

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

**Condensed consolidated income statement**  
**for the fourth financial quarter and twelve months ended 31 August 2011**

|  | Fourth            |          | Twelve months |          |
|--|-------------------|----------|---------------|----------|
|  | financial quarter |          | 31 August     |          |
|  | 2011              | 2010     | 2011          | 2010     |
|  | RM'000            | RM'000   | RM'000        | RM'000   |
| Revenue  | 38,374            | 29,199   | 143,343       | 111,443  |
| Cost of sales                                  | (12,116)          | (11,546) | (50,359)      | (42,624) |
| Gross profit                                   | 26,258            | 17,653   | 92,984        | 68,819   |
| Other income                                   | 2,933             | 1,500    | 10,144        | 5,821    |
| Selling expenses                               | (614)             | (573)    | (2,247)       | (2,376)  |
| Administrative expenses                        | (3,150)           | (2,745)  | (12,238)      | (11,153) |
| Replanting expenses                            | (1,697)           | (1,607)  | (6,290)       | (6,319)  |
| Other expense                                  | -                 | (124)    | -             | (1,416)  |
| Share of results of associates                 | 4,313             | 1,083    | 15,199        | 8,092    |
| Share of result of a jointly controlled entity | (592)             | (358)    | (1,780)       | (895)    |
| Profit before tax                              | 27,451            | 14,829   | 95,772        | 60,573   |
| Income tax expense                             | (5,602)           | (3,379)  | (19,758)      | (13,693) |
| Profit net of tax                              | 21,849            | 11,450   | 76,014        | 46,880   |
| Earnings per stock unit (sen per stock unit)   |                   |          |               |          |
| Basic  | 23.91             | 12.53    | 83.20         | 51.31    |
| Diluted  | 23.91             | 12.53    | 83.20         | 51.31    |

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

**Condensed consolidated statement of comprehensive income**  
**for the fourth financial quarter and twelve months ended 31 August 2011**

|   | <b>Fourth</b>            |               | <b>Twelve months</b> |               |
|---|--------------------------|---------------|----------------------|---------------|
|   | <b>financial quarter</b> |               | <b>31 August</b>     |               |
|   | <b>2011</b>              | <b>2010</b>   | <b>2011</b>          | <b>2010</b>   |
|   | <b>RM'000</b>            | <b>RM'000</b> | <b>RM'000</b>        | <b>RM'000</b> |
| Profit net of tax   | 21,849                   | 11,450        | 76,014               | 46,880        |
| Other comprehensive income:   |                          |               |                      |               |
| Foreign currency translation  | 2,109                    | (10,312)      | 1,702                | (7,836)       |
| Net gain on fair value changes of<br>available-for-sale investment securities | (3,678)                  | -             | 1,487                | -             |
| Share of other comprehensive income<br>of an associate                        | (1)                      | -             | (13)                 | -             |
| Total comprehensive income for the period                                     | <u>20,279</u>            | <u>1,138</u>  | <u>79,190</u>        | <u>39,044</u> |

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

**Condensed consolidated statement of financial position**  
**As at 31 August 2011**

|  | <b>31.8.2011</b> | <b>31.8.2010</b> |
|--|------------------|------------------|
|  | <b>RM'000</b>    | <b>RM'000</b>    |
|  |                  | <b>Restated</b>  |
| <b>Assets</b>  |                  |                  |
| <b>Non-current assets</b>  |                  |                  |
| Property, plant and equipment  | 40,559           | 39,304           |
| Biological assets  | 74,225           | 74,225           |
| Investments in associates  | 210,093          | 194,253          |
| Investment in a jointly controlled entity                            | 22,523           | 23,217           |
| Investment securities  | 55,912           | 34,526           |
|  | <u>403,312</u>   | <u>365,525</u>   |
| <b>Current assets</b>  |                  |                  |
| Inventories  | 2,572            | 2,447            |
| Receivables  | 7,625            | 8,567            |
| Cash and bank balances   | 198,216          | 173,190          |
|  | <u>208,413</u>   | <u>184,204</u>   |
| <b>Total assets</b>  | <u>611,725</u>   | <u>549,729</u>   |
| <b>Equity and liabilities</b>  |                  |                  |
| <b>Equity attributable to owners of the Company</b>                  |                  |                  |
| Share capital  | 91,363           | 91,363           |
| Share premium  | 19,654           | 19,654           |
| Other reserves   | 18,149           | 578              |
| Retained profits   | 466,513          | 423,371          |
| <b>Total equity</b>  | <u>595,679</u>   | <u>534,966</u>   |
| <b>Non-current liability</b>   |                  |                  |
| Deferred tax liability   | 6,373            | 6,389            |
| <b>Current liabilities</b>   |                  |                  |
| Payables   | 6,999            | 6,892            |
| Income tax payable   | 2,674            | 1,482            |
|  | <u>9,673</u>     | <u>8,374</u>     |
| <b>Total liabilities</b>   | <u>16,046</u>    | <u>14,763</u>    |
| <b>Total equity and liabilities</b>                                  | <u>611,725</u>   | <u>549,729</u>   |
| Net assets per stock unit attributable to owners of the Company (RM) | <u>6.52</u>      | <u>5.86</u>      |

