



**CENTURY LOGISTICS HOLDINGS BERHAD (424341-A)**

Quarterly report on unaudited consolidated results for the financial period ended 30 September 2009

**CONDENSED CONSOLIDATED INCOME STATEMENTS FOR THE QUARTER ENDED 30 SEPTEMBER 2009**

	-----Individual quarter-----		-----Cumulative quarter-----	
	Current year quarter 30.09.2009 RM'000	Preceding year corresponding quarter 30.09.2008 RM'000	Current year to date 30.09.2009 RM'000	Preceding year corresponding period 30.09.2008 RM'000
Revenue	67,251	43,941	153,828	116,140
Direct operating expenses	<u>(45,162)</u>	<u>(30,294)</u>	<u>(106,006)</u>	<u>(75,024)</u>
Gross profit	22,089	13,647	47,822	41,116
Net other operating expenses	(10,673)	(9,091)	(28,776)	(21,480)
Net interest expense	<u>(1,164)</u>	<u>(856)</u>	<u>(2,604)</u>	<u>(2,348)</u>
Profit before taxation	10,252	3,700	16,442	17,288
Taxation	<u>(1,459)</u>	<u>(718)</u>	<u>(2,626)</u>	<u>(2,317)</u>
Profit for the period	<u>8,793</u>	<u>2,982</u>	<u>13,816</u>	<u>14,971</u>
Attributable to:				
Equity holders of the parent	8,821	3,105	13,794	15,405
Minority interest	<u>(28)</u>	<u>(123)</u>	<u>22</u>	<u>(434)</u>
Net profit for the period	<u>8,793</u>	<u>2,982</u>	<u>13,816</u>	<u>14,971</u>
Earnings per share attributable to equity holders of the parent:				
Basic (sen)	<u>11.71</u>	<u>4.11</u>	<u>18.50</u>	<u>22.54</u>
Diluted (sen)	<u>Not applicable</u>	<u>Not applicable</u>	<u>Not applicable</u>	<u>Not applicable</u>

**The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2008.**

**CENTURY LOGISTICS HOLDINGS BERHAD (424341-A)**

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**CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2009**

	As at end of current quarter 30.09.2009	As at preceding financial year end 31.12.2008 (audited)
	RM'000	RM'000
<b>ASSETS</b>		
<b>Non-current Assets</b>		
Property, plant and equipment	115,684	94,901
Investment property	30,000	30,000
Prepaid lease payments	29,572	26,382
Other investments	3,440	2,685
Goodwill on consolidation	3,730	3,730
	<u>182,426</u>	<u>157,698</u>
<b>Current Assets</b>		
Receivables	69,042	51,288
Cash and bank balances	29,278	17,776
	<u>98,320</u>	<u>69,064</u>
<b>TOTAL ASSETS</b>	<u><u>280,746</u></u>	<u><u>226,762</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	81,671	81,671
Treasury shares	(362)	(11,417)
Reserves	68,305	67,474
	<u>149,614</u>	<u>137,728</u>
<b>Minority Interest</b>	<u>1,028</u>	<u>1,035</u>
<b>Total Equity</b>	<u>150,642</u>	<u>138,763</u>
<b>Non-current Liabilities</b>		
Borrowings	71,402	40,871
Deferred taxation	8,897	8,899
	<u>80,299</u>	<u>49,770</u>
<b>Current Liabilities</b>		
Borrowings	7,381	6,329
Payables	42,424	31,900
	<u>49,805</u>	<u>38,229</u>
<b>Total Liabilities</b>	<u>130,104</u>	<u>87,999</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>280,746</u></u>	<u><u>226,762</u></u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	1.84	1.85

The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2008.

