A. NOTES TO THE INTERIM FINANCIAL REPORT

A1. Basis of Preparation

This interim financial report is unaudited and has been prepared in accordance with the applicable disclosure provisions of the Listing Requirements of the Bursa Malaysia Securities Berhad, including compliance with Financial Reporting Standard (FRS) 134, Interim Financial reporting, issued by the Malaysian Accounting Standard Board (MASB). The Interim Financial Report should be read in conjunction with the Group's audited financial statement for the year ended 31 December 2008.

The accounting policies and methods of computation used in the preparation of the interim financial statements are consistent with those used in the preparation of the last audited financial statements for the financial year ended 31 December 2008.

A2. Status on Qualification of Audited Financial Statements

The audit report of the Group's preceding year financial statement was not qualified.

A3. Seasonality or Cyclicality of Operations

There were no abnormal seasonal factors that affect result for the quarter under review.

A4. Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows

There were no significant items which unusually affect assets, liabilities, equity, net income or cash flows during the quarter under review.

A5. Change in Accounting Estimates

There were no changes in estimate of amount reported in prior interim period or financial year that have a materials effect in the current financial quarter for the current financial period.

A6. Debt and Equity Securities

There were no cancellation, resale and repayment of debt and equity securities during the quarter other than on loans repayments in accordance with the Group's loans repayment schedules.

A7. Dividend Paid

An interim dividend for the financial year 2008 was declared by the Directors on 27th November 2008 at 15% Gross less 26% tax. The dividend was paid on 30th January 2009.

A8. Segmental Information

Segmental information for the current financial year based on geographical locations and business segments within the geographical locations are as follows:

	First Quarter 2009			First Quarter 2008		
	Malaysia	**Papua New Guinea & Solomon Island**	**Group**	**Malaysia**	**Papua New Guinea & Solomon Island**	**Group**
REVENUE	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
External sales	**1,047,341**	**269,104**	**1,316,445**	**573,696**	**279,291**	**852,987**
Plantation operations	131,345	269,104	**400,449**	103,622	279,291	**382,913**
Manufacturing	241,461	-	**241,461**	330,874	-	**330,874**
Oleochemicals *Rubber based Products* *Biodiesel*	*238,850* *2,263* *348*	- - -	*238,850* *2,263* *348*	*328,262* *2,612* -	- - -	**328,262** *2,612* -
Foods and Restaurants	634,220	-	**634,220**	128,828	-	**128,828**
Management Services and other businesses	17,491	-	**17,491**	8,077	-	**8,077**
Shipping Services	20,588	-	**20,588**	-	-	**-**
Investment Property	2,036	-	**2,036**	1,955	-	**1,955**
Other investment income	200	**-**	**200**	341	**-**	**341**
RESULTS						
Plantation operations	16,181	99,019	**115,200**	53,253	121,688	**174,941**
Manufacturing	(30,977)	-	**(30,977)**	15,370	-	**15,370**
Oleochemicals *Rubber based products* *Bio-diesel*	*(26,908)* *(1,100)* *(2,969)*	- - -	**(26,908)** **(1,100)** **(2,969)**	*15,717* *(63)* *(284)*	- - -	**15,717** **(63)** **(284)**
Foods and Restaurants	52,282	-	*52,282*	25,996	-	*25,996*
Subsidiary *Significant Associate (of Subsidiary)*	52,282 -	- -	*52,282* -	12,760 13,236	- -	*12,760* *13,236*
Management services and other businesses	2,649	-	*2,649*	2,270	-	*2,270*
Shipping Services	4,765	-	**4,765**	-	-	**-**
Investment Property	157	-	**157**	217	-	**217**
Other Associated companies	2,015	-	**2,015**	4,226	-	**4,226**
Investment income	200	-	**200**	341	-	**341**
Profit/(Loss) before interest	47,272	99,019	**146,291**	101,673	121,688	**223,361**
Add/(Less):						
Interest income	402	852	**1,255**	1,244	3,755	**4,998**
Interest expense	(15,976)	(2,248)	**(18,224)**	(15,278)	(287)	**(15,564)**
Profit before Tax from continuing Operations	31,698	97,624	**129,332**	**87,639**	**125,156**	**212,795**

