



CENTURY LOGISTICS HOLDINGS BERHAD (424341-A)

Interim report on unaudited consolidated results for the financial period ended 30 September 2012

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE QUARTER ENDED 30 SEPTEMBER 2012

	-----Individual quarter-----		-----Cumulative quarter-----	
	Current year quarter 30.09.2012 RM'000	Preceding year corresponding quarter 30.09.2011 RM'000	Current year to date 30.09.2012 RM'000	Preceding year corresponding period 30.09.2011 RM'000
Revenue	61,101	79,439	192,749	220,480
Direct operating expenses	<u>(42,073)</u>	<u>(56,230)</u>	<u>(139,720)</u>	<u>(154,615)</u>
Gross profit	19,028	23,209	53,029	65,865
Net other operating expenses	<u>(11,534)</u>	<u>(11,301)</u>	<u>(33,811)</u>	<u>(33,402)</u>
Results from operating activities	7,494	11,908	19,218	32,463
Net finance costs	<u>(761)</u>	<u>(762)</u>	<u>(2,321)</u>	<u>(2,346)</u>
Profit before taxation	6,733	11,146	16,897	30,117
Taxation	<u>(2,516)</u>	<u>(2,254)</u>	<u>(6,250)</u>	<u>(6,447)</u>
Profit for the period	<u>4,217</u>	<u>8,892</u>	<u>10,647</u>	<u>23,670</u>
Other comprehensive income				
Foreign currency translation differences for foreign operations	<u>(189)</u>	<u>219</u>	<u>(80)</u>	<u>126</u>
Other comprehensive income for the period	<u>(189)</u>	<u>219</u>	<u>(80)</u>	<u>126</u>
Total comprehensive income for the period	<u>4,028</u>	<u>9,111</u>	<u>10,567</u>	<u>23,796</u>
Profit attributable to:				
Equity holders of the Company	3,967	8,995	11,704	24,119
Non-controlling interests	<u>250</u>	<u>(103)</u>	<u>(1,057)</u>	<u>(449)</u>
Profit for the period	<u>4,217</u>	<u>8,892</u>	<u>10,647</u>	<u>23,670</u>
Total comprehensive income attributable to:				
Equity holders of the Company	3,778	9,214	11,624	24,245
Non-controlling interests	<u>250</u>	<u>(103)</u>	<u>(1,057)</u>	<u>(449)</u>
Total comprehensive income for the period	<u>4,028</u>	<u>9,111</u>	<u>10,567</u>	<u>23,796</u>
Earnings per share attributable to equity holders of the Company:				
Basic (sen)	<u>4.51</u>	<u>11.26</u>	<u>13.73</u>	<u>30.44</u>
Diluted (sen)	<u>4.22</u>	<u>9.92</u>	<u>12.85</u>	<u>26.88</u>

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2011.

CENTURY LOGISTICS HOLDINGS BERHAD (424341-A)

Interim report on unaudited consolidated results for the financial period ended 30 September 2012

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2012

	As at end of current quarter 30.09.2012 RM'000	As at preceding financial year end 31.12.2011 RM'000
ASSETS		
Non-current Assets		
Property, plant and equipment	217,749	166,781
Investment property	0	30,000
Other investments	1,977	1,801
Goodwill on consolidation	3,730	3,730
	<u>223,456</u>	<u>202,312</u>
Current Assets		
Inventories	120	495
Receivables	110,779	119,671
Cash and bank balances	23,221	22,615
	<u>134,120</u>	<u>142,781</u>
TOTAL ASSETS	<u>357,576</u>	<u>345,093</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	92,279	84,136
Treasury shares	(7,280)	(5,910)
Reserves	127,964	122,489
	<u>212,963</u>	<u>200,715</u>
Non-controlling Interests	<u>2,343</u>	<u>1,689</u>
Total Equity	<u>215,306</u>	<u>202,404</u>
Non-current Liabilities		
Borrowings	59,315	45,502
Deferred taxation	9,041	9,017
	<u>68,356</u>	<u>54,519</u>
Current Liabilities		
Borrowings	28,824	20,571
Payables	45,090	67,599
	<u>73,914</u>	<u>88,170</u>
Total Liabilities	<u>142,270</u>	<u>142,689</u>
TOTAL EQUITY AND LIABILITIES	<u>357,576</u>	<u>345,093</u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	2.42	2.49

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2011.

