

Laporan Tahunan Annual Report 2006



PENANG PORT SDN BHD
(Company No.: 283544-D)

CONNECTING YOUR BUSINESS

Kandungan

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Profil Profile

PEJABAT-PEJABAT PPSB

IBU PEJABAT

Penang Port Sdn. Bhd.

No. Syarikat 283544-D

No. 1 Pesara King Edward, 10300 Georgetown, Pulau Pinang.

Tel: 604-210 2211 Faks: 604-263 4792

Web: <http://www.penangport.com.my>

OPERASI

Jeti Swettenham

Pesara King Edward, 10300 Georgetown, Pulau Pinang.

Tel: 604-310 2204 Faks: 604-332 4414

Dermaga Butterworth

12100 Butterworth.

Tel: 604-310 2204 Faks: 604-332 4414

Pangkalan Kontena Butterworth Utara

12100 Butterworth.

Tel: 604-310 2404 Faks: 604-331 4915

Pangkalan Kargo Pukal Prai

13600 Prai

Tel: 604-380 2211 Faks: 604-397 0605

OFFICE OF PPSB

Head Office

Penang Port Sdn. Bhd.

Company No. 283544-D

No. 1 King Edward Place, 10300 Georgetown, Penang.

Tel: 604-210 2211 Fax: 604-263 4792

Web: <http://www.penangport.com.my>

OPERATION

Swettenham Pier

King Edward Place, 10300 Georgetown, Penang.

Tel: 604-261 2211 Fax: 604-263 4792

Butterworth Wharves

12100 Butterworth.

Tel: 604-310 2204 Fax: 604-332 4414

North Butterworth Container Terminal

12100 Butterworth

Tel: 604-310 2404 Fax: 604-331 4915

Prai Bulk Cargo Terminal

13600 Prai

Tel: 604-380 2211 Fax: 604-397 0605



VISI

- Menjadi sebuah pelabuhan unggul dan pengatur urus rangkaian logistik di rantau ini.

MISI

- Menyediakan perkhidmatan nilai maksima kepada pelanggan-pelanggan melalui perkhidmatan berkualiti oleh kakitangan yang komited, profesional dan prihatin setiap masa sepanjang masa.
- Memperoleh pulangan pelaburan yang memuaskan dengan lebih optimum berterusan untuk keperluan pembangunan masa hadapan.
- Berperanan sebagai majikan yang prihatin kepada tenaga kerja yang mahir, bermotivasi dan produktif melalui pembangunan sumber manusia yang cemerlang dan mengamalkan amalan terbaik.
- Berperanan sebagai warganegara korporat yang peka terhadap mesra alam sekitar.

Penang Port Sdn. Bhd. (PPSB) telah diperbadankan pada Disember 7, 1993 dan mula beroperasi pada Januari 1, 1994. Ia dimiliki sepenuhnya oleh Menteri Kewangan (Diperbadankan).

PPSB dilesenkan untuk mengendalikan, mengurus dan menyenggara perkhidmatan-perkhidmatan pelabuhan dan feri. Ini termasuk melaksanakan projek-projek pembangunan.

Sebagai entiti korporat, PPSB mempunyai komitmen untuk beroperasi sebagai sebuah syarikat komersil yang peka kepada keperluan-keperluan pelanggannya.

Penang Port Sdn. Bhd. (PPSB) was incorporated on December 7, 1993 and commenced operations on January 1, 1994. It is fully owned by the Minister of Finance (Incorporated)

PPSB is licenced to operate, manage and maintain port and ferry services as well as undertake present and future development projects.

As a corporate entity, PPSB is deeply committed to be commercially responsive and flexible to the needs of port customers.



VISION

- *To be the premier port and logistics chain integrator in the region.*

MISSION

- *To provide maximum value to customers through superior quality services by committed, professional and caring staff every time all the time.*
- *To achieve a good return on investment with continual optimum surpluses for future development.*
- *To be a caring employer to a skilled, motivated and productive workforce through excellent human resource development and adopting best practices.*
- *To be a responsible and environmental friendly corporate citizen.*

Lembaga Pengarah

Pengerusi

Dato' Abdul Latif Abdullah

Pengarah Urusan / Ketua Pegawai Eksekutif

Dato' Ahmad Ibnihajar

Lembaga Pengarah

Datuk Dr. Kelvin Tan Aik Pen
Datuk Nur Jazlan bin Tan Sri Mohammad
Datuk Zalekha binti Hassan
Dato' Hj. Zakaria bin Hj. Bahari

Setiausaha Syarikat

Yee Lai Hoong



Board of Directors

Chairman

Dato' Abdul Latif Abdullah

Board of Director

Datuk Dr. Kelvin Tan Aik Pen

Datuk Nur Jazlan bin Tan Sri Mohammad

Datuk Zalekha binti Hassan

Dato' Hj. Zakaria bin Hj. Bahari

Managing Director / Chief Executive Officer

Dato' Ahmad Ibnihajar

Company Secretary

Yee Lai Hoong



Kiri ke kanan / Left to right:

Yee Lai Hoong, Dato' Hj. Zakaria bin Hj. Bahari,
Datuk Zalekha binti Hassan, Datuk Nur Jazlan bin Tan Sri Mohammad,
Dato' Abdul Latif Abdullah, Dato' Ahmad Ibnihajar,
Datuk Dr. Kelvin Tan Aik Pen

Pengurusan

Pengarah Urusan / Ketua Pegawai Eksekutif
Managing Director / Chief Executive Officer
Dato' Ahmad Ibnihajar

Pejabat Pengarah Urusan / Ketua Pegawai Eksekutif
Managing Director's Office / CEO

Ketua Audit Dalam / Head Internal Audit
Jafrul Fazli Jaafar

Setiausaha Syarikat / Company Secretary
Yee Lai Hoong

UNIT PERKHIDMATAN KORPORAT / CORPORATE SERVICES UNITS

Pengurus Besar Sumber Manusia /
General Manager Human Resource
Tadzaruddin Abdul Manaff

Pengurus Besar Korporat /
General Manager Corporate
Ghazali Jaafar

Pengurus Besar Kewangan /
General Manager Finance
Abu Kasim Abu Hasim



Management

UNIT PERNIAGAAN STRATEGIK STRATEGIC BUSINESS UNITS

**Ketua Pegawai Operasi /
Chief Operating Officer**
Hj. Mohd. Niana Merican

**Pengurus Besar Kontena /
General Manager Container**
Obaid Hj. Mansor

**Pengurus Besar Kargo /
General Manager Cargo**
Hj. Abdul Halim Abdul Kader

**Pengurus Besar Marin /
General Manager Marine**
Hj. Abdul Rahim Hj. Abu Bakar

**Pengurus Besar Pembangunan & Logistik /
General Manager Development & Logistics**
Shahrudin Hj. Zakaria

**Pengurus Besar Teknikal /
General Manager Technical**
Ir. Kadrisman Sarajool



Kiri ke kanan / Left to right:

Jafrul Fazli Jaafar, Abu Kasim Abu Hasim, Shahrudin Hj. Zakaria,
Hj. Abdul Halim Abdul Kader, Ir. Kadrisman Sarajool, Ghazali Jaafar,
Hj. Mohd. Niana Merican, Dato' Ahmad Ibnihajar, Obaid Hj. Mansor,
Hj. Abdul Rahim Hj. Abu Bakar, Tadzaruiddin Abdul Manaff, Yee Lai Hoong

Maklumat Korporat Corporate Information

Penang Port Sdn. Bhd.

Diperbadankan pada Disember 7, 1993

Jenis Perniagaan

Operasi Pelabuhan

Pejabat Berdaftar

Bangunan Suruhanjaya
Pelabuhan Pulau Pinang
Pesara King Edward
10300 Pulau Pinang, Malaysia
Tel : 604-210 2211
Fax : 604-263 4792

Juruaudit

PriceWaterhouseCoopers
Akauntan Berkanun

Penang Port Sdn. Bhd.

Incorporated on December 7, 1993

Nature of Business

Port Operations

Registered Office

*Penang Port Commission Building
King Edward Place
10300 Penang, Malaysia
Tel : 604-210 2211
Fax : 604-263 4792*

Auditor

*PriceWaterhouseCoopers
Public Accountants*

Ucapan Pengerusi Chairman's Statement

Ucapan Pengerusi

Era Baru Pelabuhan Pulau Pinang

Kejayaan sesebuah badan korporat bergantung kepada visi organisasinya. Justeru itu, PPSB berhemat untuk menjadikan Pulau Pinang untuk mencapai status 40-pelabuhan terbaik di dunia. Untuk merealisasikan matlamat ini, PPSB telah melancarkan rancangan pembangunan syarikat pada Ogos 2006 dalam bentuk pelan perniagaan selama lima tahun, dari 2007 hingga 2012.

Pelan ini membantu pelabuhan Pulau Pinang untuk memainkan peranan yang lebih global dan strategik. Di samping itu, pelan ini bertujuan meningkatkan status pelabuhan Pulau Pinang dari sebuah pelabuhan pengantara kepada pelabuhan rantau pusat yang bukan sahaja memberi perkhidmatan kepada Kawasan Ekonomi Segitiga Indonesia-Malaysia-Thailand (IMT-GT), malah berkembang ke Rantau Timur, Cina dan Benua Kecil India.

Untuk melaksanakan pelan ini yang akan mewujudkan satu era baru yang berdinamik, berinovatif dan berteknologi maklumat, Pangkalan Kontena Butterworth Utara akan dibangunkan, diikuti oleh projek pengorekan dan pendalaman Terusan Utara.

Fasa 3 Pangkalan Kontena Butterworth Utara

Projek Pembangunan PKBU akan bermula pada tahun 2007 dan dijangka siap pada tahun 2009 dalam dua fasa. Melalui projek ini, PKBU akan dilengkapi dengan dermaga sepanjang 1,500 meter yang boleh memuatkan tujuh buah kapal pada masa yang sama. Di samping itu, PPSB ingin mengendalikan sekurang-kurangnya 1.5 juta kontena setahun pada lima tahun akan datang.

Dato' Abdul Latif Abdullah
Pengerusi





Fasa pertama melibatkan pembinaan dermaga sepanjang 600 meter dan kawasan susunan untuk kontena eksport di bahagian belakangnya. Fasa kedua melibatkan pembinaan kawasan susunan di belakang dermaga sepanjang 900 meter. Projek ini akan bermula pada tahun 2010 dan dijangka siap dalam tempoh dua tahun.

Kedalaman di sepanjang PKBU akan dikekalkan pada 14m ACD bagi memuatkan kapal kontena dengan muatan 6,000 hingga 7,000 TEUs. Jumlah kos keseluruhan untuk projek pembinaan Fasa 3 PKBU, dijangka sebanyak RM672 juta.

Terusan Utara akan diperdalamkan ke 14m ACD pada tahun 2010 untuk membolehkan kapal besar berlabuh. Dengan jumlah pelaburan sebanyak RM1.10 bilion dalam kemudahan dan infrastruktur, Pelabuhan Pulau Pinang bersedia untuk memainkan peranan sebagai salah sebuah gerbang ke Asia serta menjadikannya sebagai satu pelabuhan pusat di dunia.

Pusat Pengendalian 'Barge'

Salah satu ciri yang menarik dalam projek perkembangan ini, adalah Pusat Pengendalian 'Barge'. PPSB bercadang mengendalikan kapal-kapal 'Barge', terutamanya dari negara Indonesia dan Myanmar tanpa gangguan kepada operasi di dermaga utama. Langkah ini akan menambahkan kecekapan dan kemampuan PPSB untuk menarik kargo dari rantau dalaman dan menjadikan pelabuhan Pulau Pinang sebagai pusat rantau untuk Kawasan Ekonomi Segitiga Indonesia-Malaysia-Thailand serta Teluk Benggal.

Dengan perkembangan ini, PPSB akan memasuki satu era baru di mana Pelabuhan Pulau Pinang bersedia untuk memberi perkhidmatan kepada kapal induk bersama dengan feeder kapal 'feeder'.

Sistem Pelkon 3

Pelkon 3, sistem pengurusan kontena yang dinanti-nantikan telah dilaksanakan pada September 2006 selaras dengan objektif strategik PPSB. Sistem ini beroperasi dalam protokol laman web. Ianya memberi faedah kepada pelanggan PPSB untuk menjalankan urusan perniagaan dengan cepat dan senang. Matlamat untuk melaksanakan sistem Pelkon 3 adalah untuk mencapai status 'pelabuhan bestari' serta beralih ke satu sistem tanpa-kertas. Ciri-ciri Pelkon 3 seperti fungsi EDI, sistem berlamam web, sistem 'Auto Gate' yang pertama di Malaysia dan modul stesen keretapi yang menambahkan kecekapan dalam perhubungan dengan rantau Padang Besar dan rantau Thai Selatan. Ini menandakan permulaan satu era baru bagi Pelabuhan Pulau Pinang.

Evolusi sistem pengurusan pangkalan kontena di Pelabuhan Pulau Pinang bermula dengan sistem Pelkon 1 pada tahun 1985. Sistem ini yang berasaskan 'text-based batch mode' dihasilkan oleh syarikat Mitsui di Jepun. Ini diikuti dengan sistem Pelkon 2 pada tahun 1996 yang dihasilkan oleh syarikat CMC di India. Sistem ini membolehkan Pelabuhan Pulau Pinang menjalankan operasi online secara masa-sebenar dengan teknologi rangkaian tanpa wayar, membekalkan maklumat dalam masa-sebenar tentang kargo dan kapal kepada pelanggannya.

Pejabat Baru

Satu lagi pencapaian PPSB adalah pelancaran pejabat barunya di Padang Besar. Pejabat ini menandakan komitmen PPSB untuk menjalinkan hubungan pemasaran yang lebih efektif serta memelihara perhubungan pelanggan bagi memastikan operasi kargo dan logistik yang lebih cekap.

Tanjong City Marina

Tanjong City Marina merupakan satu-satunya marina yang terletak di hadapan pintu bandaraya. Marina tersebut berjaya menarik perhatian kapal-kapal layar luar negara berlabuh di sini, terutamanya sempena pertandingan kapal layar Bali-Kupang dan Regatta Antarabangsa Raja Muda baru-baru ini.

PPSB yakin bahawa faktor kepopularan Tanjong City Marina adalah lokasi strategiknya yang terletak di pusat bandaraya George Town. Marina ini direkabentuk untuk memuatkan 102 kapal layar yang berukuran di antara 10 hingga 50 meter panjang.

Jeti Swettenham

Pembangunan semula terminal penumpang di Jeti Swettenham akan siap pada tahun 2008 dan akan memuatkan kapal pesiaran yang lebih besar. Projek ini yang berjumlah RM65 juta akan membolehkan PPSB menambahkan nilai kepada ruang tanah yang setakat ini telah diabaikan. Projek ini juga akan memberi sumbangan terhadap usaha Kerajaan Pulau Pinang untuk membangunkan George Town sebagai sebuah Bandar Warisan.

Kualiti

Penambahan saiz kapal seperti kapal kontena mendorong pihak pelabuhan untuk memenuhi keperluan kapal tersebut. Ini termasuk 'kren gantri' yang lebih cepat dan besar, kemahiran dan kecekapan dalam pengendalian kren dengan kadar pergerakan kren kasar per jam yang lebih cepat, ruang yang luas untuk penyimpanan kontena, keutamaan berlabuh dan pengurusan dermaga yang cekap. Langkah-langkah tersebut adalah amat penting bagi PPSB untuk memahami dan mengetahui keperluan pasaran dan pelanggan.

Salah satu strategi kami terhadap kapal-kapal dan syarikat perkapalan adalah perkhidmatan tambah-nilai. PPSB sedang mengkaji kemungkinan untuk memperkenalkan perkhidmatan seperti depot *on-dock*, pembaikan kontena dan kapal, penlabelan-semula, pembungkusan-semula dan pemasangan kecil.

PPSB juga telah memulakan program peningkatan produktiviti yang dirancang khas untuk menjadikan Pelabuhan Pulau Pinang sebagai satu pelabuhan yang berpiawai ISO 9001:2000. Setakat ini, unit kontena dan kargo telah mencapai piawai ISO 9001:2000, dan kini PPSB sedang berusaha untuk mencapai sijil piawaian bagi semua CSU yang merangkumi pengurusan sumber manusia, korporat dan kewangan pada tahun 2007.

Koridor Ekonomi Wilayah Utara (NCER)

Di bawah Koridor Ekonomi Wilayah Utara (NCER), Penang Port akan berfungsi sebagai landasan dengan menjadi pintu import dan eksport untuk negeri-negeri utara Semenanjung.

Sebagai pusat logistik NCER, hasil-hasil sektor pertanian dan pemprosesan makanan dari kawasan Utara Seberang Prai, Perlis dan Kedah akan diekspot melalui Penang Port. Penang Port berpendapat bahawa usaha NCER ini akan membawa perkembangan yang besar untuk pelabuhan tersebut. Penang Port Sdn Bhd bertekad memenuhi permintaan tinggi yang akan timbul daripada pembangunan aktiviti-aktiviti ekonomi dalam lingkungan NCER.

Memandang Ke Hadapan Tahun 2007

Industri Maritim mengharapkan tahun 2007 sebagai satu tahun yang akan mencatatkan pertumbuhan, perkembangan serta pengstabilan kepada industri. Tinjauan ini boleh dikaitkan dengan pelancaran dan pelaksanaan Rancangan Malaysia Ke-9 yang memberi tumpuan kepada pembangunan pelabuhan dan sektor perkilangan yang menyokong aktiviti eksport dan import negara.

Dalam lima tahun yang akan datang, PPSB akan melabur sebanyak RM1 bilion untuk meningkatkan taraf kemudahan, peralatan dan infrastruktur pelabuhan. Ini bertujuan untuk mengikis imej PPSB sebagai sebuah pelabuhan pengantara, dan menarik operator utama ke Pelabuhan Pulau Pinang. Dengan langkah-langkah ini, PPSB menjangka peningkatan dalam kendalian kargo pada akhir tahun ini berbanding dengan jumlah pengendalian tahun 2006.

Matlamat PPSB adalah untuk meningkatkan kadar pengendalian kontena eksport dan produktiviti pelabuhan sebanyak 30%, dengan meningkatkan produktiviti kren ke kadar 30 TEU per jam. PPSB juga ingin mencapai satu juta TEU pada tahun 2009 untuk menjadikan Pelabuhan Pulau Pinang sebagai pelabuhan kontena ketiga terbesar di negara.



Di samping itu, PPSB ingin meningkatkan kecekapan dalam usaha menarik kargo dari rantau dalaman dan menjadikan pelabuhan Pulau Pinang sebagai sebuah pusat rantau kepada Kawasan Ekonomi Segitiga Indonesia-Malaysia-Thailand serta kawasan pendalaman Teluk Bengal.

Penghargaan

Saya ingin mengambil kesempatan untuk merakamkan penghargaan kepada Kerajaan Persekutuan dan Negeri, badan-badan pengawalan dan agensi-agensi kerajaan terhadap sokongan mereka, serta usaha yang tekun oleh pihak pengurusan dan kakitangan PPSB yang menyumbang kepada matlamat PPSB.

Dato' Abdul Latif Abdullah
Pengerusi



Chairman's Statement

A New Era of Penang Port

Vision guides organisation to success. Without vision, organisations have no direction. In subscribing to the value of corporate vision, we have to set our sight on making Penang among the top 40 ports in the world. In realising the vision, PPSB has drawn up a development blueprint for the port in the form of five-year business plan (2007 – 2012), which was unveiled on August 2006.

The plan prepares the port to take on a more strategic global role. It seeks to elevate the status of Penang from a feeder port to a regional hub not only for Indonesia – Malaysia – Thailand Growth Triangle (IMT-GT) but also the Far East, China and India Sub-continent.

The business plan which heralds a new era of dynamism, innovation and information technology calls for the expansion of the North Butterworth Container Terminal (NBCT) and the dredging of the North Channel.

North Butterworth Container Terminal (NBCT) Phase 3

The NBCT expansion, which will be undertaken in two phases, will commence in 2007. With its completion scheduled in 2009, the NBCT will have a total quay length of 1,500 metres capable of berthing seven vessels at any one time. The port plans to handle at least 1.5 million boxes annually within the next five years.

Phase 1 entails the construction of 600 metres of wharves and a stacking area for export container directly behind the wharf while Phase 2 involves the construction of staking area behind 900-metres wharf. Construction of the stacking area which will commence in 2010 will take two years.

Depth alongside the NBCT will be maintained at 14m ACD to cater for container vessels with a capacity ranging between 6,000 and 7,000 TEUs. The total cost of NBCT Phase 3 construction is expected to be RM672 million.

The North Channel will be dredged to a depth of 14m ACD in 2010 to serve mother vessels calling at the port. With a total investment of RM1.10 billion in infrastructure and superstructure, Penang Port is poised to be a vibrant gateway to Asia and capable to elevate its status to a main line port.



Barging Centre

Another interesting feature of the expansion programme is the setting up of a barging centre. The port plans to handle barges coming from mainly Indonesia and Myanmar without interruption to the main berth. Thus enhancing our capability to attract hinterland cargo and making PPSB a truly regional hub for the Indonesia-Malaysia-Thailand triangle and our expanded hinterland of the Bay of Bengal.

With this new phase of developments, Penang Port will enter a new era to serve not only feeder vessels but also we will enhance our readiness to serve main line operators and mother vessels for direct services.

Pelkon 3

The much-awaited Pelkon 3, our upgraded container management system was implemented on September 2006 in line with PPSB's strategic business objectives. Its web-based capability has allowed convenient access to our registered customers enabling our customers to perform business transactions in an easier and faster way with us. Our aim is to achieve an 'intelligent port' status and we hope to move to the paperless era via a host of new features and functionalities. Some of the new features include EDI functionality, web-based system, Auto Gate



System (the first in the country), a new module for railway station to enhance our connectivity to our hinterland, especially to Padang Besar and Southern Thailand. Hence, Pelkon 3 marks the beginning of a new era for Penang Port.

Looking back, the evolution of container terminals management system in Penang Port commenced with Pelkon 1 in 1985 with a text-based batch mode system developed by Mitsui of Japan. This evolution continued with the launching of Pelkon 2 in 1996. Developed by CMC Limited of India, Pelkon 2 opened Penang Port to the world of real time online operations achieved through the use of wireless technology. It enabled Penang Port to not only be efficient but also be able to provide real time information to its customers with regard to their cargo and vessels.

Swettenham Pier

Catering for major cruise liners, the redevelopment of the passenger terminal at Swettenham Pier would be completed in 2008. The RM65 million projects would enable PPSB to unlock and add value to the current under-utilised land and also contribute to the State Government's efforts to develop George Town as a heritage city.

Quality

The increase in the size of vessels, especially container vessels, also makes it necessary for ports to respond to the needs of these vessels. Their needs may include bigger quay cranes at high speed performances, expertise and efficiency in operating quay cranes to achieve a high gross crane moves per hour, adequate yard space to



New Office

Another milestone achieved was the opening of the new PPSB office in Padang Besar – a reflection of our full commitment and determination to foster a smoother, more effective marketing and customer liaison in ensuring a seamless flow of logistics and operations and cargo movement.