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

Condensed consolidated statement of changes in equity  
for the twelve months ended 31 August 2011

|   | Non-distributable                                   |               | Distributable |                  | Non-distributable                                       |                                      |                               |
|---|---|---------------|---------------|------------------|---|--------------------------------------|-------------------------------|
|   | Equity attributable to owners of the Company, total | Share capital | Share premium | Retained profits | Asset revaluation reserve - lands and biological assets | Foreign currency translation reserve | Fair value adjustment reserve |
|   | RM'000  | RM'000        | RM'000        | RM'000           | RM'000  | RM'000                               | RM'000                        |
| At 1 September 2009                                   | 523,331   | 91,363        | 19,654        | 403,880          | 16,802  | (8,368)                              | -                             |
| Revaluation reserve of leasehold land realised        | -   | -             | -             | 20               | (20)  | -                                    | -                             |
| Total comprehensive income                            | 39,044  | -             | -             | 46,880           | -   | (7,836)                              | -                             |
| Transaction with owners                               | (27,409)  | -             | -             | (27,409)         | -   | -                                    | -                             |
| Dividends, representing total transaction with owners | 534,966   | 91,363        | 19,654        | 423,371          | 16,782  | (16,204)                             | -                             |
| At 31 August 2010                                     | 534,966   | 91,363        | 19,654        | 423,371          | 16,782  | (16,204)                             | -                             |
| Effects of adopting FRS 139                           | 14,414  | -             | -             | -                | -   | -                                    | 14,414                        |
| At 1 September 2010                                   | 549,380   | 91,363        | 19,654        | 423,371          | 16,782  | (16,204)                             | 14,414                        |
| Revaluation reserve of leasehold land realised        | -   | -             | -             | 19               | (19)  | -                                    | -                             |
| Total comprehensive income                            | 79,190  | -             | -             | 76,014           | -   | 1,702                                | 1,474                         |
| Transaction with owners                               | (32,891)  | -             | -             | (32,891)         | -   | -                                    | -                             |
| Dividends, representing total transaction with owners | 595,679   | 91,363        | 19,654        | 466,513          | 16,763  | (14,502)                             | 15,888                        |
| At 31 August 2011                                     | 595,679   | 91,363        | 19,654        | 466,513          | 16,763  | (14,502)                             | 15,888                        |

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

**Condensed consolidated statement of cash flows**  
**for the twelve months ended 31 August 2011**

|  | <b>31.8.2011</b> | <b>31.8.2010</b> |
|--|------------------|------------------|
|  | <b>RM'000</b>    | <b>RM'000</b>    |
| <b>Operating activities</b>  |                  |                  |
| Profit before tax  | 95,772           | 60,573           |
| Adjustments  | <u>(20,723)</u>  | <u>(8,912)</u>   |
| Operating cash flows before changes in working capital   | 75,049           | 51,661           |
| Changes in working capital   |                  |                  |
| Net changes in current assets  | 958              | (1,614)          |
| Net changes in current liabilities   | 107              | (388)            |
| Cash flows from operations   | <u>76,114</u>    | <u>49,659</u>    |
| Taxes paid   | <u>(18,517)</u>  | <u>(13,089)</u>  |
| Net cash flows from operating activities   | <u>57,597</u>    | <u>36,570</u>    |
| <b>Investing activities</b>  |                  |                  |
| Property, plant and equipment  | (2,378)          | (1,077)          |
| Investment securities  | (4,782)          | (10,604)         |
| Interest received  | 4,303            | 3,137            |
| Net dividends received   | 962              | 752              |
| Placements of fixed deposits pledged to banks  | (26)             | (28)             |
| Net cash used in investing activities  | <u>(1,921)</u>   | <u>(7,820)</u>   |
| <b>Financing activity</b>  |                  |                  |
| Dividends paid to owners of the Company,<br>representing total cash flows used in financing activity | <u>(32,891)</u>  | <u>(27,409)</u>  |
| <b>Net increase in cash and cash equivalents</b>   | 22,785           | 1,341            |
| <b>Effects of exchange rate changes</b>  | 2,215            | (1,416)          |
| <b>Cash and cash equivalents at beginning of period</b>  | <u>172,142</u>   | <u>172,217</u>   |
| <b>Cash and cash equivalents at end of period</b>  | <u>197,142</u>   | <u>172,142</u>   |

