



CENTURY LOGISTICS HOLDINGS BERHAD (424341-A)

Quarterly report on unaudited consolidated results for the financial period ended 30 September 2008

CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE QUARTER ENDED 30 SEPTEMBER 2008

	-----Individual quarter-----		-----Cumulative quarter-----	
	Current year quarter 30.09.2008 RM'000	Preceding year corresponding quarter 30.09.2007 RM'000	Current year to date 30.09.2008 RM'000	Preceding year corresponding period 30.09.2007 RM'000
Revenue	43,941	40,544	116,140	116,905
Direct operating expenses	<u>(30,294)</u>	<u>(24,396)</u>	<u>(75,023)</u>	<u>(70,538)</u>
Gross profit	13,647	16,148	41,117	46,367
Net other operating expenses	(9,091)	(8,741)	(21,480)	(26,700)
Net interest expense	<u>(856)</u>	<u>(1,288)</u>	<u>(2,348)</u>	<u>(3,824)</u>
Profit before taxation	3,700	6,119	17,289	15,843
Taxation	<u>(718)</u>	<u>557</u>	<u>(2,317)</u>	<u>(1,478)</u>
Profit for the period	<u>2,982</u>	<u>6,676</u>	<u>14,971</u>	<u>14,365</u>
Attributable to:				
Equity holders of the parent	3,105	6,784	15,405	14,780
Minority interest	<u>(123)</u>	<u>(108)</u>	<u>(434)</u>	<u>(415)</u>
Net profit for the period	<u>2,982</u>	<u>6,676</u>	<u>14,971</u>	<u>14,365</u>
Earnings per share attributable to equity holders of the parent :-				
Basic (sen)	<u>4.11</u>	<u>13.35</u>	<u>22.54</u>	<u>29.09</u>
Diluted (sen)	<u>4.11</u>	<u>11.47</u>	<u>22.54</u>	<u>25.22</u>

The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2007.

CENTURY LOGISTICS HOLDINGS BERHAD (424341-A)

Quarterly report on unaudited consolidated results for the financial period ended 30 September 2008

CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2008

	As at end of current quarter 30.09.2008 RM'000	As at preceding financial year end 31.12.2007 (audited) RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	101,372	81,598
Investment property	24,518	23,780
Prepaid lease payments	21,289	16,858
Other investments	3,757	5,320
Goodwill on consolidation	3,730	3,730
	<u>154,666</u>	<u>131,286</u>
Current Assets		
Receivables	52,895	46,717
Cash and bank balances	16,001	9,031
	<u>68,896</u>	<u>55,748</u>
Non current assets held for sale	-	26,167
	<u>223,562</u>	<u>213,201</u>
TOTAL ASSETS		
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	81,671	53,431
Treasury shares	(10,629)	(4,142)
Reserves	68,273	57,007
	<u>139,315</u>	<u>106,296</u>
Minority Interest	1,638	460
Total Equity	<u>140,953</u>	<u>106,756</u>
Non-current Liabilities		
Borrowings	40,824	60,242
Deferred taxation	7,575	7,275
	<u>48,399</u>	<u>67,517</u>
Current Liabilities		
Borrowings	10,796	17,625
Payables	23,414	21,303
	<u>34,210</u>	<u>38,928</u>
Total Liabilities	<u>82,609</u>	<u>106,445</u>
TOTAL EQUITY AND LIABILITIES	<u>223,562</u>	<u>213,201</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	1.85	2.09

The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2007.

