

GREENYIELD BERHAD

(Company No. 582216-T)

(Incorporated in Malaysia)

Condensed consolidated income statement for the fourth quarter ended 31 July 2008

(The figures have not been audited)

	Individual Quarter		Cumulative Quarter	
	3 months ended		12 months ended	
	31 July		31 July	
	2008	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
Revenue	6,836	7,089	33,642	26,355
Cost of sales	(3,926)	(4,577)	(19,915)	(15,726)
Gross profit	2,910	2,512	13,727	10,629
Other operating income	214	140	567	348
Other operating expenses	(80)	(146)	(295)	(302)
Distribution expenses	(262)	(211)	(1,014)	(826)
Administrative expenses	(1,360)	(828)	(4,712)	(3,912)
Profit from operations	1,422	1,467	8,273	5,937
Finance costs	(24)	(24)	(91)	(157)
Profit before taxation	1,398	1,443	8,182	5,780
Income tax expense	(200)	(520)	(1,878)	(1,359)
Net profit for the period	1,198	923	6,304	4,421
Earnings per share[^]				
Basic earnings per ordinary share (sen)	0.73	0.59	3.82	2.84
Diluted earnings per ordinary share (sen)	0.73	0.58	3.82	2.79

Note:

[^] Please refer to Note 26 for details of the computations.

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 July 2007 and the accompanying explanatory notes attached to the interim financial report.

GREENYIELD BERHAD

(Company No. 582216-T)

(Incorporated in Malaysia)

Condensed consolidated balance sheet at 31 July 2008

(The figures have not been audited)

	At 31.07.2008 RM'000	At 31.07.2007 RM'000 Restated
Non-Current Assets		
Property, plant and equipment	12,863	12,600
Prepaid lease payments	1,465	788
Intangible assets	18	20
Total non-current assets	<u>14,346</u>	<u>13,408</u>
Current Assets		
Inventories	5,292	4,752
Receivables, deposits and prepayments	5,151	6,471
Cash and cash equivalents	16,012	12,956
Total current assets	<u>26,455</u>	<u>24,179</u>
Total assets	<u>40,801</u>	<u>37,587</u>
Equity		
Share capital	16,500	16,500
Share premium	3,168	3,176
Share option reserve	179	122
Retained profits	16,288	11,900
Total equity attributable to shareholders of the Company	<u>36,135</u>	<u>31,697</u>
Non-Current Liabilities		
Loans and borrowings	95	317
Deferred tax liabilities	1,366	1,477
Total non-current liabilities	<u>1,461</u>	<u>1,794</u>
Current Liabilities		
Payables and accruals	2,639	3,230
Loans and borrowings	566	866
Total current liabilities	<u>3,205</u>	<u>4,096</u>
Total liabilities	<u>4,666</u>	<u>5,890</u>
Total equity and liabilities	<u>40,801</u>	<u>37,587</u>
Net Assets ("NA") per share attributable to shareholders of the Company (sen)	<u>21.90</u>	<u>19.20</u>

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 July 2007 and the accompanying explanatory notes attached to the interim financial report.

GREENYIELD BERHAD

(Company No. 582216-T)

(Incorporated in Malaysia)

Condensed consolidated statement of changes in equity for the fourth quarter ended 31 July 2008

(The figures have not been audited)

	<u>Non - distributable</u>			<u>Distributable</u>	
	<i>Attributable to shareholders of the Company</i>				
	Share Capital	Share Premium	Share Option Reserve	Retained Profits	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 August 2006	12,274	-	-	7,479	19,753
As previously stated adoption of FRS112	-	-	-	130	130
As restated	12,274	-	-	7,609	19,883
Issue of new shares	4,226	4,649	-	-	8,875
Utilisation from share premium	-	(1,473)	-	-	(1,473)
Share based payment	-	-	122	-	122
Net profit for the year	-	-	-	4,421	4,421
At 31 July / 1 August 2007, as restated	16,500	3,176	122	12,030	31,827
Issue of new shares	-	-	-	-	-
Utilisation from share premium	-	(7)	-	-	(7)
Share based payment	-	-	57	-	57
Net profit for the period	-	-	-	6,304	6,304
Dividends to shareholders	-	-	-	(2,046)	(2,046)
At 31 July 2008	16,500	3,168	179	16,288	36,135

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 July 2007 and the accompanying explanatory notes attached to the interim financial report.