**CENTURY LOGISTICS HOLDINGS BERHAD (424341-A)**

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**CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE PERIOD ENDED 30 SEPTEMBER 2009**

	Current year to date 30.09.2009 RM'000	Preceding year corresponding period 30.09.2008 RM'000
Net cash generated from operating activities	14,179	17,061
Net cash (used in) / from investing activities	(29,006)	5,842
Net cash from / (used in) financing activities	<u>26,374</u>	<u>(14,005)</u>
Net increase in cash and cash equivalents	11,547	8,898
Cash and cash equivalents at beginning of the period	<u>17,273</u>	<u>6,600</u>
Cash and cash equivalents at end of the period	<u><u>28,820</u></u>	<u><u>15,498</u></u>

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

Cash on hand and at banks	15,766	8,398
Deposits with licensed banks	13,513	7,604
Bank overdraft	<u>(459)</u>	<u>(1)</u>
	28,820	16,001
Less: Short term deposits pledged	<u>-</u>	<u>(503)</u>
	<u><u>28,820</u></u>	<u><u>15,498</u></u>

**The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2008.**

**CENTURY LOGISTICS HOLDINGS BERHAD (424341-A)**

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2009**

	← Attributable to Equity Holders of the Parent →				Total Shareholders' Equity RM'000	Minority Interest RM'000	Total Equity RM'000
	Share Capital RM'000	← Non-distributable Share Premium Reserve RM'000	→ Other Reserves RM'000	Distributable Retained Earnings RM'000			
<b>As at end of current quarter</b>							
As at 1 January 2009	81,671	11,438	(11,149)	55,768	137,728	1,035	138,763
Disposal of subsidiary company	-	-	-	-	-	(29)	(29)
Foreign exchange translation	-	-	(70)	-	(70)	-	(70)
ESOS issue/ warrants expenses	-	-	(66)	-	(66)	-	(66)
Purchase of treasury shares	-	-	(289)	-	(289)	-	(289)
Profit after tax for the financial period	-	-	-	13,794	13,794	22	13,816
Dividend in share	-	(11,344)	11,344	-	-	-	-
Dividend in cash	-	-	-	(1,483)	(1,483)	-	(1,483)
As at 30 September 2009	81,671	94	(230)	68,079	149,614	1,028	150,642
<b>As at preceding year corresponding quarter</b>							
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 in cash	-	-	-	(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

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2008.

## **CENTURY LOGISTICS HOLDINGS BERHAD (424341-A)**

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### **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 2008.

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 2008.

#### **2. Significant Accounting Policies**

The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended 31 December 2008.

#### **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 2008 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 that the Company bought back 145,300 ordinary shares of RM1.00 each from the open market at an average price of RM1.44 per share. The shares purchased are being held as treasury shares in accordance with Section 67A of the Companies Act, 1965.

On 18 September 2009, an amount of RM11,343,741 standing to the credit of share premium account was applied in paying up in full 7,414,210 ordinary shares of RM1.00 each, which were allotted and distributed as fully paid to existing shareholders on the basis of one (1) treasury share for every ten (10) existing ordinary shares of RM1.00 each held in the Company.

#### **8. Dividend Paid**

On 18 September 2009, the company distributed an interim share dividend on the basis of one (1) treasury share for every ten (10) existing ordinary shares of RM1.00 each held in the Company.

#### **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.

**CENTURY LOGISTICS HOLDINGS BERHAD (424341-A)**

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**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 RM36.5 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 2008.

**15. Review of Performance**

In the current reporting quarter, the Group reported revenue and pre-tax profit of RM67.251 million and RM10.252 million respectively, compared to revenue and pre-tax profit of RM43.941 million and RM3.700 million respectively for the corresponding period in the previous financial year. The increase in revenue and pre-tax profit by 53.0% and 177.1% respectively was due to increased business activities from new and existing customers.

**16. Comparison with Immediate Preceding Quarter's Results**

In the current reporting quarter, the Group reported revenue and pre-tax profit of RM67.251 million and RM10.252 million respectively, compared to revenue and pre-tax profit of RM46.973 million and RM4.869 million respectively for the preceding quarter. The increase in revenue and pre-tax profit by 43.2% and 110.6% respectively was mainly due to the reason mentioned in Note 15 above.

**17. Prospects for the Current Financial Year**

In recognizing the competitive pressures within the logistics industry, the Group continues to take the necessary measures to remain resilient, including focusing on providing value-added logistics solutions as well as maintaining cost efficiencies. The continued expansion of the customer base is a testament of Century's supply chain solutions offering. Consequently, the Group is confident of its business model and expects to continue the performance for the remaining period of the financial year and beyond.