Tanjong City Marina

Tanjong City Marina, the only marina with the city at its doorstep has successfully attracted foreign yachts and boats owners to berth especially during the Bali-Kupang and the Raja Muda Regatta held recently.

We believe the location of the Tanjong City Marina at the heart of George Town is the main reason why the marina is rapidly gaining its popularity. The marina can accommodate 102 yachts ranging between 10 to 40 metres in length.

store large container, priority berthing and dedicated berth arrangement. It is imperative that we understand the market and needs of PPSB's customers.

One of our strategies to shippers and shipping lines are incorporating value-added services. We are looking into services like on-dock depot, container repairs, ship repairs, re-labelling, repackaging and minor assembly.

We have also spearheaded productivity enhancement programmes that are designed to make Penang Port an ISO 9001:2000 certified Port. So far, the container and cargo units have attained ISO 9001:2000 certification. PPSB is also in the midst of achieving ISO certification for all CSU, comprising Human Resources, Corporate and Finance in 2007.



Northern Corridor Economic Region (NCER)

Under the Northern Corridor Economic Region (NCER), Penang Port will serve as a springboard by becoming the import and export gateway for the northern states. As a logistics hub for the NCER, agricultural producer and processed food from North Seberang Prai, Perlis and Kedah would be exported through Penang Port. Penang Port expects the development of the NCER to be a major boon for the port. Penang Port Sdn Bhd will carry out the increased demand that will arise from the expansion of economic activities within the NCER.

Looking Forward 2007

Maritime industry players are seeing 2007 as a year of growth, expansion and stabilisation for the industry. This is largely due to the roll out of the 9th Malaysia Plan (9MP), which has put much focus on the development of seaports and the manufacturing industry to support the country's import and export trade.

Penang Port Sdn Bhd (PPSB) is moving away from its feeder port image to attract more mainline operators in its first five-year-plan that will see a total RM1 billion to be spent on improvement of facilities, equipment and infrastructure. With its additional equipments and improvement of infrastructures, Penang Port Sdn Bhd (PPSB) is expecting more volume increase by the end of this year in contrast to 2006's total throughput.

PPSB is aiming to enhance the handling of export containers and improve port productivity performance by up to 30% and the target of crane productivity would be increase at more than 30 TEUs moves per hour. We are targeting to hit one million TEUs in 2009 to position the port as the third largest container port in the country.

In addition, we want to enhance our capability to attract hinterland cargo, and to make Penang Port a truly regional hub for Indonesia, Malaysia and Thailand growth triangle and the expanded hinterland of the Bay of Bengal.

Acknowledgements

I would like to take this opportunity to thank the Federal and State government, governmental and regulatory authorities for their unceasing support. My appreciation also goes to the management team and staff for their relentless efforts that have been crucial in helping us achieve our goals.

Dato' Abdul Latif Abdullah
Chairman





Laporan Pengarah Urusan/ Ketua Pegawai Eksekutif



Pada tahun kewangan yang sedang dikaji, Penang Port Sdn Bhd (PPSB) beroperasi dalam persekitaran yang lebih mencabar dengan suasana perniagaan yang kompetitif. Walau bagaimanapun, dengan pelaksanaan sistem yang strategik, asas perniagaan yang lebih kukuh dan tenaga kerja yang komited, syarikat berada dalam kedudukan yang lebih baik untuk menghadapi cabaran-cabaran tersebut.

Prestasi Kewangan

PPSB mencatat perkembangan yang mengagumkan dengan jumlah hasil pendapatan dari RM206,832,549 juta pada tahun 2005 kepada RM225,069,292 juta pada tahun 2006, peningkatan sebanyak 8.8%. Untuk tahun 2006, keuntungan selepas cukai ialah RM12,757,464 berbanding dengan RM5,641,127 pada tahun 2005. Perkembangan yang mantap ini disebabkan oleh peningkatan dalam operasi pengendalian kontena.

Dato' Ahmad Ibnihajjar
Pengarah Urusan/Ketua Pegawai Eksekutif



Prestasi Pelabuhan

Sebagai pelabuhan serbaguna, Penang Port Sdn Bhd mengendalikan kargo pukal cecair, kargo pukal kering, kargo pukal cerai dan juga kargo kontena. Prestasi pengendalian kargo pada tahun 2006 mencatatkan kadar pertumbuhan sebanyak 8.1%. Sebanyak 25,475,964 tan kargo dicatatkan dalam tahun 2006 berbanding 23,563,135 tan kargo pada tahun sebelumnya. Kesemua kargo ini dikendalikan melalui kemudahan pelabuhan. Kargo import meningkat 9.3% kepada 14,098,545 tan atau 55% daripada jumlah keseluruhan. Eksport bertambah 6.7% kepada 11,377,419 tan atau 45% daripada jumlah keseluruhan pengendalian kargo.

Kontena

Dari segi jumlah pertanan, pengendalian kargo kontena telah mencatatkan pertumbuhan sebanyak 13% kepada 15,662,167 tan berbanding 13,870,399 tan dalam tempoh yang sama pada tahun sebelumnya. Dari segi TEUs (1 unit bersamaan dua puluh kaki), Penang Port Sdn Bhd berjaya mengendalikan sebanyak 849,730 TEUs pada tahun 2005, iaitu peningkatan sebanyak 7%. Sebahagian besar peningkatan dalam sektor kontena adalah sumbangan perdagangan antara negara Asia dan dijana melalui peningkatan trafik tempatan dan trafik pindah kapal serantau. Perkhidmatan perkapalan baru yang memulakan operasinya di pelabuhan juga merupakan faktor penyumbang terhadap pertumbuhan pelabuhan.

Kargo Pukal Kering

Pengendalian kargo pukal kering pada tahun 2006 mencatatkan peningkatan sebanyak 6.4% berbanding pada tahun sebelumnya. Sebanyak 4,039,870 tan telah dikendalikan berbanding dengan 3,797,080 tan pada tahun 2005. Antara komodi utama dalam bentuk pukal kering ialah jagung, gula mentah, besi skrap dan baja.

Kargo Pukal Cecair

Kargo pukal cecair masih lagi menjadi kargo utama yang dikendalikan di kemudahan Penang Port Sdn Bhd walaupun menunjukkan sedikit penurunan berbanding angka yang dicatatkan pada tahun 2006. Pada tahun 2006, Penang Port Sdn Bhd telah mengendalikan sebanyak 4,028,352 tan metrik berbanding 4,108,135 tan metrik pada tahun 2005, iaitu penurunan sebanyak 2%. Pengendalian kargo pukal cecair telah menyumbangkan sebanyak 16% daripada jumlah keseluruhan pengendalian kargo pelabuhan.

Kargo Pukal Cerai

Kargo pukal cerai yang merupakan 7% daripada jumlah keseluruhan pengendalian kargo, menurun sebanyak 2.4% kepada 1,745,575 tan pada tahun 2006. Penurunan sedemikian disebabkan oleh penukaran corak pengangkutan kargo ke arah penggunaan kontena.

Perkhidmatan Feri

PPSB yang kini mengendalikan 8 buah feri bertujuan merumuskan pelan yang sesuai kerana peningkatan kos operasi semakin menjejaskan hasil pendapatannya. Walaupun tidak ada peningkatan bayaran, kami merancang untuk mengendalikan bot yang lebih kecil yang boleh bergerak dengan lebih cepat.

Bot-bot ini adalah untuk penumpang dan kami akan beransur-ansur megurangkan pengangkutan kenderaan. Ini berdasarkan pelebaran Jambatan Pulau Pinang dan jambatan kedua yang akan dibina kelak. Kami juga sedang mengusahakan jadual yang lebih menjimatkan dengan mengurangkan perjalanan pada waktu malam.

Sepanjang tahun, perkhidmatan feri terdiri dari 2,432,849 orang penumpang, 1,985,875 buah motosikal, 1,381,666 buah kereta, 101,469 buah lori dan 20,400 buah basikal. dari Butterworth di tanah besar ke Georgetown di pulau.

Kakitangan kami, Aset kami

Kami percaya bahawa usaha perlu diadakan untuk memotivasikan kakitangan pelabuhan untuk mencapai kemajuan berterusan. Dengan itu, kami mengakui kepentingan latihan dan pembangunan dalam kedua-dua aspek teknikal dan pengurusan. Lebih kurang 979 kakitangan diberi latihan pada tahun lalu dan perancangan dibuat untuk melengkapi mereka dengan kemahiran pembangunan yang sesuai. Pihak pengurusan dan kakitangan juga mempertingkatkan tahap komunikasi mereka melalui mesyuarat berkala di antara pihak pengurusan, kesatuan sekerja serta persatuan.



Masa Depan

Rancangan lima tahun (2007-2012) PPSB bertujuan memberi perkhidmatan terbaik kepada pelanggan kami berbanding dengan pelabuhan utama di rantau ini. Di bawah rancangan perniagaan yang baru, Pelabuhan Pulau Pinang akan memberi tumpuan lebih kepada pasaran Asia terutamanya Asia Timur/negeri China dan India. Kedua-dua kawasan ini merupakan pertumbuhan ekonomi yang paling cepat di dunia - kami berusaha menarik lebih banyak kapal besar dan perkhidmatan secara langsung ke pelabuhan.

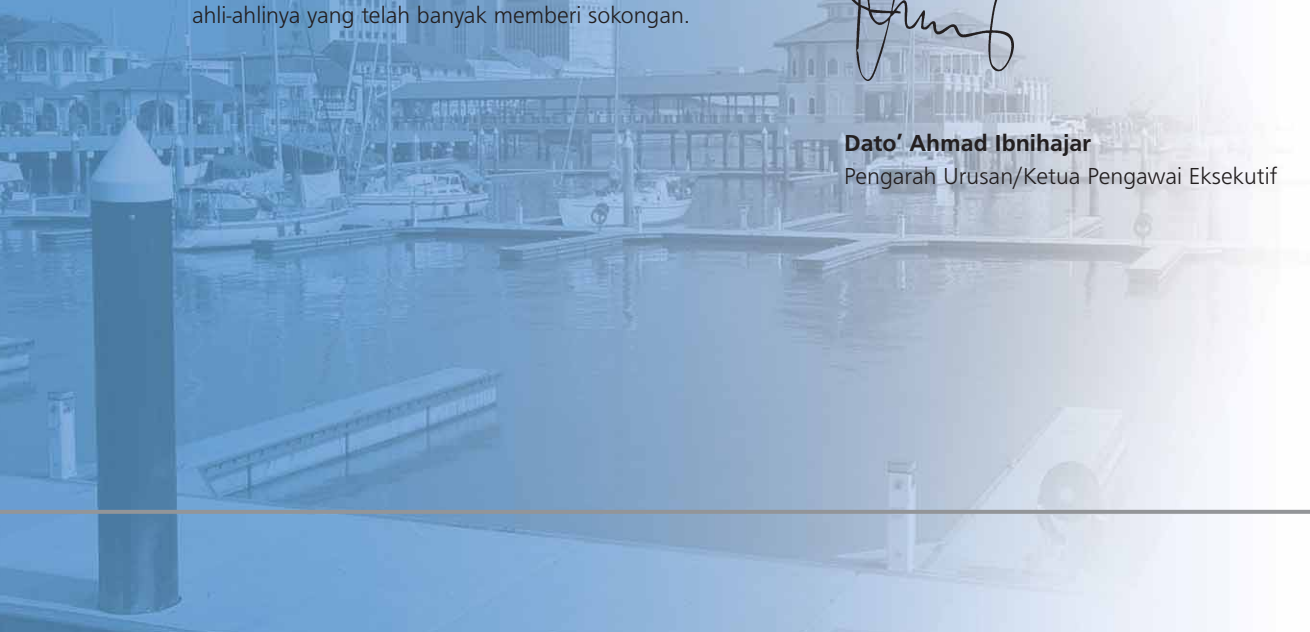
Trafik kargo Negeri Thai Selatan yang melalui Pelabuhan Pulau Pinang dijangka meningkat sejajar dengan usaha negeri Thai memajukan penanaman getah supaya hasil susu getah meningkat dan penanaman pokok baru pula menambah kuantiti balak getah dan hasil sampingannya. Dengan itu, dengan peningkatan yang dijangka ini, prospek untuk perniagaan antara sempadan amatlah cerah sekali, lebih-lebih lagi disokong oleh jalinan tradisi erat di antara selatan Negeri Thai dan Pulau Pinang. Kami merakamkan penghargaan kepada Persatuan Getah Thai (TRA) serta ahli-ahlinya yang telah banyak memberi sokongan.

Sebagai tambahan, perancangan jangka panjang yang melibatkan pembangunan infrastruktur pelabuhan perlu dipertimbangkan secara kritikal. Selain itu, penubuhan pusat serenti di kalangan semua pihak dalam rantai logistik serta pengurangan bilangan ahli demi mempercepatkan pengabungan rantai secara menegak dan melintang juga patut digalakkan.

Penghargaan

Bagi pihak Pelabuhan Pulau Pinang, saya ingin merakamkan penghargaan kepada semua pihak di atas dedikasi dan sokongan mereka. Kepada para pengguna dan operator pelabuhan, saya mengucapkan terima kasih atas sokongan semua. Pencapaian pelabuhan hari ini adalah berkat sumbangan anda semua. Akhir kata, saya terhutang budi kepada pihak pengurusan kakitangan PPSB untuk komitmen mereka sehingga kini.

Dato' Ahmad Ibni Hajar
Pengarah Urusan/Ketua Pengawai Eksekutif





Managing Director's Report/CEO

Penang Port Sdn Bhd (PPSB) operated in a more challenging environment in the financial year under review with the competitive business environment. However, with the implementation of strategic systems, a strong platform of businesses and highly committed workforce, the company was well positioned to confront these challenges.

Financial Performance

PPSB recorded an impressive growth in total revenue from RM206,832,549 million in 2005 to RM225,069,292 million in 2006, representing an increase of 8.8%. For the year 2006, profit after taxation was RM12,757,464 million compared with RM5,641,127 million in 2005. The remarkable growth was contributed by the increase of container throughout.

Port Performance

As a multi-purpose port, the Penang Port Sdn Bhd handles dry bulk cargo, liquid bulk cargo, break bulk cargo and also containerised cargo. Cargo handling performance in 2006 recorded a growth rate of 8.1%, that is 25,475,964 tonnes as compared with 23,563,135 tonnes of cargo in the previous year. All the cargo was handled through port facilities. Import traffic increased 9.3% to 14,098,545 fwt or 55% of the total. Export grew 6.7% to 11,377,419 fwt or 45% of total throughput.

Container

For 2006, the highest contribution growth came from the container sector. Tonnage-wise, containerised cargo handling recorded a growth of 13% to 15,662,167 tonnes compared with 13,870,399 tones during the same period in the previous year. In terms of TEUs (a unit equivalent to twenty feet), Penang Port Sdn Bhd handled 849,730 TEUs in 2006, a 7% rise from 795,289 TEUs in 2005. The bulk of the increase in the

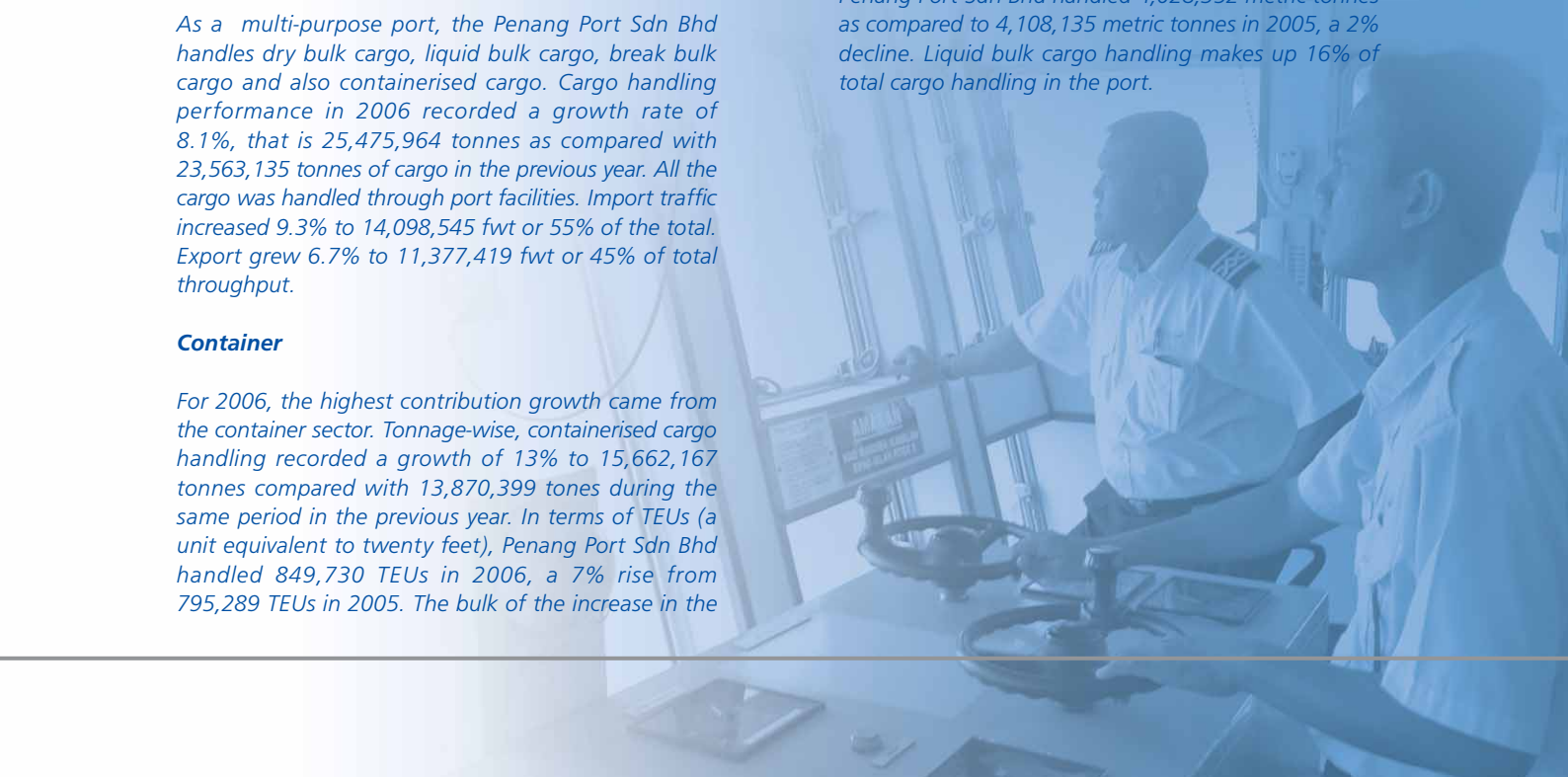
container sector came from the intra-Asian trade was largely powered by increased domestic and regional transshipment traffic. The introduction of new shipping services from the port also contributed to the growth.

Dry Bulk

Dry bulk cargo handling in 2006 showed a 6.4% rise against the previous year. Altogether 4,039,870 tonnes was handled compared with 3,797,080 tonnes in 2005. Dry bulk commodities include maize, raw sugar, scrap metal and fertiliser.

Liquid Bulk Cargo

Liquid bulk cargo continues to be the major cargo contributing to the total cargo handled at Penang Port Sdn Bhd even though it registered a marginal decrease as compared to the figure in the year 2005. In 2006, Penang Port Sdn Bhd handled 4,028,352 metric tonnes as compared to 4,108,135 metric tonnes in 2005, a 2% decline. Liquid bulk cargo handling makes up 16% of total cargo handling in the port.





Break Bulk Cargo

Break bulk cargo accounting for 7% of the total cargo throughput, decrease 2.4% to 1,745,575 tonnes in 2006. The decrease was due to a shift in the cargo transport pattern towards the use of containers.

Ferry Services

PPSB who is operating eight ferries at present aims to formulise a viable plan as the operating cost is reducing its total revenue. Although there will be no increase in charges, we are working on an alternative plan to operate smaller boats with faster transiting time.

It will cater for passengers and we will slowly decrease the trips for vehicle transportation. This is based on the widening of the Penang Bridge and with the upcoming Second Bridge. We are also working on more cost-efficient schedule that will see lesser trips at night.

Throughout the year, the ferry services transported 2,432,849 pedestrians, 1,985,875 motorcycles, 1,381,666 cars, 101,469 lorries and 20,400 bicycles from Butterworth on the mainland to George Town on the island.

Our people, Our Asset

We strongly believe the effort should be made to motivate port employees to achieve continuous improvement. Hence, we recognise the importance of training and development in both the technical and management aspects. About 979 employees were sent for training last year and plans are underway to periodically equip them with the necessary development skills. The management and employees also consistently enhance their communication levels via periodic meetings between the management team, the union as well as the associations.

The Future

PPSB's five-year business plan for the period 2007-2012 aims to serve our customers at the highest level, comparable to the services rendered by the top ports of the region. Under this new business plan, Penang Port will put a stronger focus on the Asian market namely the Far East/China and the Indian sub continent. These two areas are the fastest economic growth areas in the world. We strive to attract more main liners and direct calls services to the port.

The South Thailand cargo traffic which passes through Penang Port is deemed to increase further as Thailand is embarking on Research and Development with works on improving rubber planting to increase latex yield and the planting of new trees to increase the volume of rubber timber and its by-products. Hence, with the expected increase in volume, prospects for cross border trading are very promising indeed, supported by the strong, close traditional ties between Penang and South Thailand. On this note, our special appreciation goes to the Thai Rubber Association (TRA) and its members for their relentless support.

In addition, long term planning involving the development of port infrastructure need to be considered critically. Besides this, the establishing one-stop centres among players in the logistics chain as well as reducing the number of players to speed up the pace of vertical and horizontal integration of chain should also be encouraged.

Acknowledgement

On behalf of Penang Port, I'd like to extend my sincere appreciation to all parties for their dedication and support. To port users and operators – a special thank you for your support. The port's achievements today are due to your contributions. Last but not least, my heartfelt gratitude to the management and staff of PPSPB for their commitment thus far.

Dato' Ahmad Ibnihajar
Managing Director/Chief Executive Officer



Peristiwa-peristiwa Korporat **Corporate Highlights**



Peristiwa-peristiwa Korporat Corporate Highlights



■ 18 / 1 / 2006 ■

18 Januari 2006

Ketibaan kapal 'Rhonborg' ke Pangkalan Kontena Butterworth Utara.

18 January 2006

Port call of 'Rhonborg' at North Butterworth Container Port.

9 Februari 2006

Lawatan dari Asian Institute of Productivity and Quantity Management ke Penang Port Sdn. Bhd.

9 February 2006

Visit by Asian Insitute of Productivity and Quantity Management to Penang Port Sdn. Bhd.

23 Februari 2006

Lawatan kerja Pengurus-Pengurus Kompleks LKIM ke Pelabuhan Kontena Butterworth Utara.

23 February 2006

Visit by LKIM Kompleks Managers to North Butterworth Container Terminal.

25 Februari 2006

Lawatan sambil belajar pelajar-pelajar dari kursus Pentadbiran Perniagaan UiTM, Melaka di Pangkalan Kontena Butterworth Utara.

