

INTEGRAX BERHAD
Company No. : 49317 - W
(Incorporated in Malaysia)

NOTES TO THE INTERIM FINANCIAL STATEMENTS AS AT 31 DECEMBER 2008

ABBREVIATIONS

In these interim financial statements, unless otherwise stated, the following abbreviations shall have the following meanings:-

“Act”	:	Companies Act, 1965
“DMT”	:	Dry Metric Tonnes of Nickel Ore
“EBIT”	:	Earnings before interest and tax
“EPS”	:	Earnings per share
“FRS”	:	Financial Reporting Standards
“Group”	:	Integrax and its subsidiaries
“Integrax” or the “Company”	:	Integrax Berhad (<i>Company No. 49317-W</i>)
“IJE”	:	P.T. Integra Jasa Energi, a 95% owned subsidiary of Integrax established in the Republic of Indonesia
“INDX”	:	P.T. Indoexchange Tbk, a limited company listed on the Indonesia Stock Exchange (IDX) which has emerged as a result of a merger between the Jakarta Stock Exchange and Surabaya Stock Exchange in the Republic of Indonesia
“HRH”	:	Halim Rasip Holdings Sdn. Bhd. (<i>Company No. 64655-T</i>)
“LATSC”	:	Losses attributable to shareholders of the Company
“LBT”	:	Lekir Bulk Terminal, a common-user bulk port facility
“LBTBSB”	:	Lekir Bulk Terminal Sdn. Bhd. (<i>Company No. 414060-T</i>), an 80% owned subsidiary of PLSB
“LBT Serial Bonds”	:	12½ years zero coupon Serial Bonds of RM445 million issued by LBTBSB
“LBT RCCPS”	:	Redeemable cumulative convertible preference share(s) of RM0.01 each in LBTBSB
“LMT”	:	Lumut Maritime Terminal, a common-user multi purpose port facility
“LMTSB”	:	Lumut Maritime Terminal Sdn. Bhd. (<i>Company No. 180480-D</i>)
“LMT RPS”	:	Redeemable preference share(s) of RM0.01 each in LMTSB which is convertible to ordinary shares of RM1.00 each in LMTSB as per the Memorandum and Articles of Association
“LPS”	:	Loss per share
“LPIP”	:	Lumut Port Industrial Park, the industrial properties division of LMTSB
“Lumut Port”	:	Lekir Bulk Terminal and Lumut Maritime Terminal collectively
“NAD”	:	Nanggroe Aceh Darussalam, Indonesia

“PLSB”	:	Pelabuhan Lumut Sdn. Bhd. (<i>Company No. 168205-M</i>), a wholly owned subsidiary of Integrax
“PATSC”	:	Profit attributable to shareholders of the Company
“PBT”	:	Profit Before Tax
“PKS”	:	Petrokapal Sdn. Bhd. (<i>Company No. 30921-D</i>), a wholly owned subsidiary of HRH
“PGMC”	:	Platinum Group Metals Corporation, an investment by the Company in the Republic of the Philippines
“RAM”	:	Rating Agency Malaysia Berhad
“RM” and “sen”	:	Ringgit Malaysia and sen respectively
“RRSB”	:	Radikal Rancak Sdn Bhd (<i>Company No. 576210-X</i>), a wholly owned subsidiary of Integrax
“Number Q ”	:	The relevant quarter in a financial year stated

A1 COMMENTS ON FINANCIAL RESULTS, PERFORMANCE AND PROSPECTS

A1.1 FINANCIAL RESULTS FOR THE PERIOD

	4 Q 2008 RM'000	(Audited) 4 Q 2007 RM'000	4Q08/4Q07 % Change	3Q08 RM'000	4Q08/3Q08 % Change
Revenue	23,813	22,557	5.6	22,176	7.4
Operating Profit	11,400	10,752	6.0	11,798	(3.4)
Share of Profit after Tax of Associates	2,471	3,613	(31.6)	7,011	(64.8)
Profit /(Loss) Before Tax	(23,474)	11,681	(300.1)	16,525	(242.1)
PATSC/(LATSC)	(27,154)	8,841	(407.1)	12,389	(319.2)
EPS / (LPS) (sen)	(9.03)	2.94	(407.1)	4.12	(319.2)

