

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

Condensed consolidated income statement
for the second financial quarter and six months ended 29 February 2012

	Second		Six months	
	financial quarter			
	29.2.2012	28.2.2011	29.2.2012	28.2.2011
	RM'000	RM'000	RM'000	RM'000
Revenue	28,223	28,930	60,690	59,926
Cost of sales	(9,470)	(12,069)	(20,217)	(23,178)
Gross profit	18,753	16,861	40,473	36,748
Interest income	1,284	1,006	2,568	2,001
Dividend income	464	286	921	655
Other income	35	112	146	2,517
Selling expenses	(541)	(426)	(1,143)	(1,004)
Administrative expenses	(4,892)	(3,092)	(7,844)	(5,789)
Replanting expenses	(2,171)	(1,603)	(3,238)	(3,238)
Other expenses	(776)	-	(1,145)	-
Share of results of associates	484	4,396	2,127	6,579
Share of results of a jointly controlled entity	(305)	(796)	(590)	(939)
Profit before tax	12,335	16,744	32,275	37,530
Income tax expense	(3,150)	(2,916)	(7,793)	(7,549)
Profit net of tax	9,185	13,828	24,482	29,981
Earnings per stock unit (sen per stock unit)				
Basic	10.05	15.14	26.80	32.82
Diluted	10.05	15.14	26.80	32.82

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

Condensed consolidated statement of comprehensive income
for the second financial quarter and six months ended 29 February 2012

	Second		Six months	
	financial quarter			
	29.2.2012	28.2.2011	29.2.2012	28.2.2011
	RM'000	RM'000	RM'000	RM'000
Profit net of tax	9,185	13,828	24,482	29,981
Other comprehensive income:				
Foreign currency translation	(5,568)	1,760	(5,291)	3,499
Net gain/(loss) on fair value changes of available-for-sale investment securities	4,098	(1,411)	843	2,506
Share of other comprehensive loss of an associate	-	(8)	(9)	(8)
Total comprehensive income for the period	7,715	14,169	20,025	35,978

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

Condensed consolidated statement of financial position
As at 29 February 2012

	29.2.2012	31.8.2011
	RM'000	RM'000
Assets		
Non-current assets		
Property, plant and equipment	40,653	40,559
Biological assets	74,225	74,225
Investments in associates	207,421	210,093
Investment in a jointly controlled entity	21,432	22,523
Investment securities	57,278	55,912
	<u>401,009</u>	<u>403,312</u>
Current assets		
Inventories	3,305	2,572
Receivables	6,415	7,625
Cash and bank balances	207,838	198,216
	<u>217,558</u>	<u>208,413</u>
Total assets	<u>618,567</u>	<u>611,725</u>
Equity and liabilities		
Current liabilities		
Payables	7,299	6,999
Income tax payable	171	2,674
	<u>7,470</u>	<u>9,673</u>
Non-current liabilities		
Deferred tax liabilities	6,357	6,373
Total liabilities	<u>13,827</u>	<u>16,046</u>
Equity attributable to owners of the Company		
Share capital	91,363	91,363
Share premium	19,654	19,654
Other reserves	13,681	18,148
Retained profits	480,042	466,514
Total equity	<u>604,740</u>	<u>595,679</u>
Total equity and liabilities	<u>618,567</u>	<u>611,725</u>
Net assets per stock unit attributable to owners of the Company (RM)	<u>6.62</u>	<u>6.52</u>

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

Condensed consolidated statement of changes in equity
for the six months ended 29 February 2012

	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 2010	549,380	91,363	19,654	423,371	16,782	(16,204)	14,414
Revaluation reserve of leasehold land realised	-	-	-	10	(10)	-	-
Total comprehensive income	35,978	-	-	29,981	-	3,499	2,498
Transaction with owners	(12,334)	-	-	(12,334)	-	-	-
Dividends, representing total transaction with owners	573,024	91,363	19,654	441,028	16,772	(12,705)	16,912
At 28 February 2011	595,679	91,363	19,654	466,514	16,763	(14,503)	15,888
Revaluation reserve of leasehold land realised	-	-	-	10	(10)	-	-
Total comprehensive income	20,025	-	-	24,482	-	(5,291)	834
Transaction with owners	(10,964)	-	-	(10,964)	-	-	-
Dividends, representing total transaction with owners	604,740	91,363	19,654	480,042	16,753	(19,794)	16,722
At 29 February 2012							

