

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

**NOTES TO THE INTERIM FINANCIAL STATEMENTS AS AT 30 SEPTEMBER 2009**

**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 70.31% owned subsidiary of Integrax 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> )
“LBT”	:	Lekir Bulk Terminal, a common-user bulk port facility
“LBTSB”	:	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 LBTSB
“LBT RCCPS”	:	Redeemable cumulative convertible preference share(s) of RM0.01 each in LBTSB
“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
“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 currently under process of disposal to INDX
“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**

	<b>3 Q 2009 RM'000</b>	<b>3 Q 2008 RM'000</b>	<b>3Q09/3Q08 % Change</b>	<b>2 Q 2009 RM'000</b>	<b>3Q09/2Q09 % Change</b>
Revenue	24,059	22,176	8.5	21,325	12.8
Operating Profit	11,882	11,798	0.7	12,917	(8.0)
Share of Profit after Tax of Associates	3,952	7,011	(43.6)	2,864	38.0
Profit Before Tax	14,016	16,525	(15.2)	13,733	2.1
PATSC	9,823	12,389	(20.7)	9,105	7.9
EPS (sen)	3.27	4.12	(20.6)	3.03	7.9

- (a) Revenues comprise contractual revenues for the provision of port facilities cargo handling and vessel services under term arrangements. Revenue increased by 8.5% on a quarter-on-quarter basis and by 12.8% compared to 2Q09 due to increased throughput at LBT after decreases in both 1Q09 and 2Q09. Please refer to Items A1.2 (a) and A1.3 (b) for comments and details.
- (b) Operating Profit remained flat on a quarter-on-quarter basis but decreased by 8.0% compared to 2Q2009 due to increased depreciation charges.
- (c) LMTSB's contribution in Share of Profit After Tax of Associates increased by 38% on a quarter-on-quarter basis due to increased throughput, but it decreased by 13% compared to 2Q09 due to the absence of any LPIP land sales.  
PGMC's significantly higher nickel ore exports in 3Q09 translated into a profitable quarter for PGMC, but this quarter's profits were not as high as those in 3Q08 due to PGMC's one – off hedging profit recognized in 3Q08.

The above factors explain the 43.6% decrease in Share of Profit After Tax of Associates on a quarter-on-quarter basis and increase of 38.0% when compared to 2Q09.

Please refer to Items A1.2 and A1.3 for further details and comments.

- (d) Profit Before Tax decreased by 15.2% on a quarter-on-quarter basis but increased by 2.1% compared to 2Q2009 due to a combination of the above factors.

**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	3 Q		% change
	2009	2008	
Conventional / break-bulk	32,250	31,111	3.7
Liquid bulk	295,420	183,962	60.6
LMT Dry bulk	601,183	644,770	(6.8)
<b>LMT Sub-Total</b>	<b>928,853</b>	<b>859,843</b>	<b>8.0</b>
LBT Dry Bulk	1,756,420	1,058,186	66.0
<b>Total</b>	<b>2,685,273</b>	<b>1,918,029</b>	<b>40.0</b>

FWT	YTD 3Q		% change
	2009	2008	
Conventional / break-bulk	89,140	86,967	2.5
Liquid bulk	679,891	448,423	51.6
LMT Dry bulk	1,702,876	1,708,675	(0.3)
<b>LMT Sub-Total</b>	<b>2,471,907</b>	<b>2,244,065</b>	<b>10.2</b>
LBT Dry Bulk	3,418,431	3,801,663	(10.1)
<b>Total</b>	<b>5,890,338</b>	<b>6,045,728</b>	<b>(2.6)</b>

**BY INDUSTRY SECTOR**

FWT	3 Q		% change
	2009	2008	
Chemicals	25,729	25,036	2.8
Mining	116,429	143,911	(19.1)
Agriculture	262,651	271,134	(3.1)
Construction Materials	434,436	410,838	5.7
Energy – Liquid bulk	87,117	6,377	1,266.1
Energy – Dry bulk	1,756,420	1,058,186	66.0
Others	2,491	2,547	(2.2)
<b>Total</b>	<b>2,685,273</b>	<b>1,918,029</b>	<b>40.0</b>