- (a) Revenues comprise contractual revenues for the provision of port facilities, cargo handling and vessel services under term arrangements. Revenues increased by 5.6 % on a quarter-on-07quarter basis and by 7.4% on a quarter-on-quarter basis due to the increased tonnage revenue in LBT. Please refer to Items A1.2 (a) and A1.3 (b) for comments and details.
- (b) Operating Profit increased by 6.0% on a quarter-on-07 quarter basis due to decreased project development costs incurred. Operating Profit decreased by 3.4% on a quarter-on-quarter basis due to increased administrative expenses.
- (c) Share of Profit After Tax of Associate decreased by 31.6% on a quarter-on-07quarter basis and by 64.8% on a quarter-on-quarter basis due to losses incurred by PGMC as a consequence of the terrible market conditions for nickel and a reduced contribution from LMTSB as a consequence of reduced industrial property transaction. Please refer to Items A1.2 (e) and A1.3 (e) for comments and details.
- (d) The Loss Before Tax in 4Q2008 is caused by provision for impairment of our investment in PGMC of RM 35.2 million. This step is taken in the 4Q2008 as a direct reaction to the continuing poor global economic conditions and the short term outlook for nickel prices and metal commodities in general. This had a consequential impact on the LATSC and LPS in 4Q2008. Please refer to Items A1.3 (e) for comments and details.

A1.2 GROUP PERFORMANCE

(a) Port Operations

Set out below are cargo statistics for Lumut Port in Freight Weight Tonnes (FWT) analyzed by Type of Cargo and by the Industry Sectors.

BY CARGO TYPE

FWT	4 Q		% change
	2008	2007	
Conventional / break-bulk	25,890	30,999	(16.5)
Liquid bulk	162,796	130,072	25.2
LMT Dry bulk	598,291	469,462	27.4
LMT Sub-Total	786,977	630,533	24.8
LBT Dry Bulk	1,694,787	1,203,390	40.8
Total	2,481,764	1,833,923	35.3

FWT	YTD 4 Q		% change
	2008	2007	
Conventional / break-bulk	112,857	94,563	19.3
Liquid bulk	611,220	489,002	25.0
LMT Dry bulk	2,306,965	1,862,968	23.8
LMT Sub-Total	3,031,042	2,446,533	23.9
LBT Dry Bulk	5,496,450	4,528,984	21.4
Total	8,527,492	6,975,517	22.2

BY INDUSTRY SECTOR

FWT	4 Q		% change
	2008	2007	
Chemicals	70,015	48,207	45.2
Mining	156,541	94,770	65.2
Agriculture	199,733	175,583	13.8
Construction Materials	354,641	302,812	17.1
Energy	1,694,787	1,203,390	40.8
Others	6,047	9,161	(34.0)
Total	2,481,764	1,833,923	35.3

FWT	YTD 4 Q		% change
	2008	2007	
Chemicals	202,504	153,484	31.9
Mining	608,144	516,517	17.7
Agriculture	868,371	674,568	28.7
Construction Materials	1,333,810	1,083,916	23.1
Energy	5,496,450	4,528,984	21.4
Others	18,213	18,048	(0.9)
Total	8,527,492	6,975,517	22.2

12 months ended	12 M 2008	12 M 2007	% change
Percentage Import	75%	73%	2.7
Percentage Export	25%	27%	(7.4)

