

Company No.

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KONSORTIUM LOGISTIK BERHAD
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE QUARTER AND THREE MONTHS ENDED 31 MARCH 2012

KONSORTIUM LOGISTIK BERHAD
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2012

The figures have not been audited.

	As at 31/3/2012 RM'000	As at 31/12/2011 RM'000 (Restated)	As at 1/1/2011 RM'000 (Restated)
ASSETS			
Non-current Assets			
Property, plant and equipment	160,608	162,350	209,044
Investment property	-	-	15,000
Prepaid lease payments for land	26,231	26,392	27,037
Goodwill	11,883	11,883	11,883
Investments in associates	14,948	15,046	18,057
Available -for-sale financial assets	-	-	12,573
Long term investments	827	827	827
Deferred tax assets	1,115	1,297	2,130
	<u>215,612</u>	<u>217,795</u>	<u>296,551</u>
Current Assets			
Consumable stores, at cost	271	106	67
Trade receivables	68,140	68,222	73,831
Other receivables	18,104	18,951	16,461
Current tax assets	7,242	7,711	3,625
Deposits, bank and cash balances	37,165	110,835	73,451
	<u>130,922</u>	<u>205,825</u>	<u>167,435</u>
Non-current assets classified as held for sale	324	324	475
TOTAL ASSETS	<u>346,858</u>	<u>423,944</u>	<u>464,461</u>
EQUITY			
Capital and reserves attributable to the Company's equity holders			
Share Capital	252,297	252,293	240,719
Reserves attributable to capital	53,189	53,189	51,923
Available for sales	-	-	610
Capital redemption reserves	4,828	4,828	-
Exchange translation reserve	-	-	(1,457)
Treasury shares	-	-	(5,436)
Share options reserve	308	314	-
Retained profits	(101,693)	(106,269)	(33,114)
Total equity	<u>208,929</u>	<u>204,355</u>	<u>253,245</u>
LIABILITIES			
Non-current liabilities			
Borrowings	27,663	21,965	36,003
Provision for retirement benefits	2,006	1,987	1,914
Deferred tax liabilities	2,541	2,640	3,148
	<u>32,210</u>	<u>26,592</u>	<u>41,065</u>
Current Liabilities			
Trade payables	32,823	28,117	51,060
Other payables	27,210	34,627	45,165
Dividend payables	-	99,182	30,076
Borrowings	43,599	28,989	43,727
Provision for taxation	2,087	2,082	123
	<u>105,719</u>	<u>192,997</u>	<u>170,151</u>
Total Liabilities	<u>137,929</u>	<u>219,589</u>	<u>211,216</u>
TOTAL EQUITY AND LIABILITIES	<u>346,858</u>	<u>423,944</u>	<u>464,461</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.83	0.81	1.05

^ be read in conjunction with the Annual Financial Report for the year ended 31 December 2011.

KONSORTIUM LOGISTIK BERHAD
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER AND THREE MONTHS ENDED 31 MARCH 2012

The figures have not been audited.

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT PERIOD QUARTER 31 March 2012 RM'000	PRECEDING PERIOD CORRESPONDING QUARTER 31 March 2011 RM'000	CURRENT PERIOD ENDED 31 March 2012 RM'000	PRECEDING PERIOD CORRESPONDING ENDED 31 March 2011 RM'000
Revenue	64,309	70,156	64,309	70,156
Operating Expenses	(48,571)	(45,125)	(48,571)	(45,125)
Other income	1,188	932	1,188	932
Profit from operations	16,926	25,963	16,926	25,963
Other non operating expenses	(9,791)	(10,170)	(9,791)	(10,170)
Finance cost	(1,057)	(1,217)	(1,057)	(1,217)
Share of loss of associates	-	-	-	-
Profit before taxation	6,078	14,576	6,078	14,576
Taxation	(1,510)	(3,644)	(1,510)	(3,644)
Profit for the period	4,568	10,932	4,568	10,932
Total profit attributable to :				
Equity holders of the parent	4,568	10,932	4,568	10,932
Minority Interest	-	-	-	-
	4,568	10,932	4,568	10,932
Earnings per share for profit attributable to equity holders of the company	sen	sen	sen	sen
- Basic	1.81	4.63	1.81	4.63
- Diluted	1.81	NA	1.81	NA

This Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the year ended 31 December 2011.