FWT	YTD 3 Q		% change
	2009	2008	
Chemicals	105,124	126,113	(16.6)
Mining	385,228	451,603	(14.7)
Agriculture	656,691	668,638	(1.8)
Construction Materials	1,169,563	979,168	19.4
Energy – Liquid bulk	147,171	6,377	2,207.8
Energy – Dry bulk	3,418,431	3,801,663	(10.1)
Others	8,130	12,166	(33.2)
<b>Total</b>	<b>5,890,338</b>	<b>6,045,728</b>	<b>(2.6)</b>

9 months ended	9 M 2009	9 M 2008	% change
Percentage Import	69%	74%	(6.8)
Percentage Export	31%	26%	19.2

- (i) A review of the period by nature of cargoes indicates that liquid bulk increased by 60.6% on a quarter-on-quarter basis and 51.6% on a year-on-year basis. This was primarily due to the steady increase in exports of palm oil products, inclusive of bio diesel cargoes. Imports of petroleum products have also increased significantly and this increase was further boosted by the commencement of bitumen shipments. Dry bulk cargo at LMT decreased by 6.8% on a quarter-on-quarter basis but remained flat on a year-on-year basis.
- (ii) A review of the incremental movements over the period from 1Q08 until 3Q09 by the economic sector categorization of cargoes for LMT indicates (i) the growth momentum seen in Agricultural Sector last year appears to be showing some signs of slowing (ii) the Mining Sector continued to weaken from 2Q09 due to softening demand. We wait to see if the increase we saw last year in the last quarter of the year is repeated again this coming 4Q09 (iii) the Construction Materials Sector has shown an increase of 5.7% on a quarter-on-quarter basis and 19.4% on a year-on-year basis. (iv) the Chemicals Sector, which now excludes bio diesel and petroleum cargoes, showed an increase of 2.8% on a quarter-on-quarter basis but decreased by 16.6% on a year-on-year basis.  
Bio diesel and petroleum cargoes, now classified under Energy – Liquid Bulk, pulled in huge increases both on a quarter-on-quarter basis and on a year-on-year basis as a consequence of the start of petroleum product imports for distribution in the hinterland by Petronas Dagangan Berhad utilizing their tank facility located adjacent to LMT.
- (iii) Cargo at LBT increased significantly 66.0% on a quarter-on-quarter basis narrowing the year-on-year decrease to 10.1%.
- (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. LMT's operation efficiency should also increase upon completion of its ongoing infrastructure projects.

(b) **Marine Services**

Vessel/ Barge Calls	3 Q 2009		2 Q 2009		3 Q 2008	
	Ships	Barges	Ships	Barges	Ships	Barges
LMT	73	60	65	37	59	64
LBT	24	-	11	-	15	-
<b>Total</b>	<b>97</b>	<b>60</b>	<b>76</b>	<b>37</b>	<b>74</b>	<b>64</b>

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

(c) **Industrial Properties**

	3Q 2009	2Q 2009	3Q 2008
Acres committed to sale by agreements in quarter	NIL	7.697	0.51

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. The general weakness 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 are equity accounted.
- (ii) While the impact of global crisis still weighs heavily on PGMC, there have been improvements in nickel prices and on all metal prices driven by what is described by analysts as restocking by China aided presumably by USD currency movements.

During 3Q09, nickel prices hit a high of about USD 21,000/MT before closing at around USD 17,000/MT on 30 September 2009. PGMC's smelters remain on a care and maintenance basis, but its mining activities from the Surigao Deposit in PGMC continued to show improvement, with total shipments amounting to 626,582DMT in 3Q09. Total ore shipped in the 9 months to 30 September 2009 amounted to 993,484DMT. The bulk of these shipments comprised low grade ore sold to Chinese and Mongolian buyers with one shipment of higher grade ore to Eastern Europe and two to Australia.