25 February 2006

Academic visit by students from International Business Programme UiTM, Melaka at North Butterworth Container Terminal.

14 Mac 2006 – 15 Mac 2006

Lawatan rasmi daripada Bintulu Port Sdn. Bhd. ke Penang Port Sdn. Bhd.

14 March 2006 – 15 March 2006

Official visit by Bintulu Port Sdn. Bhd. to Penang Port Sdn. Bhd.

17 Mac 2006

Lawatan sambil belajar, pelajar-pelajar Fakulti Pengajian Antarabangsa Universiti Utara Malaysian ke Pangkalan Kontena Butterworth Utara.

17 March 2006

Academic visit by student from Fakulti Pengajian Antarabangsa, Universiti Utara Malaysia to North Butterworth Container Terminal.

24 Mac 2006

Lawatan akademik dari pelajar-pelajar Universiti Utara Malaysia ke Penang Port.

24 March 2006

Academic visit by students from Universiti Utara Malaysia to Penang Port.

28 Mac 2006

Lawatan dari Institut Kemahiran Utara, Langkawi ke Penang Port Sdn. Bhd.

28 March 2006

Academic visit from Institut Kemahiran Utara, Langkawi to Penang Port Sdn. Bhd.

30 Mac 2006

Lawatan dari FMM Institute Manufacturing ke Penang Port Sdn. Bhd.

30 March 2006

Visitation by FMM Institute Manufacturing to Penang Port Sdn. Bhd.



20 April 2006

Lawatan peserta-peserta antarabangsa kursus Leadership & Organisation Management di bawah Malaysian Technical Cooperation Programme (MTCP) to Penang Port Sdn. Bhd.

24 April 2006

Visitation by international participants of Leadership & Organisation Management course under Malaysian Technical Cooperation Programme (MTCP) to Penang Port Sdn. Bhd.

5 Mei 2006

PPSB menganjurkan Kempen menderma darah.

5 May 2006

Blood donation day organised by PPSB Health Department.



29 Mei 2006

Lawatan akademik dari Art-ED School of Arts, Universiti Sains Malaysia ke Penang Port Sdn. Bhd.

29 May 2006

Academic visit by Art-ED School of Arts, Universiti Sains Malaysian to Penang Port Sdn. Bhd.

6 Jun 2006 – 7 Jun 2006

PPSB menyertai pameran Port & Shipping 2006 Malaysia di Renaissance Hotel Kuala Lumpur.

6 June 2006 – 7 June 2006

PPSB join the Port & Shipping 2006 Malaysia exhibition at Renaissance Hotel Kuala Lumpur.

6 Jun 2006 – 8 Jun 2006

PPSB menganjurkan Kem Murid Smart bertempat di Universiti Sains Malaysia, untuk anak-anak pekerja yang bakal menduduki peperiksaan UPSR, PMR dan SPM.

6 June 2006 – 8 June 2006

PPSB organised Smart Camp at Universiti Sains Malaysia for employee's children sitting for the upcoming UPSR, PMR and SPM.



■ 6 / 6 / 2006 – 7 / 6 / 2006 ■



■ 14 / 7 / 2006 ■

14 Julai 2006

Y.Bhg. Dato' Ahmad Ibnihajar merasmikan Pejabat Unit Pemasaran bertempat di Padang Besar, Perlis.

14 July 2006

Launch of PPSB's new marketing office at Padang Besar, Perlis by Y.Bhg. Dato' Ahmad Ibnihajar.

26 Julai 2006

Lawatan dari peserta-peserta antarabangsa kursus Strategic Management di bawah Malaysia Technical Cooperation Programme (MTCP) ke Penang Port.

26 July 2006

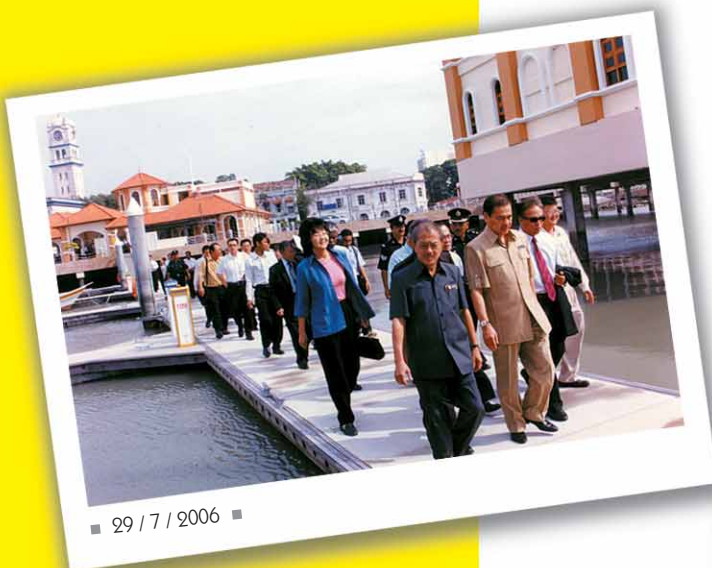
Visit from international participants of Strategic Management course under Malaysia Technical Cooperation Programme (MTCP) to Penang Port.

29 Julai 2006

Lawatan rasmi Menteri Pengangkutan Dato' Seri Chan Kong Choy di Tanjong City Marina.

29 July 2006

Official visit by Minister of Transport Dato' Seri Chan Kong Choy to Tanjong City Marina.



■ 29 / 7 / 2006 ■



31 Julai 2006

Latihan kecemasan di atas feri Pulau Rawa bertempat di tambatan 2 PSAH (Pengakalan Sultan Abdul Halim).

31 July 2006

Emergency response exercise on ferry Pulau Rawa at Pengakalan Sultan Abdul Halim.

2 Ogos 2006

Lawatan sambil belajar dari Pusat Latihan Teknologi Tinggi (ADTEC) to Penang Port Sdn. Bhd.

2 August 2006

Academic visit from Pusat Latihan Teknologi Tinggi (ADTEC) to Penang Port Sdn. Bhd.

18 Ogos 2006

Lawatan dari Jardine Shipping Services ke Pangkalan Kontena Terminal Utara.

18 August 2006

Visit by Jardine Shipping Services to North Butterworth Container Terminal.

22 Ogos 2006

Lawatan dari TLDM, Lumut Perak untuk mengetahui prosedur keselamatan yang dilaksanakan oleh pihak pelabuhan.

22 August 2006

Visit from TLDM, Lumut Perak regarding safety procedure implemented by the port.

29 Ogos 2006

Penggambaran TV9 ke Penang Port Sdn. Bhd. untuk program Pukul 3 Pagi.

29 August 2006

Video shooting by TV9 to Penang Port Sdn. Bhd. for the programme "Pukul 3 Pagi".

12 Oktober 2006

Lawatan Menteri Pengangkutan, Y. B. Dato' Sri Chan Kong Choy ke Penang Port Sdn. Bhd.

12 October 2006

Official Visit by the Minister of Transport Y. B. Dato' Sri Chan Kong Choy to Penang Port Sdn. Bhd.

3 November 2006

Lawatan sambil belajar peserta-peserta diploma Sains Pengurusan (DSP) Institut Tadbiran Awam Negara (INTAN) ke Penang Port Sdn. Bhd.

3 November 2006

Academic visit by Science Management participants of Institut Tadbiran Awam Negara (INTAN) to Penang Port Sdn. Bhd.

11 November 2006

PPSB menganjurkan Rumah Terbuka Penang Port Sdn. Bhd. sempena sambutan Hari Raya Aidilfitri untuk wargakerja dan para pelanggan berserta keluarga masing-masing di perkarangan Tanjung City Marina.

11 November 2006

PPSB hosted its Open House in conjunction with the Hari Raya Aidilfitri celebrations for employees and corporate clients together with their respective families at Tanjung City Marina.

7 Disember 2006

PPSB menganjurkan Majlis Berkhatan untuk anak-anak pekarja.

7 December 2006

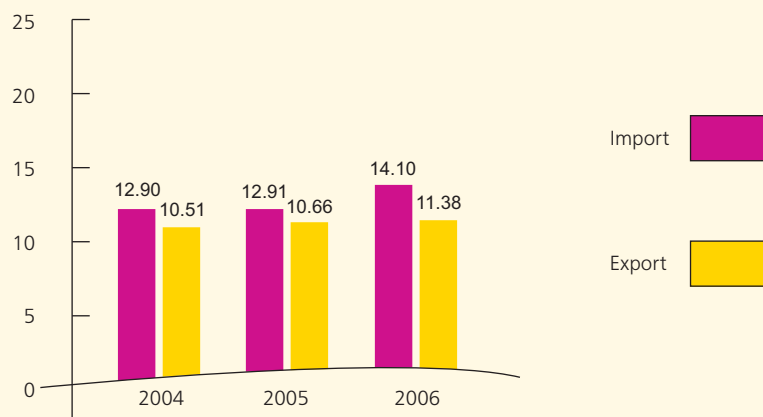
PPSB organised "Circumcision Ceremony" for employees' Children.

Perangkaan Statistics

Kargo yang dikendalikan oleh Pelabuhan Pulau Pinang

Cargo handled by Penang Port

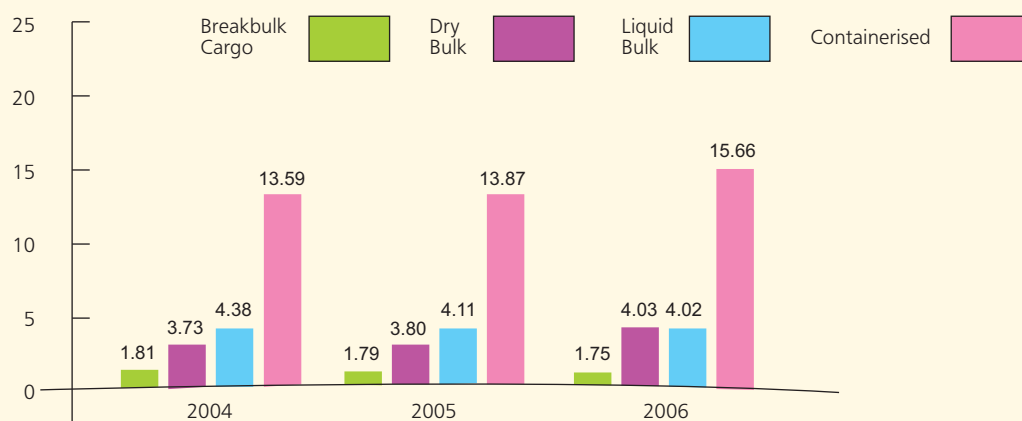
(dalam juta tan / *in million freight tonnes*)



Jenis kargo yang dikendalikan oleh Pelabuhan Pulau Pinang

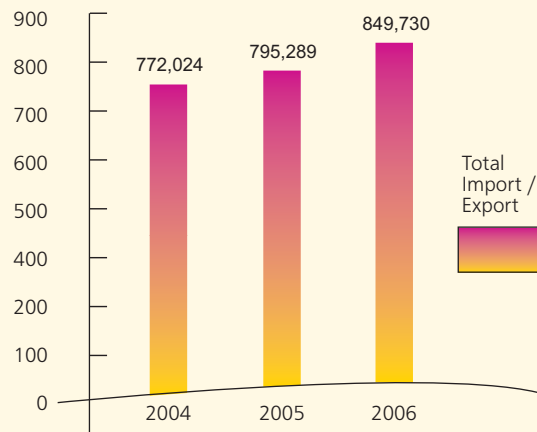
Type of Cargo handled by Penang Port

(dalam juta tan / *in million freight tonnes*)



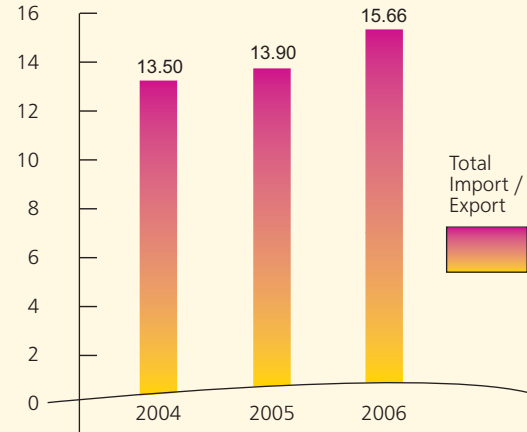
Kendalian Kontena / *Container Traffic*

(dalam '000 teu / *in '000 TEUs*)



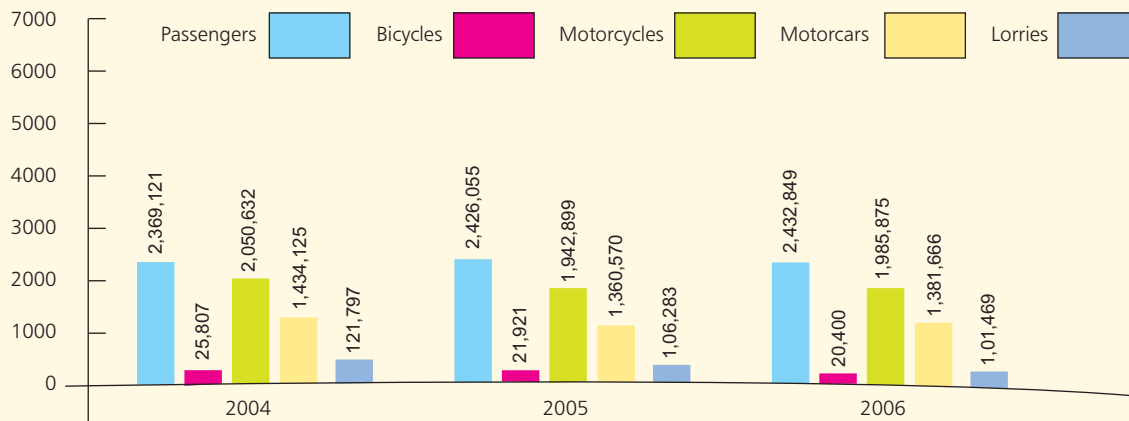
Kendalian Kargo Kontena / *Containerised Cargo Traffic*

(dalam juta tan / *in million freight tonnes*)



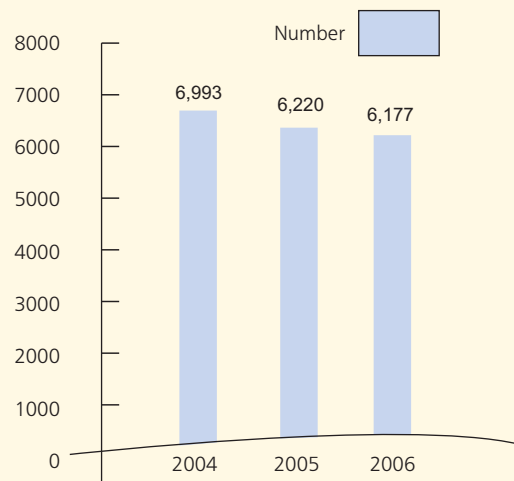
Perangkaan Feri / *Ferry Statistic*

(dalam juta unit / *in million units*)



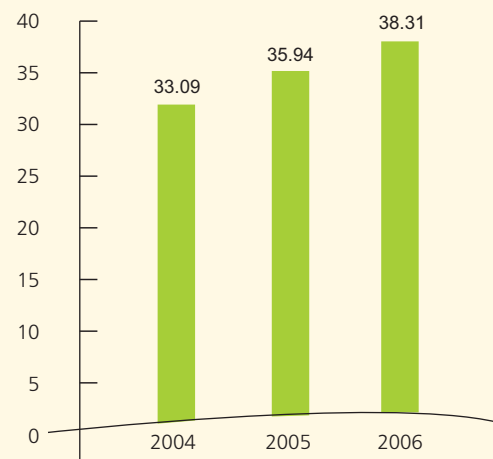
Perangkaan Kapal

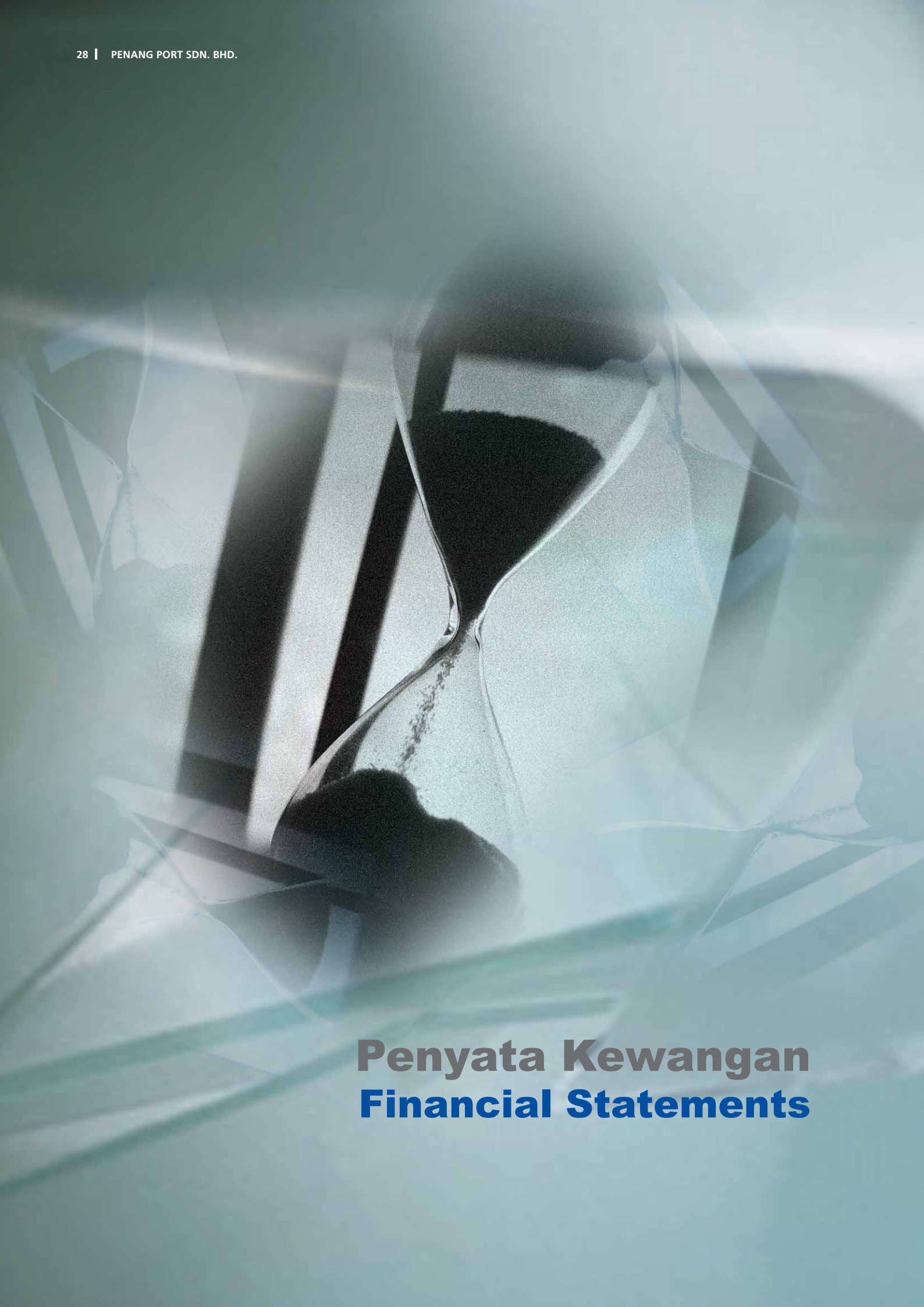
Number of Vessels Calling at the Port



(dalam juta unit / *in million units*)

GRT



The background of the page is an abstract composition of overlapping, translucent geometric shapes in various shades of blue and teal. These shapes create a sense of depth and movement. In the center of the image, there is a dark, almost black, silhouette of a person standing with their arms outstretched, possibly representing a person at a port or a figure in a dynamic pose. The overall aesthetic is modern and professional.

Penyata Kewangan **Financial Statements**

Laporan dan Penyata Kewangan

bagi tahun kewangan
berakhir 31 Disember 2006



Laporan Para Pengarah	30 - 32
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Penyata Perubahan Ekuiti Syarikat	36
Penyata Aliran Tunai	37
Nota-nota Kepada Penyata Kewangan	38 - 59
Penyata Pengarah-Pengarah	60
Akuan Berkanun	60



Laporan Para Pengarah

bagi tahun berakhir 31 Disember 2006

Para pengarah dengan sukacitanya mengemukakan laporan mereka serta penyata kewangan yang telah diaudit bagi tahun kewangan berakhir 31 Disember 2006.

KEGIATAN UTAMA

Kegiatan utama Syarikat di sepanjang tahun kewangan adalah mengendalikan, mengurus, menyelenggara dan menyediakan kemudahan dan perkhidmatan pelabuhan serta perkhidmatan lain yang berkaitan atas lesen yang dikeluarkan oleh Suruhanjaya Pelabuhan Pulau Pinang. Syarikat juga mengendalikan, memaju, mengurus dan pentadbiran Zon Bebas Perdagangan di bawah Akta Zon Bebas, 1990 dan mengurus aktiviti perkhidmatan gudang. Tiada perubahan ketara dalam kegiatan-kegiatan tersebut bagi Syarikat.

Proses pembubaran sukarela bagi syarikat subsidiari, Penang Free Commercial Zone Sdn. Bhd. telah selesai pada 31 Julai 2006.

KEPUTUSAN KEWANGAN

RM

Keuntungan dari aktiviti biasa selepas cukai

12,757,464

Para Pengarah berpendapat bahawa keputusan operasi Syarikat bagi tahun kewangan ini tidak berkaitan dengan sebarang urusan niaga atau perkara yang penting atau luar biasa.

DIVIDEN

Dividen yang dibayar atau dinyatakan oleh Syarikat sejak tahun kewangan yang lalu adalah seperti berikut:

RM

Bagi tahun kewangan berakhir 31 Disember 2005, seperti yang tertera di dalam Laporan Pengarah untuk tahun itu, dividen akhir sebanyak 2 sen sesaham di atas 73,450,002 saham biasa, ditolak cukai pendapatan 28%, dibayar pada 30 Mei 2006

1,057,680

Para pengarah mengesyorkan dividen akhir sebanyak 6 sen sesaham atas 73,450,002 saham biasa, ditolak cukai pendapatan 27%, berjumlah RM3,217,110 bagi tahun berakhir 31 Disember 2006. Cadangan dividen adalah tertakluk kepada kelulusan pada Mesyuarat Agong Tahunan Syarikat yang akan datang.

RIZAB DAN PERUNTUKAN

Semua pindahan penting dibuat dari atau ke rizab atau peruntukan sepanjang tahun kewangan telah dinyatakan di dalam penyata kewangan.

