

Chin Teck Plantations Berhad (3250V)
(Incorporated in Malaysia)

Condensed Consolidated Income Statement
For The Second Financial Quarter And Six Months Ended 28 February 2010

	Second		Six Months	
	Financial Quarter			
	28.2.2010	28.2.2009	28.2.2010	28.2.2009
	RM'000	RM'000	RM'000	RM'000
Revenue	22,974	21,850	52,624	53,824
Cost of sales	(7,924)	(9,239)	(18,923)	(21,921)
Gross profit	15,050	12,611	33,701	31,903
Other income	1,486	2,041	2,932	3,569
Administrative and other operating expenses	(2,922)	(3,721)	(5,635)	(6,470)
Selling expenses	(518)	(744)	(1,222)	(1,717)
Replanting expenses	(1,771)	(950)	(3,178)	(1,435)
Operating profit	11,325	9,237	26,598	25,850
Share of profit / (loss) of associates	2,209	(1,514)	5,235	(1,140)
Share of loss of a jointly controlled entity	(382)	(1,132)	(532)	(1,152)
Profit before taxation	13,152	6,591	31,301	23,558
Taxation	(3,010)	(2,315)	(6,761)	(6,475)
Profit for the period	10,142	4,276	24,540	17,083
Earnings per stock unit attributable to equity holders of the Company				
Basic	11.10 sen	4.68 sen	26.86 sen	18.70 sen
Diluted	11.10 sen	4.68 sen	26.86 sen	18.70 sen

Chin Teck Plantations Berhad (3250V)
(Incorporated in Malaysia)

Condensed Consolidated Balance Sheet
As At 28 February 2010

	28.2.2010	31.8.2009
	RM'000	RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	17,216	17,749
Prepaid land lease payments	21,767	21,925
Biological assets	74,225	74,225
Investments in associates	204,729	193,872
Investment in a jointly controlled entity	23,502	24,237
Other investments	26,810	23,300
	<u>368,249</u>	<u>355,308</u>
Current Assets		
Inventories	3,470	2,666
Receivables	6,791	6,701
Cash and bank balances	177,443	173,237
	<u>187,704</u>	<u>182,604</u>
TOTAL ASSETS	<u>555,953</u>	<u>537,912</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	91,363	91,363
Reserves	450,963	431,968
Total Equity	<u>542,326</u>	<u>523,331</u>
Non-Current Liabilities		
Deferred tax liabilities	6,332	6,348
Current Liabilities		
Payables	4,942	7,280
Taxation	2,353	953
	<u>7,295</u>	<u>8,233</u>
Total Liabilities	<u>13,627</u>	<u>14,581</u>
TOTAL EQUITY AND LIABILITIES	<u>555,953</u>	<u>537,912</u>
Net assets per stock unit attributable to ordinary equity holders of the Company	<u>RM5.94</u>	<u>RM5.73</u>

Condensed Consolidated Statement Of Changes In Equity
For The Six Months Ended 28 February 2010

	Attributable to equity holders of the Company					
	Non-Distributable			Distributable		
	Share capital RM'000	Share premium RM'000	Asset revaluation reserve RM'000	Foreign currency translation reserve RM'000	Retained profits RM'000	Total RM'000
At 1 September 2008	91,363	19,654	16,820	(6,650)	381,530	502,717
Revaluation reserve of leasehold land realised	-	-	(9)	-	9	-
Foreign currency translation	-	-	-	(10,035)	-	(10,035)
Net (expense) and income recognised directly in equity	-	-	(9)	(10,035)	9	(10,035)
Profit for the period	-	-	-	-	17,083	17,083
Total recognised (expense) and income for the period	-	-	(9)	(10,035)	17,092	7,048
Dividend	-	-	-	-	(9,593)	(9,593)
At 28 February 2009	91,363	19,654	16,811	(16,685)	389,029	500,172
At 1 September 2009	91,363	19,654	16,802	(8,368)	403,880	523,331
Revaluation reserve of leasehold land realised	-	-	(10)	-	10	-
Foreign currency translation	-	-	-	5,419	-	5,419
Net (expense) and income recognised directly in equity	-	-	(10)	5,419	10	5,419
Profit for the period	-	-	-	-	24,540	24,540
Total recognised (expense) and income for the period	-	-	(10)	5,419	24,550	29,959
Dividend	-	-	-	-	(10,964)	(10,964)
At 28 February 2010	91,363	19,654	16,792	(2,949)	417,466	542,326

