<b>LIABILITIES</b>		
Non-current liabilities		
Borrowings	36,862	41,233
Provision for retirement benefits	1,868	1,915
Deferred tax liabilities	4,562	4,637
	<u>43,292</u>	<u>47,785</u>
Current Liabilities		
Trade payables	60,877	68,008
Other payables	32,827	35,934
Borrowings	59,191	58,836
Provision for taxation	281	2,983
	<u>153,176</u>	<u>165,761</u>
Total Liabilities	<u>196,468</u>	<u>213,546</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><b>502,293</b></u>	<u><b>529,916</b></u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	1.32	1.38

*This Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the year ended 31 December 2009.*

**KONSORTIUM LOGISTIK BERHAD**  
**CONSOLIDATED INCOME STATEMENT**  
**FOR THE QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2010**

*The figures have not been audited.*

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT PERIOD QUARTER 30 September 2010 RM'000	PRECEDING PERIOD CORRESPONDING QUARTER 30 September 2009 RM'000	CURRENT PERIOD ENDED 30 September 2010 RM'000	PRECEDING PERIOD CORRESPONDING ENDED 30 September 2009 RM'000
Revenue	77,189	61,347	229,016	171,005
Operating Expenses	(65,527)	(50,762)	(185,925)	(141,922)
Other income	562	564	1,483	4,174
Profit from operations	12,224	11,149	44,574	33,257
Other non operating expenses	(33,527)	-	(33,527)	-
Finance cost	(1,639)	(1,894)	(5,166)	(5,009)
Share of profit of associates	154	(261)	1,108	(633)
Profit before taxation	(22,788)	8,994	6,989	27,615
Taxation	(1,785)	(2,347)	(8,775)	(6,760)
<b>(Loss)/Profit for the period</b>	<b>(24,573)</b>	<b>6,647</b>	<b>(1,786)</b>	<b>20,855</b>
<b>Total profit attributable to :</b>				
Equity holders of the parent	(24,573)	7,084	(1,638)	21,876
Minority Interest	-	(437)	(148)	(1,021)
	<b>(24,573)</b>	<b>6,647</b>	<b>(1,786)</b>	<b>20,855</b>
Earnings per share for profit attributable to equity holders of the company	sen	sen	sen	sen
- Basic	(10.58)	3.10	(0.71)	9.58
- Diluted	NA	NA	NA	NA

*This Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the year ended 31 December 2009.*

**KONSORTIUM LOGISTIK BERHAD**  
**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2010**

*The figures have not been audited.*

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT PERIOD QUARTER 30 September 2010 RM'000	PRECEDING PERIOD CORRESPONDING QUARTER 30 September 2009 RM'000	CURRENT PERIOD ENDED 30 September 2010 RM'000	PRECEDING PERIOD CORRESPONDING ENDED 30 September 2009 RM'000
(Loss)/Profit for the period	(24,573)	6,647	(1,786)	20,855
Net gain/(loss) on revaluation of financial investments available for sale	(3)	-	(3,610)	-
<b>Total comprehensive income</b>	<b>(24,576)</b>	<b>6,647</b>	<b>(5,396)</b>	<b>20,855</b>
<b>Total comprehensive income attributable to:</b>				
Equity holders of the parent	(24,576)	7,083	(5,248)	21,876
Minority Interest	-	(437)	(148)	(1,021)
	<b>(24,576)</b>	<b>6,647</b>	<b>(5,396)</b>	<b>20,855</b>

*This Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the year ended 31 December 2009.*