PARA PENGARAH

Para Pengarah Syarikat yang berkhidmat semenjak tarikh laporan yang terdahulu ialah:

Dato' Abdul Latif bin Abdullah

Dato' Ahmad Ibnihar

Datuk (Dr.) Kelvin Tan Aik Pen

Datuk Nur Jazlan bin Tan Sri Mohamed

Datuk Zalekha binti Hassan

Dato' Hj. Zakaria bin Hj. Bahari

En. Mohammad Zanudin bin Ahmad Rasidi

(dilantik pada 29.11.2006)

(dilantik pada 27.12.2006)

(bersara pada 20.11.2006)

Laporan Para Pengarah (sambungan) bagi tahun berakhir 31 Disember 2006

KEPENTINGAN PARA PENGARAH

Menurut Daftar Pemegang Saham Para Pengarah, tidak ada Pengarah yang memegang jawatan pada akhir tahun kewangan memegang sebarang kepentingan dalam saham Syarikat.

MANFAAT PARA PENGARAH

Sama ada semasa atau pada akhir tahun kewangan, Syarikat atau badan korporat yang berkaitan tidak terlibat dengan sebarang urusan yang membolehkan para Pengarah memiliki faedah dengan cara mendapatkan saham atau debentur Syarikat atau sebarang badan korporat lain.

Sejak akhir tempoh kewangan yang terdahulu, tidak ada para Pengarah yang menerima atau berhak menerima sebarang faedah (selain daripada jumlah ganjaran yang ditunjukkan dalam nota 8 kepada penyata kewangan) bersebab dari perjanjian yang dibuat oleh Syarikat atau syarikat-syarikat berkaitan dengan Pengarah atau dengan firma di mana Pengarah adalah seorang ahli, atau dengan syarikat di mana Pengarah mempunyai kepentingan kewangan yang nyata.

MAKLUMAT BERKANUN KE ATAS PENYATA KEWANGAN

Sebelum penyata pendapatan dan lembaran imbalan Syarikat disediakan, para Pengarah telah mengambil langkah-langkah berikut:

- (a) untuk memastikan bahawa tindakan telah diambil berhubung dengan hapuskira hutang lapuk dan elaun hutang ragu dan telah berpuashati bahawa hapuskira dan elaun dibuat secukupnya; dan
- (b) untuk memastikan bahawa harta-harta semasa yang nilai bukunya tidak mungkin diperolehi melalui urusan biasa telah dikurangkan ke nilai yang dijangka boleh diperolehi.

Pada tarikh laporan ini dibuat, para Pengarah tidak mengetahui akan sebarang keadaan:

- (a) yang mungkin akan menyebabkan jumlah yang dihapuskira atau jumlah elaun untuk hutang lapuk dan hutang ragu dalam akaun Syarikat tidak mencukupi ke peringkat yang akan menyebabkan nilai harta semasa Syarikat ini mengelirukan; dan
- (b) yang boleh menyebabkan kepatuhan kepada kaedah penilaian yang sedia ada ke atas harta dan tanggungan Syarikat mengelirukan atau tidak sesuai.

Tiada tanggungan kontinjen atau lain-lain tanggungan Syarikat yang boleh dikuatkuasakan atau mungkin boleh dikuatkuasakan dalam tempoh dua belas bulan dari tarikh akhir tahun kewangan, yang pada pendapat para Pengarah, akan atau boleh memberi kesan terhadap keupayaan Syarikat untuk menunaikan kewajipan mereka apabila tiba masanya.

Dalam tempoh berakhirnya tahun kewangan sehingga tarikh laporan ini disediakan:

- (a) tiada sebarang perkara urusan biasa atau peristiwa penting dan luar biasa keadaannya, yang mungkin akan menjejaskan keputusan operasi Syarikat untuk tahun semasa; dan
- (b) Tiada sebarang caj ke atas harta Syarikat di dalam menjamin tanggungan pihak lain atau sebarang tanggungan luar jangka yang wujud dalam Syarikat.

Pada tarikh laporan ini, para Pengarah tidak mengetahui sebarang keadaan jika tidak diambilkira dalam laporan atau penyata kewangan akan menyebabkan jumlah yang dinyatakan dalam penyata kewangan mengelirukan.

BADAN KORPORAT PEGANGAN INDUK

Para Pengarah menganggap Menteri Kewangan (Diperbadankan), diperbadankan di bawah Akta Kementerian Kewangan (Perbadanan), 1957 sebagai badan korporat pegangan induk.

Laporan Para Pengarah (sambungan)

bagi tahun berakhir 31 Disember 2006

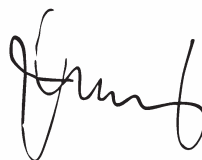
JURUAUDIT

Juruaudit PricewaterhouseCoopers, telah mengatakan kesanggupan mereka untuk meneruskan perkhidmatan mereka.

Ditandatangani bagi pihak Lembaga Pengarah menurut resolusi Lembaga Pengarah bertarikh 30 Mac 2007.



DATO' ABDUL LATIF BIN ABDULLAH
PENERUSI



DATO' AHMAD IBNIHAJAR
PENGARAH URUSAN/KETUA PEGAWAI EKSEKUTIF

Laporan Juruaudit

kepada Ahli Penang Port Sdn. Bhd.

Kami telah mengaudit penyata kewangan yang dibentangkan di muka surat 34 hingga 59. Penyata kewangan tersebut adalah tanggungjawab para Pengarah Syarikat. Tanggungjawab kami adalah mengemukakan pendapat kami berdasarkan audit yang telah kami jalankan ke atas penyata kewangan menurut Seksyen 174 Akta Syarikat 1965 dan bukan untuk tujuan selainnya. Kami tidak bertanggungjawab kepada pihak lain atas kandungan laporan ini.

Kami telah menjalankan audit mengikut piawaian-piawaian audit berkenaan yang diluluskan di Malaysia. Piawaian-piawaian tersebut memerlukan kami merancang dan melaksanakan audit untuk memperoleh keyakinan yang munasabah samada penyata kewangan yang dibentangkan adalah bebas dari kenyataan-kenyataan penting yang salahnyata. Sesuatu audit merangkumi pemeriksaan, secara ujian, bukti yang menyokong jumlah-jumlah dan pernyataan di dalam penyata kewangan. Audit juga merangkumi penaksiran terhadap penggunaan prinsip-prinsip perakaunan dan anggaran-anggaran penting yang dibuat oleh para Pengarah dan juga penilaian ke atas pembentangan penyata kewangan keseluruhannya. Kami percaya audit kami menyediakan asas yang munasabah untuk kami memberikan pendapat.

Pada pendapat kami:

- (a) penyata kewangan telah disediakan mengikut peruntukan-peruntukan Akta Syarikat, 1965 dan MASB Piawaian Perakaunan Diluluskan di Malaysia untuk Entiti Persendirian supaya memberikan gambaran yang benar dan saksama tentang:
 - (i) perkara-perkara yang dikehendaki dibawah Seksyen 169 Akta Syarikat, 1965 yang perlu dituruti di dalam penyata kewangan; dan
 - (ii) kedudukan urusan kewangan Syarikat pada 31 Disember 2006 dan keputusan dan aliran tunai Syarikat bagi tahun kewangan berakhir pada tarikh tersebut; dan
- (b) rekod-rekod perakaunan serta rekod-rekod lain, termasuk daftar-daftar yang dikehendaki disimpan di bawah Akta tersebut oleh Syarikat telah disimpan dengan sempurna menurut peruntukan-peruntukan Akta tersebut.



PRICEWATERHOUSECOOPERS
[AF-1146]
Akauntan Awam



LIM TEONG KEAN
[2499/12/07 (J)]
Rakankongsi Firma

Pulau Pinang
30 Mac 2007

Penyata Pendapatan

bagi tahun berakhir 31 Disember 2006

	Nota	2006 RM	2005 RM
Pendapatan	5	225,069,292	206,832,549
Lain-lain pendapatan		7,078,069	7,068,125
Kegunaan barangan keperluan		(8,781,480)	(8,843,958)
Minyak dan utiliti		(24,984,702)	(20,993,122)
Kos Kakitangan	6	(81,610,513)	(81,144,416)
Buruh kontrak		(4,493,099)	(2,823,723)
Susutnilai		(28,803,761)	(27,259,820)
Elaun hutang ragu		(619,959)	(1,466,048)
Susutnilai dalam perbelanjaan pengorekan		(8,433,597)	(7,654,105)
Pembaikan dan penyelenggaraan		(13,662,297)	(12,087,511)
Perbelanjaan sewa		(23,384,945)	(18,421,989)
Cukai pintu dan cukai tanah		(6,204,173)	(4,915,378)
Bayaran professional dan perundangan		(879,687)	(1,109,934)
Insuran		(2,296,772)	(2,608,688)
Lain-lain perbelanjaan operasi		(5,527,470)	(4,803,896)
KEUNTUNGAN DARI OPERASI	7	22,464,906	19,768,086
Penbayaran faedah		(11,026,893)	(12,571,414)
Elaun atas susutnilai pelaburan		0	(511,265)
Laba atas pembubaran syarikat subsidiari		26,320	14,298
Laba atas pelupusan pelaburan		1,218,738	970,539
KEUNTUNGAN DARIPADA AKTIVITI BIASA SEBELUM CUKAI		12,683,071	7,670,244
Cukai	9	74,393	(2,029,117)
KEUNTUNGAN DARIPADA AKTIVITI BIASA SELEPAS CUKAI		12,757,464	5,641,127

Lembaran Imbangan

pada 31 December 2006

	Nota	2006 RM	2005 RM
MODAL DAN RIZAB			
Modal saham	11	73,450,003	73,450,003
Rizab	12	282,654,102	270,954,318
Ekuiti pemegang saham		356,104,105	344,404,321
LIABILITI JANGKAPANJANG			
Manfaat persaraan	13	51,955,368	45,094,038
Peruntukan	14	0	450,000
Cukai tertunda	15	33,835,000	34,428,000
Pinjaman	16	171,509,951	140,900,000
		257,300,319	220,872,038
		613,404,424	565,276,359
Diwakili oleh:			
ASET BUKAN SEMASA			
Hartanah, mesin dan peralatan	17	579,873,244	531,342,984
Syarikat subsidiari	18	0	7,000
Syarikat bersekutu	19	0	0
Pelaburan	20	20,606,192	26,000,752
Pinjaman kakitangan	21	1,817,601	1,879,993
ASET SEMASA			
Inventori	22	15,190,150	14,035,707
Penghutang dan lain-lain penerimaan	23	41,049,667	26,904,330
Cukai yang boleh diperolehi semula		2,679,151	3,108,521
Simpanan tetap, baki bank dan tunai	24	37,393,702	34,511,539
		96,312,670	78,560,097
LIABILITI SEMASA			
Pemiutang dan lain-lain pembayaran	25	30,215,988	26,182,520
Manfaat persaraan	13	4,685,440	7,322,832
Pinjaman	16	49,133,333	44,133,333
		84,034,761	77,638,685
ASET SEMASA BERSIH			
		12,277,909	921,412
PERBELANJAAN DIBAWA KE HADAPAN	26	2,574,471	9,965,307
PENDAPATAN TERTUNDA	27	(3,744,993)	(4,841,089)
		613,404,424	565,276,359

Penyata Perubahan Ekuiti Syarikat

bagi tahun kewangan berakhir 31 Disember 2006

	Diterbit dan dibayar penuh bernilai RM1 sesaham		Tidak boleh diagihkan	Boleh diagihkan	Jumlah RM
	Saham biasa RM	Saham istimewa RM	Lain-lain rizab RM	Keuntungan terkumpul RM	
Pada 1 Januari 2005	73,450,002	1	132,368,424	136,117,807	341,936,234
Keuntungan bersih bagi tahun kewangan	0	0	0	5,641,127	5,641,127
Dividen bagi tahun kewangan berakhir 31 Disember 2004	0	0	0	(3,173,040)	(3,173,040)
Pada 31 Disember 2005	73,450,002	1	132,368,424	138,585,894	344,404,321
Pada 1 Januari 2006	73,450,002	1	132,368,424	138,585,894	344,404,321
Keuntungan bersih di akhir tahun	0	0	0	12,757,464	12,757,464
Dividen bagi tahun kewangan berakhir 31 Disember 2005	0	0	0	(1,057,680)	(1,057,680)
Pada 31 Disember 2006	73,450,002	1	132,368,424	150,285,678	356,104,105

Penyata Aliran Tunai

bagi tahun berakhir 31 Disember 2006

	Nota	2006 RM	2005 RM
AKTIVITI OPERASI			
Terimaan tunai dari penghutang		213,208,154	209,632,993
Bayaran tunai kepada pembekal dan kakitangan		(161,314,495)	(154,640,732)
Aliran tunai dari operasi		51,893,659	54,992,261
Bayaran faedah		(10,965,227)	(12,629,780)
Bayaran cukai		(89,237)	(1,157,925)
		(11,054,464)	(13,787,705)
Aliran tunai operasi bersih		40,839,195	41,204,556
AKTIVITI PELABURAN			
Dividen diterima dari pelaburan		274,314	232,454
Pengagihan modal dari pelaburan dalam syarikat subsidiari		33,320	5,689,800
Perolehan dari pelupusan hartanah, mesin dan peralatan		410,667	85,114
Perolehan jualan pelaburan oleh pengurus dana		7,835,990	6,587,831
Pembelian hartanah, mesin dan peralatan	17	(81,647,136)	(41,042,190)
Pembayaran untuk perbelanjaan "North Channel Dredging"		(1,042,761)	(3,200,125)
Pembelian pelaburan oleh pengurus dana		(685,362)	(5,547,652)
Faedah diterima		2,054,949	2,420,947
Aliran tunai pelaburan bersih		(72,766,019)	(34,773,821)
AKTIVITI PEMBIAYAAN			
Bayaran dividen		(1,057,680)	(3,173,040)
Terimaan pinjaman jangka panjang		55,000,000	25,000,000
Bayaran pinjaman jangka panjang		(19,133,333)	(117,966,667)
Aliran tunai pembiayaan bersih		34,808,987	(96,139,707)
PERUBAHAN BERSIH DALAM TUNAI DAN PERSAMAAN TUNAI		2,882,163	(89,708,972)
TUNAI DAN PERSAMAAN TUNAI PADA AWAL TAHUN KEWANGAN		34,511,539	124,220,511
TUNAI DAN BERSAMAAN TUNAI PADA AKHIR TAHUN KEWANGAN	24	37,393,702	34,511,539

Nota-nota Kepada Penyata Kewangan

1 MAKLUMAT AM

Kegiatan utama Syarikat di sepanjang tahun kewangan adalah mengendalikan, mengurus, menyelenggara dan menyediakan kemudahan dan perkhidmatan pelabuhan serta perkhidmatan lain yang berkaitan dibawah lesen yang dikeluarkan oleh Suruhanjaya Pelabuhan Pulau Pinang. Syarikat juga mengekal, memaju, mengurus dan mentadbir zon bebas perdagangan di bawah Akta Zon Bebas, 1990 dan mengurus aktiviti perkhidmatan gudang. Tiada perubahan ketara dalam kegiatan-kegiatan tersebut sepanjang tahun kewangan bagi Syarikat.

Proses pembubaran sukarela bagi syarikat subsidiari, Penang Free Commercial Zone Sdn. Bhd. telah selesai pada 31 Julai 2006.

Para Pengarah merujuk Menteri Kewangan (Diperbadankan), diperbadankan dibawah Akta Kementerian Kewangan (Perbadanan), 1957 sebagai badan korporat pegangan induk.

Bilangan para pekerja untuk Syarikat pada 31 Disember 2006 ialah 1,641 orang (2005: 1,669).

Syarikat ini ialah sebuah syarikat sendirian berhad, diperbadankan dan bermastautin di Malaysia.

Alamat pejabat berdaftar dan pejabat perniagaan utama ialah:

Tingkat 3 Bangunan Suruhanjaya Pelabuhan Pulau Pinang
No. 1 Pesara King Edward
10300 Penang

2 ASAS PENYEDIAAN PENYATA KEWANGAN

Penyata kewangan Syarikat telah disediakan mengikut konsep kos sejarah kecuali sepertimana yang dinyatakan di dalam ringkasan dasar perakaunan penting di nota 3 kepada penyata kewangan dan selaras dengan peruntukan-peruntukan Akta Syarikat, 1965 serta MASB Piawaian Perakaunan Diluluskan di Malaysia untuk Entiti Persendirian.

3 DASAR-DASAR UTAMA PERAKAUNAN

Kecuali telah dinyatakan sebaliknya, semua dasar perakaunan penting yang dinyatakan di bawah berkaitan dengan perkara-perkara penting kepada penyata kewangan adalah selaras dengan dasar yang dinyatakan.

Syarikat-syarikat Bersekutu

Pelaburan dalam syarikat-syarikat bersekutu dinyatakan mengikut kaedah perakaunan ekuiti di dalam penyata kewangan gabungan. Ekuiti jangka panjang Syarikat di antara 20% dan 50% atau di mana Syarikat boleh melaksanakan pengaruh penting dalam polisi kewangan dan operasi.

Pelaburan

Pelaburan dalam syarikat bersekutu dinyatakan pada kos. Jika terdapat tanda-tanda penurunan nilai pelaburan, nilai bawaan pelaburan tersebut dinilai dan diturunkan nilai serta merta kepada jumlah yang dapat dipulihkan. Ini telah dinyatakan dalam polisi perakaunan penurunan nilai aset.

Sekuriti Kerajaan Malaysia dinyatakan pada kos selepas pelarasan premium atau diskaun sehingga tarikh matang dan dijangka mendapat nilai nominal pada tarikh matang.

Saham-saham disenaraikan, bon dan stok pinjaman dinyatakan pada kos. Elaun dibuat di mana terdapat penurunan tetap ke atas nilai pelaburan atas asas portfolio.

Pelaburan ke atas kelab dinyatakan pada kos. Jika terdapat tanda-tanda penurunan nilai pelaburan, nilai bawaan pelaburan tersebut dinilai dan diturunkan serta-merta kepada jumlah yang dapat dipulihkan. Ini dinyatakan dengan lebih lanjut lagi dalam dasar perakaunan penurunan nilai. Nilai saksama diperolehi dengan merujuk kepada harga jualan yang dinyatakan oleh kelab tersebut pada tarikh lembaranimbangan.

Nota-nota Kepada Penyata Kewangan (sambungan)

3 DASAR-DASAR UTAMA PERAKAUNAN (sambungan)

Penurunan nilai aset

Nilai bawaan bagi hartanah, mesin dan peralatan, pelaburan di dalam syarikat bersekutu dan pelaburan di dalam kelab dinilai untuk mengenalpasti kejadian penurunan nilai jika keadaan atau perubahan dalam situasi yang menunjukkan bahawa nilai bawaan tidak boleh diperolehi semula. Penurunan nilai ini akan diambil kira apabila jumlah bawaan aset melebihi jumlah yang dapat diperolehi semula daripada aset tersebut. Nilai yang dapat diperolehi semula adalah perbandingan yang lebih tinggi di antara nilai jualan bersih dan nilai dalam penggunaan aset tersebut. Bagi tujuan penurunan nilai, aset akan dikumpulkan pada tahap terendah berdasarkan aliran tunai yang dapat dikenalpasti secara berasingan.

Penurunan nilai aset dicajkan kepada penyata pendapatan kecuali bagi aset penilaian semula. Penurunan nilai bagi aset penilaian semula akan dikenalpasti sebagai penurunan dalam lebihan penilaian semula bagi aset yang sama.

Penerbalikkan penurunan nilai yang dikenalpasti dalam tahun-tahun kewangan yang lalu dicatatkan apabila terdapat petanda bahawa penurunan nilai yang dikenalpasti bagi aset tersebut tidak lagi wujud ataupun telah berkurangan. Penerbalikkan ini dikenalpasti setakat nilai bawaan aset yang akan ditentukan (setelah ditolak pelunasan dan susutnilai) jika tiada kerugian penurunan nilai yang dikenalpasti. Penerbalikkan akan dinyatakan serta merta dalam penyata pendapatan, melainkan aset dibawa pada jumlah penilaian semula. Penerbalikkan sesuatu kerugian yang dibuat ke atas aset yang dinilai semula dikreditkan secara langsung ke rizab penilaian semula. Walau bagaimanapun, jika kerugian penurunan nilai dalam aset penilaian semula yang sama dikelaskan terdahulu sebagai perbelanjaan dalam penyata pendapatan, penerbalikkan kerugian tersebut dikenalpasti sebagai pendapatan dalam penyata pendapatan.

Hartanah, mesin dan peralatan

Hartanah, mesin dan peralatan dinyatakan pada kos sejarah tolak susutnilai terkumpul.

Bangunan, binaan dan jalanraya disusutnilaikan mengikut tempoh pajakan atau mengikut jangka usia.

Hartanah, mesin dan peralatan disusutnilaikan mengikut kaedah sama rata untuk menghapuskan kos harta tetap mengikut jangka usianya. Kadar tahunan digunakan adalah seperti berikut:

	%
Vesel	5.00 hingga 6.67
Alat mekanikal	6.67 hingga 14.30
Loji dan mesin	6.67 hingga 14.30
Kelengkapan pejabat	14.30 hingga 20.00

Hartanah, mesin dan peralatan bernilai kurang daripada RM2,000 dan tidak dikenalpasti sebagai aset kurang nilai tidak dipermodalkan tetapi dicaj ke penyata pendapatan.

Jika terdapat tanda-tanda penurunan nilai pada aset-aset, nilai buku aset tersebut dinilai dan diturunkan kepada nilai yang boleh diperolehi semula.

Inventori

Inventori dinyatakan pada kos dan nilai benar bersih yang mana lebih rendah. Kos ditentukan berdasarkan kos purata wajaran, melibatkan semua kos pembelian dan lain-lain kos. Di mana bersesuaian, elaun dibuat bagi inventori usang, bergerak perlahan atau rosak.

Penghutang dan lain-lain penerimaan

Penghutang dan lain-lain penerimaan dinyatakan pada nilai benar jangkaan. Kesemua hutang lapuk yang diketahui telah dihapuskan dan elaun telah dibuat untuk hutang-hutang yang penjelasannya diragukan. Elaun-elaun hutang ragu yang kemudiannya menjadi lapuk dihapuskan berasaskan elaun yang telah disediakan.

Nota-nota Kepada Penyata Kewangan (sambungan)

3 DASAR-DASAR UTAMA PERAKAUNAN (sambungan)

Cukai pendapatan

Perbelanjaan cukai semasa ditentukan mengikut undang-undang pencukaian Malaysia dan ini merangkumi cukai pendapatan berdasarkan keuntungan yang tertakluk kepada cukai.

Cukai tertunda dinyatakan dalam jumlah penuh, menggunakan kaedah liabiliti, iaitu mengambilkira perbezaan sementara yang timbul antara anggapan jumlah aset dan liabiliti bagi tujuan pencukaian dan nilai bawaannya di dalam penyata kewangan.

Aset cukai tertunda diambilkira hingga ke takat keuntungan cukai yang mungkin diperolehi di mana perbezaan sementara yang boleh dikurangkan atau kerugian cukai yang belum diambilkira dapat digunakan.

Kadar cukai yang digubal atau digubal secara substantif terutamanya pada tarikh lembaran imbalan digunakan untuk menentukan cukai tertunda.