**Notes to the interim financial report - 31 August 2011**

**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 2010.

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 2010 except for the adoption of new standards, amendments to standards and IC interpretations that are mandatory for the Group for the financial year beginning 1 September 2010. The adoption of these standards, amendments and interpretations do not have a material impact on the interim financial information of the Group except for FRS 139 Financial Instruments: Recognition and Measurement, FRS 101 Presentation of Financial Statements (Revised), Amendment to FRS 117 : Leases and FRS 7 Financial Instruments : Disclosures.

The principal changes in accounting policies and effects resulting from the adoption of the abovementioned FRSs and Amendment to FRS are discussed below.

**(a) FRS 139 Financial Instruments: Recognition and Measurement**

FRS 139 establishes principles for recognising and measuring financial assets, financial liabilities and some contracts to buy and sell non-financial items. The Group have adopted FRS 139 prospectively on 1 September 2010 in accordance with the transitional provisions. The effects arising from the adoption of this Standard has been accounted for by adjusting the opening balance of retained earnings and fair value adjustment reserve as at 1 September 2010 as appropriate. Comparatives are not restated. The details of the changes in accounting policies and the effects arising from the adoption of FRS 139 are discussed below:

Prior to 1 September 2010, the Group classified its investments in securities which were held for non-trading purposes as non-current investments. Such investments were carried at cost less impairment losses. Upon the adoption of FRS 139, these investments except for those whose fair value cannot be reliably measured, are designated at 1 September 2010 as available-for-sale financial assets and accordingly are stated at their fair values as at that date with an increase in value of RM14,376,000. The adjustments to their previous carrying amounts are recognised as adjustments to the opening balance of fair value adjustment as at 1 September 2010. The effects on the statement of financial position as at 31 December 2011 and statement of other comprehensive income for the financial year ended 31 August 2011 are set out in Note A1(e).

Investment in securities whose fair value cannot be reliably measured amounting to RM4,771,000 as at 1 September 2010 continued to be carried at cost less impairment losses.

**(b) FRS 101 Presentation of Financial Statements (Revised)**

The revised FRS 101 introduces changes in the presentation and disclosures of financial statements. The revised Standard separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners, with all non-owner changes in equity presented as a single line. The Standard also introduces the statement of comprehensive income, with all items of income and expense recognised in profit or loss, together with all other items of recognised income and expense recognised directly in equity, either in one single statement, or in two linked statements. The Group has elected to present this statement as two linked statements. The revised FRS 101 was adopted retrospectively by the Group. The requirement to make new disclosures on capital management will be made in the audited annual financial statements of the Group.

**Notes to the interim financial report - 31 August 2011**

**A 1 Basis of preparation (cont'd.)**

(c) FRS 7 Financial Instruments : Disclosures

FRS 7 requires the disclosure of qualitative and quantitative information about exposure to risks arising from financial instruments. Such disclosures will be made in the audited annual financial statements of the Group.

(d) Amendment to FRS 117 : Leases

Leasehold land is classified as a finance lease if the Group has substantially all the risks and rewards incidental to ownership. Previously, leasehold land was classified as an operating lease under prepaid land lease payments unless title is expected to pass to the lessee at the end of the lease term. Following the Amendment to FRS 117, the classification of leasehold land has been changed from operating to finance lease. The effect of the change is adjusted for retrospectively as disclosed in Note A1(e).

