

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

Condensed Consolidated Income Statement
For The Third Financial Quarter And Nine Months Ended 31 May 2010

	Third		Nine Months	
	Financial Quarter			
	31.5.2010	31.5.2009	31.5.2010	31.5.2009
	RM'000	RM'000	RM'000	RM'000
Revenue	29,620	28,372	82,244	82,196
Cost of sales	(12,155)	(10,571)	(31,078)	(32,492)
Gross profit	17,465	17,801	51,166	49,704
Other income	97	1,870	3,029	5,439
Administrative expenses	(2,773)	(2,678)	(8,408)	(9,148)
Selling expenses	(581)	(828)	(1,803)	(2,545)
Replanting expenses	(1,534)	(1,384)	(4,712)	(2,819)
Operating profit	12,674	14,781	39,272	40,631
Share of profit of associates	1,774	3,051	7,009	1,911
Share of loss of a jointly controlled entity	(5)	(47)	(537)	(1,199)
Profit before taxation	14,443	17,785	45,744	41,343
Taxation	(3,553)	(3,491)	(10,314)	(9,966)
Profit for the period	10,890	14,294	35,430	31,377
Earnings per stock unit attributable to equity holders of the Company				
Basic	11.92 sen	15.65 sen	38.78 sen	34.34 sen
Diluted	11.92 sen	15.65 sen	38.78 sen	34.34 sen

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

Condensed Consolidated Balance Sheet
As At 31 May 2010

	31.5.2010	31.8.2009
	RM'000	RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	18,022	17,749
Prepaid land lease payments	21,687	21,925
Biological assets	74,225	74,225
Investments in associates	204,409	193,872
Investment in a jointly controlled entity	22,648	24,237
Other investments	31,673	23,300
	<u>372,664</u>	<u>355,308</u>
Current Assets		
Inventories	2,745	2,666
Receivables	6,857	6,701
Cash and bank balances	183,846	173,237
	<u>193,448</u>	<u>182,604</u>
TOTAL ASSETS	<u>566,112</u>	<u>537,912</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	91,363	91,363
Reserves	458,910	431,968
Total Equity	<u>550,273</u>	<u>523,331</u>
Non-Current Liabilities		
Deferred tax liabilities	6,325	6,348
Current Liabilities		
Payables	6,916	7,280
Taxation	2,598	953
	<u>9,514</u>	<u>8,233</u>
Total Liabilities	<u>15,839</u>	<u>14,581</u>
TOTAL EQUITY AND LIABILITIES	<u>566,112</u>	<u>537,912</u>
Net assets per stock unit attributable to ordinary equity holders of the Company	<u>RM6.02</u>	<u>RM5.73</u>

Condensed Consolidated Statement Of Changes In Equity
For The Nine Months Ended 31 May 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	-	-	(14)	-	14	-
Foreign currency translation	-	-	-	(3,988)	-	(3,988)
Net (expense) and income recognised directly in equity	-	-	(14)	(3,988)	14	(3,988)
Profit for the period	-	-	-	-	31,377	31,377
Total recognised (expense) and income for the period	-	-	(14)	(3,988)	31,391	27,389
Dividend	-	-	-	-	(9,593)	(9,593)
At 31 May 2009	91,363	19,654	16,806	(10,638)	403,328	520,513
At 1 September 2009	91,363	19,654	16,802	(8,368)	403,880	523,331
Revaluation reserve of leasehold land realised	-	-	(15)	-	15	-
Foreign currency translation	-	-	-	2,476	-	2,476
Net (expense) and income recognised directly in equity	-	-	(15)	2,476	15	2,476
Profit for the period	-	-	-	-	35,430	35,430
Total recognised (expense) and income for the period	-	-	(15)	2,476	35,445	37,906
Dividend	-	-	-	-	(10,964)	(10,964)
At 31 May 2010	91,363	19,654	16,787	(5,892)	428,361	550,273

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

Condensed Consolidated Cash Flow Statement
For The Nine Months Ended 31 May 2010

	31.5.2010	31.5.2009
	RM'000	RM'000
Cash Flows From Operating Activities		
Profit before taxation	45,744	41,343
Adjustment for:		
Non-cash items	(4,132)	(431)
Non-operating items	(3,121)	(3,426)
Operating profit before working capital changes	<u>38,491</u>	<u>37,486</u>
Changes in working capital		
Net changes in current assets	(241)	5,386
Net changes in current liabilities	(364)	(2,440)
Cash generated from operations	<u>37,886</u>	<u>40,432</u>
Taxes paid	(8,663)	(16,722)
Net cash generated from operating activities	<u>29,223</u>	<u>23,710</u>
Cash Flows From Investing Activities		
Property, plant and equipment	(1,087)	(1,173)
Investment in a jointly controlled entity	-	(2,547)
Other investments	(8,369)	(1,120)
Interest received	2,215	2,715
Net dividends received	882	734
Net cash used in investing activities	<u>(6,359)</u>	<u>(1,391)</u>
Cash Flows From Financing Activity		
Dividend	<u>(10,964)</u>	<u>(9,593)</u>
Net Increase In Cash And Cash Equivalents	11,900	12,726
Effects Of Exchange Rate Changes	(1,292)	461
Cash And Cash Equivalents At Beginning Of Period	172,217	159,559
Cash And Cash Equivalents At End Of Period	<u>182,825</u>	<u>172,746</u>