Chin Teck Plantations Berhad (3250V)
(Incorporated in Malaysia)

Condensed Consolidated Cash Flow Statement
For The Six Months Ended 28 February 2010

	28.2.2010	28.2.2009
	RM'000	RM'000
Cash Flows From Operating Activities		
Profit before taxation	31,301	23,558
Adjustment for:		
Non-cash items	(3,678)	2,928
Non-operating items	(2,088)	(2,456)
Operating profit before working capital changes	<u>25,535</u>	<u>24,030</u>
Changes in working capital		
Net changes in current assets	(910)	5,575
Net changes in current liabilities	(2,338)	(5,424)
Cash generated from operations	<u>22,287</u>	<u>24,181</u>
Taxes paid	(5,355)	(12,668)
Net cash generated from operating activities	<u>16,932</u>	<u>11,513</u>
Cash Flows From Investing Activities		
Property, plant and equipment	(12)	(4)
Other investments	(3,510)	(886)
Interest received	1,422	2,056
Net dividends received	660	413
Net cash (used in) / generated from investing activities	<u>(1,440)</u>	<u>1,579</u>
Cash Flows From Financing Activity		
Dividend	<u>(10,964)</u>	<u>(9,593)</u>
Net Increase In Cash And Cash Equivalents	4,528	3,499
Effects Of Exchange Rate Changes	(322)	124
Cash And Cash Equivalents At Beginning Of Period	172,217	159,559
Cash And Cash Equivalents At End Of Period	<u>176,423</u>	<u>163,182</u>

Notes To The Interim Financial Report - 28 February 2010

A Explanatory Notes - FRS 134 : Interim Financial Reporting

A 1 Basis Of Preparation

The interim financial report has been prepared in accordance with FRS 134 : Interim Financial Reporting and Chapter 9 Part K of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report is unaudited and should be read in conjunction with the audited financial statements for the financial year ended 31 August 2009.

The same accounting policies and methods of computation are followed in the interim financial report as compared with the annual financial statements for the financial year ended 31 August 2009.

At the date of authorisation of this interim financial report, the following new FRSs, Amendments to FRSs and Interpretations were issued but not yet effective and have not been applied by the Group:-

FRSs, Amendments to FRSs and Interpretations		Effective for financial periods beginning on or after
FRS 4	Insurance Contracts	1 January 2010
FRS 7	Financial Instruments: Disclosures	1 January 2010
FRS 101	Presentation of Financial Statements (as revised in 2009)	1 January 2010
FRS 123	Borrowing Costs	1 January 2010
FRS 139	Financial Instruments: Recognition and Measurement	1 January 2010
Amendments to FRS 2	Share-based Payment: Vesting Conditions and Cancellations	1 January 2010
Amendments to FRS 1 and FRS 127	First-time Adoption of Financial Reporting Standards and Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	1 January 2010
Amendment to FRS 5	Non-current Assets Held for Sale and Discontinued Operations	1 January 2010
Amendment to FRS 8	Operating Segments	1 January 2010
Amendment to FRS 107	Cash Flow Statements	1 January 2010
Amendment to FRS 108	Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2010
Amendment to FRS 110	Events After the Balance Sheet Date	1 January 2010
Amendment to FRS 116	Property, Plant and Equipment	1 January 2010
Amendment to FRS 117	Leases	1 January 2010
Amendment to FRS 118	Revenue	1 January 2010
Amendment to FRS 119	Employee Benefits	1 January 2010
Amendment to FRS 120	Accounting for Government Grants and Disclosures of Government Assistance	1 January 2010
Amendment to FRS 123	Borrowing Costs	1 January 2010
Amendment to FRS 128	Investments in Associates	1 January 2010
Amendment to FRS 129	Financial Reporting in Hyperinflationary Economies	1 January 2010
Amendment to FRS 131	Interests in Joint Ventures	1 January 2010
Amendment to FRS 132	Financial Instruments: Presentation	1 January 2010
Amendment to FRS 134	Interim Financial Reporting	1 January 2010
Amendment to FRS 136	Impairment of Assets	1 January 2010

Notes To The Interim Financial Report - 28 February 2010

A 1 Basis Of Preparation (Cont'd)