(e) The effects arising from the adoption of FRS 117, FRS 139 and FRS101 are set out below:

|   | As previously<br>stated<br>RM'000 | FRS 117<br>(Note A1(d))<br>RM'000 | As restated<br>RM'000              |
|---|-----------------------------------|-----------------------------------|------------------------------------|
| Balance as at 31 August 2010                  |                                   |                                   |                                    |
| Prepaid land lease payments                   | 21,608                            | (21,608)                          | -                                  |
| Property, plant and equipment                 | 17,696                            | 21,608                            | 39,304                             |
| Balance as at 1 September 2009                |                                   |                                   |                                    |
| Prepaid land lease payments                   | 21,925                            | (21,925)                          | -                                  |
| Property, plant and equipment                 | 17,749                            | 21,925                            | 39,674                             |
|   | As previously<br>stated<br>RM'000 | FRS 101<br>(Note A1(b))<br>RM'000 | As restated<br>RM'000              |
| Fourth financial quarter ended 31 August 2010 |                                   |                                   |                                    |
| Other comprehensive income:                   |                                   |                                   |                                    |
| Foreign currency translation                  | -                                 | (10,312)                          | (10,312)                           |
| Twelve months ended 31 August 2010            |                                   |                                   |                                    |
| Other comprehensive income:                   |                                   |                                   |                                    |
| Foreign currency translation                  | -                                 | (7,836)                           | (7,836)                            |
|   | As previously<br>stated<br>RM'000 | FRS 139<br>(Note A1(a))<br>RM'000 | As restated<br>RM'000              |
| Balance as at 1 September 2010                |                                   |                                   |                                    |
| Investments in associates                     | 194,253                           | 38                                | 194,291                            |
| Investment securities                         | -                                 | 14,376                            | 14,376                             |
| Fair value adjustment reserve                 | -                                 | 14,414                            | 14,414                             |
|   | Increase/(decrease)               |                                   |                                    |
|   | FRS 101<br>(Note A1(b))<br>RM'000 | FRS 117<br>(Note A1(d))<br>RM'000 | FRS 139<br>(Note A1(a))*<br>RM'000 |
| Balance as at 31 August 2011                  |                                   |                                   |                                    |
| Prepaid land lease payments                   | -                                 | (21,291)                          | -                                  |
| Property, plant and equipment                 | -                                 | 21,291                            | -                                  |
| Investments in associates                     | -                                 | -                                 | 25                                 |
| Investment securities                         | -                                 | -                                 | 15,863                             |
| Fair value adjustment reserve                 | -                                 | -                                 | 15,888                             |

**Notes to the interim financial report - 31 August 2011**

**A 1 Basis of preparation (cont'd.)**

(e) The effects arising from the adoption of FRS 117, FRS 139 and FRS101 are set out below:(cont'd.)

|   | Increase/(decrease)               |                                   |                                    |
|---|-----------------------------------|-----------------------------------|------------------------------------|
|   | FRS 101<br>(Note A1(b))<br>RM'000 | FRS 117<br>(Note A1(d))<br>RM'000 | FRS 139<br>(Note A1(a))*<br>RM'000 |
| Fourth financial quarter ended 31 August 2011           |                                   |                                   |                                    |
| Other comprehensive income:                             |                                   |                                   |                                    |
| Foreign currency translation                            | 2,109                             | -                                 | -                                  |
| Net gain on fair value changes of investment securities | (3,678)                           | -                                 | -                                  |
| Share of other comprehensive income of an associate     | (1)                               | -                                 | -                                  |
| Twelve months ended 31 August 2011                      |                                   |                                   |                                    |
| Other comprehensive income:                             |                                   |                                   |                                    |
| Foreign currency translation                            | 1,702                             | -                                 | -                                  |
| Net gain on fair value changes of investment securities | 1,487                             | -                                 | -                                  |
| Share of other comprehensive income associate           | (13)                              | -                                 | -                                  |

\* Changes from the adoption of FRS 139 are adjusted against the opening fair value reserve as at 1 September 2010. Comparatives are not restated.

The Group has not adopted all the standards and interpretations that have been issued but not yet effective. Except for the changes in accounting policies arising from the adoption of new disclosures required under the amendments to FRS 7, the directors expect that the adoption of those standards and interpretations will have no material impact on the financial statements in the period of initial applications.