CENTURY LOGISTICS HOLDINGS BERHAD (424341-A)

Quarterly report on unaudited consolidated results for the financial period ended 30 September 2008

CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 30 SEPTEMBER 2008

	Current year to date 30.09.2008 RM'000	Preceding year corresponding period 30.09.2007 RM'000
Net cash generated from operating activities	17,061	33,278
Net cash from / (used in) investing activities	5,842	(31,061)
Net cash from / (used in) financing activities	<u>(14,005)</u>	<u>5,268</u>
Net increase in cash and cash equivalents	8,898	7,485
Cash and cash equivalents at beginning of the period	<u>6,600</u>	<u>(8,696)</u>
Cash and cash equivalents at end of the period	<u><u>15,498</u></u>	<u><u>(1,211)</u></u>
Cash and cash equivalents at the end of the financial period comprise the following :		
Cash on hand and at banks	8,398	4,767
Deposits with licensed banks	7,604	3,004
Bank overdrafts	<u>(1)</u>	<u>(8,479)</u>
	16,001	(708)
Less: Short term deposits pledged	<u>(503)</u>	<u>(503)</u>
	<u><u>15,498</u></u>	<u><u>(1,211)</u></u>

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2007.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2008

	Attributable to Equity Holders of the Parent				Total Shareholders' Equity RM'000	Minority Interest RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium Reserve RM'000	Other Reserves RM'000	Retained earnings RM'000			
As at end of current quarter							
As at 1 January 2008	53,431	11,197	(1,745)	43,413	106,296	460	106,756
Issuance of shares	28,240	110	-	-	28,350	-	28,350
Warrants reserve written off	-	-	(179)	-	(179)	-	(179)
Transfer to retained earnings upon exercise of warrants	-	-	(1,995)	1,995	-	-	-
Acquisition of subsidiary company	-	-	-	-	-	802	802
Acquisition of additional equity interest in subsidiary company	-	-	-	-	-	810	810
Foreign exchange translation	-	-	379	-	379	-	379
Purchase of treasury shares	-	-	(6,487)	-	(6,487)	-	(6,487)
Profit after tax for the financial period	-	-	-	15,405	15,405	(434)	14,971
Dividend paid	-	-	-	(4,449)	(4,449)	-	(4,449)
As at 30 September 2008	81,671	11,307	(10,027)	56,364	139,315	1,638	140,953
As at preceding year corresponding quarter							
As at 1 January 2007	51,296	11,152	2,053	25,709	90,210	1,030	91,240
Issuance of shares	2,033	-	-	-	2,033	-	2,033
Acquisition / (Disposal) of shares in subsidiary	-	-	-	-	-	(25)	(25)
Share application account	-	-	56	-	56	-	56
Share options granted under ESOS	-	-	132	-	132	-	132
Foreign exchange translation	-	-	117	-	117	-	117
Purchase of treasury shares	-	-	(2,208)	-	(2,208)	-	(2,208)
Profit after tax for the financial period	-	-	-	14,781	14,781	(415)	14,366
Dividend paid	-	-	-	(1,252)	(1,252)	(110)	(1,362)
As at 30 September 2007	53,329	11,152	150	39,238	103,869	480	104,349

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2007.

Notes To The Financial Statements

1. Basis of Preparation

The interim financial statements are unaudited and have 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 statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2007.

These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2007.

2. Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended 31 December 2007 except for the adoption of the following new revised Financial Reporting Standards (FRS) effective for financial period beginning 1 January 2008:

FRS 107 - Cash Flow Statements

FRS 112 - Income Taxes

FRS 118 - Revenue

FRS 134 - Interim Financial Reporting

FRS 137 - Provisions, Contingent Liabilities and Contingent Assets

The adoption of the above FRSs does not result in significant changes in accounting policies of the Group.

3. Auditors' Report on Preceding Annual Financial Statements

The auditors' report of the Group's annual financial statements for the financial year ended 31 December 2007 was not qualified.

4. Seasonal or Cyclical Factors

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

5. Unusual Items

There are no unusual items affecting assets, liabilities, equity, net income or cash flows in the financial year to date.

6. Changes in Estimates

There was no change in estimates of amounts reported in prior interim periods that had a material effect in the current reporting quarter.