KONSORTIUM LOGISTIK BERHAD
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE QUARTER AND THREE MONTHS ENDED 31 MARCH 2012

The figures have not been audited.

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT PERIOD QUARTER 31 March 2012 RM'000	PRECEDING PERIOD CORRESPONDING QUARTER 31 March 2011 RM'000	CURRENT PERIOD ENDED 31 March 2012 RM'000	PRECEDING PERIOD CORRESPONDING ENDED 31 March 2011 RM'000
Profit for the period	4,568	10,932	4,568	10,932
Net loss on revaluation of financial investments available for sale	-	(922)	-	(922)
Foreign currency translation	-	-	-	-
Total comprehensive income	4,568	10,010	4,568	10,010
Total comprehensive income attributable to:				
Equity holders of the parent	4,568	10,010	4,568	10,010
Minority Interest	-	-	-	-
	4,568	10,010	4,568	10,010

This Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the year ended 31 December 2011.

KONSORTIUM LOGISTIK BERHAD
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED 31 MARCH 2012

The figures have not been audited.

	Attributable to equity holders of the Company								Non-controlling Interest	Total Equity	
	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	Exchange translation reserves RM'000	Available for sales reserves RM'000	Capital redemption reserves RM'000	Share options reserve RM'000	Retained earnings RM'000			Total RM'000
As at 1 January 2012											
- as previously stated	252,293	53,189	-	-	-	4,828	314	(106,285)	204,339	-	204,339
- effect of transition to MFRS	-	-	-	-	-	-	-	16	16	-	16
As at 1 January 2012, as restated	252,293	53,189	-	-	-	4,828	314	(106,269)	204,355	-	204,355
Total comprehensive income	-	-	-	-	-	-	-	4,568	4,568	-	4,568
Transactions with owners											
Cancellation of treasury shares	-	-	-	-	-	-	-	-	-	-	-
Dividend in cash	-	-	-	-	-	-	-	-	-	-	-
Share options granted under ESOS	4	-	-	-	-	-	2	-	6	-	6
Forfeited of ESOS	-	-	-	-	-	-	(8)	8	-	-	-
Total transactions with owners	4	-	-	-	-	-	(6)	8	6	-	6
As at 31 March 2012	252,297	53,189	-	-	-	4,828	308	(101,693)	208,929	-	208,929
As at 1 January 2011											
- as previously stated	240,719	51,923	(5,436)	(1,457)	610	-	-	(33,056)	253,303	-	253,303
- effect of transition to MFRS	-	-	-	-	-	-	-	(58)	(58)	-	(58)
As at 1 January 2011, as restated	240,719	51,923	(5,436)	(1,457)	610	-	-	(33,114)	253,245	-	253,245
Total comprehensive income	-	-	-	-	(922)	-	-	10,932	10,010	-	10,010
Transactions with owners											
Cancellation of treasury shares	(4,828)	(5,436)	5,436	-	-	4,828	-	-	-	-	-
Total transactions with owners	(4,828)	(5,436)	5,436	-	-	4,828	-	-	-	-	-
As at 31 March 2011	235,891	46,487	-	(1,457)	(312)	4,828	-	(22,182)	263,255	-	263,255

This Condensed Consolidated Cash Flow statement should be read in conjunction with the Annual Financial Report for the year ended 31 December 2011.

KONSORTIUM LOGISTIK BERHAD
CONSOLIDATED STATEMENT OF CASH FLOW
FOR THE THREE MONTHS ENDED 31 MARCH 2012

The figures have not been audited.