### 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 at LMT in 4Q2009 currently looks to remain steady. We have to still however remain cautious going forward based on how easily past and future expectations can go awry in the volatile business environment that exists currently and that is characterized by cargoes emerging from just a few key port users in the Agriculture, Mining and Construction Sectors. At LBT the weakness we saw earlier in 2009 appears to be re-setting with significant improvement shown in this 3Q2009.
- (ii) LBTSB has moved further down the road to achieve its objective of having an enhanced ship unloading and a desired ship loading capability with progress in its negotiations with a single prospective user for a term arrangement of 10 years to supplement other identified prospective users. We will make such announcements as may be appropriate at the relevant times in respect to the LBTSB 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 and have identified certain opportunities of promise for our marine services especially in Indonesia subsequent to the completion of the sale of our marine services entity, RRSB, to what is now our Indonesian subsidiary, INDX. Information in respect of such will be found in the various announcements we will make in due course.

(d) **Industrial Properties**

There still exists general weakness for land sale prospects until the economic picture improves.

(e) **Resources**

**Mining Activities**

PGMC's focus is likely to remain fixed on its mining activities. New export orders from Eastern Europe have emerged for high grade ore and prospects of the renewal of existing contracts from Australia and other term contracts from China have appeared so much attention is being given to meeting and closing negotiations with respect to such especially at the better prices that exist at this time. Mining production is now handled by a selected contractor, under PGMC supervision, that has opened up more ground for extraction purposes and put into place another export facility to deal with higher production levels of up to 3,000,000 WMT per annum or approximately 2,100,000 DMT per annum.

**Smelter Activities**

The smelters remain under a care and maintenance basis with staffing numbers taken to a minimum to reduce costs. PGMC continues to negotiate to lease or sell some of its non- critical smelter assets to improve and stabilize its financial position.

**Corporate**

In the Quarterly Report for 1Q09 we stated that the main focus of all medium and small sized 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. This has come to pass but it is uncertain how long it will last given our past experience. We advised earlier that PGMC had appointed a consultant familiar with restructuring organizations and their finances, and they have developed a reaction plan that focuses on mining and the shipment of nickel ore which appears to be working very well and PGMC's lenders remain supportive. Trade sale interest, under terms of Non-Disclosure Agreements, continues with due diligence exercises and visits by interested parties and listing ideas now have become feasible again.

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 and now particularly in Indonesia. 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 still continue with a target company as to our participation in the target's hard won efforts to develop a very promising coastal site into a multipurpose port. The potential is very significant and we continue to seek appropriate mutually beneficial arrangements with the target company and its shareholders while not undervaluing the contribution we bring to such a project in terms of experience and knowledge. There can be and is no assurance that such negotiations will succeed but if successful this project would be undertaken by INDX with such costs as may have been incurred by the Company being recoverable from INDX.

(ii) Provinsi Aceh

Further to the **Memorandum of Agreement** dated 16<sup>th</sup> November 2008 with the Pemerintah Kota Langsa, Provinsi Aceh (“PEMKO Langsa”) and works done to date as advised in the earlier quarters, approval for the conversion of 800Hectares of coastal land earmarked for the port site and an industrial park has been obtained from the Governor of Provinsi Aceh. The approval of Indonesia’s Central Government is still pending.

With respect to the **Memorandum of Agreement** dated 8 November, 2008 entered into by INDX and Perusahaan Daerah Bina Usaha (PD Bina Usaha), a corporation wholly owned by Pemerintah Kabupaten Aceh Utara, as advised in the previous quarters, PD Bina Usaha and Pelindo 1 had on 21 August 2009 entered into a Memorandum of Understanding (“Nota Kesepahaman”) for the proposed cooperative arrangements in the management and development of the existing Pelabuhan Umum Krueg Geukueh, Lhokseumawe. The underlying objective of the Nota Kesepahaman is for Pelindo 1 and PD Bina Usaha with the involvement of INDX to formulate a structure for co-operation and to agree upon the terms and conditions of the proposed Memorandum of Agreement to be entered into by the parties.

