



MINORITY SHAREHOLDER WATCHDOG GROUP
Shareholder Activism and Protection of Minority Interest

26 March 2009

BY FAX/ HAND

(Fax No.: 603-3169 8633)

The Chairman and
Board of Directors
NCB Holdings Berhad
Headquarter's Building
Jalan Pelabuhan
North Port
42000 Port Klang
Selangor Darul Ehsan

Attention: **Mr. John Selvaraj James**
Company Secretary

Re: Tenth (10th) Annual General Meeting (AGM) of NCB Holdings Berhad (NCB or the Company)

We, the MSWG received the Notice that NCB Holdings Berhad (NCB or the Company) would hold its Tenth (10th) Annual General Meeting (AGM) at 10.30 a.m. at Kristal Ballroom One, 1st Floor, West Wing, Hilton Petaling Jaya, No. 2, Jalan Barat, 46200 Petaling Jaya on Monday, 30 March 2009.

The Chairman concluded 2008 as a very challenging year for port and port-related businesses amidst the rising prices of fuel and energy and the weakening global economy due to the financial crisis.

For the year under review, we would like to raise the following points of interest to minority shareholders and other stakeholders of the Group.

The points are as follows:-

Financial Performance

1. It is noted that the Group revenue rose 6.9% from RM885.51 million in 2007 to RM946.19 million in 2008. However, the operating profit declined 19.5% from RM203.41 million to RM163.83 million as expenditure increased with lower other income for the year. Despite the decline in share of profit of an associate, the net profit for the year went up slightly 3% from RM151.31 million to RM155.87 million due to decreased income tax expense.

How would the Board view the financial performance of NCB Group in the short to medium term given the Chairman's statement of challenges and stiff competition in port and port-related businesses?

2. The Company's revenue declined substantially from RM658.59 million to RM3.97 million on account of no dividend income from subsidiaries for the year. The Company's net profit for year went down from RM480.85 million to RM11.93 million due to other income which increased from RM4.06 million to RM16.11 million in 2008. The subsidiaries had not paid dividends to the Company during the year. Could the Board please clarify this? In this regard, what is the dividend policy of the subsidiary companies?

BADAN PENGAWAS PEMEGANG SAHAM MINORITI BERHAD

(Incorporated in Malaysia • Company No: 524989-M)

Tingkat 11, Bangunan KWSP, No: 3, Changkat Raja Chulan, Off Jalan Raja Chulan, 50200 KUALA LUMPUR.

Tel: (603) 2070 9090 Fax: (603) 2070 9107

E-Mail: watchdog@mswg.org.my Website: www.mswg.org.my

3. For the year under review, the Group's expenditure comprising contractors' costs, hire of plant and equipment, transport and freight charges, and operating expenses rose up not in tandem with the increase in revenue. Thus, going forward, how would the Board plan to keep costs and expenses under control for the current year ending 31 December 2009?
4. The investments in associates outside Malaysia amounting to RM17.44 million were written down by accumulated impairment losses of RM15.14 million. What is the reason for the impairment and what is the Board's plan for the associates outside Malaysia which have since declined in the share of profit to the Group?

It would be appreciated if the Board could present the points raised by us and the related answers for the shareholders present at the forthcoming general meeting. At the same time, we await a written reply as soon as possible for our record and posting in the website for the benefit of all shareholders.

Thank you.

Yours sincerely



Rita Benay Bushon
Chief Executive Officer

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