	Malaysia	Papua New Guinea & Solomon Island	Group
	RM'000	RM'000	RM'000
OTHER INFORMATION			
Total segment Assets			
Plantation operations	1,846,737	1,820,663	3,667,400
Manufacturing	737,623	-	737,623
Oleochemicals *Rubber based products* *Biodiesel*	*699,200* *7,622* *30,801*	- - -	*699,200* *7,622* *30,801*
Foods and Restaurants	1,695,829	-	1,695,829
Management services and other businesses	262,786	-	262,786
Shipping Services	211,251	-	*211,251*
Investment Property	94,145	-	*94,145*
Associated companies	8,429	-	*8,429*
Unallocated corporate assets	634,478	-	634,478
Total segment liabilities			
Plantation operations	349,488	662,705	1,012,193
Manufacturing	408,426	-	408,426
Oleochemicals *Rubber based products* *Biodiesel*	*369,513* *1,362* *37,551*	- - -	*369,513* *1,362* *37,551*
Foods and Restaurants	682,726	-	682,726
Management services and other businesses	93,014	-	93,014
Shipping Services	112,801	-	112,801
Unallocated Corporate liabilities	194,860	214,535	409,395
Capital expenditure			
Plantation operations	7,209	3,154	10,363
Manufacturing	6,234	-	6,234
Oleochemicals *Bio-diesel*	*885* *5,349*	- -	*885* *5,349*
Foods and Restaurants	39,832	-	39,832
Management services and other businesses	2,376	-	2,376
Shipping services	5,907	-	5,907

	Malaysia	Papua New Guinea & Solomon Island	Group
	RM'000	RM'000	RM'000
Depreciation and amortization			
Plantation operations	5,535	5,961	11,496
Manufacturing – Oleochemicals	5,187	-	5,187
Foods and Restaurants	23,372	-	23,372
Management Services and other businesses	419	-	419
Property investment	445	-	445
Prepaid lease payment	407	-	407
Non-cash expenses other than depreciation	46,514	20,433	66,947

A9. **Valuation of Property, Plant and Equipment**

The carrying value of land and estate development expenditure for the Group except those located overseas, is based on valuation carried out on 31st December 1997 by an independent qualified valuer using the open market method of valuation to reflect their fair value. However, in 2006, the Group changed its accounting policy on estate development expenditure in Malaysia from valuation model to cost model by stating the estate development expenditure to its initial cost and the change effect from the adoption of FRS 117 Leases. Other than changes resulting from these changes in accounting policy the carrying value was brought forward without any amendment.

A10. **Material Events Subsequent to the End of the Interim Period**

There was none.

A11. **Changes in the Composition of the Group**

Composition of the Group changed during the quarter following the acquisition of additional shares in KFC Holdings (Malaysia) Bhd (KFCH) by QSR Brands Bhd resulting in changed status for KFCH from a significant associate to a subsidiary of the Group with effect from 2nd January 2009.

A12. **Changes in Contingent Liabilities or Contingent Assets**

Since the last Balance Sheet date, there were no material changes in contingent liabilities and contingent assets.

A13. **Capital Commitment**

Authorised capital expenditures not provided for in the financial statements as at 31 March 2009 are as follows:

	RM'000
Contracted	181,241
Not contracted	218,905

	400,146
	=======

A14. **Impairment of Assets**

There were no significant impairment losses recognised by the Company and the Group during the quarter.