In view of the Nota Kesepahaman dated 21 August 2009, PD Bina Usaha and INDX had on even date entered into Addendum Pertama to revalidate their earlier understanding with regard to the proposed cooperative arrangements in the management and development of Pelabuhan Umum Krueg Geukueh, Lhokseumawe.

(iii) Kalimantan

INDX, has a conditional Share Sale and Purchase Agreement to acquire the shares of a company that owns land and the requisite permits for a coal terminal in South Kalimantan that has now expired by reasons of time and the non-fulfillment of Conditions Precedent by the vendors. Transferred to INDX by the Company were deposits of approximately RM 2.7 Million made to the vendors together with the security for the same by way of rights over and physical possession title to lands owned by and shares of the acquisition target company in exchange for an amount due by INDX to the Company.

The normal warranties available to INDX under the above agreement were subsequently enhanced by an additional written indemnity undertaking from the Company to INDX valid only up to the date of completion of the transaction by INDX with the vendors or until the said Share Sale and Purchase Agreement is formally terminated.

Due to the continuing non-fulfillment of Conditions Precedent by the vendors, the ultimate exposure to the Company under such indemnity and now of the Group arising from the transaction is the risk of non-recovery of the abovementioned deposits after deducting any recoveries from the security held over the land title and shares. An independent valuation indicated a valuation in excess of the deposit. INDX remains in negotiations with the same vendors to search for other ways and means and suitable structures within which to develop the project.

(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. Such projects would be undertaken by INDX.

(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 Company's website address is [www.integrax.com.my](http://www.integrax.com.my)  
The Lumut Port website address is [www.lumutport.com.my](http://www.lumutport.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 2008.

**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 2008 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 30 September 2009 used in the translation of foreign currency amounts to RM are as follows:-

1 US Dollar	- RM 3.4855
1 Pound Sterling	- RM 5.5710
100 Indonesian Rupiah	- RM 0.0354
100 Philippine Peso	- RM 7.325

**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.

**A4.2 INVESTMENT IN ASSOCIATES**

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

**A4.2.1 PGMC**

The Company originally advised that the investment was taken on with a view to exiting within a short time horizon. Unfortunately various events and the global crisis have put paid to this idea and now, by necessity, it has to become a longer term investment than originally envisaged and its realization awaits developments in the global market for nickel.

**A4.2.2 INDX**

- (a) The Company's shareholding in INDX as at 30 September 2009 now stands at 70.31%, up from 34.85%, representing 189,738,228 ordinary shares now held subsequent to the Rights Issue completed on 10 June 2009. INDX is also now the 100% owner of the Company's former subsidiary, Radikal Rancak Sdn Bhd, consequent to the intra group restructuring undertaken together with the aforesaid Rights Issue. Please refer to the various announcements by the Company.  
INDX serves as the Indonesian flagship for the Company for its expansion in Indonesia. INDX has identified the sectors of infrastructure (being ports and terminals in partnership with the Company) and marine services as its current primary business objectives.  
INDX is currently listed on Bursa Efek Indonesia with stock code INDX and its closing price on 30 September 2009 was Rp 150.
- (b) As a result of its Rights Issue, INDX currently is in a positive net capital position as at 3Q2009 of Rp 26,914,126,991 or approximately RM 9.5 million. Plans are underway to implement a re-organization of its capital base so as to write off all retained losses and re-consolidate its shares. The Company's total investment in 70.31% shares of INDX totals approximately RM 14.4 million against a total market capitalization of INDX of approximately the same value. The Company's advances to INDX for costs, expenses and project deposits since the involvement of the Company in INDX amounted to approximately RM 5.0 million as at 30 September 2009 which includes the deposits noted in item 1.4(a)(iii).  
INDX is focusing on building a marine services business in Indonesia by way of acquisition or natural growth, initially utilizing the Rights Issue proceeds. Announcements will be made as and when appropriate.

