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

NOTES TO THE INTERIM FINANCIAL STATEMENTS AS AT 30 SEPTEMBER 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 *(Company No. 49317-W)*
"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. *(Company No. 64655-T)*
"LBT"	:	Lekir Bulk Terminal, a common-user bulk port facility
"LBTSB"	:	Lekir Bulk Terminal Sdn. Bhd. *(Company No. 414060-T)*, 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. *(Company No. 180480-D)*
"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
"LMTC"	:	LMT Capital Sdn. Bhd. *(Company No. 488241-T)*, a wholly-owned subsidiary of LMTSB
"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. *(Company No. 168205-M)*, a wholly owned subsidiary of Integrax
"PATSC"	:	Profit attributable to shareholders of the Company
"PBT"	:	Profit Before Tax
"PKS"	:	Petrokapal Sdn. Bhd. *(Company No. 30921-D)*, 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 *(Company No. 576210-X)*, 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

	3 Q 2008 RM'000	3 Q 2007 RM'000	3Q08/3Q07 % Change	2Q08 RM'000	3Q08/2Q08 % Change
Revenue	22,176	22,960	(3.4)	23,051	(3.8)
Operating Profit	11,798	11,872	(0.6)	11,674	1.1
Share of Profit /(Loss) after Tax of Associates	7,011	2,769	153.2	747	838.6
PBT	16,525	11,623	42.2	10,000	65.3
PATSC	12,389	7,740	60.1	6,132	102.0
EPS (sen)	4.12	2.57	60.3	2.04	102.00

(a) Revenues comprise contractual revenues for the provision of port facilities, cargo handling and vessel services under term arrangements. Revenues decreased by 3.4% on a quarter-on-07quarter basis and by 3.8% on a quarter-on-quarter basis due to the decreased tonnage revenue in LBT. Please however refer to Items A1.2 (a) and A1.3 (b) for comments and details.

(b) There were no significant changes in the Operating Profit on a quarter-on-quarter and year-to-date basis.

(c) Share of Profit After Tax of Associate increased by 153.2% on a quarter-on-07quarter basis and by 838.6% on a quarter-on-quarter basis as a consequence of our share of profits of PGMC. Please however refer to Items A1.2 (e) and A1.3 (e) for comments and details.

(d) PBT and PATSC on a quarter-on-07quarter basis increased by 42.2% and 60.1% respectively due to the reasons stated above aided by decreased finance costs. On a quarter-on-quarter basis PBT and PATSC increased by 65.3% and 102.0% respectively.

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
	2008	2007	
Conventional / break-bulk	31,111	25,304	22.9
Liquid bulk	183,962	146,635	25.5
LMT Dry bulk	644,770	532,282	21.1
LMT Sub-Total	859,843	704,221	22.1
LBT Dry Bulk	1,058,186	1,340,345	(21.1)
Total	1,918,029	2,044,566	(6.2)

FWT	YTD 3 Q		% change
	2008	2007	
Conventional / break-bulk	86,967	63,564	36.8
Liquid bulk	448,423	358,931	24.9
LMT Dry bulk	1,708,675	1,393,505	22.6
LMT Sub-Total	2,244,065	1,816,000	23.6
LBT Dry Bulk	3,801,663	3,325,594	14.3
Total	6,045,728	5,141,594	17.6

BY INDUSTRY SECTOR

FWT	3 Q		% change
	2008	2007	
Chemicals	31,413	23,232	35.2
Mining	143,911	152,408	(5.6)
Agriculture	271,134	198,986	36.3
Construction Materials	410,838	327,523	25.4
Energy	1,058,186	1,340,345	(21.1)
Others	2,547	2,072	22.9
Total	1,918,029	2,044,566	(6.2)

FWT	YTD 3 Q		% change
	2008	2007	
Chemicals	132,490	105,277	25.8
Mining	451,603	421,747	7.1
Agriculture	668,638	498,985	34.0
Construction Materials	979,168	781,104	25.4
Energy	3,801,663	3,325,594	14.3
Others	12,166	8,887	36.9
Total	6,045,728	5,141,594	17.6

9 months ended	9 M 2008	9 M 2007	% change
Percentage Import	74%	73%	1.4
Percentage Export	26%	27%	(3.7)

(i) Liquid bulk exports of palm oil related products from the Agriculture Sector increased by 25.5% on a quarter-on-quarter basis and by 24.9% on a year – on – year basis. This is attributed directly to increased throughput by the Wilmar Group palm oil refinery that is located proximate to the LMT.