GREENYIELD BERHAD

(Company No. 582216-T)

(Incorporated in Malaysia)

Condensed consolidated cash flow statement for the fourth quarter ended 31 July 2008

(The figures have not been audited)

	Current year to date 31.07.2008 RM'000	Audited Preceding financial year ended 31.07.2007 RM'000
Cash flows from operating activities		
Profit before tax	8,182	5,780
Adjustments for :		
Amortisation of intangible assets	2	1
Depreciation	1,201	815
Fixed assets convert to stock	2	-
Gain on disposal of property, plant and equipment	(16)	(32)
Loss on disposal of property, plant and equipment	24	108
Interest income	(301)	(207)
Interest expenses	91	157
Tax penalty written off	78	-
Share based payment	57	122
Operating profit before working capital changes	9,320	6,744
Changes in working capital:		
Inventories	(540)	(1,921)
Trade and other receivables	1,328	2,575
Trade and other payables	(1,336)	(397)
Cash generated from operations	8,772	7,001
Interest paid	(45)	(41)
Tax paid	(2,136)	(1,393)
Tax refund	249	81
Net cash generated from operating activities	6,840	5,648
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,542)	(1,848)
Proceed from disposal of property, plant and equipment	78	374
Interest received	301	207
Net cash used in investing activities	(1,163)	(1,267)
Cash flows from financing activities		
Proceeds from other borrowings	120	285
Repayment of term loan and other borrowings	(642)	(1,614)
(Increase)/Decrease in pledged deposits with licensed banks	(949)	126
Proceeds from issue of new shares	-	8,875
Utilisation from share premium	(7)	(1,473)
Interest paid	(46)	(116)
Dividend paid	(2,046)	-
Net cash (used in)/generated from financing activities	(3,570)	6,083

GREENYIELD BERHAD

(Company No. 582216-T)
(Incorporated in Malaysia)

Condensed consolidated cash flow statement for the fourth quarter ended 31 July 2008 (cont'd) (The figures have not been audited)

	Current year to date 31.07.2008 RM'000	Audited Preceding financial year ended 31.07.2007 RM'000
Net increase in cash and cash equivalents	2,107	10,464
Cash and cash equivalents at beginning of the year	12,873	2,409
Cash and cash equivalents at end of the year	14,980	12,873

	Current year to date 31.07.2008 RM'000	Audited Preceding financial year ended 31.07.2007 RM'000
Cash and cash equivalents comprise of:		
Deposits with licensed bank	10,545	9,786
Cash and bank balances	5,467	3,170
	16,012	12,956
Less: Deposits pledged	(1,032)	(83)
	14,980	12,873

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 July 2007 and the accompanying explanatory notes attached to the interim financial report.

GREENYIELD BERHAD

(Company No. 582216-T)

(Incorporated in Malaysia)

Notes to the interim financial report

1. Basis of preparation

This interim financial report is unaudited and has been prepared in compliance with the applicable disclosure provisions of the Listing Requirements of Bursa Malaysia Securities Berhad for the MESDAQ Market and Financial Reporting Standard (FRS) 134, *Interim Financial Reporting*, issued by the Malaysian Accounting Standards Board (MASB).

This interim financial report contains condensed consolidated financial statements and selected explanatory notes. The notes include an explanation of events and transactions that are significant to an understanding of the changes in financial position and performance of the Companies and its subsidiaries ("the Group") subsequent to 31 July 2007.

During the financial year, the Group adopted FRS 112, *Income Taxes*, replacing FRS 112²⁰⁰⁴, *Income Taxes*.