Perbelanjaan dibawa ke hadapan

Perbelanjaan korekan yang dibelanjakan untuk mendalamkan Selat Utara dan lain-lain dermaga dinyatakan mengikut kos tolak susutan. Perbelanjaan tersebut disusutkan dalam jangkamasa tiga tahun supaya bersesuaian dengan kos dan sejajar dengan pertumbuhan ekonomi di masa hadapan.

Kerja-kerja penyelenggaraan biasa ditunjukkan dalam penyata pendapatan bagi setiap kerja yang dilaksanakan.

Pendapatan tertunda

Pendapatan tertunda meliputi geran Kerajaan berhubung dengan kren dan dikredit ke dalam penyata pendapatan bagi jangkamasa usia guna kren tersebut. Geran ini dinyatakan pada jumlah yang telah diterima selepas ditolak amaun yang dikredit di dalam penyata pendapatan.

Pajakan operasi

Bayaran pajakan operasi dikenakan kepada penyata pendapatan mengikut kaedah sama rata di sepanjang tempoh pajakan.

Manfaat persaraan

(i) Manfaat pekerja jangka pendek

Gaji, upah, cuti tahunan, bonus dan insentif pekerja Syarikat ditunggak dalam jangka masa perkhidmatan mereka.

(ii) Manfaat pekerja selepas perkhidmatan

Syarikat mempunyai pelan manfaat didefinisikan dan pelan sumbangan didefinisikan.

Pelan sumbangan didefinisikan ialah pelan pencen dimana Syarikat membayar sumbangan tetap ke dalam entiti berasingan (dana) dan tidak mempunyai tanggungan konstruktif untuk terus membayar sumbangan sekiranya dana tersebut tidak mempunyai cukup aset untuk membayar semua manfaat pekerja yang berkaitan dengan perkhidmatan pekerja dalam jangkawaktu semasa dan sebelumnya. Pelan manfaat didefinisikan ialah pelan dimana amaun manfaat diperuntukkan sebagai fungsi satu atau lebih faktor-faktor seperti umur, tahun perkhidmatan atau pampasan.

Pelan sumbangan yang didefinisikan

Sumbangan Syarikat terhadap Kumpulan Wang Simpanan Pekerja, iaitu pelan sumbangan kebangsaan yang didefinisikan, dicaj dalam penyata pendapatan dalam jangka masa yang berkaitan. Sebaik sahaja sumbangan tersebut telah dibayar, Syarikat tidak mempunyai sebarang tanggungjawab untuk pembayaran selanjutnya.

Nota-nota Kepada Penyata Kewangan (sambungan)

3 DASAR-DASAR UTAMA PERAKAUNAN (sambungan)

Pelan manfaat yang didefinisikan

Liabiliti berkenaan pelan ialah nilai semasa tanggungan manfaat yang didefinisikan pada tarikh lembaran imbalan, pelarasan bagi laba/kerugian aktuarial dan kos perkhidmatan lepas. Syarikat menentukan nilai semasa tanggungan manfaat yang didefinisikan pada kekerapan yang mencukupi, untuk memastikan jumlah yang dinyatakan dalam penyata kewangan tidak banyak perbezaan dengan jumlah yang akan ditentukan pada tarikh lembaran imbalan.

Tanggungan manfaat yang didefinisikan dikira dengan menggunakan kaedah kredit terunjur yang ditentukan oleh aktuari luaran bebas dengan mengambilkira jangkaan aliran keluar tunai masa hadapan dengan menggunakan harga pasaran bon korporat berkualiti pada tarikh penilaian. Penilaian terakhir telah dibuat pada Oktober 2005. Pelan manfaat yang didefinisikan ini tidak disumbang dan tidak didana.

Laba dan kerugian aktuarial berpunca daripada penyelarasan pengalaman dan perubahan dalam andaian aktuarial. Jumlah laba dan kerugian bersih aktuarial yang dinyatakan dalam penyata pendapatan ditentukan seperti mana yang tertakluk dalam FRS 119²⁰⁰⁴, "Manfaat Pekerja" dan dicaj atau dikredit ke atas purata baki tempoh khidmat pekerja yang terlibat dalam pelan manfaat yang didefinisikan tersebut.

Tunai dan kesetaraan tunai

Tunai dan kesetaraan tunai termasuk tunai dalam tangan, penerimaan deposit dan pelaburan jangka pendek yang mana pertukaran jumlah tunai mempunyai risiko yang rendah ke atas perubahan nilai.

Peruntukan

Peruntukan diiktiraf apabila Syarikat mempunyai tanggungjawab pada masa sekarang hasil daripada kejadian lampau dan kemungkinan terdapat aliran keluar sumber yang diperlukan untuk menyelesaikan tanggungjawab tersebut dan jumlah anggaran yang munasabah boleh dibuat. Apabila Syarikat menjangkakan peruntukan digunakan, peruntukan tersebut akan dinyatakan sebagai aset yang berlainan tetapi hanya untuk peruntukan yang pasti.

Pengiktirafan pendapatan

Pendapatan diiktiraf atas dasar terakru semasa perkhidmatan diberikan.

Pendapatan faedah diiktiraf secara dasar terakru, ditentukan ke atas baki pokok pada kadar yang dikenakan.

Pendapatan dari sewaan diiktiraf secara terakru mengikut perjanjian sewaan.

Pendapatan dividen diiktiraf secara dasar terakru.

Dividen kepada pemegang saham Syarikat

Dividen yang telah diumumkan adalah dinyatakan sebagai liabiliti dan diambilkira di dalam ekuiti pemegang saham sebagai pembahagian dalam pendapatan terkumpul.

Nota-nota Kepada Penyata Kewangan (sambungan)

3 DASAR-DASAR UTAMA PERAKAUNAN (sambungan)

Instrumen kewangan

- (i) Instrumen kewangan diiktiraf dalam lembaran imbalan

Kaedah pengiktirafan yang digunakan untuk instrumen kewangan yang diiktiraf dalam lembaran imbalan adalah dinyatakan dalam penyata dasar yang berkaitan.

- (ii) Anggaran nilai saksama untuk tujuan pendedahan

Nilai saksama untuk derivatif dan sekuriti awam boleh niaga adalah berdasarkan pada harga pasaran tersiar pada tarikh lembaran imbalan.

Nilai saksama untuk liabiliti kewangan yang tempoh matangnya lebih dari satu tahun dan kadar faedah tetap adalah diiktiraf dengan mendiskaunkan aliran tunai kontrak hadapan pada kadar faedah pasaran semasa yang berkenaan terhadap Syarikat untuk instrumen kewangan yang sama.

Nilai muka aset dan liabiliti kewangan dianggap dekat dengan nilai saksama untuk instrumen kewangan yang mempunyai tempoh matang kurang dari satu tahun.

4 OBJEKTIF DAN POLISI PENGURUSAN RISIKO KEWANGAN

Aktiviti Syarikat terdedah kepada beberapa risiko kewangan termasuk risiko pertukaran kadar pertukaran wang asing, risiko kadar faedah, risiko pasaran, risiko kredit, risiko kecairan dan aliran tunai. Objektif pengurusan risiko kewangan Syarikat secara keseluruhan adalah untuk memastikan kecukupan sumber kewangan dalam membangunkan peniagaan dan juga menguruskan risiko kewangan, dan polisi Syarikat adalah untuk tidak terlibat dalam urusan spekulatif. Syarikat memfokuskan ke atas ketidakpastian operasi perniagaan dan cuba meminimumkan kesan sebalik ke atas prestasi kewangan syarikat. Pengurusan risiko kewangan dilakukan melalui menganalisa risiko, sistem kawalan dalaman, program insurans global dan kepatuhan kepada polisi pengurusan risiko syarikat. Lembaga Pengarah menganalisa risiko ini dan meluluskan polisi, merangkumi pengurusan risiko-risiko ini.

Risiko pertukaran wang asing

Syarikat terdedah kepada risiko pertukaran kadar mata wang asing akibat daripada transaksi di dalam mata wang asing. Pendedahan terhadap kontrak mata wang asing adalah terhadap kepada pemiutang dalam mata wang asing. Sekiranya pendedahan terhadap mata wang asing adalah ketara, Syarikat akan memasuki kontrak pertukaran ke hadapan untuk melindungi pendedahan terhadap mata wang asing.

Risiko kadar faedah

Pendapatan dan aliran tunai operasi kebanyakannya tidak bergantung kepada perubahan kadar faedah pasaran. Pendedahan terhadap kadar faedah adalah daripada pinjaman dan simpanan Syarikat dan diuruskan melalui penggunaan peralatan hutang kadar tetap dan terapung. Sekiranya perlu, pendedahan ini diuruskan melalui program pengubahsuaian kadar faedah dari terapung ke tetap dan sebaliknya. Syarikat menganggap pendedahan terhadap kadar faedah bagi simpanan adalah minimal kerana sifat simpanan tersebut adalah untuk jangka masa pendek dan bukannya untuk spekulasi.

Risiko pasaran

Syarikat adalah terdedah kepada risiko pasaran dalam portfolio pelaburan dengan pengurus dana luaran dan pelaburan di dalam Sekuriti Kerajaan Malaysia. Pelaburan-pelaburan ini adalah untuk jangka masa panjang dan bukannya untuk spekulasi. Syarikat menganggap risiko kerugian ketara disebabkan oleh perubahan di dalam nilai pasaran adalah minimal.

Nota-nota Kepada Penyata Kewangan (sambungan)

4 OBJEKTIF DAN POLISI PENGURUSAN RISIKO KEWANGAN (sambungan)

Risiko kredit

Risiko kredit wujud daripada pelanggan komersil dan sewa di mana perkhidmatan dan penyewaan diperuntukkan atas terma-terma kredit tertunda. Risiko kredit diuruskan melalui pengawalan sekuriti dan cagaran sebagai prasyarat untuk pembukaan akaun lejer. Perkhidmatan hanya diberi kepada pelanggan yang mempunyai sejarah kredit yang baik. Perkhidmatan kepada pelanggan akan digantung apabila amaun hutang melebihi nilai sekuriti dan setelah lain-lain inisiatif penstrukturan semula gagal. Syarikat menganggap risiko kerugian ketara adalah minimal.

Risiko kecairan dan aliran tunai

Syarikat mengurus dengan aktifnya aliran tunai operasi, keperluan perbelanjaan modal, profil hutang matang dan keperluan dana untuk memastikan semua pembiayaan, pembayaran dan keperluan dana adalah mencukupi. Sebahagian daripada langkah berjaga-jaga di dalam pengurusan kecairan, Syarikat mengekalkan tunai secukupnya dan sekuriti boleh pasar dan kemudahan dana melalui kemudahan kredit yang secukupnya. Syarikat juga membuat pelaburan bagi aset – aset tunai secara selamat dan membawa keuntungan.

5 PENDAPATAN

	2006 RM	2005 RM
Pendapatan daripada perkhidmatan		
pelabuhan dan perkhidmatan berkaitan	216,202,282	197,949,331
Pendapatan sewa	8,867,010	8,883,218
	225,069,292	206,832,549

6 KOS KAKITANGAN

	2006 RM	2005 RM
Upah dan gaji	53,446,872	53,187,616
Pelan sumbangan didefinasi	5,334,863	5,468,816
Pelan manfaat didefinasi	10,261,842	9,595,700
Manfaat lain	12,566,936	12,892,284
	81,610,513	81,144,416

Maklumat berkenaan pelan manfaat didefinasikan bagi Syarikat adalah seperti yang dinyatakan di nota 13.

Nota-nota Kepada Penyata Kewangan (sambungan)

7 KEUNTUNGAN DARIPADA OPERASI

	2006 RM	2005 RM
Keuntungan daripada operasi dinyatakan selepas dicaj:		
Pajakan sewa operasi	16,280,323	12,053,253
Perbelanjaan sewa:		
- pajakan sewa konsension	6,659,950	6,055,250
- perbelanjaan sewa lain	444,672	313,486
 Pelunasan Sekuriti Kerajaan Malaysia	9,935	55,967
Ganjaran juruaudit	65,000	60,000
Hartanah, mesin dan peralatan dihapuskira	788,280	0
Kerugian atas pelupusan hartanah, mesin dan peralatan	8,206	4,549
 dan mengkreditkan:		
Dividen kasar diterima dari:		
- saham tersiar harga di Malaysia	335,964	335,041
Pendapatan faedah	2,005,209	3,851,343
Pendapatan sewa	8,867,010	8,883,216
Laba daripada pelupusan hartanah, mesin dan peralatan	409,963	85,114
Perlunasan pendapatan tertunda	1,096,096	1,096,096
Elaun hutang ragu diperolehi semula	827,304	604,665
Perolehan dari kerosakkan yang dcairkan	450,000	0

8 GANJARAN PARA PENGARAH

	2006 RM	2005 RM
Yuran:		
- Bukan eksekutif	83,333	69,000
 Lain-lain ganjaran:		
- Eksekutif	411,061	412,823
- Bukan eksekutif	154,911	95,100
	649,305	576,923

Ganjaran untuk pengarah eksekutif dimasukkan di dalam kos pekerjaan dan pengarah-pengarah bukan eksekutif diletakkan di bawah perbelanjaan operasi seperti yang ditunjukkan di dalam penyata pendapatan bagi Syarikat.

Nota-nota Kepada Penyata Kewangan (sambungan)

9 CUKAI

	2006 RM	2005 RM
Cukai semasa:		
- Cukai pendapatan Malaysia	(655,020)	(1,207,000)
- Lebih diperuntukkan dalam tahun kewangan yang lalu	136,413	41,883
Cukai tertunda:		
- Penerbalikkan perbezaan sementara boleh cukai	(2,207,000)	(851,000)
- Lebih/(kurang) diperuntukkan dalam tahun kewangan yang lalu	202,000	(13,000)
- Kesan penukaran kadar cukai	2,598,000	0
	74,393	(2,029,117)

Penyelarasan cukai yang berhubung dengan perbelanjaan cukai keuntungan pada kadar cukai adalah seperti berikut:

	2006 RM	2005 RM
Keuntungan daripada aktiviti biasa sebelum cukai	12,683,071	7,670,244
Cukai dikira pada kadar cukai sebanyak 28% (2005: 28%)	(3,551,260)	(2,147,668)
Kesan cukai atas:		
Penukar kadar cukai *	2,598,000	0
- pendapatan tidak tertakluk kepada cukai	924,677	456,122
- perbelanjaan tidak boleh ditolak untuk cukai	(235,437)	(366,454)
Caj cukai efektif	689,240	89,668
Lebih/(kurang) diperuntukkan dalam tahun kewangan yang lalu:		
- cukai pendapatan	136,413	41,883
- liabiliti cukai tertunda	202,000	(13,000)
Cukai kredit/(perbelanjaan) cukai bagi tahun kewangan	74,393	(2,029,117)

* Seperti telah diwartakan di dalam Akta Kewangan 2006, kadar cukai adalah 27% dan 26% bagi tahun taksiran 2007 dan tahun taksiran bagi tahun 2008 dan seterusnya (2005: 28%).

Penjimatan cukai, yang kreditnya diambil oleh Syarikat hasil daripada perlaksanaan penyerapan elaun modal untuk tahun kewangan semasa bernilai RM9,669,000 (2005: RM10,899,000).

10 DIVIDEN

	2006 RM	2005 RM
Dicadangkan:	3,217,110	1,057,680

Di Mesyuarat Agung Tahunan yang akan datang, dividen akhir 6 sen sesaham ditolak cukai berjumlah RM3,217,110 bagi tahun kewangan 31 Disember 2006 akan dicadangkan untuk kelulusan pemegang saham. Dividen dicadangkan ini tidak dinyatakan didalam penyata kewangan tahun ini tetapi akan diambilkira dalam ekuiti pemegang saham sebagai satu peruntukan dalam pendapatan terkumpul bagi tahun kewangan yang akan berakhir pada 31 Disember 2007.

Nota-nota Kepada Penyata Kewangan (sambungan)

11 MODAL SAHAM

	Bilangan Saham	2006 Nilai nominal RM	Bilangan Saham	2005 Nilai nominal RM
Dibenarkan:				
Saham istimewa bernilai RM1 sesaham	1	1	1	1
Saham biasa bernilai RM1 sesaham	200,000,000	200,000,000	200,000,000	200,000,000
	200,000,001	200,000,001	200,000,001	200,000,001
 Dikeluarkan dan dibayar penuh:				
Saham istimewa bernilai RM1 sesaham	1	1	1	1
Saham biasa bernilai RM1 sesaham	73,450,002	73,450,002	73,450,002	73,450,002
	73,450,003	73,450,003	73,450,003	73,450,003

Saham Istimewa (Saham Keutamaan Bolehtebus Berhak Istimewa) membolehkan Kerajaan melalui Menteri Kewangan (Diperbadankan) menjamin beberapa keputusan penting berkaitan dengan operasi Syarikat selaras dengan dasar Kerajaan. Pemegang Saham Istimewa ini berhak menerima notis-notis mesyuarat tetapi tidak mendapat sebarang hak untuk mengundi dalam mesyuarat-mesyuarat Syarikat. Walau bagaimanapun, Pemegang Saham Istimewa berhak untuk menghadiri dan bersuara dalam mesyuarat tersebut.

Perkara-perkara tertentu, khususnya di dalam pengubahan Artikel yang berkaitan dengan hak-hak pemegang Saham Istimewa, pembubaran, pengambilan dan pelunasan harta-harta yang banyak, penyatuan, penggabungan dan pengambilalihan, memerlukan persetujuan pemegang Saham Istimewa terlebih dahulu.

Pemegang Saham Istimewa berhak mengarah Syarikat menebus Saham Istimewa tersebut atas harga par pada bila-bila masa. Pemegang Saham Istimewa berhak untuk dibayarbalik modal yang telah dibayar terdahulu daripada ahli-ahli lain semasa pembubaran Syarikat. Saham Istimewa tidak mendapat sebarang hak untuk menyertai dalam agihan modal atau keuntungan Syarikat.

12 RIZAB

	2006 RM	2005 RM
Tidak boleh diagihkan		
Rizab muncul dari pengambilalihan perniagaan dari SPPP	132,368,424	132,368,424
Boleh diagihkan		
Pendapatan terkumpul	150,285,678	138,585,894
Pada 31 Disember	282,654,102	270,954,318

Rizab yang muncul dari pengambilalihan perniagaan Suruhanjaya Pelabuhan Pulau Pinang ("SPPP") merupakan kelebihan ke atas harta bersih (kecuali harta-harta tak boleh alih) yang diperolehi daripada SPPP pada 1 Januari 1994 pada nilai buku bersih. Kos-kos perniagaan lain yang tidak diperuntukkan oleh SPPP sebelum 1 Januari 1994 telah dihapuskan dari kelebihan tersebut di atas.

Nota-nota Kepada Penyata Kewangan (sambungan)

12 RIZAB (sambungan)

Tertakluk kepada pengesahan Ketua Pengarah Hasil Dalam Negeri, Malaysia, Syarikat mempunyai:

- (i) pendapatan pelepasan cukai berjumlah RM2,896,000 (2005: RM2,818,000); dan
- (ii) kredit cukai di bawah bahagian 108 mengikut Akta Cukai Pendapatan 1967 (sebagaimana dipinda) berjumlah RM23,355,000 (2005: RM24,923,000).

untuk keperluan membayar dividen sebanyak RM66,041,000 (2005: RM66,906,000) dari pendapatan terkumpul pada 31 Disember 2006 tanpa membayar cukai tambahan. Pendapatan terkumpul yang tidak dilindungi oleh pendapatan dikecualikan cukai dan kredit cukai dibawah seksyen 108 Akta Cukai Pendapatan 1967 (sebagaimana dipinda) pada tarikh lembaran imbalan berjumlah RM84,245,000 (2005: RM71,680,000).

13 MANFAAT PERSARAAN

	2006 RM	2005 RM
Pelan manfaat yang didefinisikan		
- Semasa	4,685,440	7,322,832
- Bukan semasa	51,955,368	45,094,038
Pada 31 Disember	56,640,808	52,416,870

Pergerakan dalam tahun kewangan semasa yang dinyatakan di dalam lembaran imbalan adalah seperti berikut:

	2006 RM	2005 RM
Pada 1 Januari	52,416,870	47,589,121
Dicaj ke penyata pendapatan	10,261,842	9,595,700
Manfaat yang dibayar	(6,037,904)	(4,767,951)
Pada 31 Disember	56,640,808	52,416,870

Amaun yang dinyatakan di dalam lembaran imbalan boleh dianalisis seperti berikut:

	2006 RM	2005 RM
Nilai semasa tanggungjawab yang tidak didana	56,640,808	52,416,870

Perbelanjaan yang dinyatakan di dalam penyata kewangan boleh dianalisis seperti berikut:

	2006 RM	2005 RM
Kos khidmat semasa	6,044,485	5,868,906
Kos faedah	3,902,200	3,411,637
Kos perkhidmatan lepas	315,157	315,157
Jumlah termasuk di dalam kos pekerja (nota 6)	10,261,842	9,595,700

Nota-nota Kepada Penyata Kewangan (sambungan)

13 MANFAAT PERSARAAN (sambungan)

Andaian utama aktuari yang digunakan berkenaan pelan manfaat yang definisikan adalah seperti berikut:

	2006 %	2005 %
Kadar diskaun	7.0	7.0
Kadar jangkaan kenaikan gaji	5.0	5.0

14 PERUNTUKAN

	2006 RM	2005 RM
Pada 1 Januari/31 Disember	0	450,000

Peruntukan adalah berkenaan dengan pelepasan peruntukan kerosakan mudah cair.

15 CUKAI TERTUNDA

Aset dan liabiliti cukai tertunda diimbangi apabila terdapat hak yang boleh dikuatkuasakan dari segi undang-undang untuk mengimbangkan aset cukai semasa terhadap liabiliti cukai semasa dan apabila cukai tertunda berhubungkait dengan pencukaian yang sama. Jumlah berikut ditentukan setelah pengimbangan yang sepatutnya dilakukan di dalam lembaran imbalan.

	2006 RM	2005 RM
Liabiliti cukai tertunda	(33,835,000)	(34,428,000)
	2006 RM	2005 RM
Pada 1 Januari	(34,428,000)	(33,564,000)
(Caj)/kreditkan ke penyata pendapatan	(1,856,000)	(2,828,000)
Hartanah, mesin dan peralatan	50,000	1,352,000
Manfaat persaraan	279,000	(634,000)
Akruan	2,120,000	1,246,000
Perbelanjaan dibawa ke hadapan	593,000	(864,000)
Pada 31 Disember	(33,835,000)	(34,428,000)

Nota-nota Kepada Penyata Kewangan (sambungan)**15 CUKAI TERTUNDA (sambungan)**

	2006 RM	2005 RM
Aset cukai tertunda (sebelum diimbangi)		
Manfaat persaraan	14,727,000	14,677,000
Akruan	820,000	541,000
	15,547,000	15,218,000
Imbangan	(15,547,000)	(15,218,000)
Aset cukai tertunda (selepas diimbangi)	0	0
Liabiliti cukai tertunda (sebelum diimbangi)		
Hartanah, mesin dan peralatan	(48,712,000)	(46,856,000)
Perbelanjaan dibawa ke hadapan	(670,000)	(2,790,000)
	(49,382,000)	(49,646,000)
Imbangan	15,547,000	15,218,000
Liabiliti cukai tertunda (selepas diimbangi)	(33,835,000)	(34,428,000)

16 PINJAMAN

	2006 RM	2005 RM
Tanpa cagar		
Semasa:		
Pinjaman berjangka	19,133,333	19,133,333
Kredit berubah	30,000,000	25,000,000
	49,133,333	44,133,333
Bukan semasa:		
Pinjaman berjangka	121,766,667	140,900,000
Kertas komersil dan nota program jangka pendek, pada nilai nominal	50,000,000	0
Tolak: Diskaun tidak disusutnilai	(256,716)	0
	49,743,284	0
	171,509,951	140,900,000
	220,643,284	185,033,333

Profil pendedahan mata wang untuk pinjaman adalah dalam Ringgit Malaysia.