Amendment to FRS 138	Intangible Assets	1 January 2010
Amendment to FRS 140	Investments Property	1 January 2010
Amendments to FRS 139, FRS 7 and IC Interpretation 9	Financial Instruments: Recognition and Measurement, Disclosures and Reassessment of Embedded Derivatives	1 January 2010
Improvements to FRSs - 2009	Improvements to FRSs (2009)	1 January 2010
IC Interpretation 10	Interim Financial Reporting and Impairment	1 January 2010
IC Interpretation 11	FRS 2 - Group and Treasury Share Transactions	1 January 2010
IC Interpretation 13	Customer Loyalty Programmes	1 January 2010
IC Interpretation 14	FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	1 January 2010
FRS 1	First-time Adoption of Financial Reporting Standards	1 July 2010
FRS 3	Business Combinations (revised)	1 July 2010
FRS 127	Consolidated and Separate Financial Statements (amended)	1 July 2010
IC Interpretation 12	Service Concession Arrangements	1 July 2010
IC Interpretation 15	Agreements for the Construction of Real Estate	1 July 2010
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation	1 July 2010
IC Interpretation 17	Distributions of Non-cash Assets to Owners	1 July 2010
Amendments to FRS 2	Share-based Payment	1 July 2010
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations	1 July 2010
Amendments to FRS 138	Intangible Assets	1 July 2010
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives	1 July 2010

The above new FRSs, Amendments to FRSs and Interpretations are expected to have no significant impact on the financial statements of the Group upon their initial application except for the changes arising from the adoption of FRS 7, FRS 139, FRS 101 and FRS 138.

The Group is exempted from disclosing the possible impact to the financial statements upon the initial application of FRS 7 and FRS 139.

FRS 101 (Revised): Presentation of Financial Statements

The new FRS 101 requires owner and non-owner changes in equity to be presented separately. The statement of changes in equity will include only details of transactions with owners, with all non-owner changes in equity presented as a single line item. In addition, the revised standard introduces the statement of comprehensive income: it presents all items of income and expense recognised in profit or loss, together with all other items of recognised income and expense, either in one single statement, or in two linked statements.

This is a disclosure standard with no impact on the financial position or financial performance of the Group.

Notes To The Interim Financial Report - 28 February 2010

A 2 Seasonal Or Cyclical Nature Of Operations

The revenue and earnings are impacted by the production of fresh fruit bunches and volatility of the selling prices of fresh fruit bunches, crude palm oil and palm kernel.

The production of fresh fruit bunches depends on weather conditions, production cycle of the palms and the age of the palms.

The plantation statistics are as follows:

Average planted area for six months ended 28 February 2010:

	Hectares		Six Months	
	28.2.2010	28.2.2009	28.2.2010	28.2.2009
Mature	9,442			
Replanting and immature	1,518			
	<u>10,960</u>			
	Second Financial Quarter		Six Months	
	28.2.2010	28.2.2009	28.2.2010	28.2.2009
Production (m/t)				
fresh fruit bunches				
Own estates	38,027	46,787	90,877	99,388
Purchase	6,639	6,458	15,006	14,353
	<u>44,666</u>	<u>53,245</u>	<u>105,883</u>	<u>113,741</u>
Crude palm oil	7,174	8,544	17,310	18,595
Palm kernel	2,159	2,627	5,152	5,609
Extraction Rate				
Crude palm oil	19.62%	19.41%	19.38%	19.23%
Palm kernel	5.90%	5.97%	5.77%	5.80%

A 3 Items Of Unusual Nature

There were no unusual items affecting assets, liabilities, equity, net income or cash flows for the current financial period.

A 4 Changes In Estimates Of Amounts Reported

There were no changes in estimates of amounts reported in prior financial years and prior interim periods that have a material effect in the current interim period.

A 5 Changes In Debt And Equity Securities

There were no issuances, repurchases and repayments of debts and equity securities for the six months ended 28 February 2010.

A 6 Dividends Paid

The amount of dividend paid during the six months ended 28 February 2010.

In respect of financial year ending 31 August 2010:

	RM'000
First interim dividend of 16% or 16 sen per stock unit less 25% taxation paid on 27 January 2010	<u>10,964</u>

Notes To The Interim Financial Report - 28 February 2010

A 7 Segment Information

The Group's principal activities involve predominantly the cultivation of oil palms, production and sale of fresh fruits bunches, crude palm oil and palm kernel and is wholly carried out in Malaysia.