	3 months ended 31 March 2012 RM'000	3 months ended 31 March 2011 RM'000
Profit before tax	6,078	14,576
Adjustment Non Cash Item:		
Interest Income	(176)	(131)
Dividend income	-	-
Finance cost	1,057	1,217
(Gain)/loss on disposal of property, plant & Equipment	(13)	(171)
Depreciation	4,569	4,284
(Gain)/loss on disposal of associate	(890)	-
Written off of property, plant & Equipment	-	-
Staff cost - ESOS	2	-
Provision doubtful debt/(Reversal)	44	(425)
Unrealised foreign exchange loss/(gain)	-	24
Cash Flow before Working Capital	<u>10,671</u>	<u>19,374</u>
Change in inventories	(165)	46
Change in receivables, deposits and prepayments	867	(3,472)
Change in payables and accruals	(2,228)	(4,883)
Cash generated from Operations	<u>9,145</u>	<u>11,065</u>
Interest received	176	131
Interest paid	(1,057)	(1,217)
Tax paid	(953)	(3,480)
Net cash (used in)/from operating activities	<u>7,311</u>	<u>6,499</u>
Acquisition of Fixed Assets	(3,321)	(6,139)
Proceeds from Sale of Fixed Assets	225	321
Proceeds from the disposal of quoted/unquoted and other investment	-	64
Proceeds from the disposal of Associate	988	-
Advance to associate	-	(12)
Cash Flow used in Investing	<u>(2,108)</u>	<u>(5,766)</u>
Dividends Paid	(99,182)	(30,076)
Term Loan Repayment		
Term loan	(1,908)	(1,874)
Hire Purchase	(2,018)	(3,598)
Proceeds From Financing		
Bank loan	12,000	-
Hire Purchase	12,230	-
Shares repurchased	-	-
Restricted cash	-	1,285
Increase in share capital	5	-
Cash Flow used in Financing	<u>(78,873)</u>	<u>(34,263)</u>
Net (decrease)/increase in cash & cash equivalents	(73,670)	(33,530)
Cash and cash equivalent at Beginning	109,379	64,530
Cash and cash equivalent at Ending	<u>35,709</u>	<u>31,000</u>
Cash and bank balances	35,709	31,000
Deposit with license banks	1,456	7,636
	<u>37,165</u>	<u>38,636</u>
Less: Restricted cash	(1,456)	(7,636)
Cash and cash equivalent	<u>35,709</u>	<u>31,000</u>

This Condensed Consolidated Cash Flow statement should be read in conjunction with the Annual Financial Report for the year ended 31 December 2011.

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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 31 MARCH 2012

A1. BASIS OF PREPARATION

The unaudited interim financial statements have been prepared in accordance with the requirement of MFRS 134 Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia") and should be read in conjunction with the Group's annual audited financial statements for the year ended 31 December 2011.

The Group's consolidated interim financial statements forms part of the period covered by the Group's first MFRS annual financial statements and MFRS 1, First-time Adoption of Malaysian Financial Reporting Standards has been applied.

In preparing its opening MFRS statement of financial position, the Group has adjusted amounts reported previously in financial statements prepared in accordance with the previous FRSS. An explanation of how the transition from the previous FRSS to the new MFRSS has affected the Group's financial position, financial performance is set out in the following tables and the note that accompany these tables.

(a) Provision for retirement benefits

Upon transition to MFRS, the Group has elected to recognise all cumulative actuarial gains and losses at the date of transition. Accordingly, the cumulative actuarial losses of RM58,000 were adjusted to accumulated losses as at 1.1.2011 and RM16,000 actuarial gain were adjusted to accumulated losses as at 31.12.2011.

Reconciliation of equity as at 1 January 2011

	FRS	Effect of transition to MFRS	MFRSs
	RM'000	RM'000	RM'000
Provision for retirement benefits	1,856	58	1,914
Accumulated losses	(33,056)	(58)	(33,114)

Reconciliation of equity as at 31 December 2011

	FRS	Effect of transition to MFRS	MFRSs
	RM'000	RM'000	RM'000
Provision for retirement benefits	2,003	(16)	1,987
Accumulated losses	(106,285)	16	(106,269)

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 2011 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.

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A. NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2012
(continued)

A3. SEASONALITY OR CYCLICALITY OF INTERIM OPERATIONS

The Group's core businesses of automotive logistics, project cargo, haulage, freight forwarding and warehousing are generally affected by the festive months which normally record higher volume of activities in the months prior to that. During the festive months these core businesses usually slow down.

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 March 2012.

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

There were no other issuance and repayment of debts and equity securities, share buy-backs, share cancellation, shares held as treasury shares, repurchase and resale of treasury shares for the current financial year under review except for the following:

(a) *Employees' Share Option Scheme ("ESOS")*

The ESOS has been in force from 16 August 2011 and the tenure shall end by 6 April 2013.