Nota-nota Kepada Penyata Kewangan (sambungan)

16 PINJAMAN (sambungan)

Kadar faedah efektif untuk pinjaman pada tarikh lembaranimbangan adalah seperti berikut:

	2006 %	2005 %
Pinjaman berjangka	5.35 – 6.55	5.35 – 6.55
Kredit berubah	3.70 – 4.49	3.85
Kertas komesil dan nota program jangka pendek	3.60 – 4.10	2.82 – 2.85

Tempoh matang dan pendedahan terhadap risiko kadar faedah bagi pinjaman adalah seperti berikut:

	Kurang dari 1 tahun RM	lebih dari 1 tahun dan tidak melebihi 2 tahun RM	Lebih dari 2 tahun dan tidak melebihi 5 tahun RM	Lebih dari 5 tahun RM	Jumlah RM
Pada 31 Disember 2006					
- tetap	19,133,333	44,133,333	77,633,334	0	140,900,000
- terapung	30,000,000	0	0	49,743,284	79,743,284
	49,133,333	44,133,333	77,633,334	49,743,284	220,643,284
Pada 31 Disember 2005					
- tetap	19,133,333	19,133,333	107,400,000	14,366,667	160,033,333
- terapung	25,000,000	0	0	0	25,000,000
	44,133,333	19,133,333	107,400,000	14,366,667	185,033,333

Nota-nota Kepada Penyata Kewangan (sambungan)

17 HARTANAH, MESIN DAN PERALATAN

2006	Bangunan, binaan dan jalanraya RM	Vesel RM	Mesin dan peralatan mekanikal RM	Kelengkap- an pejabat RM	Kerja dalam per- laksanaan RM	Jumlah RM
Kos						
Pada 1 Januari	376,662,517	45,721,579	257,254,408	22,470,143	84,508,158	786,616,805
Tambahan	0	0	450,028	154,964	77,526,566	78,131,558
Pelupusan	0	(2)	(595,755)	(898,903)	0	(1,494,660)
Dihapuskira	(1,035,850)	0	0	(1,000)	0	(1,036,850)
Pengelasan	61,014,757	0	3,524,654	15,216,199	(79,755,610)	0
Pada 31 Disember	436,641,424	45,721,577	260,633,335	36,941,403	82,279,114	862,216,853
Susutnilai						
Pada 1 Januari	66,257,303	15,747,638	153,327,904	19,940,976	0	255,273,821
Dikenakan dalam tahun	8,589,895	2,266,443	15,742,456	2,204,967	0	28,803,761
Pelupusan	0	(2)	(586,498)	(898,903)	0	(1,485,403)
Dihapuskira	(248,421)	0	0	(149)	0	(248,570)
Pada 31 Disember	74,598,777	18,014,079	168,483,862	21,246,891	0	282,343,609
Nilai buku bersih						
31 Disember 2006	362,042,647	27,707,498	92,149,473	15,694,512	82,279,114	579,873,244
31 Disember 2005	310,405,214	29,973,941	103,926,504	2,529,167	84,508,158	531,342,984

Dalam tahun kewangan berakhir 31 Disember 2006, Syarikat memperolehi hartanah, mesin dan peralatan berjumlah RM78,131,558 (2005: RM43,609,032) di mana RM437,632 (2005: RM3,953,210) adalah terakru. Pembayaran tunai sebanyak RM81,647,136 (2005: RM41,042,190) telah digunakan untuk membeli hartanah, mesin dan peralatan.

Dalam tahun kewangan berakhir 31 Disember 2006, Syarikat telah mengalihkan gudang dengan jumlah nilai bersih RM4,214,226. Tujuan pengalihan rumah gudang ini adalah menempatkan gudang itu ditempat baru dan pemprosesan ini membawa nilai bersih sebanyak RM787,429 telah dialihkan. Penempatan semula masuk di dalam proses dalam tahun kewangan 31 Disember 2006.

Pada akhir tahun, tajuk strata untuk apartmen, yang termasuk di bawah bil, struktur dan jalan raya untuk syarikat, masih belum diterbitkan.

Nota-nota Kepada Penyata Kewangan (sambungan)

18 SYARIKAT SUBSIDIARI

	2006 RM	2005 RM
Saham tidak disenaraikan, pada kos	7,000	6,007,000
Penurunan nilai terkumpul	0	(324,498)
	7,000	5,682,502
Modal agihan diterima	(33,320)	(5,689,800)
Laba atas pembubaran syarikat subsidiari	26,320	14,298
	(7,000)	(5,675,502)
	0	7,000

Syarikat subsidiari adalah:

Nama syarikat	Negara diper- badankan	Kepentingan efektif Kumpulan		Aktiviti utama
		2006 %	2005 %	
Penang Free Commercial Zone Sdn. Bhd. (dalam pembubaran sukarela)	Malaysia	0	70	Pembubaran syarikat secara sukarela selesai pada 31 Julai 2006

19 SYARIKAT BERSEKUTU

	2006 RM	2005 RM
Saham tidak disenaraikan, pada kos	700,000	700,000
Kerugian susutan nilai terkumpul	(700,000)	(700,000)
	0	0
Perkongasian kerugian selepas pengambil alihan	0	0
	0	0

Pelaburan Syarikat dalam syarikat bersekutu terdiri daripada:

	2006 RM	2005 RM
Perkongasian aset bersih Syarikat	0	0

Syarikat bersekutu adalah:

Nama syarikat	Kepentingan dalam ekuiti	Tahun kewangan berakhir
Morris Asia-Pacific Cranes Sdn. Bhd. *	35%	31 Disember

* Di dalam proses pembubaran

Nota-nota Kepada Penyata Kewangan (sambungan)

20 PELABURAN

	2006		2005	
	Kos RM	Nilai pasaran RM	Kos RM	Nilai pasaran RM
Disenaraikan di Malaysia:				
Sekuriti Kerajaan Malaysia	15,019,042	15,790,500	15,028,977	16,212,000
Saham syarikat	5,474,430	5,122,753	11,334,320	8,689,864
Bon	42,720	2,380	78,720	18,324
	20,536,192	20,915,633	26,442,017	24,920,188
Elaun susutnilai pelaburan	0	0	(511,265)	0
	20,536,192	20,915,633	25,930,752	24,920,188
Tidak disenaraikan:				
Saham syarikat	50,000	0	50,000	0
Elaun susutnilai pelaburan	(50,000)	0	(50,000)	0
	0	0	0	0
Lain-lain pelaburan	70,000	0	70,000	0
	70,000	0	70,000	0
	20,606,192	20,915,633	26,000,752	24,920,188

Nilai pasaran saham yang dinyatakan pada tarikh lembaranimbangan dianggap setara dengan nilai saksama.

Lain-lain pelaburan tidak disenaraikan adalah kos boleh agih keahlian kelab.

21 PINJAMAN KAKITANGAN

	2006 RM	2005 RM
Pinjaman tanpa cagar	3,046,542	3,155,213
Terima dalam tempoh 12 bulan (termasuk di bawah lain-lain penghutang)	(1,228,941)	(1,275,220)
	1,817,601	1,879,993

Pinjaman ini termasuk pinjaman kepada kakitangan untuk pembelian kenderaan dan komputer, dan tempoh bayaran balik adalah di antara 1 hingga 8 tahun. Faedah dikenakan pada kadar 4% (2005: 4% setahun untuk pinjaman kenderaan, sementara pinjaman komputer tidak dikenakan faedah.)

Nota-nota Kepada Penyata Kewangan (sambungan)

22 INVENTORI

	2006 RM	2005 RM
Pada kos:		
Alat ganti	10,927,926	10,703,254
Minyak	4,169,382	3,241,280
Alatan lain	92,842	91,173
	15,190,150	14,035,707

23 PENGHUTANG DAN LAIN-LAIN PENERIMAAN

	2006 RM	2005 RM
Penghutang dagangan	46,656,138	31,410,660
Elaun hutang ragu	(9,411,165)	(10,203,874)
	37,244,973	21,206,786
Jumlah hutang daripada syarikat bersekutu	172,543	172,543
Elaun hutang ragu	(172,543)	(172,543)
	0	0
Lain-lain penerimaan	4,141,364	5,132,144
Elaun hutang ragu	(1,421,454)	(1,410,995)
	2,719,910	3,721,149
Deposit dan prabayar	1,084,784	1,976,395
	41,049,667	26,904,330

Profil pendedahan mata wang untuk penghutang dagangan dan lain-lain penerima adalah dalam Ringgit Malaysia.

Tempoh kredit untuk penghutang dagangan dan lain-lain penerimaan ialah dari bayaran pendahuluan ke 60 hari (2005: 60 hari).

Kedudukan risiko kredit bagi penghutang dagangan dan lain-lain penghutang adalah terhad kepada bilangan pelanggan yang besar bagi Syarikat. Berdasarkan sejarah kutipan akaun penghutang, adalah dalam lingkungan elaun yang telah direkodkan. Berdasarkan faktor tersebut, pihak pengurusan percaya tiada risiko kredit yang melebihi amaun elaun untuk kerugian kutipan Syarikat.

Nota-nota Kepada Penyata Kewangan (sambungan)**24 TUNAI DAN PERSAMAAN TUNAI**

	2006 RM	2005 RM
Deposit dengan bank berlesen dan syarikat kewangan	33,908,349	33,619,776
Bank dan baki tunai	3,485,353	891,763
	37,393,702	34,511,539

Profil pendedahan mata wang bagi deposit, bank dan baki tunai adalah dalam Ringgit Malaysia.

Kadar faedah efektif bagi deposit, bank dan baki tunai pada tarikh lembaran imbalan adalah seperti berikut:

	2006 %	2005 %
Deposit dengan bank berlesen dan syarikat kewangan	2.72 – 3.55	2.45 – 3.00

Deposit Syarikat mempunyai tarikh matang dari 4 hari ke 180 hari (2005: 4 hari hingga 97 hari). Baki bank merupakan deposit yang boleh digunakan bila-bila masa.

25 PEMIUTANG DAN LAIN-LAIN PEMBAYARAN

	2006 RM	2005 RM
Pemiutang dagangan	1,008,292	1,122,314
Lain-lain pemiutang	13,882,961	14,479,193
Akruan	15,324,735	10,581,013
	30,215,988	26,182,520

Profil pendedahan mata wang bagi pemiutang dagangan dan lain-lain pemiutang adalah dalam Ringgit Malaysia.

Tempoh kredit untuk pemiutang dagangan dan lain-lain pemiutang adalah 30 hari (2005: 30 hari).

Nota-nota Kepada Penyata Kewangan (sambungan)

26 PERBELANJAAN DIBAWA KE HADAPAN

	2006 RM	2005 RM
Perbelanjaan korekan		
Pada 1 Januari	9,965,307	14,419,287
Tambahan	1,042,761	3,200,125
Disusutkan dalam tahun	(8,433,597)	(7,654,105)
Pada 31 Disember	2,574,471	9,965,307
Perbelanjaan penyenaraian		
Pada 1 Januari	0	158,501
Hapuskira	0	(158,501)
Pada 31 Disember	0	0
	2,574,471	9,965,307

27 PENDAPATAN TERTUNDA

	2006 RM	2005 RM
Geran diterima:		
Pada 1 Januari	4,841,089	5,937,185
Pelunasan sepanjang tahun ini	(1,096,096)	(1,096,096)
Pada 31 Disember	3,744,993	4,841,089

28 KOMITMEN

(a) Komitmen modal

Perbelanjaan modal yang tidak diperuntukkan dalam penyata kewangan adalah seperti berikut:

	2006 RM	2005 RM
Kontrak tetapi belum diperuntukkan	173,265,357	65,898,068
Diluluskan oleh para Pengarah tetapi tidak dikontrakkan	423,772,117	274,823,438
	597,037,474	340,721,506

Nota-nota Kepada Penyata Kewangan (sambungan)**28 KOMITMEN (sambungan)****(b) Pajakan ke atas peralatan pelabuhan**

	2006 RM	2005 RM
Tidak melebihi satu tahun	10,777,869	8,214,981
Lebih dari satu tahun dan tidak melebihi 5 tahun	13,165,296	14,593,027
	23,943,165	22,808,008

(c) Pajakan ke atas kawasan pelabuhan

	2006 RM	2005 RM
Tidak melebihi satu tahun	6,588,450	6,588,450
Lebih dari satu tahun dan tidak melebihi 5 tahun	28,330,335	27,671,490
	34,918,785	34,259,940

Syarikat memajak pangkalan feri, 'slipways' dan dermaga dari SPPP bagi tempoh 30 tahun bermula pada 1 Januari 1994. SPPP telah menyatakan secara prinsip, pajakan ini akan diperbaharui selama 30 tahun, tertakluk kepada beberapa syarat. Sewa pajakan untuk 3 tahun kewangan berakhir pada 31 Disember 2008 adalah sebanyak RM6,588,450 setahun, tertakluk kepada kenaikan sebanyak 10% pada setiap akhir 3 tahun dan tambahan kepada sewa pajakan sebanyak lima sen untuk setiap tan kargo melebihi dua puluh juta tan yang dikendalikan melalui kawasan pelabuhan yang dipajak.

29 TANGUNGAN KONTIGENSI

Tuntutan-tuntutan am yang difailkan terhadap Syarikat dianggarkan berjumlah RM1,600,000 tidak diperuntukkan di dalam penyata kewangan. Jumlah ini dibuat oleh pihak ketiga berkenaan dengan modal projek yang berjumlah RM1,282,000 dan tuntutan umum dari pekerja am berjumlah RM318,000.

Selepas menilai semua tuntutan, para Pengarah telah mengambil tindakan yang sewajarnya untuk melindungi kepentingan Syarikat dan mereka berpendapat bahawa tuntutan-tuntutan ini, jika berjaya, tidak akan memberi kesan buruk terhadap kedudukan kewangan Syarikat.

	2006 RM	2005 RM
Tanpa cagar:		
Surat jaminan bank dikeluarkan kepada: Pengarah Kastam Pulau Pinang untuk kargo pabean yang disimpan di gudang pabean	600,000	600,000
Ketua Setiausaha Kesihatan untuk kemudahan perubatan	75,000	75,000
Ketua Pengarah Kastam Selangor untuk komponen kren yang diimport	0	6,000
	675,000	681,000

Nota-nota Kepada Penyata Kewangan (sambungan)

30 INSTRUMEN KEWANGAN

Nilai saksama

Nilai bawaan aset dan liabiliti kewangan bagi Syarikat pada tarikh lembaran imbangan dianggarkan pada nilai saksama kecuali yang berikut:

	Nota	2006 Nilai bawaan RM	2006 Nilai saksama RM	2005 Nilai bawaan RM	2005 Nilai saksama RM
Pinjaman - Pinjaman berjangka kadar tetap	16	121,766,667	118,243,412	140,900,000	136,042,983
Pelaburan disenaraikan	20	20,536,192	20,915,633	25,930,752	24,920,188
Pinjaman kakitangan	21	1,817,601	1,814,198	1,879,993	1,985,826

31 LAPORAN MENGIKUT SEGMENT

(a) Format laporan utama - segmen perniagaan

	2006			2005		
	Operasi pelabuhan RM	Operasi Feri RM	Jumlah RM	Operasi pelabuhan RM	Operasi Feri RM	Jumlah RM
Pendapatan						
Pendapatan luaran	206,825,657	18,243,635	225,069,292	189,904,586	16,927,963	206,832,549
Keputusan						
Keputusan segmen	28,416,994	(11,742,304)	16,674,690	27,476,865	(13,274,496)	14,202,369
Pendapatan tidak diagihkan			7,078,069			7,068,125
Perbelanjaan tidak diagihkan			(1,287,853)			(1,502,408)
Keuntungan daripada operasi			22,464,906			19,768,086
Kos kewangan			(11,026,893)			(12,571,414)
Elaun susutnilai pelaburan			0			(511,265)
Laba atas pelupusan pelaburan			26,320			14,298
Keuntungan pelupusan pelaburan			1,218,738			970,539
Keuntungan dari aktiviti biasa sebelum cukai			12,683,071			7,670,244
Cukai			74,393			(2,029,117)
Keuntungan dari aktiviti biasa selepas cukai			12,757,464			5,641,127

Nota-nota Kepada Penyata Kewangan (sambungan)

31 LAPORAN MENGIKUT SEGMENT (sambungan)

(a) Format laporan utama - segmen perniagaan (sambungan)

	2006			2005		
	Operasi pelabuhan RM	Operasi feri RM	Jumlah RM	Operasi pelabuhan RM	Operasi feri RM	Jumlah RM
Lain-lain maklumat						
Segmen aset	592,887,463	44,571,128	637,458,591	536,585,418	44,387,690	580,973,108
Aset tidak diagihkan			62,654,587			66,783,025
Jumlah aset			700,113,178			647,756,133
Segmen liabiliti	83,639,427	6,962,362	90,601,789	75,950,517	7,489,962	83,440,479
Liabiliti tidak diagihkan			253,407,284			219,911,333
Jumlah liabiliti			344,009,073			303,351,812
Perbelanjaan modal	73,680,686	4,450,872	78,131,558	40,628,200	2,980,832	43,609,032
Susutnilai	35,287,162	1,950,196	37,237,358	32,991,787	1,922,138	34,913,925

Pendapatan tidak diagihkan kebanyakannya terdiri daripada pendapatan faedah. Perbelanjaan tidak diagihkan kebanyakannya terdiri daripada perbelanjaan buruh dan overhead yang tidak diagihkan.

Segmen aset merangkumi hartanah, mesin dan peralatan, inventori, penghutang dan lain-lain penerimaan dan perbelanjaan dibawa ke hadapan (perbelanjaan korekan sahaja) tidak termasuk pelaburan, pinjaman kakitangan, cukai yang boleh diperolehi semula dan deposit, bank dan baki tunai. Segmen liabiliti merangkumi liabiliti dari operasi tidak termasuk peruntukan, cukai tertunda dan pinjaman.

(b) Format laporan kedua - segmen lokasi

Tiada laporan segmen disediakan mengikut lokasi geografi kerana aktiviti Syarikat hanya tertumpu di Pulau Pinang, Malaysia.

32 KELULUSAN BAGI PENYATA KEWANGAN

Penyata kewangan telah diluluskan untuk diterbitkan selaras dengan resolusi Lembaga Pengarah pada 30 Mac 2007.

Penyata Pengarah-pengarah Sejajar Dengan Seksyen 169(15) Akta Syarikat, 1965

Kami, Y. Bhg. Dato' Ahmad Ibnihar dan Dato' Abdul Latif bin Abdullah, dua orang daripada Lembaga Pengarah Penang Port Sdn. Bhd. menyatakan bahawa, menurut pendapat para Pengarah, penyata kewangan yang dibentangkan di muka surat 34 hingga 59 telah disusun supaya menunjukkan gambaran yang benar dan saksama mengenai kedudukan Syarikat pada 31 Disember 2006 dan hasil kendalian dan aliran tunai Syarikat bagi tahun berakhir pada tarikh yang sama menepati peruntukan Akta Syarikat, 1965 dan MASB Piawaian Perakaunan Diluluskan di Malaysia untuk Entiti Persendirian.

Ditandatangani bagi pihak Lembaga Pengarah menurut resolusi bertarikh 30 Mac 2007.



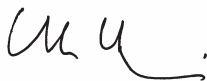
DATO' ABDUL LATIF BIN ABDULLAH
PENERUSI



DATO' AHMAD IBNIHAR
PENGARAH URUSAN/KETUA PEGAWAI EKSEKUTIF

Akuan Berkanun Sejajar Dengan Seksyen 169(16) Akta Syarikat, 1965

Saya, Abu Kasim bin Abu Hasim, pegawai yang bertanggungjawab ke atas urusan kewangan Penang Port Sdn. Bhd., dengan tulus ikhlas mengaku bahawa, menurut sepanjang pengetahuan dan kepercayaan saya, penyata kewangan yang dibentangkan di muka surat 34 hingga 59 adalah benar dan saya membuat pengakuan ini dengan penuh kepercayaan bahawa perkara ini sesungguhnya benar menurut kuasa yang diperuntukkan oleh Akta Akuan Berkanun, 1960.



ABU KASIM BIN ABU HASIM

Ditandatangani dan diakui dengan sesungguhnya oleh Abu Kasim bin Abu Hasim yang tersebut di atas di Pulau Pinang pada 30 Mac 2007.

Di hadapan saya



Pesuruhjaya Sumpah

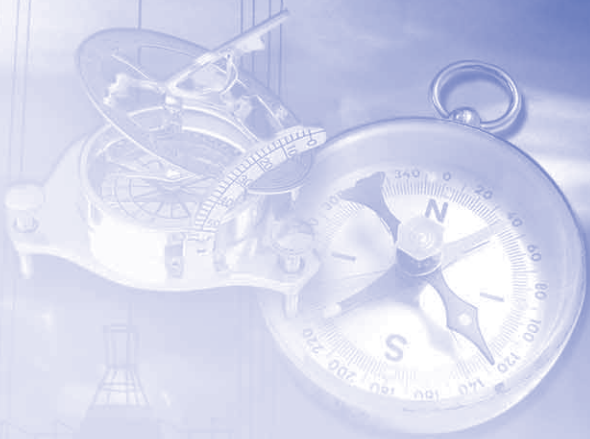


Reports and Financial Statements

for the financial year ended
31 December 2006



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Directors' Report

for the financial year ended 31 December 2006

The Directors are pleased to submit their report together with the audited financial statements of the Company for the financial year ended 31 December 2006.

PRINCIPAL ACTIVITIES

The principal activities of the Company during the financial year are the operating, maintaining, managing and provision of port facilities and other related services under a licence issued by Suruhanjaya Pelabuhan Pulau Pinang. In addition, the Company also maintains, develops, operates and administers a free commercial zone under the Free Zones Act, 1990 and carries out the activities of warehousing services. There has been no other significant change in the nature of these activities in respect of the Company.

The subsidiary company, Penang Free Commercial Zone Sdn. Bhd. completed its voluntary liquidation on 31 July 2006.

FINANCIAL RESULTS

RM

Profit from ordinary activities after taxation	12,757,464
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In the opinion of the Directors, the results of the Company's operations during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature.

