

HUBLINE BERHAD (23568-H)
 Quarterly Report on Consolidated Results
 For The Fourth Financial Quarter Ended 30 September 2010

CONDENSED CONSOLIDATED INCOME STATEMENTS

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter Ended 30.09.10 RM '000	Quarter Ended 30.09.09 RM '000	Year to Date Ended 30.09.10 RM '000	Year to Date Ended 30.09.09 RM '000
Revenue	150,364	147,585	603,357	572,865
Operating Expenses	(140,642)	(143,209)	(551,133)	(526,573)
	9,722	4,376	52,224	46,292
Other Operating Income	8,768	22,151	15,745	38,959
Administrative expenses	(8,261)	(11,302)	(35,809)	(39,040)
Finance Cost	(4,869)	(4,703)	(18,967)	(22,816)
Share of results of Associates	(1,202)	(2,007)	(3,087)	(21,811)
Profit before taxation	4,158	8,515	10,106	1,584
Taxation	850	30	(473)	(651)
Profit for the period	5,008	8,545	9,633	933
Attributable to:				
Equity holders of the parent	5,008	8,545	9,633	933
Minority Interest	0	0	0	0
	5,008	8,545	9,633	933
Basic earnings per share attributable to equity holders of the parent (sen)	0.27	0.69	0.53	0.08

(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 30 September 2009)

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Quarterly Report on Consolidated Results
For The Fourth Financial Quarter Ended 30 September 2010

CONDENSED CONSOLIDATED BALANCE SHEET

	AS AT END OF CURRENT QUARTER 30.09.2010	AS AT PRECEDING FINANCIAL YEAR ENDED 30.09.2009
	RM'000	RM'000
ASSETS		
Non Current Assets		
Property, Plant and Equipment	616,947	468,958
Goodwill on Consolidation	84,617	84,617
Intangible assets	0	57
Investment in Associated Companies	13,244	15,707
Other receivables	4,536	5,088
Deferred tax assets	737	381
	<u>720,081</u>	<u>574,808</u>
Current Assets		
Inventories	40,517	35,628
Trade receivables	110,329	98,983
Other receivables	74,254	76,856
Tax recoverable	6,517	0
Cash and bank balances	163,618	168,877
	<u>395,235</u>	<u>380,344</u>
TOTAL ASSETS	<u>1,115,316</u>	<u>955,152</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	334,747	249,489
Treasury Shares	(4,192)	(2,512)
Reserves	251,550	230,104
Total equity	<u>582,105</u>	<u>477,081</u>
Non-current liabilities		
Long term borrowings	230,444	293,483
Long term payables	74,489	0
Deferred tax liabilities	12,788	13,678
	<u>317,721</u>	<u>307,161</u>
Current Liabilities		
Short term borrowings	163,233	120,463
Trade payables	26,638	27,695
Other payables	25,402	22,700
Taxation	217	52
	<u>215,490</u>	<u>170,910</u>
Total liabilities	<u>533,211</u>	<u>478,071</u>
TOTAL EQUITY AND LIABILITIES	<u>1,115,316</u>	<u>955,152</u>
Net assets per share (RM)	0.31	0.38

(The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report for the year ended 30 September 2009)

HUBLINE BERHAD (23568-H)

Quarterly Report on Consolidated Results

For The Fourth Financial Quarter Ended 30 September 2010

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

	YEAR TO DATE ENDED 30.09.2010 RM'000	YEAR TO DATE ENDED 30.09.2009 RM'000
Profit before taxation	10,106	1,584
Adjustments for :-		
Non-operating items	47,263	34,799
Interest expenses	18,967	22,816
Interest income	(3,596)	(3,320)
Operating profit before working capital changes	72,740	55,879
Net change in current assets	(18,278)	(18,957)
Net change in current liabilities	76,134	(8,402)
Tax paid	(3,447)	(7,269)
Interest paid	(18,967)	(22,816)
Net cash generated from/(used in) operating activities	108,182	(1,565)
Investing activities		
Purchase of property, plant and equipment	(200,376)	(105,993)
Proceeds from sales of property, plant and equipment	6,580	116,676
Interest received	3,596	3,320
Net cash (used in)/ generated from investing activities	(190,200)	14,003
Financing activities		
Bank borrowings	(19,425)	5,622
Proceeds from issuance of rights	124,335	0
Acquisition of treasury shares	(1,680)	0
Dividend paid	(3,730)	0
Net cash generated from financing activities	99,500	5,622
Net changes in cash and cash equivalents	17,482	18,060
Cash and cash equivalents at beginning of financial year	165,433	147,237
Effects of Exchange Rate Changes	(21,897)	136
Cash and cash equivalents at end of the financial period	161,018	165,433