The status as at 30 September 2009 of the utilisation of proceeds raised by INDX from its Rights Issue is as follows :-

Purpose	Proposed Utilisation		Actual Utilisation		Intended Timeframe for Utilisation
	Rp(Million)	RM ('000)	Rp(Million)	RM ('000)	
Acquisition of RRSB	8,000	2,680	8,020	2,687	Completed
Acquisition of tugs and / or barges & ancillary equipment to be engaged in marine services to ports & terminals & in logistics activities	22,000	7,414	Nil	Nil	Within 12 months
Rights issue expenses & working capital requirements	6,800	2,292	1,659	544	Within 12 months
<b>Total</b>	<b>36,800</b>	<b>12,386</b>	<b>9,679</b>	<b>3,231</b>	

#### 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 RECLASSIFICATION OF RESULTS FROM DISCONTINUED OPERATION

As a consequence of RRSB being a 100% owned subsidiary of INDX, which is now a 70.31% subsidiary of Integrax Berhad, the results of RRSB, previously classified under Discontinued Operation,

have now been included in the results of continuing operations of the Group. The effects of this reclassification are insignificant.

#### A4.5 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.

#### A4.6 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.

#### A4.7 DEFERRED TAXATION

	<b>As at 30.09.09 RM'000</b>
Balance at 1 January 2009	55,700
Transferred to the income statement	(395)
<b>Total</b>	<b>55,305</b>

#### A4.8 LBT SERIAL BONDS

	<b>As at 30.09.09 Current RM'000</b>	<b>As at 30.09.09 Non - Current RM'000</b>	<b>As at 30.09.09 Total RM'000</b>
Bond liability	44,000	102,000	146,000
Less : Interest in suspense	(23,524)	(60,200)	(83,724)
<b>Total (exclusive of interest )</b>	<b>20,476</b>	<b>41,800</b>	<b>62,276</b>

The balance of LBT Serial Bonds as at 30.09.2009 comprises 6 series (i.e. series no. 14 to 19) of zero coupon bonds with an aggregate nominal value of RM 146 million (inclusive of interest). RAM Rating Services Berhad reaffirmed their **AA1** rating for these Serial Bonds in August 2009. These bonds are secured by a charge over the assets and project agreements of LBTBSB and bear the following maturities:-

	<b>As at 30.09.09 RM'000</b>
Less than one year	44,000
Between one and five years	102,000
<b>Total</b>	<b>146,000</b>

#### A4.9 TAX EXPENSE

	<b>3Q2009 RM'000</b>	<b>YTD 3Q2009 RM'000</b>
Current year - Malaysian tax	3,084	8,645
Prior year - Malaysian tax	-	302
Current year - Foreign tax	10	41
Deferred tax	(360)	(395)
<b>Total</b>	<b>2,734</b>	<b>8,593</b>

**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, break bulk and containers) and the LBT (dry and liquid bulk) comprising Lumut Port. |
| Marine services       | - Provision of tuggage and related marine 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)**

<b>9 Months Ended 30.09.09 RM'000</b>	<b>Port Operations</b>	<b>Marine Services</b>	<b>Investment Holding</b>	<b>Industrial Properties</b>	<b>Resources</b>	<b>Eliminations</b>	<b>Consolidated</b>
<b>Business segments</b>							
Revenue from external customers	62,404	4,246	-	-	-	-	66,650
Inter-segment revenue	-	-	4,950	-	-	(4,950)	-
Share of revenue of associates	23,116	-	-	3,392	13,711	-	40,219
<b>Total gross revenue</b>	<b>85,520</b>	<b>4,246</b>	<b>4,950</b>	<b>3,392</b>	<b>13,711</b>	<b>(4,950)</b>	<b>106,869</b>
Share of revenue of associates	(23,116)	-	-	(3,392)	(13,711)	-	(40,219)
<b>Total revenue</b>	<b>62,404</b>	<b>4,246</b>	<b>4,950</b>	<b>-</b>	<b>-</b>	<b>(4,950)</b>	<b>66,650</b>
<b>Segment result</b>	<b>37,540</b>	<b>373</b>	<b>4,295</b>	<b>-</b>	<b>-</b>	<b>(4,950)</b>	<b>37,258</b>
Operating profit							37,258
Financing costs							(8,526)
Interest income							2,558
Share of profit after tax of associates							8,370
Profit before taxation							39,660
Tax expense							(8,593)
Minority interests							(4,389)
<b>Profit for the period attributable to shareholders</b>							<b>26,678</b>