FRS 112, *Income Taxes*, which is effective for the financial period beginning on or after 1 July 2007, allows recognition of deferred tax assets pertaining to unutilized reinvestment allowance recognition is treated as a change of accounting policies and accordingly, is recognized retrospectively and certain comparative figures have been restated.

The accounting policies and methods of computation adopted by the Group in these quarterly financial statements are consistent with those adopted in the audited financial statements for the financial year ended 31 July 2007.

2. Auditors' report on preceding annual financial statements

The auditors have expressed an unqualified opinion on the Group's statutory financial statements for the year ended 31 July 2007 in their report dated 06 November 2007.

3. Seasonal or cyclical factors

The Group's sales and therefore its revenue is seasonal. During the wintering season for rubber trees, which typically occurs from February to April in most natural rubber producing countries, sales of the stimulation systems are generally slow. Sales of the stimulation systems are also affected by prolonged periods of heavy rain or drought as the customers are usually advised against using stimulation systems during such periods since they are unlikely to be able to tap the rubber trees because of the weather conditions and therefore unable to fully benefit from the stimulation systems. In view of the above, one of the major factors which causes the revenue and profitability of the Group to fluctuate is inclement weather.

4. Unusual items affecting the assets, liabilities, equity, net income or cash flows

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group for the current quarter.

GREENYIELD BERHAD

(Company No. 582216-T)

(Incorporated in Malaysia)

Notes to the interim financial report (cont'd)

5. Achievement of financial estimates or forecasts

There have been no financial estimates or forecasts previously announced or disclosed in a public document in respect of the current financial year.

6. Issuances, cancellations, repurchases, resale and repayments of debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities in the Company during the quarter under review.

7. Dividends paid

There were no dividends paid during the current quarter.

8. Segmental reporting

Segment information is presented in respect of the Group's business and geographical segments. The primary format, business segments, is based on the Group's management and internal reporting structure. Inter-segment pricing is determined based on negotiated terms.

Segment results include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. The Group's revenue is mainly generated from the sale of plantation products and non-plantation products.

Business segments

The Group comprises the following main business segments:

Plantation products and services	Development, manufacture and marketing of agricultural products and services based on agro-technology.
Non-plantation products	Manufacturing and marketing of plastic-related and wood-related products.

GREENYIELD BERHAD

(Company No. 582216-T)

(Incorporated in Malaysia)

Notes to the interim financial report (cont'd)

8. Segmental reporting (cont'd)

Geographical segments

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of customers.

<i>RM('000)</i>	Plantation		Non-plantation		Eliminations		Consolidated	
	2008	2007	2008	2007	2008	2007	2008	2007
<i>For the twelve months ended 31 July</i>								
Business segments								
Revenue from external customers	37,355	31,296	8,429	4,232	12,143	9,173	33,641	26,356
Segment results *							13,727	10,621
Unallocated income							567	34
Unallocated expenses							(6,021)	(5,040)
Operating profit							8,273	5,935
Finance costs							(91)	(157)
Profit before tax							8,182	5,788
Tax expenses							(1,878)	(1,359)
Profit for the year							6,304	4,429

* The breakdown of segment results between plantation and non-plantation is not available.

<i>RM('000)</i>	Malaysia		South East Asia other than Malaysia		North Asia	
	2008	2007	2008	2007	2008	2007
<i>For the twelve months ended 31 July</i>						
Geographical segments						
Revenue from external customers by location	6,580	6,409	17,577	12,840	1,324	1,753

GREENYIELD BERHAD

(Company No. 582216-T)

(Incorporated in Malaysia)

Notes to the interim financial report (cont'd)

8. Segmental reporting (cont'd)

<i>RM('000)</i> <i>For the twelve months</i> <i>ended 31 July</i>	North America		Others		Consolidated	
	2008	2007	2008	2007	2008	2007
<i>Geographical segments</i>						
Revenue from external customers by location	4,709	1,744	3,451	3,609	33,641	26,355

9. Property, plant and equipment

The valuations of land and buildings have been brought forward, without amendment from the previous annual report.