Cash and cash equivalents at the end of the financial period comprise the following:

Cash and bank balances	163,618	168,877
Bank overdraft	(2,600)	(3,444)
Cash and cash equivalents	161,018	165,433

(The Condensed Consolidated Cash Flow statements should be read in conjunction with the Annual Financial Report for the year ended 30 September 2009)

HUBLINE BERHAD (23568-H)

Quarterly Report on Consolidated Results

For The Fourth Financial Quarter Ended 30 September 2010

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	< ----- Non-distributable ----- >					Distributable	
	Share capital	Warrant reserve	Treasury shares	Share premium	Foreign Exchange reserve	Retained profit	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 01.10.2009	249,489	-	(2,512)	35,008	(2,837)	197,933	477,081
Foreign exchange differences	-	-	-	-	(21,897)	-	(21,897)
Proceeds from rights issue	85,258	39,077	-	-	-	-	124,335
Rights issue expenses	-	-	-	(1,637)	-	-	(1,637)
Purchase of Treasury shares	-	-	(1,680)	-	-	-	(1,680)
Dividend paid	-	-	-	-	-	(3,730)	(3,730)
Net profit for the period	-	-	-	-	-	9,633	9,633
At 30.09.2010	334,747	39,077	(4,192)	33,371	(24,734)	203,836	582,105
At 01.10.2008	249,489	-	(2,512)	35,008	(2,973)	197,000	476,012
Foreign exchange differences	-	-	-	-	136	-	136
Net profit for the period	-	-	-	-	-	933	933
At 30.09.2009	249,489	-	(2,512)	35,008	(2,837)	197,933	477,081

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 September 2009

NOTES TO THE INTERIM FINANCIAL REPORT – FRS 134

A1. Accounting policies

The interim financial report is unaudited and has been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. The interim financial report should be read in conjunction with the audited financial statement of the Group for the year ended 30 September, 2010.

A limited review on this Quarterly Report has been undertaken by the Company's external auditors.

The accounting policies and methods of computation adopted in the interim financial statements are consistent with those adopted in the annual financial statements for the year ended 30 September 2009, except for the adoption of FRS 8: Operating Segments from financial period beginning on 1 October 2009. As this is a disclosure standard, there is no impact on the financial position or results of the Group. This new standard requires a "management approach" under which segment information is presented on the same basis as that used for internal report purposes.

A2. Auditors' report on preceding Annual Financial Statements

The auditors' report on the Group's financial statements for the year ended 30 September 2009 was not qualified.

A3. Seasonality or cyclical factors

The business operations of the Group were not significantly affected by any seasonal or cyclical factors.

A4. Nature and amount of unusual items

There were no unusual items in the quarterly financial statement under review.

A5. Changes in estimates

There were no changes in the estimates of amounts which give a material effect in the current interim period.

A6. Debts and equity securities

During the quarter under review, the Company has purchased a total of 5,235,400 ordinary shares of its issued share capital from the open market at an average price of RM0.18 per share. The total consideration paid for the purchase including transaction cost was RM 939,154 and was financed by internally generated funds. The shares purchased are held as treasury shares in accordance with Section 67A of the Companies Act 1965. As at 30 September 2010, the total number of ordinary shares purchased and held as treasury shares were 13,596,600.

Other than the above, there were no issuances, cancellations, repurchases, resale and repayment of debts and equity securities during the financial period under review.

A7. Dividend

No dividend has been paid during the financial period.

A8. Segmental Information

	Shipping & Related Activities RM'000	Non- Shipping RM'000	Management Services RM'000	Group RM'000
REVENUE AND RESULT				
Total revenue	482,677	120,680	0	603,357
Segment results	31,592	237	331	32,160
Finance costs				(18,967)
Share of results of associates				(3,087)
Taxation				(473)
Profit for the period				9,633

A9. Valuations of property, plant and equipment

The valuations of property, plant and equipment have been brought forward, without amendment from the previous annual financial statements

A10. Material events subsequent to the end of the period

There were no material events subsequent to the end of the current quarter that has not been reflected in the financial statement for the current period.