**A5 SEGMENTAL INFORMATION – GROUP (continued)**

<b>9 Months Ended 30.09.08 RM'000</b>	<b>Port Operations</b>	<b>Marine Services</b>	<b>Investment Holding</b>	<b>Industrial Properties</b>	<b>Resources</b>	<b>Eliminations</b>	<b>Consolidated</b>
<b>Business segments</b>							
Revenue from external customers	63,020	4,347	-	-	-	-	67,367
Inter-segment revenue	-	-	1,700	--	-	(1,700)	-
Share of revenue of associate	23,843	-	-	331	3,439	-	27,613
<b>Total gross revenue</b>	<b>86,863</b>	<b>4,347</b>	<b>1,700</b>	<b>331</b>	<b>3,439</b>	<b>(1,700)</b>	<b>94,980</b>
Share of revenue of associate	(23,843)	-	-	(331)	(3,439)	-	(27,613)
<b>Total revenue</b>	<b>63,020</b>	<b>4,347</b>	<b>1,700</b>	<b>-</b>	<b>-</b>	<b>(1,700)</b>	<b>67,367</b>
<b>Segment result</b>	<b>37,634</b>	<b>778</b>	<b>(885)</b>	<b>-</b>	<b>-</b>	<b>(1700)</b>	<b>35,827</b>
Operating profit							35,827
Financing costs							(10,396)
Interest income							3,093
Share of loss after tax of associates							7,567
Profit before taxation							36,091
Tax expense							(7,764)
Minority interests							(4,166)
<b>Profit for the period attributable to shareholders</b>							<b>24,161</b>

**A6 SUBSEQUENT MATERIAL EVENTS**

There were no subsequent material events.

**A7 CHANGES IN GROUP COMPOSITION**

Refer to Notes A 4.2.2 and A 4.4.

There were no other 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 3Q2009 RM '000	YTD 3Q2008 RM '000	30.09.2009 RM '000	30.09.2008 RM '000
Operations and Maintenance fees payable to LMTSB	18,442	18,281	10,323	8,871
Management fees receivable from LMTSB.	450	450	100	100
Marine services revenue receivable from LMTSB.	4,293	4,347	786	548
Office facilities fees receivable from PKS, a company wholly owned by HRH.	124	124	-	-

**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 A4.9.

**B6 DISPOSAL OF UNQUOTED INVESTMENTS AND PROPERTIES**

Refer to Notes A 4.2.2 and A 4.4 and A7.

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

**B7 PURCHASE OR DISPOSAL OF QUOTED SECURITIES**

Refer to Note A4.2.2.

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

**B8 STATUS OF CORPORATE PROPOSALS**

Refer to Notes A4.2.2. No other corporate proposals are in existence at this time.

**B9 BORROWING AND DEBT SECURITIES**

Refer to Notes A4.6 and A4.8.

**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 been proposed or declared in the current quarter. (3Q2008: Nil).

The total dividend for YTD3Q2009 is nil (YTD 3Q2008: 2.7sen less 26% income tax)

**B13 BASIC EARNINGS PER ORDINARY SHARE**

The basic earnings 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.

	<b>3Q2009 RM'000</b>	<b>YTD 3Q2009 RM'000</b>
PATSC for the period	9,823	26,678
Weighted average number of ordinary shares in issue	300,806	300,806
<b>Basic earnings per ordinary share :</b>	<b>3.27</b>	<b>8.87</b>

**B14 CAPITAL COMMITMENTS**

Refer to Note A 9.