DIVIDENDS

Dividend paid or declared by the Company since the previous financial year is as follows:

RM

In respect of the financial year ended 31 December 2005 as shown in the Directors' report for that financial year, a final dividend of 2 sen per share on 73,450,002 ordinary shares, less income tax at 28%, paid on 30 May 2006	1,057,680
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The Directors now recommend the payment of a final dividend of 6 sen per share on 73,450,002 ordinary shares, less income tax at 27%, amounting to RM3,217,110 for the financial year ended 31 December 2006. The proposed dividend is subject to the approval of the members at the forthcoming Annual General Meeting of the Company.

RESERVES AND PROVISIONS

All material transfers to or from reserves or provisions during the financial year are shown in the financial statements.

DIRECTORS

The Directors who have held office during the period since the date of the last report are as follows:

Dato' Abdul Latif bin Abdullah	
Dato' Ahmad Ibnihajar	
Datuk (Dr.) Kelvin Tan Aik Pen	
Datuk Nur Jazlan bin Tan Sri Mohamed	
Datuk Zalekha binti Hassan	(appointed on 29.11.2006)
Dato' Hj. Zakaria bin Hj. Bahari	(appointed on 27.12.2006)
En. Mohammad Zanudin bin Ahmad Rasidi	(resigned on 20.11.2006)

Directors' Report *(continued)* for the financial year ended 31 December 2006

DIRECTORS' INTERESTS

According to the Register of Directors' Shareholdings, none of the Directors in office at the end of the financial year held any interests in the shares in the Company during the financial year.

DIRECTORS' BENEFITS

During and at the end of the financial year, no arrangements subsisted to which the Company is a party, being arrangements with the object or objects of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Since the end of the previous financial year, no Director has received or become entitled to receive a benefit (other than directors' remuneration disclosed in note 8 to the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which he is a member, or with a company in which he has a substantial financial interest.

STATUTORY INFORMATION ON THE FINANCIAL STATEMENTS

Before the income statements and balance sheets of the Company were made out, the Directors took reasonable steps:

- (a) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts and had satisfied themselves that all known bad debts had been written off and that adequate allowance had been made for doubtful debts; and
- (b) to ensure that any current assets, which were unlikely to realise their book values in the ordinary course of business had been written down to their expected realisable values.

At the date of this report, the Directors are not aware of any circumstances:

- (a) which would render the amounts written off or the amount of the allowance for doubtful debts of the Company inadequate to any substantial extent or the values attributed to current assets of the Company misleading or inappropriate; and
- (b) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Company misleading or inappropriate.

No contingent or other liability of the Company has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Company to meet their obligations when they fall due.

In the interval between the end of the financial year and the date of this report:

- (a) the results of the Company's operations during the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
- (b) no charge has arisen on the assets the Company which secures the liability of any other person nor has any contingent liability arisen in the Company.

At the date of this report, the Directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements which would render any amount stated in the financial statements misleading.

ULTIMATE HOLDING BODY CORPORATE

The Directors regard Minister of Finance (Incorporated), incorporated under the Minister of Finance (Incorporation) Act, 1957, as its ultimate holding body corporate.

Directors' Report *(continued)* for the financial year ended 31 December 2006

AUDITORS

The auditors, PricewaterhouseCoopers, have expressed their willingness to continue in office.

Signed on behalf of the Board of Directors in accordance with their resolution dated 30 March 2007.



DATO' ABDUL LATIF BIN ABDULLAH
CHAIRMAN



DATO' AHMAD IBNIHAJAR
MANAGING DIRECTOR/CHIEF EXECUTIVE OFFICER

Report Of The Auditors

to the Member of Penang Port Sdn. Bhd.

We have audited the financial statements set out on pages 66 to 91. These financial statements are the responsibility of the Company's Directors. It is our responsibility to form an independent opinion, based on our audit, on these financial statements and to report our opinion to you, as a body, in accordance with Section 174 of the Companies Act, 1965 and for no other purpose. We do not assume responsibility to any other person for the content of this report.

We conducted our audit in accordance with approved auditing standards in Malaysia. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by directors, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion:

- (a) the financial statements have been prepared in accordance with the provisions of the Companies Act, 1965 and the MASB Approved Accounting Standards in Malaysia for Private Entities so as to give a true and fair view of:
 - (i) the matters required by Section 169 of the Companies Act, 1965 to be dealt with in the financial statements; and
 - (ii) the state of affairs of the Company as at 31 December 2006 and of the results and cash flows of the Company for the financial year ended on that date;

and

- (b) the accounting and other records and the registers required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.



PRICEWATERHOUSECOOPERS
[AF-1146]
Chartered Accountants



LIM TEONG KEAN
[2499/12/07 (J)]
Partner of the firm

Penang
30 March 2007

Income Statements

for the financial year ended 31 December 2006

	Note	2006 RM	2005 RM
Revenue	5	225,069,292	206,832,549
Other income		7,078,069	7,068,125
Consumables and materials used		(8,781,480)	(8,843,958)
Utilities and fuel		(24,984,702)	(20,993,122)
Staff costs	6	(81,610,513)	(81,144,416)
Contract labour		(4,493,099)	(2,823,723)
Depreciation expense		(28,803,761)	(27,259,820)
Allowance for doubtful debts		(619,959)	(1,466,048)
Amortisation of dredging expenses		(8,433,597)	(7,654,105)
Repair and maintenance		(13,662,297)	(12,087,511)
Rental expense		(23,384,945)	(18,421,989)
Rates and quit rent		(6,204,173)	(4,915,378)
Professional, legal and other fees		(879,687)	(1,109,934)
Insurance		(2,296,772)	(2,608,688)
Other operating expenses		(5,527,470)	(4,803,896)
PROFIT FROM OPERATIONS	7	22,464,906	19,768,086
Interest expense		(11,026,893)	(12,571,414)
Allowance for diminution in value of investments		0	(511,265)
Gain on liquidation of a subsidiary company		26,320	14,298
Gain on disposal of investments		1,218,738	970,539
PROFIT FROM ORDINARY ACTIVITIES BEFORE TAXATION		12,683,071	7,670,244
Taxation	9	74,393	(2,029,117)
PROFIT FROM ORDINARY ACTIVITIES AFTER TAXATION		12,757,464	5,641,127

Balance Sheets

as at 31 December 2006

	Note	2006 RM	2005 RM
CAPITAL AND RESERVES			
Share capital	11	73,450,003	73,450,003
Reserves	12	282,654,102	270,954,318
Shareholder's equity		356,104,105	344,404,321
NON-CURRENT LIABILITIES			
Retirement benefits	13	51,955,368	45,094,038
Provision	14	0	450,000
Deferred taxation	15	33,835,000	34,428,000
Borrowings	16	171,509,951	140,900,000
		257,300,319	220,872,038
		613,404,424	565,276,359
Represented by:			
NON-CURRENT ASSETS			
Property, plant and equipment	17	579,873,244	531,342,984
Subsidiary company	18	0	7,000
Associated company	19	0	0
Investments	20	20,606,192	26,000,752
Staff loans	21	1,817,601	1,879,993
CURRENT ASSETS			
Inventories	22	15,190,150	14,035,707
Trade and other receivables	23	41,049,667	26,904,330
Tax recoverable		2,679,151	3,108,521
Deposits, bank and cash balances	24	37,393,702	34,511,539
		96,312,670	78,560,097
CURRENT LIABILITIES			
Trade and other payables	25	30,215,988	26,182,520
Retirement benefits	13	4,685,440	7,322,832
Borrowings	16	49,133,333	44,133,333
		84,034,761	77,638,685
NET CURRENT ASSETS		12,277,909	921,412
EXPENDITURE CARRIED FORWARD	26	2,574,471	9,965,307
DEFERRED INCOME	27	(3,744,993)	(4,841,089)
		613,404,424	565,276,359

Statement Of Changes In Equity

for the financial year ended 31 December 2006

	Issued and fully paid of RM1 each		Non- distributable	Distributable	Total RM
	Ordinary shares RM	Special share RM	Other Reserve RM	Retained earning RM	
As at 1 January 2005	73,450,002	1	132,368,424	136,117,807	341,936,234
Net profit for the financial year	0	0	0	5,641,127	5,641,127
Dividends for the financial year ended 31 December 2004	0	0	0	(3,173,040)	(3,173,040)
As at 31 December 2005	73,450,002	1	132,368,424	138,585,894	344,404,321
As at 1 January 2006	73,450,002	1	132,368,424	138,585,894	344,404,321
Net profit for the financial year	0	0	0	12,757,464	12,757,464
Dividends for the financial year ended 31 December 2005	0	0	0	(1,057,680)	(1,057,680)
As at 31 December 2006	73,450,002	1	132,368,424	150,285,678	356,104,105

Cash Flow Statements

for the financial year ended 31 December 2006

	Note	2006 RM	2005 RM
OPERATING ACTIVITIES			
Cash receipts from debtors		213,208,154	209,632,993
Cash payments to suppliers and employees		(161,314,495)	(154,640,732)
Cash flows from operations		51,893,659	54,992,261
Interest paid		(10,965,227)	(12,629,780)
Taxation paid		(89,237)	(1,157,925)
		(11,054,464)	(13,787,705)
Net operating cash flows		40,839,195	41,204,556
INVESTING ACTIVITIES			
Dividends received from investments		274,314	232,454
Capital distribution from investment in subsidiary company		33,320	5,689,800
Proceeds from disposal of property, plant and equipment		410,667	85,114
Proceeds of investments by fund managers		7,835,990	6,587,831
Purchase of property, plant and equipment	17	(81,647,136)	(41,042,190)
Payment for dredging expenses		(1,042,761)	(3,200,125)
Purchase of investments by fund managers		(685,362)	(5,547,652)
Interest received		2,054,949	2,420,947
Net investing cash flows		(72,766,019)	(34,773,821)
FINANCING ACTIVITIES			
Dividend paid		(1,057,680)	(3,173,040)
Receipt of new term loans		55,000,000	25,000,000
Repayment of term loans		(19,133,333)	(117,966,667)
Net financing cash flows		34,808,987	(96,139,707)
NET CHANGE IN CASH AND CASH EQUIVALENTS		2,882,163	(89,708,972)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL YEAR		34,511,539	124,220,511
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL YEAR	24	37,393,702	34,511,539

Notes To The Financial Statements

1 GENERAL INFORMATION

The principal activities of the Company during the financial year are the operating, maintaining, managing and provision of port facilities and other related services under a licence issued by Suruhanjaya Pelabuhan Pulau Pinang. In addition, the Company also maintains, develops, operates and administers a free commercial zone under the Free Zones Act, 1990 and carries out the activities of warehousing services. There has been no other significant change in the nature of these activities in respect of the Company.

The subsidiary company, Penang Free Commercial Zone Sdn. Bhd. completed its voluntary liquidation on 31 July 2006.

The Directors regard Minister of Finance (Incorporated), incorporated under the Minister of Finance (Incorporation) Act, 1957, as its ultimate holding body corporate.

The number of employees of the Company as at 31 December 2006 was 1,641 (2005: 1,669).

The Company is a private limited liability company, incorporated and domiciled in Malaysia.

The address of the registered office and the principal place of business of the Company is:

3rd Floor Bangunan Suruhanjaya Pelabuhan Pulau Pinang
No. 1 Pesara King Edward
10300 Penang

2 BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements of the Company have been prepared under the historical cost convention except where disclosed in the summary of significant accounting policies in note 3 to the financial statements and in accordance with the provisions of the Companies Act, 1965 and the MASB Approved Accounting Standards in Malaysia for Private Entities.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Unless otherwise stated, the following accounting policies have been used consistently in dealing with items that are considered material in relation to the financial statements.

Associated company

The company treats as an associated company, a company in which a long term equity interest of between 20% and 50% is held or where the company is in a position to exercise significant influence over the financial and operating policies.

Investments

Investments in associated company is shown at cost. When an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. This is further described in the accounting policy on impairment of assets.

Malaysian Government Securities are stated at cost adjusted for amortisation of premium or accretion of discount to maturity date, and are expected to realise their nominal values on maturity.

Quoted shares, bonds and loan stocks are stated at cost. Allowance is made where there has been a permanent fall in the value of the investments on a portfolio basis.

Investment in a club is shown at cost. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. This is further described in the accounting policy on impairment of assets. Fair value is obtained by reference to the selling price quoted by the club at the close of business on the balance sheet date.

Notes To The Financial Statements (continued)

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Impairment of assets

The carrying amounts of property, plant and equipment, investments in associated company and investment in a club are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Impairment loss is recognised for the amount by which the carrying amount of the affected asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's net selling price and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there is separately identifiable cash flows.

An impairment loss is charged to the income statement immediately, unless the asset is carried at revalued amount. Any impairment loss of a revalued asset is treated as a revaluation decrease to the extent of any available previously recognised revaluation surplus for the same asset.

Reversal of impairment losses recognised in prior years is recorded when there is an indication that the impairment losses recognised for the asset no longer exist or have decreased. The reversal is recognised to the extent of the carrying amount of the asset that would have been determined (net of amortisation and depreciation) had no impairment loss been recognised. The reversal is recognised in the income statement immediately, unless the asset is carried at revalued amount. A reversal of an impairment loss on a revalued asset is credited directly to revaluation surplus. However, to the extent that an impairment loss on the same revalued asset was previously recognised as an expense in the income statement, a reversal of that impairment loss is recognised as income in the income statement.

Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses.

Buildings, structures and roads are depreciated over the period of their lease or their expected useful lives.

Property, plant and equipment are depreciated on a straight line basis to write off the cost of each asset to their residual values over their estimated useful lives at the following annual rates:

	%
Vessels	5.00 to 6.67
Mechanical equipment	6.67 to 14.30
Plant and machinery	6.67 to 14.30
Office equipment	14.30 to 20.00

Property, plant and equipment costing less than RM2,000 and specified as low value asset are not capitalised but are charged to the income statement.

Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount. This is further described in the accounting policy on impairment of assets.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost which is determined principally on the weighted average basis, comprises all costs of purchases and other incidental costs in bringing the raw materials to their present location and condition. Where necessary, allowance is made for obsolete, slow-moving or defective inventories.

Trade and other receivables

Trade and other receivables are carried at anticipated realisable value. Known bad debts are written off and specific allowance is made for any considered to be doubtful of collection. Doubtful debts which have subsequently become bad and for which allowance has been made are written off against the allowance.

Notes To The Financial Statements *(continued)*

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Income taxes

Current tax expense is determined according to the tax laws of Malaysia in which the Company operates and includes all taxes based on taxable profits.

Deferred taxation is recognised in full, using the liability method, on temporary differences arising between the amounts attributed to assets and liabilities for tax purposes and their carrying amounts in the financial statements.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences or unused tax losses can be utilised.

Tax rate enacted or substantively enacted by the balance sheet date are used to determine deferred tax.

Expenditure carried forward

Dredging expenditure incurred periodically to deepen the North Channel and other wharfs is stated at cost less amortisation. Dredging costs incurred are capitalised and amortised on a straight line basis over a period of 3 years to match the costs with the future economic benefits.

Routine maintenance expenditure is written off to the income statement as and when incurred.

Deferred income

Deferred income comprises Government grants received on cranes and is credited to the income statement over a period approximating the expected useful lives of the cranes. The grant is stated at the total amount received less the amounts so far credited to the income statement.

Operating leases

Operating leases are accounted for by charging the lease rental payments to the income statement on a straight line basis over the period of the lease.

Employee benefits

(i) Short term employee benefits

Salaries, wages, annual leave, bonuses, and incentives are accrued in the period in which the associated services are rendered by employees of the Company.

(ii) Post-employment benefits

The Company operates unfunded defined benefit plan and also funded defined contribution plan.

A defined contribution plan is a pension plan under which the Company pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all the employees' benefits relating to the employees' services in the current and prior periods. A defined benefit plan is a plan that defines an amount of benefit to be provided, usually as a function of one or more factors such as age, years of service or compensation.

Defined contribution plan

The Company contributes to the Employees Provident Fund, the national defined contribution plan. Contributions to defined contribution plan are charged to the income statement in the period to which they relate. Once the contributions have been paid, the Company has no further payment obligations.

Notes To The Financial Statements *(continued)*

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Defined benefit plan

The liability in respect of the defined benefit plan is the present value of the defined benefit obligation at the balance sheet date together with adjustments for actuarial gains/losses and past service costs. The Company determines the present value of the defined benefit obligation with sufficient regularity such that the amounts recognised in the financial statements do not differ materially from the amounts that would be determined at the balance sheet date.

The defined benefit obligation is determined by an independent actuary using the projected unit credit method after considering the estimated future cash outflows using market yields at the valuation date of high quality corporate bonds. The last valuation was carried out in October 2005. The defined benefit plan is non-contributory and is presently unfunded.

Actuarial gains and losses arise from experience adjustments and changes in actuarial assumptions. The amount of net actuarial gains and losses recognised in the income statement is determined by the corridor method in accordance with FRS119₂₀₀₄, "Employee Benefits" and is charged or credited to income over the average remaining service lives of the related employees participating in the defined benefit plans.

Cash and cash equivalents

Cash and cash equivalents comprise cash in hand, bank balances, demand deposits, bank overdrafts and short term highly liquid investments that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, when it is probable that an outflow of resources will be required to settle the obligation, and when a reliable estimate of the amount can be made. Where the Company expects a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain.

Revenue recognition

Sales are recognised on an accrual basis upon performance of services.

Interest income is recognised on an accrual basis determined by the principal outstanding and the rate applicable.

Rental income is recognised on an accrual basis based on the tenancy agreement.

Dividend income is recognised on an accrual basis.

Dividends to the shareholder of the Company

Dividends are recognised as liabilities and accounted for in shareholder's equity as an appropriation of retained earnings when declared.

Notes To The Financial Statements *(continued)*

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(continued)*

Financial instruments

- (i) Financial instruments recognised on the balance sheet

The particular recognition method adopted for financial instruments recognised on the balance sheet is disclosed in the individual policy statements associated with each item.

- (ii) Fair value estimation for disclosure purposes

The fair value of publicly traded derivatives and securities is based on quoted market prices at the balance sheet date.

The fair values of financial liabilities with maturity of more than one year and fixed interest rates are estimated by discounting the future contractual cash flows at the current market interest rate available to the Company for similar financial instruments.

The face values for financial assets and liabilities with maturity of less than one year are assumed to approximate their fair values.

4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's activities expose it to a variety of financial risks, including interest rate risk, market risk, credit risk, liquidity and cash flow risks. The Company's overall financial risk management objective is to ensure that adequate financial resources are available for the development of the Company's business whilst managing its financial risk, and the Company's policy is not to engage in speculative transactions. The Company focuses on the unpredictability underlying its business operations and seeks to minimise potential adverse effects on the financial performance of the Company. Financial risk management is carried out through risk reviews, internal control systems, a global insurance programme and adherence to Company financial risk management policies. The Board regularly reviews these risks and approves the policies, which cover the management of these risks.

Interest rate risk

The Company's income and operating cash flows are substantially independent of changes in market interest rates. Interest rate exposure arises from the Company's borrowings and deposits, and is managed through the use of fixed and floating rate instrument. Where necessary, the exposure is managed through interest rate conversion programme from floating to fixed and vice-versa. The Company considers interest rate exposure for its deposits as minimal as it is short term in nature and are not held for speculative purposes.

Market risk

The Company is exposed to market risk in its investment portfolio held with the external fund managers and investment in the Malaysian Government Securities. Both investments are held for the long term and not for speculative purposes. The Company considers the risk of material loss due to the fluctuations in the market value as minimal.

Credit risk

Credit risk arises from commercial and rental customers where services and tenancies are provided on deferred credit terms. Credit risk is managed through provision of securities or other forms of collateral as pre-requisites for opening customer accounts. Services are made to customers with an appropriate credit history. Services to customers are suspended when overdue amounts have exceeded the security value and after all restructuring initiatives have failed. The Company considers the risk of material loss in the event of default to be minimal.

Notes To The Financial Statements *(continued)*

4 FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES *(continued)*

Liquidity and cash flow risks

The Company actively manages its operating cash flow, capital expenditure requirement, debt maturity profile and the availability of funding to ensure that all financing, repayment and funding needs are met. As part of its prudent liquidity management, the Company maintains sufficient cash levels and marketable securities and the availability of funding through an adequate amount of committed credit facilities. The Company also seeks to invest cash assets safely and profitably.

5 REVENUE

	2006 RM	2005 RM
Charges for services rendered on port and related services	216,202,282	197,949,331
Rental income	8,867,010	8,883,218
	225,069,292	206,832,549

6 STAFF COSTS

	2006 RM	2005 RM
Wages and salaries	53,446,872	53,187,616
Defined contribution plan	5,334,863	5,468,816
Defined benefit plan	10,261,842	9,595,700
Other employee benefits	12,566,936	12,892,284
	81,610,513	81,144,416

Details of the defined benefit plan of the Company are set out in note 13.

Notes To The Financial Statements (continued)

7 PROFIT FROM OPERATIONS

	2006 RM	2005 RM
Profit from operations is stated after charging:		
Operating lease rental	16,280,323	12,053,253
Rental expense:		
- concessionaire lease rental	6,659,950	6,055,250
- other rental expense	444,672	313,486
Amortisation of Malaysian Government securities	9,935	55,967
Auditors' remuneration	65,000	60,000
Property, plant and equipment written off	788,280	0
Loss on disposal of property, plant and equipment	8,206	4,549
and crediting:		
Gross dividends received from:		
- shares quoted in Malaysia	335,964	335,041
Interest income	2,005,209	3,851,343
Rental income	8,867,010	8,883,216
Gain on disposal of property, plant and equipment	409,963	85,114
Amortisation of deferred income	1,096,096	1,096,096
Allowance for doubtful debts written back	827,304	604,665
Reversal of provision for liquidated damages	450,000	0

8 DIRECTORS' REMUNERATION

	2006 RM	2005 RM
Fees:		
- Non-executive	83,333	69,000
Other emoluments:		
- Executive	411,061	412,823
- Non-executive	154,911	95,100
	649,305	576,923

Emoluments of the executive director is included in staff costs whereas the emoluments of non-executive directors are included under other operating expenses as shown on the income statement of the Company.

Notes To The Financial Statements *(continued)*

9 TAXATION

	2006 RM	2005 RM
Current taxation:		
- Malaysian taxation	(655,020)	(1,207,000)
- Overprovision in respect of previous financial year	136,413	41,883
Deferred taxation:		
- Origination of taxable temporary differences	(2,207,000)	(851,000)
- Over/(under) provision in respect of previous financial year	202,000	(13,000)
- Effects of changes in tax rate	2,598,000	0
	74,393	(2,029,117)

The numerical reconciliation between tax expense and the product of accounting profit multiplied by the income tax rate is as follows:

	2006 RM	2005 RM
Profit from ordinary activities before taxation	12,683,071	7,670,244
Tax calculated at income tax rate of 28% (2005: 28%)	(3,551,260)	(2,147,668)
Tax effect of:		
Change in tax rate *	2,598,000	0
- income not subject to tax	924,677	456,122
- expenses not deductible for tax purposes	(235,437)	(366,454)
Effective taxation charge	689,240	89,668
Over/(under) provision in prior financial year:		
- income tax	136,413	41,883
- deferred tax liabilities	202,000	(13,000)
Tax credit/(expense) for the financial year	74,393	(2,029,117)

* As gazetted in the Finance Act 2006, the income tax rate is 27% and 26% for Year of Assessment 2007 and Year of Assessment 2008 onwards respectively (2005: 28%).