The details of the options granted and exercised are as below:

Offer date	Option Price (RM)	Option Granted	Balance as at 1.1.12	Granted	Exercised	Lapsed/ Forfeited	Balance as at 31.3.12
16.8.11	1.15	9,062,000	1,977,000	-	(4,000)	(60,000)	1,913,000
18.8.11	1.15	132,000	98,000	-	-	-	98,000
1.11.11	1.35	9,283,000	-	-	-	-	-
29.11.11	1.38	126,000	126,000	-	-	-	126,000
23.2.12	1.13	17,000	-	17,000	-	-	17,000
			<u>2,201,000</u>	<u>17,000</u>	<u>(4,000)</u>	<u>(60,000)</u>	<u>2,154,000</u>

(b) *Ordinary shares*

For the current quarter ended 31 March 2012, the Company has issued 4,000 ordinary shares of RM1.00 each pursuant to the exercise of options granted under the ESOS.

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A. NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2012
(continued)

A7. DIVIDEND PAID

In respect of the financial year ended 31 December 2011, the Company paid Special dividend and First Interim dividend in total 45.70 sen per ordinary share of RM1 each amounting to RM99,182,429 as below:

- a. First Interim tax exempt Dividend of 8.00 sen per ordinary share of RM1.00 each in respect of the financial year ending 31 December 2011 amounting to a total cash payment of RM20,183,389.
- b. Special Dividend of 37.70 sen per ordinary share of RM1.00 each consisting of 12.15 sen per ordinary share which are tax exempt and 25.55 sen per ordinary share less 25% tax in respect of the financial year ending 31 December 2011 amounting to a total cash payment of RM78,999,040.

The above dividend was paid on 26 January 2012.

A8. SEGMENT REPORTING

Analysis of the Group's revenue and results as at 31 March 2012 by operating segments are as follows:

	Logistics Service Organisation RM'000	Internal & External Affiliates RM'000	Shared Service Organisation RM'000	Consol Adjustment RM'000	Group Results RM'000
<u>Revenue</u>					
External sales	31,600	32,709	-	-	64,309
Inter-segment sales	-	2,843	-	(2,843)	-
Total revenue	<u>31,600</u>	<u>35,552</u>	<u>-</u>	<u>(2,843)</u>	<u>64,309</u>
<u>Profit</u>					
Segment results	4,122	3,458	(629)		6,951
Interest income	-	-	184		184
Finance costs	-	(668)	(389)		(1,057)
Profit from ordinary activities before taxation					6,078
Taxation					(1,510)
Net profit for the year					<u>4,568</u>

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A. NOTES TO THE INTERIM FINANCIAL REPORT
FOR THE FIRST QUARTER AND FINANCIAL PERIOD ENDED 31 MARCH 2012
(continued)

A8. SEGMENT REPORTING (continued)

Analysis of the Group's revenue and results as at 31 March 2011 by operating segments are as follows:

	Logistics Service Organisation	Internal & External Affiliates	Shared Service Organisation	Consol Adjustment	Group Results
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
External sales	39,897	30,259	-	-	70,156
Inter-segment sales	-	2,620	-	(2,620)	-
Total revenue	39,897	32,879	-	(2,620)	70,156
Profit					
Segment results	12,458	3,968	(764)	-	15,662
Interest income	81	-	50	-	131
Finance costs	-	(803)	(414)	-	(1,217)
Profit from ordinary activities before taxation					14,576
Taxation					(3,644)
Net profit for the year					10,932

A9. VALUATION OF PROPERTY, PLANT AND EQUIPMENT

There were no valuations of property, plant and equipment during the financial quarter under review.

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

The Company had on 30th March 2012 entered into an Agreement for the sales & purchase of shares with Distinct Capital Pte Ltd to dispose of the entire 50% shares held in its associate company, KP Integrated Sdn Bhd.

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

A12. CONTINGENT LIABILITIES

The Company had guaranteed the bank credit facilities of certain subsidiaries for RM5,000,000 of which the outstanding balance is RM5,000,000.