B. **ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA LISTING REQUIREMENTS**

B1. **Review of the Performance of the Company and Its Principal Subsidiaries**

Group Results and update

The Group recorded higher revenue at RM1.32 billion for the quarter under review compared to the corresponding quarter in 2008 revenue of RM852.99 million, a 54.33% increase. The increase is entirely contributed by QSR Brands Bhd arising from revenue at KFC Holding Bhd consolidated for the first time into the Group's consolidated revenue. KFCH adds in RM526.64 million to the Group revenue for the quarter under review representing 40% of the quarter's revenue. The Oleo chemicals division record a significant decline of RM89.4 million (10.48%) on its contribution to the Group revenue as compared to its contribution to the Group's revenue for the corresponding quarter in 2008.

The Group recorded PBT of RM129.32 million for the first quarter 2009 compared to PBT of RM212.79 million for the corresponding quarter in 2008, a decline of 39.23%.

All business segments showed lower PBT compared to the corresponding quarter in 2008 with only the KFCH showing 1.4% increase in its PBT compared to the corresponding quarter in 2008.

The plantation division naturally record lower profit in view of weaker palm products prices contracted during the quarter compared to prices achieved for the corresponding quarter in 2008.

The Oleo chemicals division recorded a loss of RM26.91 million for the quarter compared to PBT of RM15.72 million for the corresponding quarter in 2008. There were contracts cancellation effects on costs of feed stocks incurred at higher costs in 2008 and carried to the quarter. The corresponding sales were concluded in declining price scenario.

During the quarter there were 362,860 warrants and 183,900 ESOS exercised and converted into new shares respectively.

Operational results

Plantations:

(i) Plantation Operation - Malaysia

The Group's ffb production for the 1st quarter 2009 is at 131,886mt which is almost unchanged compared to the production for the corresponding quarter in 2008.

The Group's OER for the 1st quarter 2009 improved to 19.95% compared to 19.20% for the corresponding quarter in 2008. Better OER softened the impact on lower FFB production at Kulim ex Sindora.

Total ffb processed by the Group mills for 1st quarter 2009 is at 169,950mt which is 21.19% higher compared to the corresponding quarter in 2008. Total ffb processed is inclusive of crops purchased from outside the Group.

Group ffb produced includes those produced and processed by Sindora Berhad of 17,931/43,268 mt respectively compared to nil in the corresponding quarter in 2008.

Malaysian plantation operation achieved CPO and PK cumulative price averages of RM1,904 and RM885 per mt for 1st quarter 2009 compared to RM2,641 and RM 1,905 per mt for CPO and PK respectively for the corresponding quarter in 2008.

(ii) Plantation Operation - Papua New Guinea & Solomon Islands

NBPOL Group produced 274,806 mt ffb in the 1st quarter 2009 which is 26.46% higher compared to the corresponding quarter in 2008. Together with crops purchased from outside the Group, NBPOL Group processed 383,190 mt ffb which is 19.83% higher compared to the corresponding quarter in 2008.

Contribution to NBPOL Group FFB production from GPPOL for the 1st quarter 2009 is at 28,136mt which is 24.87% higher than the contribution to the corresponding quarter in 2008.

Contribution to NBPOL Group FFB production from RAMU for the 1st quarter 2009 is at 10,408mt compared to no contribution to the corresponding quarter in 2008.

NBPOL Group OER for the 1st quarter 2009 is at 22.88% which is 0.63% lower than the Group OER for the corresponding quarter in 2008. NBPOL, RAMU and GPPOL OER are at 23.05%, 24.02% and 20.42% respectively.

As at end of the quarter RAMU has Sugar cane planted area of 7,144 hectares and in addition it is supplied sugar cane by out-growers forming approximately 13% of its Sugar supplied areas. Sugar planting is not in harvesting season right now and will not be until end of third quarter of the year.

Ramu's other major business sector is Cattle rearing with about 16,000 Heads of cattle. It is being nurtured into a smaller but more efficient and profitable contributor to the Group's result.