**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 twelve months ended 31 August 2011:

|                     | Hectares                 |                         |                |                |
|---------------------|--------------------------|-------------------------|----------------|----------------|
|                     | Mature                   | Replanting and immature |                |                |
|                     | 8,477                    | 2,483                   |                |                |
|                     | <u>10,960</u>            |                         |                |                |
|                     | Fourth financial quarter |                         | Twelve months  |                |
|                     | 31.8.2011                | 31.8.2010               | 31.8.2011      | 31.8.2010      |
| Production (m/t)    |                          |                         |                |                |
| fresh fruit bunches |                          |                         |                |                |
| Own                 | 40,235                   | 40,478                  | 160,146        | 169,851        |
| Purchas             | 7,614                    | 9,002                   | 28,679         | 33,532         |
|                     | <u>47,849</u>            | <u>49,480</u>           | <u>188,825</u> | <u>203,383</u> |
| Crude palm oil      | 7,761                    | 7,982                   | 30,160         | 32,818         |
| Palm kernel         | 2,006                    | 2,216                   | 8,591          | 9,584          |
| Extraction Rate     |                          |                         |                |                |
| Crude palm oil      | 20.29%                   | 19.74%                  | 19.57%         | 19.54%         |
| Palm kernel         | 5.25%                    | 5.48%                   | 5.57%          | 5.71%          |



**Notes to the interim financial report - 31 August 2011**

**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 twelve months ended 31 August 2011.

**A 6 Fair value changes of financial liabilities**

As at 31 August 2011, the Group did not have any financial liabilities measured at fair value through profit or loss.

**A 7 Dividends paid**

The amount of dividends paid during the twelve months ended 31 August 2011.

In respect of financial year ended 31 August 2011:

|  | RM'000 |
|--|--------|
| First interim dividend of 18% or 18 sen per stock unit less 25% taxation paid on 24 January 2011 | 12,334 |
| Second interim dividend of 30% or 30 sen per stock unit less 25% taxation paid on 26 August 2011 | 20,557 |
|  | 32,891 |

**A 8 Segment information**

The chief operating decision-maker 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 are as follows:

|   | Oil palm plantation      |           |               |           |
|---|--------------------------|-----------|---------------|-----------|
|   | Fourth financial quarter |           | Twelve months |           |
|   | 31.8.2011                | 31.8.2010 | 31.8.2011     | 31.8.2010 |
|   | RM'000                   | RM'000    | RM'000        | RM'000    |
| Revenue from external customers                     | 38,374                   | 29,199    | 143,343       | 111,443   |
| Revenue from major customers                        | 25,523                   | 22,017    | 116,114       | 83,874    |
| Reportable segment profit                           | 20,797                   | 12,728    | 73,495        | 50,025    |
| Reportable segment profit is reconciled as follows: |                          |           |               |           |
| Total profit for reportable segment                 | 20,797                   | 12,728    | 73,495        | 50,025    |
| Share of results of associates                      | 4,313                    | 1,083     | 15,199        | 8,092     |
| Share of result of a jointly controlled entity      | (592)                    | (358)     | (1,780)       | (895)     |
| Other income  | 2,933                    | 1,500     | 8,858         | 4,767     |
| Other expense                                       | -                        | (124)     | -             | (1,416)   |
| Profit before tax                                   | 27,451                   | 14,829    | 95,772        | 60,573    |

**Notes to the interim financial report - 31 August 2011**

**A 8 Segment information (cont'd.)**

The segment information are as follows: (cont'd.)

|                                | As at<br>31.8.2011 | As at<br>31.8.2010 |
|--------------------------------|--------------------|--------------------|
|                                | RM'000             | RM'000             |
| Reportable segment assets      | 125,266            | 124,329            |
| Reportable segment liabilities | <u>6,999</u>       | <u>6,892</u>       |

Reportable segment's assets are reconciled as follows:

|   | As at<br>31.8.2011 | As at<br>31.8.2010 |
|---|--------------------|--------------------|
|   | RM'000             | RM'000             |
| Total assets for reportable segment       | 125,266            | 124,329            |
| Investments in associates                 | 210,093            | 194,253            |
| Investment in a jointly controlled entity | 22,523             | 23,217             |
| Investment securities                     | 55,912             | 34,526             |
| Unallocated assets                        | 197,931            | 173,404            |
| Total assets                              | <u>611,725</u>     | <u>549,729</u>     |

Reportable segment's liabilities are reconciled as follows:

|  | As at<br>31.8.2011 | As at<br>31.8.2010 |
|--|--------------------|--------------------|
|  | RM'000             | RM'000             |
| Total liabilities for reportable segment | 6,999              | 6,892              |
| Income tax payable                       | 2,674              | 1,482              |
| Deferred tax liability                   | 6,373              | 6,389              |
| Total liabilities                        | <u>16,046</u>      | <u>14,763</u>      |

**A 9 Property, plant and equipment**

There were no significant acquisitions and disposals of property, plant and equipment for the twelve months ended 31 August 2011.