**KONSORTIUM LOGISTIK BERHAD**  
**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2010**

*The figures have not been audited.*

	Attributable to equity holders of the Company						Minority Interest	Total Equity	
	Share Capital	Share Premium	Treasury Shares	Exchange translation reserves	Available for sales reserves	Retained earnings			Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
<b>As 1 January 2010</b>									
- as previously stated	240,719	58,396	(8,042)	(10,239)	-	37,330	318,164	(3,553)	314,611
- effective of adopting FRS 139	-	-	-	-	1,890	(131)	1,759	-	1,759
<b>As 1 January 2010, restated</b>	240,719	58,396	(8,042)	(10,239)	1,890	37,199	319,923	(3,553)	316,370
Foreign currency translations	-	-	-	8,787	-	-	8,787	-	8,787
Gain recognised directly in equity	-	-	-	8,787	-	-	8,787	-	8,787
Other comprehensive income	-	-	-	-	(3,610)	-	(3,610)	-	(3,610)
Profit/(Loss) for the financial year	-	-	-	-	-	(1,638)	(1,638)	(148)	(1,786)
Total recognised income and expenses for the financial year	-	-	-	8,787	(3,610)	(1,638)	3,539	(148)	3,391
Dividends in share	-	(5,899)	5,899	-	-	-	-	-	-
Dividends in cash	-	-	-	-	-	(13,815)	(13,815)	-	(13,815)
Purchase of Company's own shares	-	-	(3,822)	-	-	-	(3,822)	-	(3,822)
Additional investment in a subsidiary	-	-	-	-	-	-	-	6,450	6,450
Acquisition of a subsidiary	-	-	-	-	-	-	-	(2,749)	(2,749)
<b>As at 30 September 2010</b>	<b>240,719</b>	<b>52,497</b>	<b>(5,965)</b>	<b>(1,452)</b>	<b>(1,720)</b>	<b>21,746</b>	<b>305,825</b>	<b>-</b>	<b>305,825</b>
<b>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	-	-	-	1,316	-	-	1,316	-	1,316
Loss recognised directly in equity	-	-	-	1,316	-	-	1,316	-	1,316
Profit/(Loss) for the financial year	-	-	-	-	-	21,876	21,876	(1,021)	20,855
Total recognised income and expenses for the financial year	-	-	-	1,316	-	21,876	23,192	(1,021)	22,171
Purchase of Company's own shares	-	-	(7,625)	-	-	-	(7,625)	-	(7,625)
Dividends in shares	-	(9,156)	9,156	-	-	-	-	-	-
Dividends in cash	-	-	-	-	-	(6,608)	(6,608)	-	(6,608)
<b>As at 30 September 2009</b>	<b>240,719</b>	<b>65,329</b>	<b>(13,089)</b>	<b>(10,962)</b>	<b>-</b>	<b>34,474</b>	<b>316,471</b>	<b>(2,869)</b>	<b>313,602</b>

*This Condensed Consolidated Cash Flow statement should be read in conjunction with the Annual Financial Report for the year ended 31 December 2009*

**KONSORTIUM LOGISTIK BERHAD**  
**CONSOLIDATED STATEMENT OF CASH FLOW**  
**FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2010**

*The figures have not been audited.*

	9 months ended 30 September 2010 RM'000	9 months ended 30 September 2009 RM'000
<b>Cash flows from operating activities</b>		
Cash receipts from operations	228,073	150,757
Cash payments to suppliers and employees	(172,946)	(117,803)
Interest paid	(5,166)	(5,009)
Net Tax paid and recovered	(8,505)	(4,914)
<i>Net cash generated from operating activities</i>	<u>41,456</u>	<u>23,031</u>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(21,287)	(32,171)
Purchase of quoted shares and other investments	(8,494)	(8,170)
Proceeds from disposal of quoted/unquoted and other investments	782	523
Proceeds from disposal of property, plant and equipment	109	32
Proceeds from disposal of subsidiaries	6,278	-
Proceeds from minority	6,450	-
Proceeds from associate	5,100	-
Interest received	172	176
Advance to/(Repayment from) associate	(20)	83
Income received from other investment	-	-
<i>Net cash used in investing activities</i>	<u>(10,910)</u>	<u>(39,527)</u>
<b>Cash flows from financing activities</b>		
Dividend paid	(13,815)	(6,608)
Dividend received	750	387
Proceeds from term loans and other bank borrowings	12,882	43,340
Repayment of loans and other bank borrowings	(17,311)	(11,765)
Proceeds from hire purchase	8,145	6,134
Repayment of hire purchase creditors	(6,680)	(3,990)
Shares repurchased	(3,821)	(7,625)
Restricted cash	33	460
<i>Net cash (to)/from financing activities</i>	<u>(19,817)</u>	<u>20,333</u>
Effects of exchange rate changes on cash and cash equivalents	-	(14)
<b>Net increase/(decreased) in cash and cash equivalents</b>	<b>10,729</b>	<b>3,823</b>
<b>Cash and cash equivalents brought forward</b>	<b>28,944</b>	<b>14,844</b>
<b>Cash and cash equivalents carried forward</b>	<b><u>39,673</u></b>	<b><u>18,667</u></b>
<b><i>Cash and cash equivalents comprise:</i></b>		
Cash and bank balances	39,673	18,567
Deposits with licensed banks	8,878	8,106
	<u>48,551</u>	<u>26,673</u>
Less: Restricted cash	(8,878)	(8,006)
Cash and cash equivalents	<u>39,673</u>	<u>18,667</u>

*This Condensed Consolidated Cash Flow statement should be read in conjunction with the Annual Financial Report for the year ended 31 December 2009.*

**KONSORTIUM LOGISTIK BERHAD**

(Incorporated in Malaysia)

A. NOTES TO THE INTERIM FINANCIAL REPORT  
FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER  
2010

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.