7. Changes in Debt and Equity Securities

There was no issuance or repayment of debt or equity securities, share cancellations and resale of treasury shares for the financial quarter under review, except for the following:

- a) Issuance of 965,000 new ordinary shares of RM1.00 each at exercise prices of RM1.00 to RM1.08 per share for cash pursuant to the ESOS of the Company; and
- b) The Company bought back 406,200 ordinary shares of RM1.00 each from the open market at an average price of RM1.09 per share. The shares purchased are being held as treasury shares in accordance with Section 67A of the Companies Act, 1965.

8. Dividend Paid

On 26 September 2008, the Company paid an interim dividend of 3.0 sen per share less 26% income tax in respect of the financial year ended 31 December 2008 amounting to RM1.68 million.

9. Segmental Reporting

No segmental reporting is presented as the Group provides integrated logistics activities, which are substantially carried out in Malaysia.

10. Valuation of Property, Plant and Equipment

The Group's property, plant and equipment are stated at cost. There is no policy of regular revaluation of its property, plant and equipment as at the end of the financial period under review.

11. Material Events Subsequent to the End of the Interim Period

There were no material events subsequent to the end of the interim period.

12. Changes in Composition of the Group

There were no major changes in the composition of the Group during the current financial period under review.

13. Capital Commitments

As at the end of the reporting quarter, the Group has approved and contracted for capital commitments of RM3.0 million in respect of property, plant and equipment.

14. Changes in Contingent Liabilities

There were no changes in contingent liabilities since the last annual balance sheet as at 31 December 2007.

15. Review of Performance

In the current reporting quarter, the Group reported revenue and pre-tax profit of RM43.941 million and RM3.700 million respectively, compared to revenue and pre-tax profit of RM40.544 million and RM6.119 million respectively for the corresponding period in the previous financial year. Revenue has increased by 8.4% due to increase in volume of the Group's integrated logistics activities as well as the recognition of income from the Group's overseas operations. However, the decrease in pre-tax profit by 39.5% was mainly due to the weaker market sentiments during the reporting quarter.

16. Comparison with Immediate Preceding Quarter's Results

In the current reporting quarter, the Group reported revenue and pre-tax profit of RM43.941 million and RM3.700 million respectively, compared to revenue and pre-tax profit of RM34.122 million and RM2.870 million respectively for the preceding quarter. The increase in revenue and pre-tax profit by 28.8% and 28.9% respectively was mainly due to the increase in volume of the Group's integrated logistics activities as well as the recognition of income from the Group's overseas operations.

17. Prospects for the Current Financial Year

Despite the many global and domestic challenges, ranging from the global financial turmoil to competitive pressures within the logistics industry, the Group remained resilient, with focus continuously being concentrated on providing value-added logistics solutions as well as drive to maintain cost efficiencies. Consequently, the Group remains optimistic on its prospects for the future.

18. Profit Forecast

There was no profit forecast announced in relation to the financial period under review.

19. Taxation

	-----Individual quarter-----		-----Cumulative quarter-----	
	Current year quarter 30.09.2008 RM'000	Preceding year corresponding quarter 30.09.2007 RM'000	Current year to date 30.09.2008 RM'000	Preceding year corresponding period 30.09.2007 RM'000
Provision for taxation	418	522	2,017	1,478
Deferred taxation	300	(1,079)	300	-
	<u>718</u>	<u>(557)</u>	<u>2,317</u>	<u>1,478</u>

Century Total Logistics Sdn Bhd, a wholly owned subsidiary of the Company was granted Investment Tax Allowance (ITA) under the Promotion of Investments Act, 1986 for its qualifying capital expenditure.

20. Sale of Unquoted Investments and/or Properties

There was no sale of investment and/or property during the current financial period under review.

21. Quoted Securities

a) There was no purchase or disposal of quoted securities during the current financial period under review.

b) Total investments in quoted securities as at 30 September 2008 are as follows:-

	As at 30.09.2008 RM'000	As at 31.12.2007 RM'000
At carrying value/book value (after impairment loss)	1,757	3,320
At market value	1,757	3,344

22. Status of Corporate Proposal

There was no corporate proposal announced but not completed as at the date of this report.