Chin Teck Plantations Berhad (3250V)
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Condensed consolidated statement of cash flows
for the six months ended 29 February 2012

	29.2.2012	28.2.2011
	RM'000	RM'000
Operating activities		
Profit before tax	32,275	37,530
Adjustments for:		
Depreciation for property, plant and equipment	711	679
Gain on sale of property, plant and equipment	(14)	-
Gross dividend income	(921)	(655)
Interest income	(2,568)	(2,001)
Loss on sale of investment securities	44	-
Share of results of associates	(2,127)	(6,579)
Share of results of a jointly controlled entity	590	939
Unrealised loss/(gain) on foreign exchange	1,098	(1,118)
Total adjustments	<u>(3,187)</u>	<u>(8,735)</u>
Operating cash flows before changes in working capital	29,088	28,795
Changes in working capital		
(Increase)/decrease in		
inventories	(733)	(383)
receivables	1,119	751
Increase/(decrease) in payables	300	(942)
Total changes in working capital	<u>686</u>	<u>(574)</u>
Cash flows from operations	29,774	28,221
Taxes paid	(10,290)	(6,375)
Net cash flows from operating activities	<u>19,484</u>	<u>21,846</u>
Investing activities		
Interest received	2,659	2,005
Net dividends received	856	330
Purchase of property, plant and equipment	(929)	(993)
Purchase of investment securities	(1,819)	(3,110)
Proceeds from sale of property, plant and equipment	138	-
Proceeds from sale of investment securities	1,295	-
Net cash flows from/(used in) investing activities	<u>2,200</u>	<u>(1,768)</u>
Financing activity		
Dividends paid to owners of the Company, representing total cash flows used in financing activity	<u>(10,964)</u>	<u>(12,334)</u>
Net increase in cash and cash equivalents	10,720	7,744
Effects of exchange rate changes on cash and cash equivalents	(1,098)	1,118
Cash and cash equivalents at beginning of period	197,142	172,142
Cash and cash equivalents at end of period	<u>206,764</u>	<u>181,004</u>

Notes to the interim financial report - 29 February 2012

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 2011.

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 2011 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 2011. The adoption of these standards, amendments and interpretations do not have a material impact on the interim financial statements of the Group.

The extensive disclosures of qualitative and quantitative information about exposures to risks from financial instruments as required by FRS 7 will be made in the audited annual financial statements of the Group.

Malaysian Financial Reporting Standards (MFRS Framework)

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (MFRS Framework).

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer (herein called "Transitioning Entities").

Transitioning Entities will be allowed to defer adoption of the new MFRS Framework for an additional one year. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2013.

The Group falls within the scope definition of Transitioning Entities and accordingly, will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 August 2014. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

The Group has commenced transitioning its accounting policies and financial reporting from the current Financial Reporting Standards to MFRS Framework. At the date of these interim financial statements, the Group has not completed its quantification of the financial effects of the differences between Financial Reporting Standards and accounting standards under the MFRS Framework due to the ongoing assessment. Accordingly, the financial performance and financial position as disclosed in these financial statements for the year ending 31 August 2012 could be different if prepared under the MFRS Framework.

Notes to the interim financial report - 29 February 2012

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 29 February 2012:

	Hectares			
	29.2.2012	28.2.2011	29.2.2012	28.2.2011
Mature	8,372			
Replanting and immature	2,553			
	<u>10,925</u>			
	Second financial quarter		Six months	
	29.2.2012	28.2.2011	29.2.2012	28.2.2011
Production (m/t)				
fresh fruit bunches				
Own	33,538	31,124	78,548	73,841
Purchase	2,500	4,663	7,961	12,166
	<u>36,038</u>	<u>35,787</u>	<u>86,509</u>	<u>86,007</u>
Crude palm oil	5,463	5,390	13,697	13,614
Palm kernel	1,684	1,607	3,871	3,986
Extraction Rate				
Crude palm oil	18.87%	18.62%	19.46%	19.23%
Palm kernel	5.82%	5.55%	5.50%	5.63%

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 29 February 2012.

A 6 Fair value changes of financial liabilities

As at 29 February 2012, the Group did not have any financial liabilities measured at fair value through profit or loss.

A 7 Dividends paid

The amount of dividend paid during the six months ended 29 February 2012.