- (i) Liquid bulk exports of palm oil related products from the Agriculture Sector increased by 13.8% on a quarter-on-quarter basis and by 28.7% on a year-on-year basis. This is attributed directly to increased exports by the palm oil refinery that is located proximate to the LMT.
- (ii) Dry bulk cargo at LMT increased by 40.8% on a quarter-on-quarter basis and by 23.8% on a year-on-year basis, aided by increased exports of palm kernel expellers, limestone chips and significantly that of clinker and coal and petroleum coke emerging from the Mining, Agriculture and Construction Sectors respectively. This continued the trend that we saw in 2Q2008 and 3Q2008.
- (iii) Cargo at LBT increased by 40.8% on a quarter-on-quarter basis and increased by 21.4% on a year-on-year basis. This 4Q2008 throughput was the highest quarterly throughput recorded since LBT commenced business.
- (iv) Port operations continued to strive to maintain its gross operational margins notwithstanding the pressures of ever rising costs. While LBT's margins remained intact apart from contracted escalations, LMT's margins are being supported by a policy of effecting gradual tariff increases whenever possible and by seeking greater efficiencies in operational processes.

(b) **Marine Services**

Vessel/ Barge Calls	4 Q 2008		3 Q 2008		4 Q 2007	
	Ships	Barges	Ships	Barges	Ships	Barges
LMT	70	31	59	64	47	51
LBT	24	-	15	-	17	-
Total	94	31	74	64	64	51

Marine service revenues and costs are controlled by contracts and the level of activities is a direct reflection of vessel calls.

(c) **Industrial Properties**

	4Q 2008	3Q 2008	4Q 2007
Acres committed to sale by agreements in quarter	5.82	0.51	Nil

The above numbers give an indication of land sales achieved in the quarters with revenue and cost recognition consistent with agreed terms of executed Sale and Purchase Agreements. 4Q2008 saw the realization of a sale of land that was actually negotiated earlier in the year and was an expansion by an existing landowner. The trend of a general decline of interest in industrial property remains in place consistent with domestic investment trends and the general economy.

(d) **Investment Holdings**

The investment is that of the LMT RPS at Group level, which returns are determined by LMTSB. To date no redemption of preference dividends have been made.

(e) **Resource Activities**

- (i) Resource activities currently only exist via the Company's 20.01% equity interest in PGMC whose results were equity accounted commencing from 1 June 2007.

PGMC's unaudited group results are shown below on a 100% basis:-

	YTD 4 Q 2008
Nickel Ore Shipments	329,450 DMT
	PHP'000
EBIT	(273,714)
PBT	59,918
Tax Expense	(39,415)
Minority Interest	379
PATSC	20,882

- (ii) With market conditions resulting in very poor prices and little demand PGMC has shut down and placed its smelters on a care and maintenance basis and has shut down all mining activities except in Surigao which is scheduled to continue to make shipments in response to prior offtake arrangements. Similar measures are being adopted by all nickel mining companies globally including the major international mining houses in response to the global economic crisis and its impact on the world demand for nickel. The primary purpose of most second and lesser tier mining companies is now to just remain afloat over the next year.

Production figures for the 4Q2008 were at approximately 63,571WMT and inventories were reduced to approximately 398,000WMT after shipments to customers which amounted to approximately 248,867WMT in this quarter. Revenues on ore sales are only recognized upon shipment.

- (iii) *Readers are cautioned that the above PGMC results are subject to such adjustments as may be required at its financial year end by International Accounting Standards applicable in the Philippines. We adjust quarterly results to comply with accounting standards relevant to Malaysia.*

A1.3 PROSPECTS GOING FORWARD

(a) **Forward Looking Statements Disclaimer**

Comments set out in this Quarterly Report include forward looking statements which are statements that cannot be sustained merely on historical facts and for which there exists no assurances as to their realization or occurrence or successful implementation. A forward looking statement predicts projects or sees future events as expectations or possibilities. A forward looking statement contains words such as "believe, estimate, anticipate, plan, predict, may, hope, can, will, should, expect, intend, is designed to, with the intent, potential", the negative of such words or such other variations or comparable word, may indicate forward looking statements, but their absence does not mean a statement is not forward looking.

(b) **Port Operations**

- (i) The cargo throughput in 4Q2008 has shown how past and future expectations can go awry in a business environment that is characterized by cargoes emerging from a few key port users. This has always been the nature of our business but the economic environment and its prospects are now even more volatile especially with the ongoing now global financial crisis which is now having knock-on impacts on assets, commodities and demand and on business confidence generally.