Notes To The Interim Financial Report - 31 May 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 Main Market 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
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

Notes To The Interim Financial Report - 31 May 2010

A 1 Basis Of Preparation (Cont'd)

FRSs, Amendments to FRSs and Interpretations		Effective for financial periods beginning on or after
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
Amendments to FRS 7	Improving Disclosures about Financial Instruments	1 January 2011
IC Interpretation 4	Determining whether an Arrangement Contains a Lease	1 January 2011
IC Interpretation 18	Transfer of Assets from Customers	1 January 2011
Amendments to FRS 2	Group Cash-settled Share-based Payment Transactions	1 January 2011
Amendments to FRS 1	Additional Exemptions for First-time Adopters and Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters	1 January 2011

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.

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 - 31 May 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 nine months ended 31 May 2010:

	Hectares			
Mature	9,252			
Replanting and immature	1,706			
	<u>10,958</u>			
	Third Financial Quarter		Nine Months	
	31.5.2010	31.5.2009	31.5.2010	31.5.2009
Production (m/t)				
fresh fruit bunches				
Own estates	38,496	50,677	129,373	150,065
Purchase	9,524	6,789	24,530	21,142
	<u>48,020</u>	<u>57,466</u>	<u>153,903</u>	<u>171,207</u>
Crude palm oil	7,526	9,128	24,836	27,723
Palm kernel	2,216	2,707	7,368	8,316
Extraction Rate				
Crude palm oil	19.71%	19.47%	19.48%	19.31%
Palm kernel	5.80%	5.78%	5.78%	5.79%

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 nine months ended 31 May 2010.

A 6 Dividends Paid

The amount of dividend paid during the nine months ended 31 May 2010.

In respect of financial year ending 31 August 2010:

First interim dividend of 16% or 16 sen per stock unit less 25% taxation paid on 27 January 2010	RM'000 <u>10,964</u>
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Notes To The Interim Financial Report - 31 May 2010

A 7 Segment Information

The chief operating decision-maker ("CODM") has been identified as the Board of Directors. The Board reviews the Group's internal reporting in order to assess performance and allocation of resources. The management monitors its operating results on group perspective basis. 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 third financial quarter and nine months ended 31 May 2010 are as follows:

	Oil palm plantation	
	Third Financial Quarter	Nine Months
	RM'000	RM'000
Revenue from external customers	29,620	82,244
Reportable segment profit	<u>12,577</u>	<u>37,297</u>

	As at 31.5.2010
	RM'000
Reportable segment assets	<u>123,536</u>

Reportable segment profit is reconciled as follows:

	Third Financial Quarter	Nine Months
	RM'000	RM'000
Total profit for reportable segment	12,577	37,297
Share of profit of associates	1,774	7,009
Share of loss of a jointly controlled entity	(5)	(537)
Other income	97	1,975
Profit before taxation	<u>14,443</u>	<u>45,744</u>

Reportable segment assets are reconciled as follows:

	As at 31.5.2010
	RM'000
Total assets for reportable segment	123,536
Investments in associates	204,409
Investment in a jointly controlled entity	22,648
Other investments	31,673
Unallocated assets	<u>183,846</u>
	<u>566,112</u>

A 8 Property, Plant And Equipment

There were no significant acquisitions and disposals of property, plant and equipment for the nine months ended 31 May 2010.

There were no commitments for the purchase of property, plant and equipment for the nine months ended 31 May 2010.

A 9 Material Events Subsequent To Third Financial Quarter

Other than the declaration of the second interim dividend as disclosed in Note B12, there were no material events subsequent to the third financial quarter that have not been reflected in the financial statements for the financial quarter ended 31 May 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.

Notes To The Interim Financial Report - 31 May 2010

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.

A 12 Related Party Disclosures

	Nine months 31.5.2010 RM'000
(a) Companies in which certain directors and substantial shareholders have interests:	
Agency fee	14
Sale of oil palm produce	401
	<hr/>
(b) Associate:	
Management fees	203
	<hr/>
(c) Persons connected with certain directors and a substantial shareholder:	
Purchase of fertilisers	2,580
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	As at 31.5.2010 RM'000
(d) Included in payables are: -	
Amount due to a person connected with certain directors and a substantial shareholder	109
Amount due to a company in which certain directors and substantial shareholders have interests	12
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B Information As Required By The Listing Requirements (Part A Of Appendix 9B) Of Bursa Malaysia Securities Berhad

B 1 Review Of Performance

(a) Third financial quarter ended 31 May 2010

When compared with the previous corresponding financial quarter, revenue increased by 4.40% 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 significantly lower resulting in reduced sales volume.