In respect of financial year ending 31 August 2012:

First interim dividend of 16% or 16 sen per stock unit less 25% taxation paid on 17 January 2012

RM'000

10,964

Notes to the interim financial report - 29 February 2012

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			
	Second financial quarter		Six months	
	29.2.2012	28.2.2011	29.2.2012	28.2.2011
	RM'000	RM'000	RM'000	RM'000
Revenue from external customers	28,223	28,930	60,690	59,926
Revenue from major customers	22,466	24,622	48,068	50,256
Reportable segment profit	11,149	11,784	28,248	28,003
Reportable segment profit is reconciled as follows:				
Total profit for reportable segment	11,149	11,784	28,248	28,003
Share of results of associates	484	4,396	2,127	6,579
Share of results of a jointly controlled entity	(305)	(796)	(590)	(939)
Other income	1,783	1,360	3,635	3,887
Other expense	(776)	-	(1,145)	-
Profit before tax	12,335	16,744	32,275	37,530

	As at 29.2.2012 RM'000	As at 31.8.2011 RM'000
Reportable segment assets	124,790	125,266
Reportable segment liabilities	7,299	6,999

Reportable segment's assets are reconciled as follows:

	As at 29.2.2012 RM'000	As at 31.8.2011 RM'000
Total assets for reportable segment	124,790	125,266
Investments in associates	207,421	210,093
Investment in a jointly controlled entity	21,432	22,523
Investment securities	57,278	55,912
Unallocated assets	207,646	197,931
Total assets	618,567	611,725

Reportable segment's liabilities are reconciled as follows:

	As at 29.2.2012 RM'000	As at 31.8.2011 RM'000
Total liabilities for reportable segment	7,299	6,999
Income tax payable	171	2,674
Deferred tax liabilities	6,357	6,373
Total liabilities	13,827	16,046

Notes to the interim financial report - 29 February 2012

A 9 Property, plant and equipment

There were no significant acquisitions and disposals of property, plant and equipment for the six months ended 29 February 2012.

There were no commitments for the purchase of property, plant and equipment for the six months ended 29 February 2012.

A 10 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 29 February 2012.

A 11 Changes in composition of the Group

There were no business combinations, acquisition or disposal of subsidiaries and long term investments (other than the purchase and sale of quoted 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 2011.

A 13 Related party disclosures

	Six months 29.2.2012 RM'000
(a) Companies in which certain directors and substantial shareholders have interests	
Sale of oil palm produce	3,116
Agency fee	12
	<hr/>
(b) Associate in which certain directors and substantial shareholders have interests	
Management fee	135
	<hr/>
(c) Person connected to certain directors	
Purchase of fertilisers	1,945
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	As at 29.2.2012 RM'000
(d) Included in receivables is an amount due from: -	
Company in which certain directors and substantial shareholders have interests	309
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(e) Included in payables is an amount due to: -	
Person connected to certain directors	1,298
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Notes to the interim financial report - 29 February 2012

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

Second financial quarter ended 29 February 2012

Revenue decreased by 2.44% when compared with the previous corresponding financial quarter due mainly to lower average selling prices of ffb, crude palm oil and palm kernel even though the sales volume of ffb and crude palm oil were higher.

The production of ffb, crude palm oil and palm kernel were higher.

Share of results of associates was lower due mainly to loss suffered by a joint venture engaged in oil palm plantation in Indonesia as routine harvestings were disrupted .

Overall profit net of tax decreased by 33.58% due mainly to the substantial decrease in profit contribution from the associates.

Six months ended 29 February 2012

Revenue increased by 1.27% when compared with the previous corresponding period due mainly to higher average selling prices of crude palm oil and palm kernel and sales volume of ffb and crude palm oil even though the average selling price of ffb and sales volume of palm kernel were lower.

The production of ffb and crude palm oil were higher. However, the production of palm kernel was lower.

Other income was substantially lower mainly due to: -

(i) there was an amount of gain on foreign exchange in the previous corresponding period as compared with an amount of loss on foreign exchange in the current period under review.

(ii) in the previous corresponding, the Company received an amount of replanting incentives from MPOB which did not recur in the current period under review.

Share of results of associates was lower due mainly to loss suffered by a joint venture engaged in oil palm plantation in Indonesia as routine harvestings were disrupted during the second financial quarter.