We are currently not fully certain as to the impact on port operations going forward but we expect to maintain our base revenues emerging from LBTSS from coal imports and have some certainty about revenues from certain cargo categories going into 2009. At LMTSB we currently expect the major categories of most liquid export and import cargoes and dry bulk cargo imports and exports to remain relatively intact based on present information available.

- (ii) LBTBSB has moved further down the road to achieve its objective of having a recovery and ship loading capability with definitive progress in its negotiations with prospective suppliers and contractors and with prospective and significant potential users. We will make such announcements as may be appropriate at the relevant times in respect to the LBTBSB expansion plan, the funding arrangements that need to be obtained for such and the status of agreements with port users and suppliers and contractors.

(c) **Marine Services**

We continue to look at expansion opportunities for our marine services activities in support of cargo throughput prospects for LBT and LMT and in stand-alone opportunities. Vessel, tug and barge costs are now trending down and opportunities continue to arise domestically and regionally that are being investigated.

(d) **Industrial Properties**

There exists a lull at present for land sale prospects unless the economic picture improves.

(e) **Resources**

Mining Activities

Focus is now solely on the Surigao deposit in response to truly awful market conditions and PGMC is in the process of realizing the sale of its Isabela deposit. At this time expectations are for a targeted sale and shipment in 2009 of approximately 1.6 million WMT of nickel ore to primarily deal with current off take agreements and prospects in response to Chinese demand that has begun recently in the 1Q2009 to show signs of revival though nothing is certain as yet.

Smelter Activities

As indicated earlier, the smelters have all been put under a care and maintenance basis with staffing numbers taken to a minimum to reduce costs.

Corporate

As indicated earlier in this report, the main focus of all mining companies is to now stay alive through 2009. There has also been a significant destruction of world supply with cutbacks and delays in major mining and nickel production activities worldwide by even the major international mining houses which implies that a rebound or small pickup in demand for nickel may provide a bounce back for prices but this is mere conjecture.

With such near term uncertainty the Company has taken the step of seeking to write down its investment in PGMC now in one significant hit of RM35.2 million. This represents about 75% of its carrying value in 3Q2008.

Measures adopted by PGMC in 4Q2008 to maintain and improve liquidity in these challenging times included the sale of the Isabela deposit (currently in progress) and the opening of negotiations with interested parties for the sale of some of PGMC's surplus plant items, such as kilns, which have application to processing activities for other industrial products and the sale of equity in the smelters which can also be used for other products. Negotiations are also ongoing with its creditors and its bankers for short term relief measures and to tighten up the entire organization as a necessity in these troubled times.

PGMC has also now decided to reverse its revaluation surpluses that arose from independent valuation reports in August 2008 (of some Php821million or USD17.5million equivalent) pending further corporate developments. Earlier plans to achieve a listing status via a reverse takeover, given current circumstances, are now more difficult to achieve and earlier progress in the form of principle understandings is being re-assessed together with the counter parties as to re-timing and cost. Trade sale interest from China is still active and remains under consideration at the right price.

A1.4 **PROJECT DEVELOPMENTS**

Port Projects

The Company continues to make efforts to establish, participate in and / or operate and manage specialized and multipurpose / bulk port facilities outside Malaysia. Please note, however, that projects of this nature take a considerable time to develop, promote, fund and build, assuming such are deemed viable propositions after due investigation.

(a) **INDONESIA**

(i) **Province of Jawa Timur**

Negotiations continue with a target company as to our participation in the target's hard won efforts to develop a very promising coastal site for a multipurpose port. We have completed due diligence works in order to determine the financial and tax position of the target and to confirm the legality and validity of the rights granted to the target under Indonesian Law. The potential is very significant and we must spare no effort to seek appropriate solutions to such issues and not undervalue the contribution we bring to such a project in terms of experience and knowledge.