Other income was substantially lower due mainly to an amount of loss in foreign exchange translation suffered in the current financial quarter under review as compared to an amount of gain in foreign exchange translation in the previous corresponding financial quarter.

Overall operating expenses were higher due mainly to an increase in the expenditure on the purchase of ffb.

Overall share in profits of associates were lower due mainly to a decrease in contribution from the joint ventures engaged in oil palm plantation in Indonesia.

Overall, profit after taxation decreased by 23.81%.

(b) Nine months ended 31 May 2010

When compared with the previous corresponding period, the average selling prices of ffb, crude palm oil and palm kernel during the current nine months period under review increased substantially. However, the production of ffb, crude palm oil and palm kernel decreased significantly resulting in reduced sales volume. Overall, revenue increased marginally by 0.06%.

Other income was substantially lower due mainly to an amount of loss in foreign exchange translation suffered in the current nine months period under review as compared to an amount of gain in foreign exchange translation in the previous corresponding period.

Overall operating expenses were lower due mainly to a decrease in the expenditure on fertilisers.

Overall share in profits of associates were higher due mainly to an increase in contribution from the joint ventures engaged in oil palm plantation in Indonesia.

Overall, profit after taxation increased by 12.92%.

Notes To The Interim Financial Report - 31 May 2010

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

In the third financial quarter under review, revenue increased substantially when compared with the immediate preceding financial quarter due mainly to higher average selling prices and production of ffb, crude palm oil and palm kernel. However, overall operating expenses were higher due mainly to increases in the expenditures on purchase of ffb and fertilisers.

Overall, profit before taxation increased by 9.82% due mainly to the reasons mentioned above.

B 3 Prospects For Financial Year Ending 31 August 2010

The average selling price of crude palm oil for the remaining financial quarter in respect of the financial year ending 31 August 2010 is expected to remain strong and this should have a positive impact on the plantation profit.

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

	Third Financial Quarter 31.5.2010 RM'000	Nine Months 31.5.2010 RM'000
Income tax:		
Current provision	3,450	10,227
Underprovision in prior years	110	110
	<u>3,560</u>	<u>10,337</u>
Deferred taxation	(7)	(23)
	<u>3,553</u>	<u>10,314</u>

The effective tax rate for the third financial quarter and nine months ended 31 May 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 nine months ended 31 May 2010.

B 7 Quoted Securities

(i) Purchases and sale of quoted securities

	Third Financial Quarter 31.5.2010 RM'000	Nine Months 31.5.2010 RM'000
Purchase consideration	4,863	5,185
Sale proceeds	4	4
Profit on sale	4	4

(ii) Investments in quoted securities as at 31 May 2010: -

	RM'000
At cost	<u>26,902</u>
At carrying value/book value	<u>26,902</u>
At market value	<u>33,620</u>

Notes To The Interim Financial Report - 31 May 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 nine months under review and the period since the end of the third financial quarter under review to the date of issue of this interim report.

B 9 Borrowings And Debt Securities

As at 31 May 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 second interim dividend in respect of the financial year ending 31 August 2010 has been declared by the Board of Directors.

(ii) The amount per stock unit: 24% or 24 sen per stock unit less 25% taxation.

(iii) The date payable for the second interim dividend of 24% or 24 sen per stock unit less 25% taxation: 30 August 2010

(iv) In respect of deposited securities, entitlement to the second interim dividend of 24% or 24 sen per stock unit less 25% taxation will be determined on the basis of the record of depositors as at 17 August 2010.

(v) The total dividends for the current financial year ending 31 August 2010:-

Type of dividend	Gross	Tax	Net
	%	%	%
First interim	16.00	25.00	12.00
Second interim	24.00	25.00	18.00
	<u>40.00</u>	<u>25.00</u>	<u>30.00</u>

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

Type of dividend	Gross	Tax	Net
	%	%	%
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 - 31 May 2010

B 13 Earnings Per Stock Unit

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

	Third Financial Quarter		Nine Months	
	31.5.2010	31.5.2009	31.5.2010	31.5.2009
Profit attributable to equity holders of the Company (RM'000)	10,890	14,294	35,430	31,377
Weighted average number of stock units ('000)	91,363	91,363	91,363	91,363
Earnings per stock unit (sen)				
Basic	11.92	15.65	38.78	34.34
Diluted	11.92	15.65	38.78	34.34

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
30 July 2010