23. Group's Borrowings and Debt Securities

	As at 30.09.2008 RM'000	As at 31.12.07 RM'000
Short Term - Unsecured		
- Bank Overdrafts	1	199
Short Term - Secured		
- Bank Overdrafts	-	1,729
- Revolving Credit	-	6,486
- Term Loans	2,106	4,060
- Hire-purchase and Finance Leases	8,689	5,151
	<u>10,796</u>	<u>17,625</u>
Long Term - Unsecured		
- Term Loan	20,000	20,000
Long Term - Secured		
- Term Loans	16,894	34,693
- Hire-purchase and Finance Leases	3,930	5,550
	<u>40,824</u>	<u>60,243</u>
	<u>51,620</u>	<u>77,868</u>

All the above borrowings are denominated in Ringgit Malaysia.

24. Off Balance Sheet Financial Instruments

The Group does not have any financial instruments with off balance sheet risk.

25. Material Litigation

Save as disclosed below, the Group is not presently engaged in any material litigation, claim or arbitration, either as plaintiff or defendant and the Directors do not have any knowledge of any proceedings pending or threatened against the Group or any fact likely to give rise to any proceedings which may materially affect the financial position or business of the Group:

Shah Alam High Court Writ of Summons No. MT1-22-154-2003 dated 4 March 2003 by (1) Best Heritage Sdn Bhd (First Plaintiff) and (2) Century Distribution Sdn Bhd (now Century Total Logistics Sdn Bhd) (Second Plaintiff) against Chemfert Sdn Bhd (Defendant) for the recovery of RM1,116,571.50 for damages arising from the unlawful entry of a caveat by the Defendant on the First Plaintiff's land held under HS(D) 20946 PT No. 8540 and HS(D) 20947 PT No. 8539 both in Mukim Kapar, Daerah Klang, Negeri Selangor. The Defendant applied to the Shah Alam High Court to strike out the suit and the Shah Alam High Court had on 12 February 2004 dismissed the Defendant's application to strike out the suit. The Defendant has filed an appeal against the decision to the Judge in Chambers and the hearing of the appeal and case management was fixed on 22 May 2007 where the Judge in Chambers indicated that she would require written submissions from both parties. On 26 September 2007, the Judge had allowed the Defendant's appeal with cost and have ordered that the Second Plaintiff be struck out from the suit. The Second Plaintiff had on 24 October 2007 filed a Notice of Appeal on the decision. On 24 October 2008, the Plaintiffs have written to the Defendant offering to have the matter amicably settled by withdrawing the suit and for both parties to bear their own costs.

26. Dividend

The Board of Directors does not recommend any dividend in respect of the reporting quarter.

27. Earnings Per Share

	-----Individual quarter-----		-----Cumulative quarter-----	
	Current year quarter 30.09.2008 RM'000	Preceding year corresponding quarter 30.09.2007 RM'000	Current year to date 30.09.2008 RM'000	Preceding year corresponding period 30.09.2007 RM'000
Net profit attributable to equity holders of the parent	3,105	6,784	15,405	14,780
Add : Interest saving	-	173	-	520
	<u>3,105</u>	<u>6,957</u>	<u>15,405</u>	<u>15,300</u>
Weighted average number of ordinary shares in issue	75,458	50,803	68,335	50,803
Effect on dilution:				
Share options	-	9,871	-	9,871
Adjusted weighted average number of ordinary shares in issue and issuable	<u>75,458</u>	<u>60,674</u>	<u>68,335</u>	<u>60,674</u>
Basic earnings per share (sen)	4.11	13.35	22.54	29.09
Diluted earnings per share (sen)	4.11	11.47	22.54	25.22

By Order of the Board of Directors

Company Secretary

Kuala Lumpur
27 November 2008