NBPOL Group achieved CPO price averages of USD747 per mt for the 1st quarter 2009 compared to USD954 per mt achieved for the corresponding quarter in 2008.

Manufacturing:

The Group's Oleo chemicals division revenue for the 1st quarter 2009 is at RM238.35 million which is 27.24% lower compared to the corresponding quarter in 2008. There were significant adverse price movements for Glycerine as well as for NatOleo's main product the fatty acids over the quarter. The declining revenue is inspite of NatOleo sales in volume being higher by 10% and 30% for Glycerine and fatty acids respectively compared to the corresponding quarter in 2008.

The division reported an adverse result for the quarter with an operational loss RM26.91 million compared to an operational profit of RM15.72 million for the corresponding quarter in 2008. Higher quantum in sales price decline compared to lower decline in its major feedstock costs contributed to the loss. In addition, there were carry feed stock cost from 2008 bought at higher prices that the operation has to content with and matched with sales prices on a down trends during the quarter.

The rubber based products business recorded significantly above its anticipated loss during the quarter arising from its inventory restatement.

Foods and Restaurants:

QSR consolidated revenue for the 1st quarter 2009 is at RM634.22 million. QSR consolidated PBT for the quarter is at RM48.83 million. There is no comparative as this is the first quarter in which QSR consolidated its subsidiary the KFC Holdings (Malaysia) Bhd into its result.

QSR Company revenue for the 1st quarter 2009 is lower by 1.6% compared to the corresponding quarter in 2008. QSR Company's PBT is hit harder by economic uncertainty as measures were taken to make its products more affordable and this affect PBT which it recorded lower by 22.57% compared to the corresponding quarter in 2008.

KFC Holdings (Malaysia) Berhad revenue for the 1st quarter 2009 grew by 6.42% compared to the corresponding quarter in 2008. Despite recording higher revenue, KFCH PBT is almost unchanged compared to the corresponding quarter in 2008.

Property Investment:

The Company's office tower, the Menara Ansar in Johor Bahru recorded surpluses for the quarter of RM157 thousand compared to surpluses of RM217 thousand for the corresponding quarter in 2008. There was tenancies termination during the quarter which is awaiting placement to new tenants.

B2. Material Changes in the Quarterly Results

The Oil Palm sector recorded lower revenue and profits for the quarter compared to the corresponding quarter in 2008 due to significant Palm products price decline over the quarter. In spite of recording higher sale volume, the Oleo chemicals division is hit by significant sales price decline on its major products whereas its feedstock costs has not come down much. QSR is reporting in a consolidated form for the first time following its additional KFCH shares acquisition completed on 2nd January 2009. The additional purchases transform KFCH from an associate to a subsidiary. The revenue and result of KFCH which is reported in full as consolidated operational results before minority interest's share change the Group's comparatives for the quarter materially.

B3. Current Year Prospects

Palm products prices made significant recoveries from its 2008 year lows and currently CPO is traded at above RM2,700/mt for the near delivery months. Should this price level stays for future months it would have positive effects going forward for the Group's Oil Palm sector. FFB production from NBPOL Group showed significant potential to surpass 2008's level. RAMU's palm area as new addition will add further to FFB/CPO produced by NBPOL group.

The Oleochemicals sector may have been in its worst quarter. Anticipation for lower feedstock costs have so far not materialized. The division is bracing for a difficult operating environment for the remainder of the year.

Sales at The Food and restaurants operations are encouraging despite worries on economic uncertainties still lingering. Measures are being introduced and operations are closely monitored for quick response when needed to encourage and entice continued patronage at all Group's stores.

Generally, business outlook and consumer confidence have turn for the better compared to the outlook during the final quarter in 2008. The Group is more confident of performing better than previously anticipated for the remaining quarters of the year.

B4. Profit Forecast/Profit Guarantee

The Company is not subject to any profit forecast or profit guarantee requirement.