The segment information for the second financial quarter and six months ended 28 February 2010 are as follows:

Oil palm plantation		
	Second financial quarter	Six months
	RM'000	RM'000
Revenue from external customers	22,974	52,624
Reportable segment profit	9,839	23,666

Reconciliation of profit for the second financial quarter and six months ended 28 February 2010.

	Second financial quarter	Six months
	RM'000	RM'000
Total profit for reportable segment	9,839	23,666
Share of profit of associates	2,209	5,235
Share of loss of a jointly controlled entity	(382)	(532)
Other income	1,486	2,932
Profit before taxation	13,152	31,301

A 8 Property, Plant And Equipment

There were no significant acquisitions and disposals of property, plant and equipment for the six months ended 28 February 2010.

There were no commitments for the purchase of property, plant and equipment for the six months ended 28 February 2010.

A 9 Material Events Subsequent To Second Financial Quarter

There were no material events subsequent to the second financial quarter that have not been reflected in the financial statements for the financial quarter ended 28 February 2010.

A 10 Changes In Composition Of The Group

Other than the purchase and sale of quoted investments as disclosed in Note B7 and increase in investment in an unquoted investment, there were no business combinations, acquisition or disposal of subsidiaries and long term investments, restructurings and discontinued operations.

A 11 Contingent Liabilities And Contingent Assets

As at the date of issue of this interim financial report, there were no contingent liabilities and contingent assets that had arisen since 31 August 2009.

Notes To The Interim Financial Report - 28 February 2010

A 12 Related Party Transactions And Balances

	Six months 28.2.2010 RM'000
(a) Companies in which certain directors and substantial shareholders have interests: Agency fee	<u>9</u>
(b) Associate: Management fees	<u>135</u>
(c) Persons connected with certain directors and a substantial shareholder: Purchase of fertilisers	<u>2,348</u>
	As at 28.2.2010 RM'000
(d) Included in payables is: - Amount due to persons connected with certain directors and a substantial shareholder	<u>617</u>

B Information As Required By The Listing Requirements (Part A Of Appendix 9B) Of Bursa Malaysia Securities Berhad

B 1 Review Of Performance

(a) Second financial quarter ended 28 February 2010

When compared with the previous corresponding financial quarter, revenue increased by 5.14% due mainly to substantial increase in the average selling prices of ffb, crude palm oil and palm kernel even though the production of ffb, crude palm oil and palm kernel were substantially lower resulting in reduced sales volume.

Overall operating expenses were lower.

The improvement in the average selling price of crude palm oil has resulted in a positive contribution from the joint ventures engaged in oil palm plantation in Indonesia.

Overall, profit after taxation increased by 137.18%.

(b) Six months ended 28 February 2010

When compared with the previous corresponding six months, revenue decreased by 2.23% due mainly to lower production resulting in reduced sales volume even though the average selling prices of ffb, crude palm oil and palm kernel were higher.

Overall operating expenses were lower.

The improvement in the average selling price of crude palm oil has resulted in a positive contribution from the joint ventures engaged in oil palm plantation in Indonesia.

Overall, profit after taxation increased by 43.65%.

B 2 Material Change In The Profit Before Taxation For The Second Financial Quarter Compared With The Immediate Preceding Quarter

In the second financial quarter under review, profit before taxation declined by 27.53% when compared with the immediate preceding financial quarter. This is mainly due to a decrease in revenue as production was substantially lower resulting in reduced sales volume even though the average selling prices of ffb, crude palm oil and palm kernel were higher.

Notes To The Interim Financial Report - 28 February 2010

B 3 Prospects For Financial Year Ending 31 August 2010

The average selling price of crude palm oil for the financial year ending 31 August 2010 is expected to remain strong and should have a positive impact on the plantation profit and mitigate the effect of lower production. Overall, the plantation profit for the financial year ending 31 August 2010 would be satisfactory.

B 4 Variance Of Actual Profit From Forecast Profit And Shortfall In Profit Guarantee

There were no profit forecasts prepared for public release and profit guarantees provided by the Group.

B 5 Taxation

	Second Financial Quarter 28.2.2010 RM'000	Six Months 28.2.2010 RM'000
Income tax:		
Current provision	3,018	6,777
Deferred taxation	(8)	(16)
	<u>3,010</u>	<u>6,761</u>

The effective tax rate for the second financial quarter and six months ended 28 February 2010 is lower than the statutory rate due mainly to the effect of share of profit of associates.