CENTURY LOGISTICS HOLDINGS BERHAD (424341-A)

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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 30 SEPTEMBER 2012

	Current year to date 30.09.2012 RM'000	Preceding year corresponding period 30.09.2011 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the year	10,647	23,670
Adjustments:		
Non-Cash Items	17,806	17,147
Non-Operating Items	476	110
Operating profit before working capital changes	28,929	40,927
Movement in working capital:		
Net change in current assets	8,887	(19,424)
Net change in current liabilities	(22,304)	9,097
Cash generated from operations	15,512	30,600
Tax Paid	(6,210)	(5,112)
Net cash generated from operating activities	9,302	25,488
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividend received	210	-
Acquisition of investment	(4)	(452)
Interest received	497	332
Disposal of property, plant and equipment	192	1,868
Subscription of shares in existing subsidiary company by non-controlling interests	1,715	-
Disposal of investment	-	1,357
Purchase of property, plant and equipment	(30,984)	(6,424)
Net cash used in investing activities	(28,374)	(3,319)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net proceeds from issuance of shares	8,143	1,991
Investment received from non-controlling interests	-	180
Dividend paid to equity holders	(6,148)	(7,193)
Proceeds from borrowings	32,281	9,000
Repayment of borrowings	(10,409)	(28,661)
Purchase of own shares	(1,371)	(287)
Interest paid	(2,818)	(2,677)
Net cash generated from/(used in) financing activities	19,678	(27,647)
Net increase/(decrease) in cash and cash equivalents	606	(5,478)
Cash and cash equivalents at beginning of the period	22,615	36,495
Cash and cash equivalents at end of the period	23,221	31,017
Cash and cash equivalents at the end of the financial period comprise the following :		
Cash on hand and at banks	10,785	12,568
Deposits with licensed banks	12,436	18,449
	23,221	31,017

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2011.

CENTURY LOGISTICS HOLDINGS BERHAD (424341-A)

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2012

	← Attributable to Equity Holders of the Company →				Total RM'000	Non-controlling Interests RM'000	Total Equity RM'000
	Issued Capital RM'000	← Non-distributable →		Distributable Retained Earnings RM'000			
		Share Premium Reserve RM'000	Other Reserves RM'000				
As at end of current quarter							
As at 1 January 2012	84,136	217	(4,608)	120,970	200,715	1,689	202,404
Issuance of shares	8,143	-	-	-	8,143	-	8,143
Subscription of shares in existing subsidiary company by non-controlling interests	-	-	-	-	-	1,715	1,715
Purchase of treasury shares	-	-	(1,371)	-	(1,371)	-	(1,371)
Adjustment to equity due to increase of stake in subsidiary	-	-	-	-	-	(4)	(4)
Exercise of warrants	-	407	(407)	-	-	-	-
Total comprehensive income for the period	-	-	(80)	11,704	11,624	(1,057)	10,567
Dividends paid	-	-	-	(6,148)	(6,148)	-	(6,148)
As at 30 September 2012	92,279	624	(6,466)	126,526	212,963	2,343	215,306
As at preceding year corresponding quarter							
As at 1 January 2011	82,005	94	(5,567)	98,102	174,634	1,410	176,044
Issuance of shares	1,991	-	-	-	1,991	190	2,181
Purchase of treasury shares	-	-	(287)	-	(287)	-	(287)
Adjustment on changes in equity interest	-	-	-	(8)	(8)	8	-
Disposal of shares	-	-	-	-	-	(10)	(10)
Total comprehensive income for the period	-	-	126	24,119	24,245	(449)	23,796
Dividends paid	-	-	-	(7,193)	(7,193)	-	(7,193)
As at 30 September 2011	83,996	94	(5,728)	115,020	193,382	1,149	194,531

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the Year Ended 31 December 2011.

CENTURY LOGISTICS HOLDINGS BERHAD (424341-A)

Interim report on unaudited consolidated results for the financial period ended 30 September 2012

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 2011.

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 financial year ended 31 December 2011.

2. Significant Accounting Policies

The Group has adopted the Malaysian Financial Reporting Standards issued by the Malaysian Accounting Standards Board for accounting period beginning 1 January 2012.

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 2011 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 were no unusual items affecting assets, liabilities, equity, net income or cash flows in the financial quarter under review.