A11. Changes in composition of the Company

There was no change in the composition of the Group during the current quarter under review.

A12. Changes in contingent liabilities or contingent assets

The contingent liabilities of the Company are as follows:

	RM'000
Corporate Guarantees given to financial institutions and third parties for credit facilities provided to subsidiaries	86,891
Share of contingent liabilities of associates	10,212
	<u>97,103</u>

B EXPLANATORY NOTES OF BURSA MALAYSIA LISTING REQUIREMENTS

B1. Review of performance

Group revenue for the financial year ended 30 September 2010 at RM 603 million is about RM 30 million higher compared with the previous year corresponding period which had group revenue of RM 573 million. The increase in revenue was mainly due to higher cargo volume and better freight rate as a result of more cargo moving to better freight areas. For the financial year ended 30 September 2010, the Group realized a profit before tax of RM 10.11 million compared to profit before tax of RM 1.58 million recorded in the previous year corresponding period.

B2. Comparison with preceding quarter's results

The Group recorded a pre-tax profit of RM 4.16 million in the fourth quarter compared to the pre-tax profit of RM 2.6 million in the preceding quarter mainly due to cargo moving to better freight areas.

B3. Prospects

The general outlook for both the container shipping business and dry-bulk markets for the coming financial year is expected to be challenging in view of the uncertainty in the global economy. The Board and the management have taken steps to contain cost and to rationalize the services to minimize the impact of the global economic slowdown.

B4. Variance of actual profit from forecast profit and shortfall in profit guarantee

Not applicable as the Group did not issue any profit forecast and /or profit guarantee for the quarter.

B5. Taxation

	Quarter ended 30 September 2010 RM'000	Year to date 30 September 2010 RM'000
Income tax charge		
- current period	99	(1,721)
Deferred taxation	751	1,248
	<u>850</u>	<u>(473)</u>

The income of the Group that is derived from the operations of sea-going Malaysian registered ships is tax exempt under Section 54A of the Income Tax Act, 1967. The taxation charge for the Group is attributable to tax in respect non-tax exempt activities of the Group.

B6. Sales of unquoted investment and/or properties

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

B7. Purchase or disposal of quoted securities

There was no purchase or disposal of quoted securities during the current quarter.

Particulars of investments in quoted securities as at 30 September 2010 are as follows:-

	RM'000
<u>Quoted Shares</u>	
At cost	<u>24,573</u>
At book value	<u>12,044</u>
At market value	<u>5,954</u>

B8. Status of corporate proposals

There were no corporate proposals announced or not completed by the Group as at the date of this report.

B9. Group borrowings and debt securities

Details of the Group's borrowings at the end of the reporting period :

	RM'000
Short term borrowings:	
- secured	92,243
- unsecured	70,990
Total	163,233
Long term borrowings :	
- secured	230,444

B10. Off balance sheet financial instruments

There are no financial instruments with off balance sheet risk at the date of this quarterly report.

B11. Material litigation

As at the date of this report, Hubline and its subsidiaries, are not engaged in any litigation, claims or arbitration, either as plaintiff or defendant and do not know of any proceedings pending or threatened or of any fact which may materially affect their income from, title to or possession of any of their assets and /or businesses.

B12. Dividend declared

The Directors do not recommend any dividend for the quarter under review.

B13. Earnings per share**(a) Basic**

Basic earnings per share are calculated by dividing the net profit for the quarter/year by the weighted average number of ordinary shares in issue.

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Quarter Ended 30.09.2010	Quarter Ended 30.09.2009	Year to Date ended 30.09.2010	Year to Date ended 30.09.2009
Net profit attributable to equity holders of the parent (RM'000)	5,008	8,545	9,633	933
Issued ordinary shares at 1 July/ 1 October ('000)	1,860,758	1,243,353	1,243,353	1,243,353
Effect of rights issue/ shares buy-back ('000)	(4,169)	-	569,377	-
Weighted average no. of ordinary shares ('000)	1,856,589	1,243,353	1,812,730	1,243,353
Basic earnings per share attributable to equity holders of the parent (sen)	0.27	0.69	0.53	0.08

(b) Diluted

The diluted earnings per share are not shown as the effect of the warrants on the basic earnings per share is anti-dilutive.

B14 Capital Commitment

	RM
Amount approved and committed	25 million
Amount approved and not committed	<u>30 million</u>
Total	<u>55 million</u>

B15 Authority for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 30 November 2010.