10. Subsequent events

Other than as disclosed in Notes 12 and 14, there were no material events subsequent to the period ended of this current quarter that have not been reflected in the financial statements for the current quarter.

11. Changes in composition of the Group

There were no changes in the composition of the Group during the current quarter.

12. Changes in contingent assets and contingent liabilities

There were no contingent assets as at 17 September 2008 (being the latest practicable date not earlier than 7 days from the date of issue of this interim financial report).

13. Related party transactions

There were no material related party transactions incurred for the current quarter and financial year-to-date.

GREENYIELD BERHAD

(Company No. 582216-T)

(Incorporated in Malaysia)

Notes to the interim financial report (cont'd)

14. Capital Commitment

	As at 31.07.2008 RM'000	As At 31.07.2007 RM'000
Property, plant and equipments		
Contracted but not provided for and payable		
Within one year	<u>73</u>	<u>629</u>

15. Review of performance

For the cumulative 12 months ended 31 July 2008, the Group achieved revenue of RM33.64 million and a net profit after taxation of RM6.30 million. The strong performance was mainly due to higher demand for plantation-related products and services and non-plantation products, namely Artstone plant pots during the period under review. For the financial year ended 31 July 2007, the Group registered revenue of RM26.36 million and a net profit after taxation of RM4.42 million.

16. Variation of results against preceding quarter

For the quarter ended 31 July 2008, the Group recorded revenue of RM6.84 million as compared to RM14.59 million registered during the quarter ended 30 April 2008. The decrease was largely attributed to lower sales of plantation-related products and services during the period under review as the Group had delivered orders made by many customers from major natural rubber producing countries during the third quarter of the financial year, while demand for Artstone plant pots from the USA remained firm.

During this quarter under review, the Group registered a net profit after taxation of RM1.20 million as compared to a net profit after taxation of RM2.85 million during the preceding quarter ended 30 April 2008. The lower net profit after taxation was mainly due to lower revenue achieved during the quarter under review and lower margin recorded as a result of higher operating cost.

17. Future prospects

The following financial year prospects are likely to be challenging, in view of the current global economic slowdown.

GREENYIELD BERHAD

(Company No. 582216-T)
(Incorporated in Malaysia)

Notes to the interim financial report (cont'd)

18. Tax expense

The taxation figures are as follows:

	12 months ended	
	31 July	
	2008	2007
	RM'000	RM'000
Estimated current tax payable	1,828	1,167
Under/(Over)provision in prior year	23	(24)
Transfer from deferred taxation	27	216
	<u>1,878</u>	<u>1,359</u>

The effective tax rate for the current quarter is lower as compared to the statutory tax rate due to utilisation of our accumulated capital allowances and tax incentives.

19. Unquoted investments and properties

There was no purchase or sale of unquoted investments and/or properties for the current quarter and financial year-to-date.

20. Quoted investments

There was no purchase or disposal of quoted securities for the current quarter and financial year-to-date.

21. Status of corporate proposals announced but not completed

As at 23 September 2008, there were no corporate proposals announced but not completed.

GREENYIELD BERHAD

(Company No. 582216-T)

(Incorporated in Malaysia)

Notes to the interim financial report (cont'd)

22. Borrowing and debt securities

	At end of current quarter 31.07.2008 RM'000	At 31.07.2007 RM'000
Current		
<i>Secured</i>		
Short term revolving credit	243	495
Hire purchase creditors	323	371
	<hr/>	<hr/>
	566	866
Non-current		
<i>Secured</i>		
Hire purchase creditors	95	317
	<hr/>	<hr/>
	95	317
	<hr/>	<hr/>
	661	1,183

23. Off balance sheet financial instruments

As at 23 September 2008, the Group does not have any off balance sheet financial instruments.