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 for the following:

- a) Issuance of 717,300 new ordinary shares of RM1.00 each at par for cash through the exercise of 717,300 3-year warrants 2010/2013 that entitled the warrant holders to subscribe for one new ordinary share of RM1.00 each at an exercise price of RM1.00 for each warrant held; and
- b) The Company bought back 650,400 ordinary shares of RM1.00 each from the open market at an average price of RM1.72 per share. The shares purchased are being held as treasury shares in accordance with Section 67A of the Companies Act, 1965.

8. Dividend Paid

No dividend was paid in the financial quarter under review. However on 29 October 2012, the Company paid a single tier interim dividend of 4.0 sen per share in respect of the financial year ending 31 December 2012, amounting to RM3.58 million.

CENTURY LOGISTICS HOLDINGS BERHAD (424341-A)

Interim report on unaudited consolidated results for the financial period ended 30 September 2012

9. Segmental Reporting

Analysis of the Group's revenue and results for period ended 30 September 2012 is as follows:

	Total Logistics Services RM'000	Procurement Logistics Services RM'000	Consolidation Adjustment RM'000	Group Results RM'000
Revenue				
External sales	166,374	26,375	-	192,749
Inter-segment sales	-	-	-	-
Total revenue	<u>166,374</u>	<u>26,375</u>	<u>-</u>	<u>192,749</u>
Profit				
Segment results	12,108	7,110	-	19,218
Net finance costs				<u>(2,321)</u>
Profit from ordinary activities before taxation				16,897
Taxation				<u>(6,250)</u>
Profit from ordinary activities after taxation				10,647
Non-controlling interests				<u>1,057</u>
Net profit for the period				<u>11,704</u>

Analysis of the Group's revenue and results for period ended 30 September 2011 is as follows:

	Total Logistics Services RM'000	Procurement Logistics Services RM'000	Consolidation Adjustment RM'000	Group Results RM'000
Revenue				
External sales	188,959	31,521	-	220,480
Inter-segment sales	<u>3,547</u>	<u>-</u>	<u>(3,547)</u>	<u>-</u>
Total revenue	<u>192,506</u>	<u>31,521</u>	<u>(3,547)</u>	<u>220,480</u>
Profit				
Segment results	25,790	6,673	-	32,463
Net finance costs				<u>(2,346)</u>
Profit from ordinary activities before taxation				30,117
Taxation				<u>(6,447)</u>
Profit from ordinary activities after taxation				23,670
Non-controlling interests				<u>449</u>
Net profit for the period				<u>24,119</u>

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)

Interim report on unaudited consolidated results for the financial period ended 30 September 2012

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 RM87.1 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 2011.

15. Review of Performance

For the financial quarter ended 30 September 2012, the Group's revenue and pre-tax profit are RM61.101 million and RM6.733 million respectively, compared to revenue and pre-tax profit of RM79.439 million and RM11.146 million respectively for the corresponding period in the previous financial year. The decrease in revenue and pre-tax profit by 23.1% and 39.6% respectively were mainly due to the reduced oil and gas logistics activities as well as reduction in exports from the procurement logistics segment.

16. Comparison with Immediate Preceding Quarter's Results

For the financial quarter ended 30 September 2012, the Group reported revenue and pre-tax profit of RM61.101 million and RM6.733 million respectively, compared to revenue and pre-tax profit of RM66.322 million and RM5.104 million respectively for the preceding quarter. The decrease in revenue by 7.9% was due to the reason mentioned in Note 15 above. However, the increase in pre-tax profit by 31.9% was mainly due to the increased activities from existing contract logistics accounts.

17. Prospects for the Current Financial Year

The Group takes cognizance of the current uncertain global economic environment and will ensure that it takes the necessary measures to remain resilient, including focusing on providing value-added logistics solutions as well as maintaining cost efficiencies. Nevertheless, the Group remains confident of its business model and expects to perform satisfactorily in the current financial year.

18. Profit Forecast

There was no profit forecast announced in relation to the financial quarter under review.