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2009, except for the adoption of the following.

<b>FRSs/Interpretations</b>	<b>Effective date</b>
FRS 4, <i>Insurance Contracts</i>	1 January 2010
FRS 7, <i>Financial Instruments: Disclosures</i>	1 January 2010
FRS 8, <i>Operating Segment</i>	1 July 2009
FRS 101, <i>Presentation of Financial Statements</i>	1 January 2010
FRS 123, <i>Borrowing Costs</i>	1 January 2010
Amendments to FRS 1, <i>First-time Adoption of Financial Reporting Standards</i> and FRS 127, <i>Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate</i>	1 January 2010
FRS 139, <i>Financial Instruments: Recognition and Measurement</i>	1 January 2010
Amendments to FRS 132, <i>Financial Instruments: Presentation</i> and Amendements to FRS 139, <i>Financial Instruments: Recognition and Measurement</i> , FRS 7, <i>Financial Instruments: Disclosures</i> and IC Interpretation 9, <i>Reassessment of Embedded Derivatives</i>	1 January 2010
Improvements to FRSs (2009)	1 January 2010
IC Interpretation 9, <i>Reassessment of Embedded Derivatives</i>	1 January 2010
IC Interpretation 11, FRS 2 – <i>Group and Treasury Share Transactions</i>	1 January 2010
Amendments to FRS 2, <i>Share-based Payment: Vesting Conditions and Cancellations</i>	1 January 2010
IC Interpretation 10 <i>Interim Financial Reporting and Impairment</i>	1 January 2010
IC Interpretation 13 <i>Customer Loyalty Programmes</i>	1 January 2010
IC Interpretation 14, FRS 119 – <i>The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction</i>	1 January 2010

Other than the implications as discussed below, the adoption of the above standards, amendments and interpretations do not have any material impact on the financial statements of the Group:

- a) FRS 139 *Financial Instruments: Recognition and Measurement*, Amendements to FRS 139 *Financial Instruments: Recognition and Measurement*, FRS 7 *Financial Instruments: Disclosures* and IC Interpretation 9 *Reassessment of Embedded Derivatives*, and Amendements to FRS 139 *Financial Instruments: Recognition and Measurement*

Company No.

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

A. NOTES TO THE INTERIM FINANCIAL REPORT  
FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER  
2010

The adoption of FRS 139 does not have any significant impact on the financial instrument except as discuss below which resulted in adjustments to opening reserves of the Group are as follows:

	<b>Group RM'000</b>
Effective on retained profits:	
At 1 January 2010, as previously stated	37,330
Effective of adoption of FRS 139	<u>(131)</u>
At January 2010, as restated	<u>37,199</u>
Effective available for sale reserve:	
At 1 January 2010, as previously stated	-
Effective of adoption of FRS 139	<u>1,890</u>
At January 2010, as restated	<u>1,890</u>

b) FRS 8: Operating Segments

FRS 8 requires identification and reporting of operating segments based on internal reports that are regularly reviewed by the entity's chief operating decision maker in order to allocate resources to the segment and to assess its performance. The Group presents its segment information based on its business segments, which is also the basis of presenting its monthly internal management reports. The basis of measurement of segment results, segment assets and segment liabilities are same as the basis of measurement for external reporting.

c) Comparative figures

FRS 101 Presentation of Financial Statements

As a result of the adoption of the revised FRS 101, income statements of the Group for the comparative financial period ended 30 June 2009 have been two separate statements, ie. an income statement displaying components of profit or loss and a statement of comprehensive income. All non-owner changes in equity which were previously presented in the statement of changes in equity are now included in the statement of comprehensive income as other comprehensive income. Consequently, components of comprehensive income are not presented in the statement of changes in equity. Since these changes only affect presentation aspects, there is no impact on earnings per ordinary share.

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 2009 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.



Company No.

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

A. NOTES TO THE INTERIM FINANCIAL REPORT  
FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER  
2010

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 material unusual items affecting the Group's assets, liabilities, equity, net income or cash flows during the financial year under review other than list of items written offs and provisions made as disclosed in Note B7.

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 financial period, the Company repurchased a total 2,927,600 ordinary shares of RM1.00 each from the open market for a total consideration of RM3,878,851. 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, the Company has sold a total of 41,939 ordinary shares of RM1.00 each to the open market for a total consideration of RM58,126.

There were no issuances, cancellations and repayment of debt and equity securities during the current quarter ended 30 September 2010.