B 6 Profits/(Losses) On Sale Of Unquoted Investments And/Or Properties

There were no sales of unquoted investment and properties for the six months ended 28 February 2010.

B 7 Quoted Securities

(i) Purchases and sale of quoted securities

	Second Financial Quarter 28.2.2010 RM'000	Six Months 28.2.2010 RM'000
Purchase consideration	<u>9</u>	<u>322</u>
Sale proceeds	<u>-</u>	<u>-</u>
Profit on sale	<u>-</u>	<u>-</u>

(ii) Investments in quoted securities as at 28 February 2010: -

	RM'000
At cost	<u>22,039</u>
At carrying value/book value	<u>22,039</u>
At market value	<u>35,532</u>

Notes To The Interim Financial Report - 28 February 2010

B 8 Status Of Corporate Proposals

On 10 April 2006, the Company entered into a conditional joint venture and shareholders agreement with Negri Sembilan Oil Palms Berhad ('NSOP'), Timor Oil Palm Plantation Berhad, a 58.0% owned subsidiary of NSOP, Eng Thye Plantations Berhad, an 83.3% owned subsidiary of NSOP, Seong Thye Plantations Sdn Bhd and Chin Thye Investment Pte Ltd ('Singapore JVSA') to participate in a joint venture project for the development of an oil palm plantation in Indonesia with P.T. Lampung Karya Indah. ('Proposed Joint Venture'), the details of which are set out in the Circular to Shareholders dated 11 May 2006.

The approval of the Shareholders of the Company was obtained at the Extraordinary General Meeting of the Company held on 26 May 2006.

The conditions precedent as set out in the Singapore JVSA have been fulfilled and the necessary approvals required for the subscription of shares in Chin Thye Investment Pte Ltd have been obtained.

The subscriptions of shares by the Company in Chin Thye Investment Pte Ltd are as follows:-

Financial year ended	No. of shares	Amount (RM'000)
31.8.2006	7,200,000	16,898
31.8.2007	-	-
31.8.2008	3,400,000	8,140
31.8.2009	1,060,000	2,547
	<u>11,660,000</u>	<u>27,585</u>

There were no further subscription of shares during the six months under review and the period since the end of the second financial quarter under review to the date of issue of this interim report.

B 9 Borrowings And Debt Securities

As at 28 February 2010, there were no borrowings and debt securities.

B 10 Off Balance Sheet Financial Instruments

As at the date of issue of this interim financial report, there were no off balance sheet financial instruments transacted.

B 11 Material Litigation

There were no material litigations as at 31 August 2009 and at the date of issue of this interim financial report.

B 12 Dividends

- (i) A first interim dividend of 16% or 16 sen per stock unit less 25% taxation in respect of the financial year ending 31 August 2010 was paid on 27 January 2010.
- (ii) No further interim dividend has been declared in respect of the six months ended 28 February 2010.
- (iii) The total dividends for the current financial year ending 31 August 2010:-

<u>Type of dividend</u>	<u>Gross</u>	<u>Tax</u>	<u>Net</u>
	%	%	%
First interim	16.00	25.00	12.00

- (iv) The total dividends for the previous financial year ended 31 August 2009:-

<u>Type of dividend</u>	<u>Gross</u>	<u>Tax</u>	<u>Net</u>
	%	%	%
First interim	14.00	25.00	10.50
Second interim	21.00	25.00	15.75
	<u>35.00</u>	<u>25.00</u>	<u>26.25</u>

Notes To The Interim Financial Report - 28 February 2010

B 13 Earnings Per Stock Unit

The basic and diluted earnings per stock unit is calculated as follows:

	Second Financial Quarter		Six Months	
	28.2.2010	28.2.2009	28.2.2010	28.2.2009
Profit attributable to equity holders of the Company (RM'000)	10,142	4,276	24,540	17,083
Weighted average number of stock units ('000)	91,363	91,363	91,363	91,363
Earnings per stock unit (sen)				
Basic	11.10	4.68	26.86	18.70
Diluted	11.10	4.68	26.86	18.70

B 14 Auditors' Report On Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 August 2009 was not qualified.

By Order of the Board

Gan Kok Tiong
Company Secretary
29 April 2010