19. Taxation

	-----Individual quarter-----		-----Cumulative quarter-----	
	Current year quarter 30.09.2012 RM'000	Preceding year corresponding quarter 30.09.2011 RM'000	Current year to date 30.09.2012 RM'000	Preceding year corresponding period 30.09.2011 RM'000
Provision for taxation	2,493	2,238	6,227	6,431
Deferred taxation	23	16	23	16
	<u>2,516</u>	<u>2,254</u>	<u>6,250</u>	<u>6,447</u>

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20. Note to the Statement of Comprehensive Income

	-----Individual quarter-----		-----Cumulative quarter-----	
	Current year quarter 30.09.2012 RM'000	Preceding year corresponding quarter 30.09.2011 RM'000	Current year to date 30.09.2012 RM'000	Preceding year corresponding period 30.09.2011 RM'000
Interest income	168	129	497	332
Interest expenses	(930)	(891)	(2,818)	(2,678)
Depreciation and amortisation	(3,057)	(2,847)	(9,027)	(8,110)
Provision for and write off of receivables	(133)	(149)	(150)	(243)
Foreign exchange gain/(loss)	45	12	(149)	163
Gain/(loss) on disposal of quoted or unquoted investments or properties	(135)	425	(37)	450
Impairment of assets	107	(407)	177	(573)
Other income including investment income (excluding items disclosed above)	30	1,066	452	1,716

There were no exceptional items or derivatives during the period under review.

21. Status of Corporate Proposal

There was no corporate proposal announced but not completed as at the date of this report.

22. Group's Borrowings and Debt Securities

	As at 30.09.2012 RM'000	As at 31.12.2011 RM'000
Short Term - Unsecured		
- Revolving Credit	12,000	8,000
Short Term - Secured		
- Term Loans	11,311	6,984
- Foreign Term Loan	3,110	3,188
- Hire Purchase	2,403	2,399
	<u>28,824</u>	<u>20,571</u>
Long Term - Secured		
- Term Loans	43,254	25,951
- Foreign Term Loan	12,796	14,953
- Hire Purchase	3,265	4,598
	<u>59,315</u>	<u>45,502</u>
	<u>88,139</u>	<u>66,073</u>
Borrowings denominated in foreign currency:		
Term loan - Thai Baht 162,867,815	<u>15,906</u>	<u>18,141</u>

23. Off Balance Sheet Financial Instruments

The Group does not have any financial instruments with off balance sheet risk, the latest practicable date which is not earlier than 7 days from the date of this quarterly report.

24. Material Litigation

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.

CENTURY LOGISTICS HOLDINGS BERHAD (424341-A)

Interim report on unaudited consolidated results for the financial period ended 30 September 2012

25. Realised and unrealised earnings or losses disclosure

	As at 30.09.2012 RM'000	As at 31.12.2011 RM'000
Total retained earnings of the Company and its subsidiaries		
- Realised	129,226	123,618
- Unrealised	(8,578)	(7,601)
Less: Consolidation adjustments	<u>5,878</u>	<u>4,953</u>
Total group retained earnings as per consolidated accounts	<u><u>126,526</u></u>	<u><u>120,970</u></u>

26. Dividend

The Board of Directors does not recommend any dividend in respect of the reporting quarter.

27. Earnings Per Share

	-----Individual quarter-----		-----Cumulative quarter-----	
	Current year quarter 30.09.2012 RM'000	Preceding year corresponding quarter 30.09.2011 RM'000	Current year to date 30.09.2012 RM'000	Preceding year corresponding period 30.09.2011 RM'000
Net profit attributable to equity holders of the Company	3,967	8,995	11,704	24,119
Add : After tax effect of interest on warrants	<u>162</u>	<u>202</u>	<u>509</u>	<u>648</u>
	<u><u>4,129</u></u>	<u><u>9,197</u></u>	<u><u>12,213</u></u>	<u><u>24,767</u></u>
Weighted average number of ordinary shares in issue	88,014	79,857	85,240	79,234
Effect on dilution of warrants	<u>9,835</u>	<u>12,898</u>	<u>9,835</u>	<u>12,898</u>
Weighted average number of ordinary shares (diluted)	<u><u>97,849</u></u>	<u><u>92,755</u></u>	<u><u>95,075</u></u>	<u><u>92,132</u></u>
Basic earnings per share (sen)	4.51	11.26	13.73	30.44
Diluted earnings per share (sen)	4.22	9.92	12.85	26.88

By Order of the Board of Directors

Company Secretary

Kuala Lumpur
8 November 2012