(ii) Dry bulk cargo at LMT increased by 21.1% on a quarter-on-quarter basis and by 22.6% on a year-on-year basis, aided by increased exports of palm kernel expellers, limestone chips and significantly that of clinker emerging from the Mining, Agriculture and Construction Sectors respectively. This continued the trend that we saw in the 2Q2008.

(iii) Cargo at LBT decreased by 21.1% on a quarter-on-quarter basis but increased by 14.3% on a year-on-year basis. The decrease on a quarterly basis follows on from a record high in 2Q2008.

(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	3 Q 2008		2 Q 2008		3 Q 2007	
	Ships	**Barges**	**Ships**	**Barges**	**Ships**	**Barges**
LMT	59	64	54	55	53	44
LBT	15	-	21	-	19	-
Total	74	64	75	55	72	44

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 2008	2Q 2008	3Q 2007
Acres committed to sale by agreements in quarter	0.51	6.84	3.02

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. 3Q2008 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 remains a general decline of interest in industrial property consistent with domestic investment trends and the general situation.

(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.
Included in Share of Profit After Tax of Associates is the Company's share of profit/loss after tax of PGMC's unaudited group results, shown below on a 100% basis:-

	YTD 3 Q 2008
Nickel Ore Shipments	167,447 DMT
	PHP'000
EBIT	(172,489)
PBT	177,829
Tax Expense	(119,571)
Minority Interest	296
PATSC	58,554

(ii) Given current conditions all mining activities have ceased except at PGMC's Surigao Deposit as has all exploration and reserve delineation/infill drilling works. Production figures for the 3Q2008 were at approximately 446,725WMT and inventories remain high at in excess of 580,000WMT pending shipments against contracts. Shipments to customers amounted to 205,945WMT in 3Q2008. Revenues on ore sales are only recognized upon shipment.

(iii) PGMC had a term debt facility with Deutsche Bank ("Bank") of up to USD35 Million of which USD10 Million was still undrawn at the end of 2Q2008 due to legal matters relating to the perfection of encumbrances and a number of permits that had still not been issued by the relevant authorities. However, with the risk profile of the Philippines turning sharply negative in July and August of this year the Bank sought to immediately reduce its exposure. Forming part of the original debt facility was a secured hedging mechanism.
As part of an agreement on 21 August 2008 between the Bank and PGMC this hedge has now been closed out at a profit after tax of approximately USD 8 Million which has reduced the debt facility outstanding to Deutsche Bank from USD 25.3 million to USD 9.61 million as at end 3Q2008. The working capital debt facility of USD5 Million still remains in place and PGMC continues to be in discussion with the Bank to stretch out its residual debt obligations to match lower nickel prices and market volumes going forward and to adjust the security position.
The results of this one-off hedging profit has offset year to date losses of PGMC. This has translated to a reversal of all our share of all losses booked by us to YTD2008 of RM 3.88 Million turning our YTD 3Q2008 share of PGMC's profit to RM 885,233.
PGMC also booked in revaluation surpluses arising on its smelter assets in 3Q2008 , based upon independent valuation reports in August 2008, of some Php821 million or equivalent USD 17.5 million increasing the net asset value of PGMC as at end 3Q2008 to approximately USD 41.30 million.

(iv) *Readers are <u>cautioned</u> 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 Philippine. 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 3Q2008 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 and the current economic environment and its prospects are now even more volatile with the ongoing financial crisis which is now having knock-on impacts on assets, commodities and demand and on business confidence worldwide.
Coal imports at LBT are expected to remain relatively stable and Tenaga Nasional continues to seek to deal with coal supply and pricing issues which have persisted these past years. The crisis may well bring about lower prices for coal. In respect to the non-Energy sectors we understand based on discussions with port users this month that their current expectations of cargo volumes going forward into 2009 presently remain pretty much the same as this year. However we should be prepared for this not being the case as some of their plans may not work out given the crisis unfolding and possibly persisting until who knows when. Should their expectations change this may adversely impact cargo expectations for those exporting to overseas markets and those meeting with demand emerging from infrastructure within the domestic economy. We expect the Agriculture and Energy sectors going forward in 2009 to be resilient.We can but wait and see.