B5. **Taxation**

	CURRENT QUARTER		CUMULATIVE QUARTERS	
	1 Jan to 31 Mar 2009 RM'000	**1 Jan to 31 Mar 2008 RM'000**	**1 Jan to 31 Mar 2009 RM'000**	**1 Jan to 31 Mar 2008 RM'000**
Current Taxation	(50,256)	(51,054)	(50,256)	(51,054)
-Malaysia	(16,648)	(17,575)	(16,648)	(17,575)
-Overseas	(33,608)	(33,479)	(33,608)	(33,479)
Transfer to deferred Taxation	(18)	(1,031)	(18)	(1,031)
-Malaysia	(18)	(1,031)	(18)	(1,031)
-Overseas	-	311	-	311
Total	**(50,274)**	**(52,085)**	**(50,274)**	**(52,085)**

Effective tax rate from the Group's perspective is higher than the official tax rates due largely to losses at significant subsidiary not matched against taxable profit at other Group companies.

B6. **Sale of Unquoted Investments and/or Properties**

	CURRENT QUARTER 1 Jan 2009 - 31 Mar 2009 RM'000	**CUMULATIVE QUARTERS 1 Jan 2009 - 31 Mar 2009 RM'000**
Total carrying amount	-	-
Total sale proceeds	-	-
Total profit / (Loss) on disposals	-	-

B7. **Financial Assets at Fair Value (Quoted Securities)**

(a) The particulars of purchase or disposal of quoted securities (substantially on short term money market trust funds) are as follows :-

	CURRENT QUARTER 1 Jan - 31 Mar RM'000	**CUMULATIVE QUARTERS 1 Jan - 31 Mar RM'000**
Total Purchase consideration	141	141
Total Sale proceeds	(6,018)	(6,018)
Total Profit/(Loss) on Disposals	173	173

(b) Investment as at 31 March 2009.

	Held as Long Term Investments RM'000	**Held as Current Assets RM'000**	**TOTAL RM'000**
At cost	49,422	23,552	72,974
At book value	5,522	21,664	27,187
At market value	7,308	21,953	29,261

B8. **Status of Uncompleted Corporate Announcement**

The Company and its subsidiaries announced on the following corporate events not yet completed at the last report date and their status at the date of this report are as follows:

i. Announcement made by Kulim (Malaysia) Berhad.

On 13th November 2007 the Company announced on a proposed Collaboration with PNG Sustainable Development Program Limited to jointly undertakes oil palm feasibility studies in Kamusie, Papua New Guinea ("Collaboration").

Collaboration agreement with PNG Sustainable Development Program Limited was signed on 5th December 2007.

At the date of this report there were no significant developments over this matter.

ii. Announcement made by Sindora Berhad (Sindora), a subsidiary of the Company;

As at end of its previous group quarterly report and up to the date of this report Sindora made uncompleted corporate proposals announcement as follows;

a) The Company had on 27 December 2007 announced in respect of the conditional Sale & Purchase Agreement entered into between the Company and KFC Holdings (Malaysia) Bhd "KFCH" to dispose a piece of land (including all factory, building, structures, infrastructure and facilities built or erected on the land) measuring 20.533 acres that forms part of a leasehold industrial land (expiring on 30 January 2041) held under document of title HS(D) 2276, PTD 1384, Mukim Hulu Sungai Johor, Kota Tinggi, Johor for RM6.15 million cash.

Subsequently, on 26 September 2008 the Company had mutually agreed with KFCH to further extend the condition precedents fulfillment period until until 25 December 2008.

On 24 December 2008, the Company announced that they have mutually agreed with KFCH to further extend the condition precedents fulfillment period until 25 March 2009.