(ii) **Nanggroe Aceh Darussalam ("NAD")**

Further to the Memorandum of Agreement dated 16th November 2008 with the Pemerintah Kota Langsa, NAD ("PEMKO Langsa") and works done to date as advised in the earlier quarters, approval by the Governor, NAD has been obtained and is pending the approval of Indonesia's Central Government for the conversion of the 800Ha land earmarked for the port site and an industrial park.

With respect to the Memorandum of Agreement dated 8 November 2008 entered into by INDX and Perusahaan Daerah Bina Usaha, a corporation wholly owned by PEMKAB Aceh Utara, NAD as advised in the previous quarters, the negotiations between Perusahaan Daerah Bina Usaha and Pelindo I concerning the prospective cooperative arrangements between the parties are still ongoing.

(iii) **Kalimantan**

The Company has completed and continues to investigate and negotiate, on behalf of INDX, for the acquisition of sites in Kalimantan to develop coal terminals to serve the coal sector. It also continues to examine the prospects, with potential partners, to develop other onshore terminals and offshore cranes or floating transshipment facilities to serve coal exports and a fleet capability to serve domestic and regional exports.

(iv) **Other Provinces**

Efforts continue to negotiate mutually beneficial agreements with several other Provinces in respect of the establishment of new or to upgrade existing bulk terminals or ports.

(b) **OTHER REGIONS**

No active developments.

A 1.5 WEBSITE:

We now have the website for the Company up and running and continue taking steps to ensure it will carry additional and updated information of interest and serve as a conduit for queries that readers may have. The website address is www.integrax.com.my

A 2 INTERIM FINANCIAL STATEMENTS – BASIS OF PREPARATION

A2.1 These interim financial statements are **unaudited**, have been prepared in compliance with FRS 134: Interim Financial Reporting and the applicable disclosure provisions of the Listing Requirements of the Bursa Malaysia Securities Berhad. These explanatory notes attached to the interim financial statement 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.

A2.2 Changes In Accounting Policies

The accounting policies and methods of computation adopted in these interim financial statements are consistent with those adopted for the annual audited financial statements for the year ended 31 December 2007 except for new / revised FRSs which came into effect in the current financial year. The adoption of these new / revised FRSs is not expected to have a material impact on these interim financial statements.

A2.3 Foreign Currency Translation Rates

The principal closing rates as at 31 December 2008 used in the translation of foreign currency amounts to RM are as follows :-

1 US Dollar	- RM 3.4755
1 Pound Sterling	- RM 5.0230
100 Indonesian Rupiah	- RM 0.0314
100 Philippine Peso	- RM 7.3200

A3 PRECEDING ANNUAL FINANCIAL STATEMENTS' AUDIT REPORT

The audit report of the preceding annual financial statements of the Group was not subject to any qualification.

A4 COMMENTS ON ASSETS, LIABILITIES, EQUITY AND CASH FLOWS

A4.1 GENERAL COMMENTS

The Group's cash position remains solid with all LBT Serial Bonds commitments more than adequately covered and with cash available to move quickly in response to sound opportunities and projects of long term benefit to the Group and its shareholders. The Group's gearing and current ratio continues to improve over time. The significant write down of the Group's investment in PGMC does not involve a cash outflow as no debt was taken on for this investment..

A4.2 INVESTMENT IN ASSOCIATES

This now represents the carrying value of the Group's investment in its associates LMTSB, PGMC and INDX.

A4.2.1 PGMC

The Company's second nominee was appointed to the Board of Directors of PGMC on 28 May 2007, and therefore PGMC was treated as an associated company with effect from 1 June 2007. Treating PGMC on an equity accounting basis has its downsides particularly in relation to the costs of external audit reviews. The Company previously advised that is in the nature of a finite (that is, a short term) investment and some volatility in its earnings should be expected. This has turned out to be very true in terms of volatility and now, by necessity, has to become a longer term investment than originally envisaged and await developments in the global market for nickel.