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KONSORTIUM LOGISTIK BERHAD

(Incorporated in Malaysia)

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

B1. REVIEW OF PERFORMANCE

The Group posted Revenue of RM64.3Mil for the quarter ended 31 March 2012, a decrease of 8% against revenue achieved in the first quarter last year, while the Profit before Tax of RM6.1Mil fell 58% against the corresponding period last year. The shortfalls in revenue and margins were mainly due to lower logistics activities in the Automotive Logistics division as well as delays in the awarding of chartering contracts under the Sea Logistics Chartering division. The Haulage division, however, has continued to perform well achieving higher revenue of 15% as against the quarter recorded last year.

B2. QUARTERLY RESULTS COMPARISON

The revenue of RM64.3Mil recorded in Qtr 1, 2012 was 6% higher than the revenue recorded in Qtr 4, 2011 while achieving Profit before Tax of RM6.1Mil compared to the previous quarter.

B3. PROSPECT

Despite the global and domestic economic uncertainties and the shortfall in the Qtr 1 financial results, the Group remains cautiously optimistic in 2012. The Group continues to seek new business opportunities and has successfully penetrated in providing new value chain logistics for several blue chip multi-national companies.

B4. VARIANCE ON PROFIT FORECAST/SHORTFALL IN PROFIT GUARANTEE

Not applicable.

B5. TAXATION

	<u>Current Quarter</u> <u>31/03/2012</u> RM'000	<u>Cumulative Quarter</u> <u>31/03/2012</u> RM'000
Taxation		
- income tax	1,623	1,623
- deferred taxation	(113)	(113)
	<u>1,510</u>	<u>1,510</u>

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

B6. BANK BORROWINGS

Details of the Group's borrowings as at 31 March 2012 are as follows:

	31 March 2012		
	<u>Secured</u> RM'000	<u>Unsecured</u> RM'000	<u>Total</u> RM'000
<u>Current</u>			
Term loans	7,596	-	7,596
Revolving credit	22,000	5,000	27,000
Hire purchase and finance lease liabilities	9,003	-	9,003
	<u>38,599</u>	<u>5,000</u>	<u>43,599</u>
<u>Non Current</u>			
Term loans	9,331	-	9,331
Hire purchase and finance lease liabilities	18,332	-	18,332
	<u>27,663</u>	<u>-</u>	<u>27,663</u>

B7. 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.

B8. DIVIDEND

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

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

B9. EARNINGS PER SHARE

Earnings per share are calculated based on the following:-

a) Basis earnings per share

	3 months ended 31 Mar 12	3 months ended 31 Mar 11
Net profit for the year (RM'000)	4,568	10,932
Ordinary shares in issue	252,293	235,890
Exercised of ESOS	<u>3</u>	<u>-</u>
	<u>252,296</u>	<u>235,890</u>
Weighted average number of ordinary shares	252,296	235,890
Basic earnings per share (sen)	1.81	4.63

B) Diluted earnings per share –

	3 months ended 31 Mar 12	3 months ended 31 Mar 11
Net profit for the year (RM'000)	4,568	10,932
Weighted average number of ordinary shares	252,296	235,890
Adjustment for share option	<u>(51)</u>	<u>-</u>
	<u>252,245</u>	<u>235,890</u>
Diluted earnings per share (sen)	1.81	4.63

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C. ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA SECURITIES BERHAD'S LISTING REQUIREMENTS (Continued)

B10. Notes to The Statement of Comprehensive Income

	Individual Quarter Ended 31.03.2012	Year to Date Ended 31.03.2012
After Charging:-		
Finance cost	1,057	1,057
Depreciation and amortization	4,569	4,569
Allowance for doubtful debts	44	44
After Crediting:-		
Finance income	(176)	(176)
Gain on disposal of property, plant and equipment	(13)	(13)

B11. DISCLOSURE ON REALISED AND UNREALISED PROFIT/LOSS

The retained earnings as at 31 March 2012 is analysed as follows:-

	31.03.2012 RM'000
Total retained earnings of the Company and its subsidiaries:-	
- Realised	202,892
- Unrealised	(1,230)
	<u>201,662</u>
Total retained earnings of the associates:-	
- Realised	(8,449)
- Unrealised	-
Less: Consolidation adjustments	(294,906)
Total group retained earnings as per consolidated financial statements	<u>(101,693)</u>