A7. DIVIDEND PAID

In respect of financial year ended 31 December 2009, a final gross dividend of 8 sen per ordinary share, less tax at 25%, amounting to RM13,814,994 was paid on 9 September 2010.

In respect of financial year ended 31 December 2010, an interim gross dividend of one (1) treasury share for every forty (40) existing ordinary shares of RM1 each, amounting to RM5,899,388 was distributed on 30 September 2010.

Company No.

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

A. NOTES TO THE INTERIM FINANCIAL REPORT  
FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER  
2010

A8. SEGMENT REPORTING

Analysis of the Group's revenue and results as at 30 September 2010 by operating 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	137,002	92,014	-	-	229,016
Inter-segment sales	-	8,539	-	(8,539)	-
Total revenue	<u>137,002</u>	<u>100,553</u>	<u>-</u>	<u>(8,539)</u>	<u>229,016</u>
<b><u>Profit</u></b>					
Segment results	36,974	1,031	(26,958)	-	11,047
Finance costs					(5,166)
Share of results of associates					1,108
Profit from ordinary activities before taxation					<u>6,989</u>
Taxation					<u>(8,775)</u>
(Loss)/Profit from ordinary activities after tax					<u>(1,786)</u>
Minority interest					148
Net (loss)/profit for the period					<u>(1,638)</u>

A9. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

There were no valuation of property, plant and equipment other than those explained in B7.

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.

Company No.

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

A. NOTES TO THE INTERIM FINANCIAL REPORT  
FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER  
2010

A11. CHANGES IN THE COMPOSITION OF THE GROUP

On 30 April 2010, the Company had completed the acquisition of 6,695,000 ordinary share of RM1.00 each, representing remaining 49% equity interest in Cougar Logistics (Malaysia) Sdn Bhd, resulting in a gain on acquisition of RM2,749,308. As a result, Cougar Logistics (Malaysia) Sdn Bhd is now a 100% wholly-owned subsidiary.

During the quarter, the Company had completed the disposal of its entire 30% stake, which comprises 90,001 equity shares of RM1.00 each, in Mitsui O.S.K. Lines (Malaysia) Sdn Bhd for a total purchase consideration of RM5,100,000. As a result, Mitsui O.S.K. Lines (Malaysia) Sdn Bhd ceased to be the Company's associate.

During the financial year, the Company strike-off six (6) wholly owned subsidiaries, Inter-Fleet Engineering Services (M) Sdn Bhd, Tinjauan Melati Sdn Bhd, Asia Vehicle Transport Sdn Bhd, Direct Fortune Sdn Bhd, Diperdana Indah Sdn Bhd and Diperdana Logistics Sdn Bhd.

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 company amounted to RM12 million.

Company No.

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

## KONSORTIUM LOGISTIK BERHAD

(Incorporated in Malaysia)

### B. ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS

#### B1. TAXATION

	<u>Current Quarter</u> <u>30/9/2010</u> RM'000	<u>Cumulative Quarter</u> <u>30/9/2010</u> RM'000
Taxation		
- income tax	2,593	8,864
- deferred taxation	(758)	(89)
	<u>1,835</u>	<u>8,775</u>

#### B2. UNQUOTED INVESTMENT AND PROPERTIES

There was no sale or purchase of unquoted investments or properties during the period ended 30 September 2010 except for the following:

During the quarter, P.T. Kay Pi Transmalindo, being a 70% owned subsidiary of Konsortium had completed the disposal of its properties held under Jalan Raya Cakung Cilincing, Rorotan Jakarta 14140, Indonesia for a total cash consideration of RM10,000,000, resulting in a loss on disposal of RM3,751,000, which was recognised in the current financial quarter.

#### B3. QUOTED SECURITIES

The Group's quoted investments as at 30 September 2010 are as follows:

Available-for-sale financial assets	<u>RM'000</u> 22,267
-------------------------------------	-------------------------

During the financial period, the Group had purchased quoted shares for a total consideration of RM8,493,635.

During the financial period, Konsortium had disposed of its quoted shares for a cash consideration of RM782,012.

Company No.