Overall profit net of tax decreased by 18.34% due mainly to the substantial decrease in profit contribution from the associates.

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

Revenue in the second financial quarter under review decreased by 13.07% when compared with the immediate preceding financial quarter due mainly to lower sales volumes of ffb , crude palm oil and palm kernel and a decrease in the average selling price of palm kernel. The average selling prices of ffb and crude palm oil were higher.

The production of ffb, crude palm oil and palm kernel were substantially lower.

Share of results of associates was lower due mainly to loss suffered by a joint venture engaged in oil palm plantation in Indonesia as routine harvestings were disrupted .

Overall profit before tax decreased by 38.14% due mainly to the substantial decrease in profit contribution from the associates.

Notes to the interim financial report - 29 February 2012

B 3 Prospects for financial year ending 31 August 2012

The present average selling prices of ffb and crude palm oil have increased and remained firm. Should this trend continue, it 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

	Second financial quarter 29.2.2012 RM'000	Six months 29.2.2012 RM'000
Income tax:		
Current provision	3,158	7,809
Deferred taxation	(8)	(16)
	<u>3,150</u>	<u>7,793</u>

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

B 6 Borrowings and debt securities

As at 29 February 2012, there were no borrowings and debt securities.

B 7 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 in the previous financial years are as follows:-

Financial year	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
31.8.2010	-	-
31.8.2011	-	-
	<u>11,660,000</u>	<u>27,585</u>

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

Notes to the interim financial report - 29 February 2012

B 8 Derivatives financial instruments

There were no derivatives financial instruments transacted during the six months period ended 29 February 2012.

B 9 Material litigation

There were no material litigations as at 31 August 2011 and at the date of issue of this interim financial report.

B 10 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 2012 was paid on 17 January 2012.

(ii) No further interim dividend has been declared in respect of the six months ended 29 February 2012.

(iii) The total dividends for the current financial year ending 31 August 2012:-

Type of dividend	Gross %	Tax %	Net %
First interim	16.00	25.00	12.00

(iv) The total dividends for the previous financial year ended 31 August 2011:-

Type of dividend	Gross %	Tax %	Net %
First interim	18.00	25.00	13.50
Second interim	30.00	25.00	22.50
	48.00	25.00	36.00

B 11 Earnings per stock unit

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

	Second Financial Quarter		Six Months	
	29.2.2012	28.2.2011	29.2.2012	28.2.2011
Profit attributable to owners of the Company (RM'000)	9,185	13,828	24,482	29,981
Weighted average number of stock units ('000)	91,363	91,363	91,363	91,363
Earnings per stock unit (sen)				
Basic	10.05	15.14	26.80	32.82
Diluted	10.05	15.14	26.80	32.82

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 - 29 February 2012

B 12 Realised and unrealised profit/losses disclosure

	As at 29.2.2012 RM'000	As at 31.8.2011 RM'000
Total retained profits of the Company and its subsidiary		
Realised	419,215	406,858
Unrealised	1,780	2,147
	<u>420,995</u>	<u>409,005</u>
Total share of retained profits/(accumulated losses) from associates		
Realised	64,348	62,191
Unrealised	(82)	(53)
Total share of accumulated losses from a jointly controlled entity		
Realised	(5,109)	(4,515)
Unrealised	(110)	(114)
	<u>480,042</u>	<u>466,514</u>
Less: consolidation adjustments	-	-
Total Group retained profits as per consolidated accounts	<u>480,042</u>	<u>466,514</u>

B 13 Notes to condensed statement of comprehensive income

	Second financial quarter 29.2.2012 RM'000	Six months 29.2.2012 RM'000
Interest income	1,284	2,568
Other income including investment income	464	921
Interest expense	-	-
Depreciation	(394)	(711)
Provision for and write off of receivables	-	-
(Loss) on disposal of quoted investments	(44)	(44)
Gain/(loss) on disposal of unquoted investments	-	-
Gain/(loss) on disposal of properties	-	-
Impairment of assets	-	-
Foreign exchange gain or (loss)	(729)	(1,098)
Gain/(loss) on derivatives	-	-
Exceptional items	-	-
	<u>-</u>	<u>-</u>

B 14 Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the financial year ended 31 August 2011 was not qualified.

By Order of the Board

Gan Kok Tiong
 Company Secretary
 27 April 2012