**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 30.09.2009 RM'000	Preceding year corresponding quarter 30.09.2008 RM'000	Current year to date 30.09.2009 RM'000	Preceding year corresponding period 30.09.2008 RM'000
Provision for taxation	1,459	418	2,626	2,017
Deferred taxation	-	300	-	300
	<u>1,459</u>	<u>718</u>	<u>2,626</u>	<u>2,317</u>

**20. Sale of Unquoted Investments and/or Properties**

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

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**21. Quoted Securities**

a) Total purchases of quoted securities for the reporting quarter are as follows:-

	As at 30.09.2009 RM'000	As at 31.12.2008 RM'000
Total purchases	313	-

b) Total investments in quoted securities as at 30 September 2009 are as follows:

At carrying value/book value (after impairment loss)	1,940	685
At market value	1,940	685

**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 30.09.2009 RM'000	As at 31.12.2008 RM'000
Short Term - Unsecured		
- Bank Overdraft	459	-
Short Term - Secured		
- Term Loans	4,072	2,714
- Foreign Term Loan	129	-
- Hire purchase and Finance Leases	2,721	3,615
	<u>7,381</u>	<u>6,329</u>
Long Term - Unsecured		
- Term Loan	20,000	20,000
Long Term - Secured		
- Term Loans	30,193	16,286
- Foreign Term Loan	17,990	-
- Hire purchase and Finance Leases	3,219	4,585
	<u>71,402</u>	<u>40,871</u>
	<u>78,783</u>	<u>47,200</u>
Borrowings denominated in foreign currency:		
Term loan - Thai Baht 175,472,700	<u>18,119</u>	<u>-</u>

**24. Off Balance Sheet Financial Instruments**

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

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**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 (now known as Century Logistics (Sarawak) Sdn Bhd) ("BHSB") and (2) Century Distribution Sdn Bhd (now known as Century Total Logistics Sdn Bhd) ("CDSB") against Chemfert Sdn Bhd ("Defendant") for the recovery of a total of RM1,314,195.02 for damages arising from the unlawful entry of a caveat by the Defendant on BHSB'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 CDSB's claim. The Shah Alam High Court had on 12 February 2004 dismissed the Defendant's application to strike out CDSB's claim. The Defendant then filed an appeal against that decision to the Judge-in-Chambers and the hearing of the appeal and case management was fixed on 22 May 2007. On 26 September 2007, the Judge allowed the Defendant's appeal with cost and ordered that CDSB be struck out from the suit. CDSB had on 25 October 2007 filed a Notice of Appeal on the decision. This matter is now fixed for mention on 3 December 2009 for the parties to appraise the Shah Alam High Court on the status of the appeal. On the other hand, the hearing of the appeal under Court of Appeal Civil Appeal No.: B-03-211-2007 against the striking out was scheduled on 29 June 2009 but was adjourned and the Court of Appeal had directed the appellant to file a motion to include documents not previously included in the Record of Appeal. At the decision of the taxation of the Defendant's bill of costs for striking out CDSB's claim which came up on 1 July 2009, the Court Registrar granted RM29,607.00 as costs for the Defendant's aforementioned appeal to the Judge-in-Chambers.

**26. Dividend**

The Board of Directors declares a single tier interim dividend of 2.0 sen per share in respect of the financial year ending 31 December 2009.

**27. Earnings Per Share**

	-----Individual quarter-----		-----Cumulative quarter-----	
	Current year quarter 30.09.2009 RM'000	Preceding year corresponding quarter 30.09.2008 RM'000	Current year to date 30.09.2009 RM'000	Preceding year corresponding period 30.09.2008 RM'000
Net profit attributable to equity holders of the parent	<u>8,821</u>	<u>3,105</u>	<u>13,794</u>	<u>15,405</u>
Weighted average number of ordinary shares in issue	<u>75,354</u>	<u>75,458</u>	<u>74,569</u>	<u>68,335</u>
Basic earnings per share (sen)	11.71	4.11	18.50	22.54
Diluted earnings per share (sen)	Not applicable	Not applicable	Not applicable	Not applicable

By Order of the Board of Directors

Company Secretary

Kuala Lumpur  
19 November 2009