

INTEGRAX BERHAD
QUARTERLY REPORT
30 SEPTEMBER 2007

Activity Highlights

<i>Port Throughput</i>	
3Q2007	2,044,566 MT
3Q2006	1,936,950 MT
Change (%)	5.6 %
YTD2007	5,141,594 MT
YTD2006	5,589,609 MT
Change (%)	-8.0 %

<i>Land Sales</i>	
3Q2007	3.02 acres
2Q2007	7.57 acres
1Q2007	1.21 acres
YTD2007	11.8 acres
YTD2006	125.60 acres

<i>Nickel Ore Export Shipments (DMT)</i>	
Qtr 1	Nil
Qtr 2	150,307
Qtr 3	137,034

<i>Nickel Prices</i>	<i>USD/MT</i>	<i>USD/Pound</i>
31 March 2007	45,450	20.61
30 June 2007	35,848	16.26
30 September 2007	31,025	14.07

Capital

<i>Capital Base</i>	
Ordinary Shares in issue	300,805,917
Convertibles etc	Nil
Share Price at 26.11.2007	RM1.41
Market Capitalization	RM424,136,342

<i>(As at 1 October 2007)</i>	
<i>Distribution</i>	
< 10,000	3.46%
10,001 - 100,000	5.31%
100,001 - 1,000,000	5.35%
> 1,000,001	85.88%

Local Ownership	68.58%
Foreign Ownership	31.42%

<i>Top 5 Shareholders</i>	
Halim Rasip Holdings Sdn Bhd	33.03%
Utilico Emerging Markets Ltd	12.80%
Kuda Sejati Sdn Bhd	8.41%
HSBC Nominees (Asing) Sdn Bhd	8.07%
Mackenzie Cundill Investment Management Ltd	5.40%

INDX

<i>Capital Base</i>	
Ordinary Shares in issue	122,665,000
Convertibles etc	Nil
Share Price at 26.11.2007	Rph172
Market Capitalization	Rph21 billion

<i>(As at 31 October 2007)</i>	
<i>Substantial Shareholders</i>	
Integrax Berhad	34.85%
Soetanto Pranoto, Drs. MM	9.24%
Yayasan Masyarakat Pasar Modal Indonesia	5.18%

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KEY POINTS

- ✓ **PROFIT AFTER TAX ATTRIBUTABLE TO SHAREHOLDERS INCREASED BY 1.1% ON A YEAR-ON-YEAR BASIS NOTWITHSTANDING THE DECREASE OF 6.7% ON A QUARTER-ON QUARTER BASIS. EARNINGS RESILIENCE STILL CLEARLY INTACT AND NEXT QUARTER EXPECTING BETTER.**
- ✓ **LBT CARGO STILL DOWN IN 3Q2007 ON A QUARTER-ON QUARTER BASIS BUT RECOVERING ON A YEAR-ON-YEAR BASIS**
- ✓ **LMT ASSOCIATE CONTRIBUTION RECOVERING ON HIGHER CARGO BUT PROPERTY CONTRIBUTION REMAINS WEAK**
- ✓ **SHARE OF ASSOCIATES PROFIT UP OVERALL YEAR-ON-YEAR WITH EQUITY ACCOUNTING FOR RESOURCES CONTRIBUTION**
- ✓ **RESOURCE PROSPECTS ON TRACK AS FIRST PRODUCTION OF FERRO-NICKEL FROM SMELTER ACHIEVED WHILE ORE PRODUCTION AND ORE SHIPMENTS HAMPERED BY CONTINUING WEATHER PROBLEMS.**

OVERVIEW

Lumut Port Development

- Northern Piperack System for LMT completed in early 4Q2007 for use by liquid bulk exporters and importers under a revised tariff. Plans for a new liquid berth at LMT for dangerous and non-dangerous liquid cargoes now revised as to scope to suit revised projections for liquid cargo prospects on a prudent basis. Still expecting completion before end 2008.
- LBT concept layout approved and engineering works for a high volume loading capability are now in advanced stages. Such expansion of LBT, expected to be undertaken within 2008, is being implemented with a view to taking advantage of LBT's existing infrastructure backbone to facilitate a rationalization of terminal utilization within Lumut Port (and its two constituent terminals) and to meet with shipper needs and new interest. Announcements will be made in relation to this as and when appropriate.
- Cargo throughput for LBT down on quarterly and YTD basis but recovering trend is perceptible. Cargo throughput for LMT recovering strongly in dry bulk and year-on year weakness in liquid cargo now recovering with strength into the 4Q2007.

New Ports Development

- Further to announcement in 3Q2007, Company has proceeded with investigatory works and surveys required for the two (2) port possibilities in Aceh Nanggroe Darussalam, Sumatra, Republic of Indonesia at Kuala Langsa (greenfield port) and at Krueng Guekeh (existing port) in partnership with Pemerintah-Pemerintah Kabupaten .
- Several other Sumatra , Kalimantan and Java ports and specialized terminals remain in negotiation and in land identification and acquisition negotiation.

Resources

- PGMC has made export shipments of nickel ore to end 3Q2007 of 287,341 DMT with nickel grading of 1% to 2.24%. Much of earlier shipments were from Palawan which have now ceased and later shipments were from Surigao. Weather permitting, Isabela is preparing to ship ore in 4Q2007 and Surigao will see greater ore production going forward to meet export commitments and smelter needs. The weather remains the primary obstacle as equipment and personnel have been mobilized.
- Smelter has seen first test production of ferro-nickel on 12 August 2007 and a first shipment of 190MT of lower grade in 4Q2007 while efforts continue to upgrade quality and optimize production to between 480MT to 600MT per month which exceeds the earlier anticipated annual production target. Conversion of MT to Pounds is number MT multiplied by 2204.6.
- Prices of nickel have been seen to rise above USD50,000/MT but have since appeared to have stabilized around the USD30,000 per MT range. This range is still significantly higher than the nickel price at the time of the Company's entry in the business.

Corporate

- The Company has increased its equity stake in P.T. Indoexchange Tbk ("INDX") with minor purchases ahead of a pending acquisition and re-capitalization exercise to be undertaken when market conditions suit. INDX retains and maintains its small website management service business in the interim. The Company has extended a modest amount of financial assistance to INDX pending the aforementioned exercises. It is intended that INDX will be a partner with the Company for ventures in port and terminal infrastructure, resources and logistics services within Indonesia.
- The Company has formed P.T Integrax Indonesia, as a foreign owned company, to facilitate its investment plans in Indonesia and has started the process, approvals still remain outstanding, to establish an oil and gas contracting company in Indonesia to take advantage of opportunities presented.