

**INTEGRAX BERHAD**  
**QUARTERLY REPORT**  
**30 SEPTEMBER 2008**

**Activity Highlights**

<i>Port Throughput</i>	
3Q2008	1,918,029 MT
3Q2007	2,044,566 MT
Change (%)	-6.2 %
YTD2008	6,045,728 MT
YTD2007	5,141,594 MT
Change (%)	17.6 %

<i>Land Sales</i>	
3Q2008	0.51 acres
2Q2008	6.84 acres
1Q2008	Nil
YTD2008	7.35 acres
YTD2007	11.85 acres

<i>Nickel Ore Export Shipments (DMT)</i>	
Qtr 1	Nil
Qtr 2	33,582
Qtr 3	133,865

<i>Nickel Prices</i>	<i>USD/ MT</i>	<i>USD/Pound</i>
31 March 2008	29,803	13.52
30 June 2008	21,673	9.83
30 September 2008	15,753	7.14

**Capital**

<i>Capital Base</i>	
Ordinary Shares in issue	300,805,917
Convertibles etc	Nil
Share Price at 27.11.2008	RM0.415
Market Capitalization	RM124,834,456

<i>(As at 31 October 2008)</i>	
<i>Distribution</i>	
< 10,000	2.93%
10,001 - 100,000	4.76%
100,001 - 1,000,000	5.53%
> 1,000,001	86.78%
Local Ownership	66.01%
Foreign Ownership	33.99%

<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	8.08%
Mackenzie Cundill Investment Management Ltd	7.48%

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<i>Capital Base</i>	
Ordinary Shares in issue	122,665,000
Convertibles etc	Nil
Share Price at 24.11.2008	Rph170
Market Capitalization	Rph20.85 billion

<i>(As at 31 October 2008)</i>	
<i>Substantial Shareholders</i>	
Integrax Berhad	34.85%
Soetanto Pranoto, Drs. MM	9.30%
Yayasan Masyarakat Pasar Modal Indonesia	5.18%

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**KEY POINTS**

- ✓ **PATSC UP BY 60.1 % ON A QUARTER-TO-07QUARTER BASIS BASICALLY DUE TO SHARE OF PROFITS FROM OUR ASSOCIATES, LMTSB AND PGMC, AIDED BY LOWER FINANCE COSTS AT LBTSB . CAUTION IS EXPRESSED AS THE RESULT FROM PGMC WAS A ONE-OFF SHARE OF A HEDGING PROFIT**
- ✓ **EARNINGS RESILIENCE FROM LBT PORT OPERATIONS STILL VERY MUCH IN PLACE**
- ✓ **LMT AND LBT CARGO DOWN ON A QUARTER-TO-07QUARTER BY 6.2% BUT UP ON A YTD BASIS BY 17.6%. CARGO OUTLOOK CURRENTLY LOOKS POSITIVE THOUGH CAUTION IS EXPRESSED GOING FORWARD IN RESPECT TO THE CARGO EXPECTATIONS OF THE ASSOCIATE LMT GIVEN THE ONGOING CRISIS**
- ✓ **LMTSB ASSOCIATE PROPERTY CONTRIBUTION OUTLOOK REMAINS WEAK**
- ✓ **SMELTERS AND MINING RESOURCE FUNDAMENTAL VALUE STILL APPEARS INTACT BUT CASH IS TIGHT WITH LOW PRICES. SMELTERS ON A CARE AND MAINTENANCE BASIS AND MINING NOW RESTRICTED TO SURIGAO DEPOSIT IN COMMON WITH MANY OTHER COMPANIES IN MINING SECTOR INTERNATIONALLY. EXPECT VOLATILITY AND UNCERTAINTY GIVEN ONGOING CRISIS**

**OVERVIEW**

**Lumut Port**

- With the works completed for the liquid pipe rack system at LMT , some trial cargoes have commenced and expectation is that LMT should see a significant rise in liquid bulk cargoes in 2009 growing up to 500,000MTPA for petroleum products in addition to the palm oil and biodiesel cargoes.
- LBT's export stream project is now finally configured and negotiations with potential contractors to supply equipment and construct all the necessary are fully underway. The search for funding will follow thereafter in earnest. Negotiations with prospective users continue to advance for later Board review and approval in our efforts to take advantage of LBT's existing infrastructure backbone so as to permit LBT to have a high volume loading capability as part of a rationalization of facilities within Lumut Port to meet with expressed shipper needs and interest. Announcements will be made in relation to this, where and as appropriate, in due course.
- Cargo throughput for LBT and LMT are up and cargo prospects look positive at the moment but we will know more as prospects in 2009 when we get into 1Q2009.

**New Ports Development**

- Further to previous announcements or mention in the Quarterly Reports, the Company has executed an MOA with the relevant authorities in respect to a Greenfield port and industrial estate development at Kuala Langsa ,NAD and our associate ,INDX has executed an MOA with the relevant authorities with respect to cooperating to secure an operatorship in respect to the existing port of Krueng Guekeh, Lohsemawe ,NAD. Both locations are strategically placed with respect to the resources and potential markets in Sumatra.
- The other project potentials in Sumatra, Kalimantan and Java for multipurpose ports or specialized terminals remain in assessment/negotiation or in land acquisition process and negotiation with prospective clients.

**Resources**

- PGMC had a lucky break with a one-off hedging profit that reduced its debt load significantly in the quarter. The consequence of the hedging profit resulted in our share of losses to date being totally reversed in this quarter.
- Prices of nickel have dropped further with the crisis and PGMC is reacting in the same manner as many other mining and smelting companies by cutting back to preserve cash wherever it can without interrupting its primary and easiest and most rapid source of income being the mining and the export of nickel ore to its contracted off takers . Some commentators are already reading the drop in metal prices as the collapse of the commodity cycle but it is way too early to tell. The downside at present appears fairly limited (Macquarie Resources has forecast a nickel price in the USD5.00/lb region for 2009 with USD6.37/lb in 2010). Extreme pessimism is in vogue now so events going forward may surprise on the upside in the medium term as deleveraging and speculative positions unwind and the outlook becomes clearer.
- Works for listing plans for PGMC continue and are hopefully coming to a close. Parties continue to approach PGMC for a trade sale or for its assets.

**Corporate**

- P.T. Indoexchange Tbk ("INDX") is the Company's chosen vehicle to invest in Indonesia, a nation with huge resources and great potential. INDX is still under trading suspension and the Company will do something about this in this last quarter of 2008 for implementation in 1Q2009. Announcements will be made in due course.