A4.2.2 INDX

- (a) The Company's shareholding in INDX as at 31 December 2008 remained at 34.85% comprising 42,754,126 shares.
- (b) INDX is to serve as the Indonesian partner for the Company for its business objectives in Indonesia. INDX has identified to the investing public and its shareholders via the mandatory once-per-year "Public Expose" held by INDX on 27th December 2007 in Jakarta that the sectors of infrastructure (being ports and terminals in partnership with the Company), logistics, resources and services will be its primary business objectives.

- (c) INDX is currently under temporary suspension from trading effective 3rd December 2007 by the Indonesia Stock Exchange for reasons of previous unusual price fluctuations arising from what must be speculative trading on the market. The suspension has been discussed with the relevant authorities and the Company has now determined that it will dispose of its wholly owned subsidiary, Radikal Rancak Sdn Bhd, being its marine services activity to INDX as part of an overall scheme involving a rights issue to boost the solvency and financial position of INDX and address INDX's need for sustainable earnings. Announcements have been made in respect to the disposal and future announcements will be forthcoming in relation to the rights issue in due course in compliance with the requirements of the authorities here and in Indonesia. Any contemplated transaction will not be material to the Group. We do not see the global stock market turmoil as something that will be enduring and therefore will, notwithstanding the current state of the Indonesian Stock Exchange, proceed in the interests of our longer term objectives in Indonesia.
- (d) INDX currently still remains in a net capital deficit position as at 4Q2008 and plans to put INDX on a sound financial footing are now in progress as noted above. In the interim, the Company will continue to provide financial assistance to INDX in the form of temporary advances with the last such assistance being provided on 12 February 2009.

4.2.3 By way of additional information, we also set out the following :-

(a) **Unaudited Income Statements for YTD 4Q 2008**

	LMTSB RM'000	PGMC RM'000	INDX RM'000
Gross Revenue - Port Operations	63,939	-	-
- Industrial Property	2,620	-	-
- Mining	-	29,028	-
- Web site hosting services	-	-	66
Gross Profit - Port Operations	42,348	-	-
- Industrial Property	1,658	-	-
- Mining	-	4,180	-
- Web site hosting services	-	-	53
Gross Profit - Port Operations	66.7%	-	-
- Industrial Property	63%	-	-
- Mining	-	14%	-
- Web site hosting services	-	-	80%
Depreciation & amortization	3,260	3,603	5
Operating Profit / (Loss)	30,419	(20,548)	(687)
Finance Costs	(4,141)	(5,775)	-
Profit / (Loss) Before Tax	27,309	4,498	(687)
Profit / (Loss) After Tax	19,930	1,539	(687)
Foreign exchange rates used for translation:- RM / 100 Philippine Peso		7.5070	
RM / 100 Indonesian Rupiah			0.0341

(b) **Unaudited Balance Sheets as at 31 December 2008**

	LMTSB RM'000	PGMC RM'000	INDX RM'000
Fixed Assets (Net Book Value)	86,659	143,642	9
Saleable land stock	22,452	-	-
Other non current assets	-	56,919	-
Cash and cash equivalents	44,927	6,161	70
Other current assets	32,029	42,637	2,783
	186,067	249,359	2,862
Shareholders Funds	109,437	71,622	(1,167)
Minority interest	-	1,291	-
Total current and non current liabilities	26,630	176,446	4,029
Non current BaIDS (Refer note below)	50,000	-	-
	186,067	249,359	2,862
Foreign exchange rates used for translation:-			
RM / 100 Philippine Peso		7.3200	
RM / 100 Indonesian Rupiah			0.0314

LMTSB currently has in issue 9 series of BaIDS totaling RM 55 million. RAM Rating Services Berhad had reaffirmed their enhanced rating of AA3 for these BaIDS in July 2008. These BaIDS have the following maturities :-

	As at 31.12.08 RM'000
Between one and five years	5,000
Between one and five years	20,000
More than five years	30,000
Total	55,000

A4.3 OTHER INVESTMENT

This represents the Group's investment in LMT RPS of RM10.03 million which is redeemable and dividend bearing at the option of LMTSB.