On 25 March 2009 the Company had mutually agreed with KFCH to further extend the condition precedents fulfillment period until 25 September 2009. Out standing issues for completion are procedural in nature over land transfer matters.

b) The Company had on 27 February 2009 proposed leased of up to twenty (20) acres or 871,200 square feet of an area of land within Tanjung Langsat Port identified as PLO 46, Tanjung Langsat Industrial Complex, Mukim of Sungai Tiram, District of Johor Bahru, State of Johor by Johor Shipyard and Engineering Sdn. Bhd. from Tanjung Langsat port Sdn. Bhd. for a period of 30 years for a total lease rental of up to RM21.78 million or RM25 per square feet.

The Company had mutually agreed with the parties to the Agreement for Lease dated 29 May 2008:

(i) Extend the condition precedents fulfillment period to 28 August 2009;
(ii) Extend the delivery of Plot 1 to 17 months from the date of the Agreement for Lease; and
(iii) Extend the delivery of Plot 2 to 21 months from the date of the Agreement for Lease

c) On 3 March 2009, the Company had entered into a conditional Exchange of Land Agreement with Sime Darby Plantation Sdn. Bhd. (SDPSB), a wholly-owned subsidiary of Sime Darby Berhad.

In consideration for the payment by SDPSB to Sindora of a cash sum of RM6.0 million, the Company agreed to exchange its oil palm estate known as Ladang Sungai Simpang Kiri with a land area of approximately 2,371.6564 hectares located in the Mukim of Chaah Bahru, District of Batu Pahat, State of Johor Darul Takzim for an oil palm estate known as Sungai Tawing Estate with a land area of approximately 2,225.7675 hectares located in the Mukim of Paloh, District of Kluang, State of Johor Darul Takzim, owned by SDPSB.

d) On 6 May 2009, the Company had entered into a conditional Subscription & Shareholders Agreement with Orkim Sdn Bhd and its existing shareholders namely, Wan Izani bin Wan Mahmood and khoo Chin Yew for the proposed subscription of 7,524,019 new ordinary shares of RM1.00 each in Orkim equivalent to 22.04% of the enlarged issue and paid-up share capital of Orkim for a total consideration of RM9,999,000 or approximately RM1.33 per Orkim Share.

Subsequently, on the same date, E. A. Technique (M) Sdn. Bhd., a 51% - owned subsidiary of Sindora, had entered into a conditional Subscription and Share Purchase Agreement with Orkim and its existing shareholders namely, Wan Izani and khoo for a total cash consideration of RM16,649,172 as detailed below:-

- proposed subscription of 3,475,981 new Orkim Shares equivalent to 9.24% of the enlarged issued and paid-up share capital of Orkim for a cash consideration of RM6,501,000 representing approximately RM1.87 per Orkim Share; and
- proposed acquisition of 7,806,286 Orkim Share equivalent to 20.75% of the enlarged issued and paid-up share capital of Orkim for a cash consideration of RM10,148,172 representing approximately RM1.30 per Orkim Share.

e) On 11 May 2009 the Company issued an offer letter to dispose its entire 35% shareholding in MM Vitaoils Sdn. Bhd. (“MMV”) to En Mazlan Muhammad (“MM”) the controlling shareholder and Managing Director of MMV for a cash consideration of RM13.5 million. On 12 May 2009, the Company received an acceptance from MM to acquire the entire 2,374,750 shares of RM1.00 each in MMV for RM13.5 million cash or approximately RM5.68 per share. The proposal is expected to be completed before 31 December 2009.