(ii) The first phase of LMTSB's plan to deal with growth in liquid cargo emerging from downstream petroleum product distribution is completed and test cargoes have been received with an expectation that cargo flows will commence in 2009. We expect this petroleum product cargo to minimally get to around 500,000MTPA eventually. This is, however, liquid cargo so the gross value of such business is not great but is very useful. As reported earlier we have chosen not to build a new berth but have opted to focus on seeking to use the existing facilities more efficiently by improving our handling processes and controls over contractors engaged in the provision of such services.
LBTSB has long been investigating and seeking prices for the installation of a stacking, recovery and ship loading capability and while prospective and significant potential users have emerged and with whom we are in detailed negotiations, we continue to face the twin problems of increased costs and uncertain delivery times of plant and works (especially of a mechanical and electrical nature). At this time we hope we now have this problem now largely resolved and will make such announcements as may be appropriate at the relevant times in respect to the LBTSB expansion plan, the funding that needs to be obtained for such and the status of agreements with port users.

(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 acquisition costs are now trending down and opportunities will arise domestically and regionally.

(d) **Industrial Properties**

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

(e) **Resources**

(i) General Outlook

The Indonesian Mining Association recently stated that investment in Indonesia's mining sector is expected to drop by 70% in 2009 due to the global crisis .It is expected that the decline, driven by the global drop in commodity prices, has already resulted in mining companies worldwide to dramatically curtail existing production, to temporarily cease production and to cut back investment plans to increase production or acquire deposits. This grim outlook is the same for the Philippines and the strategy adopted is to ride out the storm in whatever manner possible for however long it takes.

(ii) Mining Activities

PGMC in response to market conditions has shifted its mining focus solely to the Surigao Deposit and is downsizing its workforce to meet the minimum needs of its existing off take contracts. It has stopped all activities at its Isabela Deposit and will seek to either contract it out or will seek to sell same. Cash remains very tight and nickel prices have now fallen to the levels that existed when we first entered the sector so things are looking tough. Macquarie Research has just come out with an outlook for nickel in 2009 of USD5.00 per pound (or USD 11,000/MT plus) and USD6.37 per pound in 2010 and USD7.00 per pound thereafter.

In terms of an update on PGMC's resources the most recent independent reports dated August 2008 (based on the Philippine Mineral Reporting Code) on the indicated mineral resources of the CAGA 2 area of 141 hectares within the Surigao Deposit which was explored this year indicate the following :

Category	**0.8% Ni Cutoff**	**0.8% Ni Cutoff**	**1.2% Ni Cutoff**	**1.2% Ni Cutoff**
INDICATED RESOURCE	**Tonnage MT**	**% Ni**	**Tonnage MT**	**% Ni**
Saprolite	12,860,000	1.21%	7,485,000	1.50%
Limonite	8,134,000	1.18%	3,727,000	1.33%
TOTAL	**20,994,000**	**1.19%**	**11,212,000**	**1.44%**

The area being currently mined is the CAGA 4 area of approximately 120 hectares which represented the sole resource measure for the Surigao Deposit to date. The entire Surigao deposit comprises CAGA 1 to 4 or a total area of 4736 hectares.

In Palawan, no mining activities are being conducted pending resolution of the claims of a third party which were of a very spurious nature. Expectations are still that some accommodation will happen but when this will occur is unknown. Our legal position remains solid. In the meantime site maintenance works are carried out and social community activities continue.

(iii) Smelter Activities

PGMC in response to market conditions has put all its smelters on a care and maintenance basis and all plans to remedy the technical issues faced earlier to get optimum production levels are now on hold to conserve cash.

(iv) Corporate

Plans still remain, notwithstanding the crisis and delays for various reasons, to obtain listed status by way of a reverse takeover, for the assets and activities of PGMC on the Philippine Stock Exchange. Hopefully, we shall be in a position to make announcements as to progress before year end. Even in grim times there remain, however, buyers for smelter assets and superior mineral resources that are located in low cost countries and have the advantage of proximity to China. The shareholders of PGMC continue to be approached for a trade sale and for the sale of specific assets by a number of parties.

A1.4 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 begun 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")

On 10 May 2007, the Company entered into a Memorandum of Understanding with the Pemerintah Kota Langsa, NAD ("PEMKOT Langsa"), to undertake, as a first phase, a pre-feasibility study and concept master plan for a port and related 800 hectare industrial zone at Kuala Langsa, NAD. Preliminary site investigation works offshore and onshore have been completed. Importantly we have evolved a development concept which now has been presented to the relevant authorities for their consideration and reversion.

On 16 November 2008 the Company signed a Memorandum of Agreement with the PEMKOT Langsa to formally govern the nature of the relationship and the agreed responsibilities of the parties for steps going forward.