24. Material litigation

There was no material litigation which would materially and adversely affect the financial position of the Group as at 23 September 2008.

25. Dividends

The Board of Directors is recommending a final dividend of 1.8 sen per share in respect of the financial year ended 31 July 2008 for shareholders' approval at the forthcoming Annual General Meeting. The entitlement date will be fixed at a later date.

GREENYIELD BERHAD

(Company No. 582216-T)

(Incorporated in Malaysia)

Notes to the interim financial report (cont'd)

26. Earnings per share

(a) Basic earnings per share

The calculation of the basic earnings per share for the current quarter is based on the net profit attributable to shareholders divided by the number of weighted average number of ordinary shares.

	Individual Quarter		Cumulative Quarter	
	3 months ended		12 months ended	
	31 July		31 July	
	2008	*2007	2008	*2007
Profit after taxation (RM'000)	1,198	923	6,304	4,421
Weighted average number of ordinary shares in issue ('000)	165,000	155,738	165,000	155,738
Basic earnings per share (sen)	0.73	0.59	3.82	2.84

* Calculation of weighted average number of ordinary shares in issue for the 12 months ended 31 July 2007

	No. of ordinary shares issued ('000)
Between 1 August 06 and 19 October 06 (80 days)	122,740
Between 20 October 06 and 31 July 2007 (285 days)	165,000

GREENYIELD BERHAD

(Company No. 582216-T)

(Incorporated in Malaysia)

Notes to the interim financial report (cont'd)

26. Earnings per share (cont'd)

(b) Diluted earnings per share

	Individual Quarter		Cumulative Quarter	
	3 months ended		12 months ended	
	31 July		31 July	
	2008	*2007	2008	*2007
Profit after taxation (RM'000)	1,198	916	6,304	4,421
Weighted average number of ordinary shares in issue ('000)	165,000	155,738	165,000	155,738
Adjusted for assumed exercise of weighted average number of ESOS options for no consideration ('000)#	-	2,703	-	2,703
Adjusted weighted average number of ordinary shares in issue ('000)	165,000	158,441	165,000	158,441
Diluted earnings per share (sen)#	0.73	0.58	3.82	2.79

* Calculation of weighted average number of ordinary shares in issue for the 12 months ended 31 July 2007

	No. of ordinary shares issued ('000)
Between 1 August 06 and 19 October 06 (80 days)	122,740
Between 20 October 06 and 31 July 07 (285 days)	165,000

Calculation of weighted average number of ESOS options granted for the 12 months ended 31 July 2007

	No. of ESOS granted ('000)
Between 20 October 06 and 31 July 07 (285 days)	3,462

There is no dilution in earnings per share for the current year as the exercise price of the ESOS exceeds the average market price of ordinary shares.

GREENYIELD BERHAD

(Company No. 582216-T)

(Incorporated in Malaysia)

Notes to the interim financial report (cont'd)

27. Status of utilisation of proceeds

The status of the allocation and utilisation of the proceeds from the public issue as at 31 July 2008 is as follows:

Purpose	Allocation of proceeds RM'000	Amount utilised from 20 October 2006 to 31 July 2008 RM'000	Amount unutilised RM'000	Explanation on amount unutilised
Research and development (R&D)	1,500	-	1,500	Utilization schedule – 19 Oct 2009
Capital expenditure	1,850	-	1,850	Utilization schedule – 19 Oct 2009
Setting up of marketing and technical support service centres	300	-	300	Utilization schedule – 19 Oct 2009
Repayment of borrowings	1,500	1,500	-	N/A
Working capital	2,223	*428	1,795	Utilization schedule – 19 Oct 2009
Estimated listing expenses	1,502	*1,502	-	#N/A
Total	8,875	3,430	5,445	

* Reclassification of utilization

The remaining unutilised proceeds allocated to defray listing expenses amounting to approximately RM0.029 million has been reallocated as working capital of the Group.

28. Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 23 September 2008.