There were no commitments for the purchase of property, plant and equipment for the twelve months ended 31 August 2011.

**A 10 Material events subsequent to fourth financial quarter**

There were no material events subsequent to the fourth financial quarter that have not been reflected in the financial statements for the financial quarter ended 31 August 2011.

**A 11 Changes in composition of the Group**

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

**A 12 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 2010.

**Notes to the interim financial report - 31 August 2011**

**A 13 Related party disclosures**

|  | Twelve months<br>31.8.2011<br>RM'000 |
|--|--------------------------------------|
| (a) Companies in which certain directors and substantial shareholders have interests |                                      |
| Sale of oil palm produce   | 1,157                                |
| Purchase of oil palm produce   | 1,163                                |
| Agency fee   | 23                                   |
|  | 23                                   |
| (b) Associate in which certain directors and substantial shareholders have           |                                      |
| Management fee   | 271                                  |
|  | 271                                  |
| (c) Person connected to certain directors  |                                      |
| Purchase of fertilisers  | 3,783                                |
|  | 3,783                                |

**B Information as required by the Main Market Listing Requirements (Part A of Appendix 9B) of Bursa Malaysia Securities Berhad**

**B 1 Review of performance**

(a) Fourth financial quarter ended 31 August 2011

During the fourth financial quarter under review, revenue improved by 31.42% when compared with the previous corresponding financial quarter due mainly to substantial increases 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 lower.

Other income was substantially higher due mainly to an amount of gain on foreign exchange and an increase in interest income.

Share of results of associates was higher due mainly to an increase in profit contribution from the joint ventures engaged in oil palm plantation.

Overall profit net of tax increased by 90.82%.

(b) Twelve months ended 31 August 2011

During the twelve months period under review, revenue improved by 28.62% when compared with the previous corresponding period due mainly to substantial increases 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 lower.

Other income was substantially higher due mainly to an amount of gain on foreign exchange and an increase in interest income.

Share of results of associates was higher due mainly to an increase in profit contribution from the joint ventures engaged in oil palm plantation and property development.

Overall profit net of tax increased by 62.15%.

**Notes to the interim financial report - 31 August 2011**

**B 2 Material change in the profit before tax for the fourth financial quarter compared with the immediate preceding quarter**

Revenue in the fourth financial quarter under review decreased by 14.81% when compared with the immediate preceding financial quarter due mainly to lower average selling prices and production of ffb, crude palm oil and palm kernel.

Overall operating expenses were lower due mainly to decreases in the expenditures in manuring fertilisers and purchase of ffb.

Overall profit before tax decreased by 10.85%.

**B 3 Prospects for financial year ending 31 August 2012**

The present average selling prices of ffb, crude palm oil and palm kernel have decreased when compared with those in the financial year ended 31 August 2011. Should this trend continues, this would have a corresponding effect on the plantation profit for the financial year ending 31 August 2012.

**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**

|                               | Fourth<br>financial quarter<br>31.8.2011<br>RM'000 | Twelve months<br>31.8.2011<br>RM'000 |
|-------------------------------|--|--------------------------------------|
| Income tax:                   |  |                                      |
| Current provision             | 5,595  | 19,700                               |
| Under provision in prior year | -  | 74                                   |
|                               | 5,595  | 19,774                               |
| Deferred taxation             | 7  | (16)                                 |
|                               | 5,602  | 19,758                               |

The effective tax rate for the fourth financial quarter and twelve months period under review is lower than the statutory rate due mainly to certain income which are not assessable for income tax purpose and the effect of share of results of associates.

**B 6 Profits/(Losses) on sale of unquoted investments and/or properties**

There were no sales of unquoted investments and properties for the twelve months ended 31 August 2011.