On 31 July 2007, the Company entered into an agreement with the Pemerintah Kabupaten Aceh Utara, NAD (" PEMKAB Aceh Utara") to undertake, as a first phase, the preparation of a business plan, with the intent of forming a cooperative arrangement between the parties for the to-be-negotiated assumption of commercial, operational and management responsibilities of Pelabuhan Krueng Geukeh, Lhokseumawe from Pelindo I and to intensify the port's activities and to upgrade and enhance the port's facilities. Site assessment works have been completed as has been the intensive market study commissioned earlier which involved a month long data collection exercise along the Province's major roads. Data evaluation is now complete and a preliminary Business Plan has been developed.

On 27 December 2007, the Company entered into a Letter of Agreement with INDX to set out the terms of participation by INDX in the above projects as the Indonesian partner.

On 8 November 2008 INDX signed a Memorandum of Agreement with Perusahaan Daerah Bina Usaha, a corporation wholly owned by PEMKAB Aceh Utara, to formalize our relationship and to collectively embark upon formal negotiations with Pelindo I with respect to Pelabuahan Krueng Geukeh.

(iii) Kalimantan

The Company is still completing investigations on behalf of INDX for the acquisition of a site of some 75 hectares in Kalimantan by INDX to develop a coal terminal to serve the low rank domestic coal market and the export market as well as examining 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 bulk terminals and a port and related industrial / mixed zone and with private parties in respect of the expansion of their existing terminals.

(b) OTHER REGIONS

No active developments.

A 1.5 WEBSITE

We now have the website for the Company up and running and are slowly 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 adoptions of these new / revised FRSs are 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 2008 used in the translation of foreign currency amounts to RM are as follows :-

1 US Dollar	- RM3.4565
1 Pound Sterling	- RM6.2335
100 Indonesian Rupiah	- RM0.0358
100 Philippine Peso	- RM7.4300

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.

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 advises that is in the nature of a finite (that is, a short term) investment and some volatility in its earnings should be expected.

A4.2.2 INDX

(a) The Company's shareholding in INDX as at 30 September 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 now has the sectors of ports, logistics, resources and services as its permitted primary business objectives.

(c) INDX is still currently under temporary suspension from trading on the Indonesian Stock Exchange and has therefore avoided the current carnage in the stock market. The suspension has been discussed with the relevant authorities and the Company has now determined in-principle what it intends to do so as to meet with the requirements of the authorities. Any contemplated transaction will not be material to the Group and announcements will be made in due course once the details have been worked out to the Company's satisfaction for implementation in early 2009. We do not see the global stock market turmoil as something that will be enduring and therefore will proceed in the interests of our longer term objectives in Indonesia.

(d) INDX currently still remains in a net capital deficit position as at 3Q2008 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 16 October 2008.

(e) The composition of the Board of Commissioners and the Board of Directors of INDX remain the following individuals:-

Board of Commissioners	
President Commissioner	Dato' Ir Onn bin Hamzah
Independent Comissioner	RM Tommy Wikutomojati
Independent Commisioner	Ch'ng Chin Hon

Board of Directors	
President Director	Harun bin Halim Rasip
Director	Mohd Sofian bin Jaafar

A4.2.3 By way of additional information, we also set out the following :-

(a) **Unaudited Income Statements for YTD 3Q 2008**

	LMTSB RM'000	**PGMC RM'000**	**INDX RM'000**
Gross Revenue - Port Operations	46,944	-	-
- Industrial Property	1,412	-	-
- Mining	-	17,185	-
- Web site hosting services	-	-	52
Gross Profit - Port Operations	30,974	-	-
- Industrial Property	965	-	-
- Mining	-	8,008	-
- Web site hosting services	-	-	38
Gross Profit - Port Operations	66%	-	-
- Industrial Property	68%	-	-
- Mining	-	47%	-
- Web site hosting services	-	-	73%
Depreciation & amortization	2,439	2,710	4
Operating Profit / (Loss)	21,738	(13,032)	(444)
Finance Costs	3,105	2,809	-
Profit / (Loss) Before Tax	18,633	13,436	(471)
Profit / (Loss) After Tax	13,694	4,424	(471)
Foreign exchange rates used for translation:-			
RM / 100 Philippine Peso		7.5554	
RM / 100 Indonesian Rupiah			0.0346

(b) **Unaudited Balance Sheets as at 30 September 2008**

	LMTSB RM'000	**PGMC RM'000**	**INDX RM'000**
Fixed Assets (Net Book Value)	84,081	213,427	12
Saleable land stock	23,010	-	-
Other non current assets	-	57,768	82
Cash and cash equivalents	50,340	4,112	21
Other current assets	39,313	49,357	2,769
	196,744	324,664	2,884
Shareholders Funds	103,201	137,856	(1,097)
Minority interest	-	6,104	-
Total current and non current liabilities	38,543	180,704	3,981
Non current BaIDS (Refer note below)	55,000	-	-
	196,744	324,664	2,884
Foreign exchange rates used for translation:-			
RM / 100 Philippine Peso		7.4300	
RM / 100 Indonesian Rupiah			0.0358

LMTSB currently has in issue 9 series of BaIDS totalling 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 30.09.08 RM'000
Between one and five years	20,000
More than five years	35,000
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 LBTSB were redeemed by LBTSB during the current quarter.