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

B. ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS

B4. BANK BORROWINGS

Details of the Group's borrowings as at 30 September 2010 are as follows:

	30 September 2010		
	<u>Secured</u> RM'000	<u>Unsecured</u> RM'000	<u>Total</u> RM'000
<b><u>Current</u></b>			
Term loans	18,512	-	18,512
Revolving credit	17,000	7,000	24,000
Hire purchase and finance lease liabilities	12,891	-	12,891
Bankers acceptance	3,788	-	3,788
	<u>52,191</u>	<u>7,000</u>	<u>59,191</u>
<b><u>Non Current</u></b>			
Term loans	17,819	-	17,819
Hire purchase and finance lease liabilities	19,043	-	19,043
	<u>36,862</u>	<u>-</u>	<u>36,862</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
-------	---

B. ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS

B7. REVIEW OF PERFORMANCE

The Group's Revenue for the quarter ending 30 September, 2010 was RM77.2Mil, an increase of RM15.8Mil or 25.8% over the previous corresponding quarter. However, as a result of the items being written down or provisions made during the quarter under review, the Group suffered a Loss before Tax of RM22.8Mil against a Profit before Tax of RM9Mil achieved a year ago. Despite this loss, the Cash and Cash Equivalents have grown more than RM20Mil to RM39.7Mil during the 9 months ended 30 September, 2010 as compared to the previous corresponding period.

The total amount written down and provided for is as follows;

	RM'000
(i) Write down of fixed assets	8,717
(ii) Provisions for doubtful receivables	16,058
(iii) Loss on disposal of property in Indonesia	3,751
(iv) Provision on diminution in market value of investment property	<u>5,000</u>
Total	<u>33,526</u>

- (i) As part of the on-going assets management exercise, the Group did an extensive review of its trailers fixed asset listing recently and established that there is a need to write down the value of its assets by RM8.7Mil

The Group has a prudent practice in depreciating its trailers which has resulted in many of its trailers having much lower net book value against the market value. As such, if an exercise is to be carried out in revaluing all its existing trailers to the market value, the impact of the above write down would have been minimal.

The Management has reorganised the assets management team and enhanced strict control policies and standard operating procedures to ensure the assets are properly accounted for. Periodic full audit of trailers will continue to be carried out in order to monitor the assets.

Company No.

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

## **KONSORTIUM LOGISTIK BERHAD**

(Incorporated in Malaysia)

### **B. ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS**

#### **B7. REVIEW OF PERFORMANCE (Continued)**

- (ii) The Group has made a provision for doubtful receivables that has been long outstanding amounting to RM16.1Mil. However, the Group will continue to make extensive effort to recover these debts.
- (iii) As stated in note B2, the Group incurred a loss on disposal of property in Indonesia amounting to RM3.7Mil.
- (iv) As part of the on-going exercise to review its asset position, the Group has recently engaged a reputable independent qualified valuer to revalue all its major properties. Based on the valuation report, the value of the Group's investment property located in Taman Nagasari, Prai is valued at RM15Mil as compared to its net book value of RM20Mil, which was previously supported by a valuation report in 2008 amounting to RM19.5Mil. The deficit of RM5Mil was recognised as an impairment loss during the financial quarter.

Similarly, the independent qualified valuer has also revalued the Group's two other existing properties and the combined value of these properties is approximately RM15Mil higher than the carrying value. The Group has decided not to revalue its properties upwards.

Excluding the exceptional items, the Group recorded a net profit of RM30.9 million for the first nine months, representing an increase of 48.6% compared to RM20.9 million recorded in 2009.

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

The Group's revenue of RM77.2Mil was 3.7% lower than the Group revenue achieved in the quarter ending 30 June 2010, while the impact of the write off during the quarter has resulted in a Loss before Tax of RM22.8Mil against Quarter 2, 2010 Profit before Tax of RM16.4Mil.

#### **B9. PROSPECT**

Notwithstanding the financial write-offs that have impacted the profitability of the Group, the operations and business activities remain unaffected. The Group's operations in all the supply chains across various industries and operating cashflows remain strong. The Group maintains a positive outlook in its logistics business and looks forward to return to profitability in the coming quarter.

On a corporate development front, following the entry of Ekuiti Nasional Berhad ("Ekuinas"), via its special purpose vehicle, Bendahara 1 Sdn. Bhd. on the 18 October, 2010 as a major shareholder, the Group is confident that the collaboration with its new shareholder can bring more positive business developments in the coming financial year.

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

Not applicable.

Company No.

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

B. ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS

B11. DIVIDEND

The Board does not recommend any dividend in respect of the current financial period.

B12. EARNINGS PER SHARE

	<b>9 months ended 30 September 10</b>	<b>9 months ended 30 September 09</b>
Net (loss)/profit for the period (RM'000)	(1,638)	21,876
Issued ordinary shares at beginning of period ('000)	240,719	240,719
Treasury share	(4,797)	(12,975)
	<hr/>	<hr/>
	235,922	227,744
	<hr/>	<hr/>
Weighted Average Shares	232,173	228,233
Basic earnings per share (sen)	(0.71)	9.58