A4.4 EQUITY AND CONVERTIBLE DEBT SECURITIES

There were no cancellations, repurchases, resale and repayments of equity and debt securities during the current quarter other than those shown in these interim financial statements.

A4.5 PREFERENCE SHARE CAPITAL AND PREMIUM

No LBT RCCPS of RM0.01 each issued with a premium of RM0.99 each and held by Minority Interests in LBTBSB were redeemed by LBTBSB during the current quarter.

A4.6 DEFERRED TAXATION

	As at 31.12.08 RM'000
Balance at 1 January 2008	49,300
Transferred from income statement	6,400
Total	55,700

A4.7 LBT SERIAL BONDS

	As at 31.12.08 Current RM'000	As at 31.12.08 Non - Current RM'000	As at 31.12.08 Total RM'000
Bond liability	44,000	146,000	190,000
Less : Interest in suspense	(21,853)	(83,724)	(105,577)
Total (exclusive of interest)	22,147	62,276	84,423

The balance of LBT Serial Bonds as at 31.12.2008 comprises 8 series (i.e. series no. 12 to 19) of zero coupon bonds with an aggregate nominal value of RM 190 million (inclusive of interest). RAM Rating Services Berhad had reaffirmed their **AA1** rating for these Serial Bonds in July 2008.

These bonds are secured by a charge over the assets and project agreements of LBTSB and bear the following maturities:-

	As at 31.12.08 RM'000
Less than one year	44,000
Between one and five years	146,000
Total	190,000

A4.8 TAX EXPENSE

	4Q2008 RM'000	YTD 4Q2008 RM'000
Current year - Malaysian tax	3,140	3,989
Prior year - Malaysian tax	(556)	(550)
Current year - Foreign tax	13	58
Deferred tax	(464)	6,400
Total	2,133	9,897

A5 SEGMENTAL INFORMATION

Segment information is presented in respect of the Group's business. No segment information on the basis of geographical segments is presented as all operations and segment assets are located in Malaysia. The primary format and business segments are based on the Group's management and internal reporting structure. Inter-segment pricing is determined based on negotiated terms broadly based on market conditions and circumstances.

Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items mainly comprise interest revenue and financing costs.

Business segments

- Port operations - Ownership and operation of two port facilities, the LMT (dry and liquid bulk, breakbulk and containers) and the LBT (dry and liquid bulk) comprising Lumut Port.
- Marine services - Provision of tuggage and related services
- Investment holding - Investment in LBT RCCPS, LMT RPS
- Industrial Properties - Sale of industrial property by LMTSB
- Resources - Mining and Smelting activities via current investment in PGMC

A5 SEGMENTAL INFORMATION – GROUP (continued)

12 Months Ended 31.12.08 RM'000	Port Operations	Marine Services	Investment Holding	Industrial Properties	Resources	Eliminations	Consolidated
Business segments							
Revenue from external customers	85,297	5,883	-	-	-	-	91,180
Inter-segment revenue	-	-	7,173	-	-	(7,173)	-
Share of revenue of associates	31,963	-	-	1,310	5,808	-	39,081
Total gross revenue	117,260	5,883	7,173	1,310	5,808	(7,173)	130,261
Share of revenue of associates	(31,963)	-	-	(1,310)	(5,808)	-	(39,081)
Total revenue	85,297	5,883	7,173	-	-	(7,173)	91,180
Segment result	50,328	1,057	(4,158)	-	-	-	47,227
Operating profit							47,227
Financing costs							(13,661)
Interest income							4,211
Share of loss after tax of associate							10,038
Impairment on investment in associate							(35,198)
Profit before taxation							12,617
Tax expense							(9,897)
Minority interests							(5,713)
Profit for the period attributable to shareholders							(2,993)

A5 SEGMENTAL INFORMATION – GROUP (continued)