A4.6 DEFERRED TAXATION

	As at 30.09.08 RM'000
Balance at 1 January 2008	49,300
Transferred from income statement	6,864
Total	56,164

A4.7 LBT SERIAL BONDS

	As at 30.09.08 Current RM'000	**As at 30.09.08 Non - Current RM'000**	**As at 30.09.08 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 30.09.2008 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 30.09.08 RM'000
Less than one year	44,000
Between one and five years	146,000
Total	190,000

A4.8 TAX EXPENSE

	3Q2008 RM'000	YTD 3Q2008 RM'000
Current year - Malaysian tax	272	849
Prior year - Malaysian tax	-	6
Current year - Foreign tax	11	45
Deferred tax	2,400	6,864
Total	2,683	7,764

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)

9 Months Ended 30.09.08 RM'000	Port Operations	Marine Services	Investment Holding	Industrial Properties	Resources	Eliminations	Consolidated
Business segments							
Revenue from external customers	63,020	4,347	-	-	-	-	67,367
Inter-segment revenue	-	-	1,700	-	-	(1,700)	-
Share of revenue of associates	23,843	-	-	331	3,439	-	27,613
Total gross revenue	86,862	4,347	1,700	331	3,439	(1,700)	94,980
Share of revenue of associates	(23,843)	-	-	(331)	(3,439)	-	(27,613)
Total revenue	63,020	4,347	1,700	-	-	(1,700)	67,367
Segment result	37,634	778	(885)	-	-	(1,700)	35,827
Operating profit							35,827
Financing costs							(10,396)
Interest income							3,093
Share of loss after tax of associate							7,567
Profit before taxation							36,091
Tax expense							(7,764)
Minority interests							(4,166)
Profit for the period attributable to shareholders							24,161

A5 SEGMENTAL INFORMATION – GROUP (continued)

9 Months Ended 30.09.07 RM'000	Port Operations	Marine Services	Investment Holding	Industrial Properties	Resources	Eliminations	Consolidated
Business segments							
Revenue from external customers	61,616	4,669	-	-	-	-	66,285
Inter-segment revenue	-	-	7,620	-	-	(7,620)	-
Share of revenue of associate	19,040	-	-	9,559	7,958	-	36,557
Total gross revenue	80,656	4,669	7,620	9,559	7,958	(7,620)	102,842
Share of revenue of associate	(19,040)	-	-	(9,559)	(7,958)	-	(36,557)
Total revenue	61,616	4,669	7,620	-	-	(7,620)	66,285
Segment result	38,420	1,027	(1,748)	-	-	-	37,699
Operating profit							37,699
Financing costs							(12,134)
Interest income							2,622
Share of profit after tax of associate							11,169
Profit before taxation							39,356
Tax expense							(7,767)
Minority interests							(3,892)
Profit for the period attributable to shareholders							27,697

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 3Q2008 RM '000	**YTD 3Q2007 RM '000**	**30.09.2008 RM '000**	**30.09.2007 RM '000**
Operations and maintenance fees payable to LMTSB	18,281	16,899	8,871	8,935
Management fees receivable from LMTSB.	450	450	100	100
Tuggage services receivable from LMTSB.	4,347	4,668	548	549
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 A4.8.

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 is not involved in any material litigation.

B12 DIVIDENDS
The Board of Directors' recommendation of a final gross dividend of 2.7 sen per share, less tax at 26%, in respect of the financial year ended 31 December 2007 was approved by the shareholders at the Company's 22nd Annual General Meeting held on 30 June 2008. The dividend entitlement date was 27 August 2008 and the dividend was paid on 12 September 2008.

B13 EARNINGS PER ORDINARY SHARE

The 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.

	3 Q 2008 RM'000	**YTD 3Q 2008 RM'000**
PATSC for the period	12,389	24,161
Weighted average number of ordinary shares in issue	300,806	300,806
Earnings per share (sen)	**4.12**	**8.03**

B14 CAPITAL COMMITMENTS
Refer to Note A 9.