**Notes to the interim financial report - 31 August 2011**

**B 7 Quoted securities**

(i) Purchases and sale of quoted securities

|                        | Fourth<br>Financial Quarter<br>31.8.2011<br>RM'000 | Twelve Months<br>31.8.2011<br>RM'000 |
|------------------------|--|--------------------------------------|
| Purchase consideration | 1,012  | 5,523                                |
| Sale proceeds          | -  | -                                    |
| Profit on sale         | -  | -                                    |

(ii) Investments in quoted securities as at 31 August 2011: -

|                              | RM'000 |
|------------------------------|--------|
| At cost                      | 34,677 |
| At carrying value/book value | 50,501 |
| At market value              | 50,501 |

**B 8 Status of corporate proposals**

On 10 April 2006, the Company entered into a conditional joint venture and shareholders agreement with Negeri 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 in the previous financial years are as follows:-

| Financial year | No. of shares     | Amount<br>(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              |
| 31.8.2010      | -                 | -                  |
|                | <u>11,660,000</u> | <u>27,585</u>      |

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

**B 9 Borrowings and debt securities**

As at 31 August 2011, there were no borrowings and debt securities.

**B 10 Derivatives financial instruments**

There were no derivatives financial instruments transacted during the twelve months period ended 31 August 2011.

**Notes to the interim financial report - 31 August 2011**

**B 11 Material litigation**

There were no material litigations as at 31 August 2010 and at the date of issue of this interim financial report.

**B 12 Dividends**

- (i) A first interim dividend of 18% or 18 sen per stock unit less 25% taxation and a second interim dividend of 30% or 30 sen per stock unit less 25% taxation in respect of the financial year ended 31 August 2011 were paid during the financial year.

In view of the payment of the interim dividends, the directors do not recommend a final dividend in respect of the financial year ended 31 August 2011.

- (ii) The total dividends for the current financial year ended 31 August 2011:-

| <u>Type of dividend</u> | <u>Gross</u> | <u>Tax</u>   | <u>Net</u>   |
|-------------------------|--------------|--------------|--------------|
|                         | %            | %            | %            |
| First interim           | 18.00        | 25.00        | 13.50        |
| Second interim          | 30.00        | 25.00        | 22.50        |
|                         | <u>48.00</u> | <u>25.00</u> | <u>36.00</u> |

- (ii) The total dividends for the previous financial year ended 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        |
| Second interim          | 24.00        | 25.00        | 18.00        |
|                         | <u>40.00</u> | <u>25.00</u> | <u>30.00</u> |

**B 13 Earnings per stock unit**

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

|   | <u>Fourth Financial Quarter</u> |                  | <u>Twelve Months</u> |                  |
|---|---------------------------------|------------------|----------------------|------------------|
|   | <u>31.8.2011</u>                | <u>31.8.2010</u> | <u>31.8.2011</u>     | <u>31.8.2010</u> |
| Profit attributable to owners of the Company (RM'000) | 21,849                          | 11,450           | 76,014               | 46,880           |
| Weighted average number of stock units ('000)         | 91,363                          | 91,363           | 91,363               | 91,363           |
| Earnings per stock unit (sen)                         |                                 |                  |                      |                  |
| Basic   | 23.91                           | 12.53            | 83.20                | 51.31            |
| Diluted   | 23.91                           | 12.53            | 83.20                | 51.31            |

The diluted earnings per stock unit is similar to basic earnings per stock unit as there is no potential dilutive ordinary stock units outstanding as at end of the financial quarter.

**Notes to the interim financial report - 31 August 2011**

**B 14 Realised and unrealised profit/losses disclosure**

|  | As at<br>31.8.2011<br>RM'000 |
|--|------------------------------|
| Total retained profits of the Company and its subsidiary           |                              |
| Realised   | 406,857                      |
| Unrealised   | 2,147                        |
|  | <hr/> 409,004                |
| Total share of retained profits from associates                    |                              |
| Realised   | 62,191                       |
| Unrealised loss  | (53)                         |
| Total share of accumulated losses from a jointly controlled entity |                              |
| Realised   | (4,515)                      |
| Unrealised   | (114)                        |
|  | <hr/> 466,513                |
| Less: consolidation adjustments                                    | -                            |
| Total Group retained profits as per consolidated accounts          | <hr/> <u>466,513</u>         |

**B 15 Auditors' report on preceding annual financial statements**

The auditors' report on the financial statements for the financial year ended 31 August 2010 was not qualified.

By Order of the Board

Gan Kok Tiong  
Company Secretary  
31 October 2011