The tax savings for which credit is taken by the Company as a result of the realisation of capital allowances in the current financial year amounted to approximately RM9,669,000 (2005: RM10,899,000) respectively.

10 DIVIDENDS

	2006 RM	2005 RM
Proposed:	3,217,110	1,057,680

At the forthcoming Annual General Meeting, the final dividend of 6 sen per share less tax amounting to RM3,217,110 in respect of the financial year ended 31 December 2006 will be proposed for shareholder's approval. The financial statements for the current financial year do not reflect this proposed dividend, which will be accounted for in the shareholder's equity as an appropriation of retained earnings in the financial year ending 31 December 2007.

Notes To The Financial Statements (continued)

11 SHARE CAPITAL

	Number of shares	2006 Nominal value RM	Number of Shares	2005 Nominal value RM
Authorised:				
Special share of RM1 each	1	1	1	1
Ordinary shares of RM1 each	200,000,000	200,000,000	200,000,000	200,000,000
	200,000,001	200,000,001	200,000,001	200,000,001
Issued and fully paid:				
Special share of RM1 each	1	1	1	1
Ordinary shares of RM1 each	73,450,002	73,450,002	73,450,002	73,450,002
	73,450,003	73,450,003	73,450,003	73,450,003

The Special Share ("Special Rights Redeemable Preference Share") enables the Government through the Minister of Finance (Incorporated) to ensure that certain major decisions affecting the operations of the Company are consistent with the Government's policy. The Special Shareholder, which may only be the Government or any representative or person acting on its behalf, is entitled to receive notices of meetings but does not carry any right to vote at such meetings of the Company. However, the Special Shareholder is entitled to attend and speak at such meetings.

Certain matters, in particular the alteration of the Articles of Association of the Company relating to the rights of the Special Shareholder, the dissolution of the Company, and substantial acquisitions and disposals of assets, amalgamation, merger and take-over, require the prior consent of the Special Shareholder.

The Special Shareholder has the right to require the Company to redeem the Special Share at par at any time. In a distribution of capital in a winding-up of the Company, the Special Shareholder is entitled to the repayment of the capital paid-up on the Special Share in priority to any repayment of capital of any other member. The Special Share does not confer any right to participate in the capital or profits of the Company.

12 RESERVES

	2006 RM	2005 RM
Non-distributable		
Reserve arising on the vesting of business of SPPP	132,368,424	132,368,424
Distributable		
Retained earnings	150,285,678	138,585,894
At 31 December	282,654,102	270,954,318

The reserve arising on the vesting of business of Suruhanjaya Pelabuhan Pulau Pinang ("SPPP") represents the surplus of the net assets (excluding immovable assets) acquired from SPPP on 1 January 1994 at net book value over their purchase consideration. Further costs of the business in respect of the period prior to 1 January 1994 which were then not provided for by SPPP, were written off against the stated surplus.

Notes To The Financial Statements *(continued)*

12 RESERVES (continued)

The Company has, subject to confirmation by the Director General of Inland Revenue, Malaysia the following:

- (i) tax exempt income amounting to approximately RM2,896,000 (2005: RM2,818,000); and
- (ii) tax credit under Section 108 of the Income Tax Act 1967 (as amended) amounting to approximately RM23,355,000 (2005: RM24,923,000).

for the payment of net dividends amounting to approximately RM66,041,000 (2005: RM66,906,000) out of its retained earnings as at 31 December 2006 without incurring additional tax. The extent of the retained earnings not covered by the tax exempt income and tax credit under section 108 of the Income Tax Act 1967 (as amended) at the balance sheet date amounted to approximately RM84,245,000 (2005: RM71,680,000).

13 RETIREMENT BENEFITS

	2006 RM	2005 RM
Defined benefit plan:		
- Current	4,685,440	7,322,832
- Non-current	51,955,368	45,094,038
At 31 December	<u>56,640,808</u>	<u>52,416,870</u>

The movements during the financial year in the amount recognised in the balance sheet are as follows:

	2006 RM	2005 RM
At 1 January	52,416,870	47,589,121
Charged to income statement	10,261,842	9,595,700
Contributions paid	(6,037,904)	(4,767,951)
At 31 December	<u>56,640,808</u>	<u>52,416,870</u>

The amount recognised in the balance sheets may be analysed as follows:

	2006 RM	2005 RM
Present value of unfunded obligations	<u>56,640,808</u>	<u>52,416,870</u>

The expenses recognised in the income statements may be analysed as follows:

	2006 RM	2005 RM
Current service cost	6,044,485	5,868,906
Interest cost	3,902,200	3,411,637
Past service cost	315,157	315,157
Total included in staff costs (note 6)	<u>10,261,842</u>	<u>9,595,700</u>

Notes To The Financial Statements *(continued)*

13 RETIREMENT BENEFITS *(continued)*

The principal actuarial assumptions in respect of the defined benefit plan are as follows:

	2006 %	2005 %
Discount rate	7.0	7.0
Expected rate of salary increases	5.0	5.0

14 PROVISION

	2006 RM	2005 RM
At 1 January/31 December	0	450,000

The provision pertains to release of liquidated damages.

15 DEFERRED TAXATION

Deferred tax asset and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred tax relates to the same tax authority. The following amounts, determined after appropriate offsetting, are shown in the balance sheet:

	2006 RM	2005 RM
Deferred tax liabilities	(33,835,000)	(34,428,000)

The movements and components relating to deferred tax are as follows:

	2006 RM	2005 RM
At 1 January	(34,428,000)	(33,564,000)
(Charged)/credited to income statement:		
Property, plant and equipment	(1,856,000)	(2,828,000)
Retirement benefits	50,000	1,352,000
Accruals	279,000	(634,000)
Expenditure carried forward	2,120,000	1,246,000
	593,000	(864,000)
At 31 December	(33,835,000)	(34,428,000)

Notes To The Financial Statements (continued)**15 DEFERRED TAXATION** (continued)

	2006 RM	2005 RM
Deferred tax assets (before offsetting)		
Retirement benefits	14,727,000	14,677,000
Accruals	820,000	541,000
	15,547,000	15,218,000
Offsetting	(15,547,000)	(15,218,000)
Deferred tax assets (after offsetting)	0	0
Deferred tax liabilities (before offsetting)		
Property, plant and equipment	(48,712,000)	(46,856,000)
Expenditure carried forward	(670,000)	(2,790,000)
	(49,382,000)	(49,646,000)
Offsetting	15,547,000	15,218,000
Deferred tax liabilities (after offsetting)	(33,835,000)	(34,428,000)

16 BORROWINGS

	2006 RM	2005 RM
Unsecured		
Current:		
Term loans	19,133,333	19,133,333
Revolving credit	30,000,000	25,000,000
	49,133,333	44,133,333
Non-current:		
Term loans	121,766,667	140,900,000
Commercial paper and medium term note programme, at nominal value	50,000,000	0
Less: Unamortised discounts	(256,716)	0
	49,743,284	0
	171,509,951	140,900,000
	220,643,284	185,033,333

The currency exposure profile for borrowings is in Ringgit Malaysia.

Notes To The Financial Statements *(continued)*

16 BORROWINGS *(continued)*

The effective interest rates of the borrowings as at balance sheet date are as follows:

	2006 %	2005 %
Term loans	5.35 – 6.55	5.35 – 6.55
Revolving credit	3.70 – 4.49	3.85
Commercial paper and medium term note programme	<u>3.60 – 4.10</u>	<u>2.82 – 2.85</u>

The maturity and exposure to interest rate risk of the borrowings are as follows:

	Not later than 1 year RM	Later than 1 year and not later than 2 years RM	Later Than 2 years than not later than 5 years RM	Later than 5 years RM	Total RM
At 31 December 2006					
- fixed	19,133,333	44,133,333	77,633,334	0	140,900,000
- floating	30,000,000	0	0	49,743,284	79,743,284
	<u>49,133,333</u>	<u>44,133,333</u>	<u>77,633,334</u>	<u>49,743,284</u>	<u>220,643,284</u>
At 31 December 2005					
- fixed	19,133,333	19,133,333	107,400,000	14,366,667	160,033,333
- floating	25,000,000	0	0	0	25,000,000
	<u>44,133,333</u>	<u>19,133,333</u>	<u>107,400,000</u>	<u>14,366,667</u>	<u>185,033,333</u>

Notes To The Financial Statements (continued)

17 PROPERTY, PLANT AND EQUIPMENT

2006	Buildings, structures and roads RM	Vessels RM	Plant, Machinery and equipment RM	Office equipment RM	Capital work in progress RM	Total RM
Cost						
At 1 January	376,662,517	45,721,579	257,254,408	22,470,143	84,508,158	786,616,805
Additions	0	0	450,028	154,964	77,526,566	78,131,558
Disposals	0	(2)	(595,755)	(898,903)	0	(1,494,660)
Write offs	(1,035,850)	0	0	(1,000)	0	(1,036,850)
Reclassification	61,014,757	0	3,524,654	15,216,199	(79,755,610)	0
At 31 December	436,641,424	45,721,577	260,633,335	36,941,403	82,279,114	862,216,853
Depreciation						
At 1 January	66,257,303	15,747,638	153,327,904	19,940,976	0	255,273,821
Charge for the financial year	8,589,895	2,266,443	15,742,456	2,204,967	0	28,803,761
Disposals	0	(2)	(586,498)	(898,903)	0	(1,485,403)
Write offs	(248,421)	0	0	(149)	0	(248,570)
At 31 December	74,598,777	18,014,079	168,483,862	21,246,891	0	282,343,609
Net book value						
31 December 2006	362,042,647	27,707,498	92,149,473	15,694,512	82,279,114	579,873,244
31 December 2005	310,405,214	29,973,941	103,926,504	2,529,167	84,508,158	531,342,984

During the financial year ended 31 December 2006, the Company acquired property, plant and equipment with an aggregate cost of RM78,131,558 (2005: RM43,609,032) of which RM437,632 (2005: RM3,953,210) is included under accruals. Cash payments of RM81,647,136 (2005: RM41,042,190) were made to purchase property, plant and equipment.

During the financial year ended 31 December 2006, the Company dismantled a warehouse with a total net book value of RM4,214,226. The purpose of dismantling the warehouse is to relocate the warehouse to a new location and in this process components with a total net book value amounting to RM787,429 have been written off during the financial year. The process of relocating the warehouse is still in progress as at 31 December 2006.

As at year end, the strata titles for the apartments, included under buildings, structures and roads of the Company, have yet to be issued.

Notes To The Financial Statements (continued)

18 SUBSIDIARY COMPANY

	2006 RM	2005 RM
Unquoted shares, at cost	7,000	6,007,000
Accumulated impairment losses	0	(324,498)
	7,000	5,682,502
Capital distribution received	(33,320)	(5,689,800)
Gain on liquidation	26,320	14,298
	(7,000)	(5,675,502)
	0	7,000

The subsidiary company is:

Name of company	Country of incorporation	Group's effective interest		Principal activity
		2006 %	2005 %	
Penang Free Commercial Zone Sdn. Bhd. (in voluntary liquidation)	Malaysia	0	70	The members' voluntary liquidation was completed on 31 July 2006

19 ASSOCIATED COMPANY

	2006 RM	2005 RM
Unquoted shares, at cost	700,000	700,000
Accumulated impairment losses	(700,000)	(700,000)
	0	0
Share of post-acquisition losses	0	0
	0	0

The investment in the associated company is represented by:

	2006 RM	2005 RM
Share of net assets of associated company	0	0

The associated company is:

Name of company	Interest in equity	Financial year end
Morris Asia-Pacific Cranes Sdn. Bhd.*	35%	31 December

* In liquidation

Notes To The Financial Statements (continued)**20 INVESTMENTS**

	2006		2005	
	Cost RM	Market value RM	Cost RM	Market value RM
Quoted in Malaysia:				
Malaysian Government Securities	15,019,042	15,790,500	15,028,977	16,212,000
Shares in corporations	5,474,430	5,122,753	11,334,320	8,689,864
Bonds	42,720	2,380	78,720	18,324
	20,536,192	20,915,633	26,442,017	24,920,188
Allowance for diminution in value of investments	0	0	(511,265)	0
	20,536,192	20,915,633	25,930,752	24,920,188
Unquoted:				
Shares in a corporation	50,000	0	50,000	0
Allowance for diminution in value of investments	(50,000)	0	(50,000)	0
	0	0	0	0
Other investment	70,000	0	70,000	0
	70,000	0	70,000	0
	20,606,192	20,915,633	26,000,752	24,920,188

The market value of the quoted investments as at balance sheet date approximated their fair values.

The unquoted other investment represents the cost of a transferable membership in a club.

21 STAFF LOANS

	2006 RM	2005 RM
Unsecured loans	3,046,542	3,155,213
Receivable within the next 12 months (included in other receivables)	(1,228,941)	(1,275,220)
	1,817,601	1,879,993

These loans represent loans to staff for the purchase of motor vehicles and computers and are receivable over a period ranging from 1 to 8 years. The motor vehicle loans carry an interest rate of 4% (2005: 4%) per annum whereas the computer loans are interest free.

Notes To The Financial Statements *(continued)***22 INVENTORIES**

	2006 RM	2005 RM
At cost:		
Spare parts	10,927,926	10,703,254
Fuel	4,169,382	3,241,280
Other consumables	92,842	91,173
	15,190,150	14,035,707

23 TRADE AND OTHER RECEIVABLES

	2006 RM	2005 RM
Trade receivables	46,656,138	31,410,660
Allowance for doubtful debts	(9,411,165)	(10,203,874)
	37,244,973	21,206,786
Amount due from associated company	172,543	172,543
Allowance for doubtful debts	(172,543)	(172,543)
	0	0
Other receivables	4,141,364	5,132,144
Allowance for doubtful debts	(1,421,454)	(1,410,995)
	2,719,910	3,721,149
Deposits and prepayments	1,084,784	1,976,395
	41,049,667	26,904,330

The currency exposure profile for trade and other receivables is in Ringgit Malaysia.

Credit terms of trade and other receivables range from payment in advance to 60 days (2005: range from payment in advance to 60 days).

Concentration of credit risk with respect to trade receivables is limited due to the Company's large number of customers. The Company's historical experience in collection of trade receivables fall within the recorded allowances. Due to these factors, management believes that no credit risk beyond amounts allowed for collection losses is inherent in the Company's trade receivables.

Notes To The Financial Statements (continued)**24 CASH AND CASH EQUIVALENTS**

	2006 RM	2005 RM
Deposits with licensed banks and finance companies	33,908,349	33,619,776
Bank and cash balances	3,485,353	891,763
	37,393,702	34,511,539

The currency exposure profile for deposits, bank and cash balances is in Ringgit Malaysia.

The effective interest rates of the deposits, bank and cash balances as at balance sheet date are as follows:

	2006 %	2005 %
Deposits with licensed banks and finance companies	2.72 – 3.55	2.45 – 3.00

Deposits of the Company have maturity days ranging from 4 days to 180 days (2005: 4 days to 97 days). Bank balances are deposits held at call with banks.

25 TRADE AND OTHER PAYABLES

	2006 RM	2005 RM
Trade payables	1,008,292	1,122,314
Other payables	13,882,961	14,479,193
Accruals	15,324,735	10,581,013
	30,215,988	26,182,520

The currency exposure profile for trade and other payables is in Ringgit Malaysia.

Credit term of trade and other payables is 30 days (2005: 30 days).

Notes To The Financial Statements (continued)

26 EXPENDITURE CARRIED FORWARD

	2006 RM	2005 RM
Dredging expenditure		
At 1 January	9,965,307	14,419,287
Additions	1,042,761	3,200,125
Amortised during the financial year	(8,433,597)	(7,654,105)
At 31 December	2,574,471	9,965,307
Listing expenses		
At 1 January	0	158,501
Write offs	0	(158,501)
At 31 December	0	0
	2,574,471	9,965,307

27 DEFERRED INCOME

	2006 RM	2005 RM
Grants received:		
At 1 January	4,841,089	5,937,185
Amortised during the financial year	(1,096,096)	(1,096,096)
At 31 December	3,744,993	4,841,089

28 COMMITMENTS

(a) Capital commitments

Capital expenditure not provided for in the financial statements is as follows:

	2006 RM	2005 RM
Contracted but not provided for	173,265,357	65,898,068
Approved by the Directors but not contracted for	423,772,117	274,823,438
	597,037,474	340,721,506

Notes To The Financial Statements (continued)**28 COMMITMENTS** (continued)**(b) Operating lease commitments for port equipment**

	2006 RM	2005 RM
Not later than one year	10,777,869	8,214,981
Later than one year and not later than five years	13,165,296	14,593,027
	23,943,165	22,808,008

(c) Lease commitments for the port area

	2006 RM	2005 RM
Not later than one year	6,588,450	6,588,450
Later than one year and not later than five years	28,330,335	27,671,490
	34,918,785	34,259,940

The Company has leased the ferry terminal, slipways and wharves from SPPP for a period of 30 years from 1 January 1994. SPPP has indicated in principle that the lease will be renewed for another 30 years, subject to certain conditions. The lease rental for the 3 financial years ending 31 December 2008 is RM6,588,450 per annum subject to an increase of 10% once every 3 years and a supplementary lease rental of five sen payable annually for each and every tonne of cargo exceeding twenty million tonnes handled through the leased property.

29 CONTINGENT LIABILITIES

General claims filed against the Company estimated at a total of RM1,600,000 have not been provided for in the financial statements. This amount comprises claims made by a third party pertaining to a capital project amounting to RM1,282,000 and general claims made by former employees and others amounting to RM318,000.

After reviewing the claims, the Directors have taken the necessary measures to protect the interest of the Company and they are of the opinion that any eventual claim which is successful, will have no material impact on the financial position of the Company.

	2006 RM	2005 RM
Unsecured:		
Bank guarantees issued to:		
Pengarah Kastam Pulau Pinang for bonded cargo stored in bonded godown	600,000	600,000
Ketua Setiausaha Kesihatan for medical facilities	75,000	75,000
Ketua Pengarah Kastam Selangor for imported components of cranes	0	6,000
	675,000	681,000

Notes To The Financial Statements (continued)

30 FINANCIAL INSTRUMENTS

Fair values

The carrying amounts of financial assets and liabilities of the Company at the balance sheet date approximated their fair values except as set out below:

	Note	Carrying amount RM	2006 Fair value RM	Carrying amount RM	2005 Fair value RM
Borrowings - fixed rate term loans	16	121,766,667	118,243,412	140,900,000	136,042,983
Quoted investments	20	20,536,192	20,915,633	25,930,752	24,920,188
Staff loans	21	1,817,601	1,814,198	1,879,993	1,985,826

31 SEGMENTAL REPORTING

(a) Primary reporting format - business segments

	2006			2005		
	Port operations RM	Ferry operations RM	Total RM	Port operations RM	Ferry operation RM	Total RM
Revenue						
External revenue	206,825,657	18,243,635	225,069,292	189,904,586	16,927,963	206,832,549
Results						
Segment result	28,416,994	(11,742,304)	16,674,690	27,476,865	(13,274,496)	14,202,369
Unallocated income			7,078,069			7,068,125
Unallocated expenses			(1,287,853)			(1,502,408)
Profit from operations			22,464,906			19,768,086
Interest expense			(11,026,893)			(12,571,414)
Allowance for diminution in value of investment			0			(511,265)
Gain on liquidation of a subsidiary company			26,320			14,298
Gain on disposal of investments			1,218,738			970,539
Profit from ordinary activities before taxation			12,683,071			7,670,244
Taxation			74,393			(2,029,117)
Profit from ordinary activities after taxation			12,757,464			5,641,127

Notes To The Financial Statements (continued)**31 SEGMENTAL REPORTING** (continued)

(a) Primary reporting format - business segments (continued)

	2006			2005		
	Port operations RM	Ferry operations RM	Total RM	Port operations RM	Ferry operation RM	Total RM
Other information						
Segment assets	592,887,463	44,571,128	637,458,591	536,585,418	44,387,690	580,973,108
Unallocated assets			62,654,587			66,783,025
Total assets			700,113,178			647,756,133
Segment liabilities	83,639,427	6,962,362	90,601,789	75,950,517	7,489,962	83,440,479
Unallocated liabilities			253,407,284			219,911,333
Total liabilities			344,009,073			303,351,812
Capital expenditure	73,680,686	4,450,872	78,131,558	40,628,200	2,980,832	43,609,032
Depreciation and amortisation of dredging expenses	35,287,162	1,950,196	37,237,358	32,991,787	1,922,138	34,913,925

Unallocated income comprise primarily of interest income. Unallocated expenses comprise of unallocated labour and overhead expenses.

Segment assets comprise primarily of property, plant and equipment, inventories, trade and other receivables and expenditure carried forward (dredging expenditure balance only) but exclude subsidiary company, investments, staff loans, tax recoverable and deposits, bank and cash balances. Segment liabilities comprise operating liabilities but exclude items such as provision, deferred taxation and borrowings.

The Company did not prepare consolidated financial statements as the Company's only subsidiary company was liquidated during the financial year. As such, certain comparatives have been restated to conform with the current financial year's presentation.

(b) Secondary reporting format - geographical segments

No geographical segmental reporting has been prepared as the Company's activities are located in Penang, Malaysia.

32 APPROVAL OF FINANCIAL STATEMENTS

The financial statements have been approved for issue in accordance with a resolution of the Board of Directors on 30 March 2007.

Statement By Directors

Pursuant To Section 169(15) Of The Companies Act, 1965

We, Dato' Ahmad Ibnihajar and Dato' Abdul Latif bin Abdullah, two of the Directors of Penang Port Sdn. Bhd. state that, in the opinion of the Directors, the financial statements set out on pages 66 to 91 are drawn up so as to give a true and fair view of the state of affairs of the Company as at 31 December 2006 and of the results and cash flows of the Company for the financial year ended on that date in accordance with the provisions of the Companies Act, 1965 and the MASB Approved Accounting Standards in Malaysia for Private Entities.

Signed on behalf of the Board of Directors in accordance with their resolution dated 30 March 2007.



DATO' ABDUL LATIF BIN ABDULLAH
CHAIRMAN



DATO' AHMAD IBNIHAJAR
MANAGING DIRECTOR/CHIEF EXECUTIVE OFFICER

Statutory Declaration

Pursuant To Section 169(16) Of The Companies Act, 1965

I, Abu Kasim bin Abu Hasim, being the officer primarily responsible for the financial management of Penang Port Sdn. Bhd., do solemnly and sincerely declare that the financial statements set out on pages 66 to 91 are, in my opinion, correct, and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.



ABU KASIM BIN ABU HASIM

Subscribed and solemnly declared by the abovenamed Abu Kasim bin Abu Hasim at Penang on 30 March 2007.

Before me



Commissioner for Oaths





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