12 Months Ended 31.12.07 RM'000	Port Operations	Marine Services	Investment Holding	Industrial Properties	Resources	Eliminations	Consolidated
Business segments							
Revenue from external customers	82,625	6,217	-	-	-	-	88,842
Inter-segment revenue	-	-	17,450	-	-	(17,450)	-
Share of revenue of associate	25,696	-	-	12,916	14,654	-	53,266
Total gross revenue	108,321	6,217	17,450	12,916	14,654	(17,450)	142,108
Share of revenue of associate	(25,696)	-	-	(12,916)	(14,654)	-	(53,266)
Total revenue	82,625	6,217	17,450	-	-	(17,450)	88,842
Segment result	51,191	1,351	14,354	-	-	(17,450)	49,446
Operating profit							49,446
Financing costs							(15,990)
Interest income							3,793
Share of profit after tax of associate							13,755
Impairment on investment in associate							-
Profit before taxation							51,004
Tax expense							(8,941)
Minority interests							(5,556)
Profit for the period attributable to shareholders							36,507

A6 SUBSEQUENT MATERIAL EVENTS

There were no subsequent material events.

A7 CHANGES IN GROUP COMPOSITION

There were no changes in the Group composition during the current quarter.

A8 CHANGES IN CONTINGENT ASSETS AND LIABILITIES

There were no changes in contingent assets and liabilities during the quarter.

A9 CAPITAL COMMITMENTS

No capital commitments were contracted for by the Company during the current quarter.

A10 RELATED PARTY TRANSACTIONS

Set out below are the significant related party transactions occurring in the normal course of business for the financial year and which were carried out on terms and conditions not more materially different from those obtainable in transactions with unrelated parties.

	Value of Transactions		Balance Outstanding As At	
	YTD 4Q2008 RM '000	YTD 4Q2007 RM '000	31.12.2008 RM '000	31.12.2007 RM '000
Operations and maintenance fees payable to LMTSB	25,170	22,861	6,274	5,827
Management fees receivable from LMTSB.	600	600	100	100
Tuggage services receivable from LMTSB.	5,883	6,217	976	847
Office facilities fees receivable from PKS, a company wholly owned by HRH.	166	166	-	-

ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

B1 REVIEW OF PERFORMANCE

Refer to Notes A1.1 and A1.2.

B2 VARIATION OF RESULTS AGAINST PRECEDING QUARTER

Refer to Note A1.1.

B3 PROSPECTS

Refer to Note A1.3.

B4 PROFIT FORECAST

No profit forecast has been made in a public document.

B5 TAX EXPENSE

Refer to Note A4.8.

B6 DISPOSAL OF UNQUOTED INVESTMENTS AND PROPERTIES

There were no disposals of unquoted investments and properties during the current quarter

B7 PURCHASE OR DISPOSAL OF QUOTED SECURITIES

There were no other purchases or disposals of quoted securities during the current quarter.

B8 STATUS OF CORPORATE PROPOSALS

Refer to Note A7. No other corporate proposals are in existence at this time.

B9 BORROWING AND DEBT SECURITIES

Refer to Notes A4.5 and A4.7.

B10 OFF BALANCE SHEET FINANCIAL INSTRUMENTS

The Company has not entered into any financial instruments with off balance sheet risk to the date of this announcement.

B11 CHANGES IN MATERIAL LITIGATION

The Company and Group are not involved in any material litigation.

B12 DIVIDENDS

No dividend has yet been proposed nor declared for the year ended 31 December 2008 (2007: 2.7sen less 26% income tax).

Total dividend for the current year is Nil (2007: 2.7sen less 26% income tax).

B13 LOSS PER ORDINARY SHARE

The loss per ordinary share is calculated by dividing the PATSC for the period by the weighted average number of ordinary shares in issue during the period.

	4 Q 2008 RM'000	YTD 4Q 2008 RM'000
LATSC for the period	27,154	2,993
Weighted average number of ordinary shares in issue	300,806	300,806
Loss per share (sen)	9.03	0.99

B14 CAPITAL COMMITMENTS

Refer to Note A 9.