B9. **Borrowings and Debt Securities**

	As at 31 Mar 2009	As at 31 Dec 2008
	RM'000	RM'000
Term Loans		
Secured - denominated in RM	1,069,680	1,043,527
- denominated in USD	177,715	156,043
- denominated in SDR	11,628	-
Less : Due within 12 months (reclassified to short term borrowings)	(336,183)	(300,126)
Total – Term Loan	**922,840**	**899,444**
Short Term Borrowings (reclassified)	**336,183**	**300,126**
Other Short Term Borrowings		
Revolving credits - secured	3,780	20,000
- unsecured	-	72,500
Bank overdrafts - unsecured	28,859	37,351
Short term bank borrowings – secured	310,677	136,252
Total – Short Term Borrowings	**343,316**	**266,103**
Total Borrowings	**1,602,339**	**1,465,673**

B10. **Financial Instruments with Off Balance Sheet Risk**

(a) As at 31 March 2009, there were outstanding warrants of 8,863,751. Each warrant entitles its registered holder to subscribe to one (1) new ordinary share of RM0.50 each in the Company at a revised exercise price of RM2.43 per share.

(b) Commodity futures contracts entered into by certain subsidiary companies outstanding as at 21 May 2009 (being a date not earlier than 7 days from the date of issue of the quarterly report) are as follows:

	RM'000	Maturity Period
Sale Contract	360,229	June 2009 to Dec 2010
Purchase Contract	(141,118)	June 2009 to Dec 2009

The above exchange traded commodity contracts were entered into with the objective of managing and hedging the Group's exposure to adverse price movements in vegetable oil commodities.

The associated credit risk is minimal as these contracts were entered into with Brokers of commodity exchange. Gains or losses arising from contracts entered into as hedges of anticipated future transactions are deferred until the date of such transactions at which time they are included in the measurement of such transactions gains or losses on contracts which are no longer designated as hedges are included in the Income Statement.

Forward foreign exchange contracts are entered into by a subsidiary company in currencies other than its functional currency to manage exposure to fluctuations in foreign currency exchange rate on specific transactions. Currently, the Group's policy is to enter into forward foreign exchange contracts for up to 70% of such foreign currency receipts where company is able to enjoy premium market swap point and up to 80% of such foreign currency payment over the following year. However it is subject to review by management from time to time due to the currency market trend and situation.

At 31 March 2009, the settlement dates on open forward contracts range between 1 and 12 months. The foreign currency amounts and contractual exchange rate for the group's outstanding contracts are as follows:

Hedged item	Currency	RM'000 Equivalent	Contract rate
Trade receivables: USD69,237,717	USD	227,388	1USD = RM3.2842
Trade receivables: EUR		EUR	1EUR = nil
Future sales of goods over the following 6 months:	USD	Nil	
Future purchase of equipments	EUR	Nil	1 EUR = nil

The fair values of outstanding forward contracts of the group at the Balance Sheet date approximate their carrying amounts.

The net unrecognised loss as at 31 March 2009 on open contracts which hedge foreign currency sales amounted to RM24,775,284. These net exchange differences are deferred until the related sales proceeds are received, at which time they are included in the measurement of such transactions.

B11. MATERIAL LITIGATION, CLAIMS AND ARBITRATION

Status of the pending legal suits against Kulim in relation to the above acquisition are as follows:-

1) **KLHC Suit No. D5-22-899-2005**

1. **Firstcrest Global Limited (No. Syarikat: 650678)**
2. **Cogent Management Limited (No. Syarikat: 650679)**
3. **Batemans Capital Limited (No. Syarikat : 650739)**
4. **Eagle Option Sdn. Bhd. (No. Syarikat: 672334-M)**

v.

1. **Indexia Assets Limited (No. Syarikat : 434721)**
2. **Naunton International Limited (No. Syarikat: 480530)**
3. **Yates Ventures Limited (No. Syarikat: 371504)**
4. **Kulim (Malaysia) Berhad (No. Syarikat: 23370-V)**
5. **UOB Kay Hian Pte. Ltd. (No. Syarikat :197000447-W)**

The Plaintiffs are seeking a declaration that the sale and purchase agreement between Kulim as purchaser and Wisdom, Indexia, Yates and Naunton as vendors are void and for a permanent injunction restraining the defendants from disposing or dealing with or negotiating for the sale or diminishing the value of any of the vendors' Shares held in QSR ("QSR Shares") which had purportedly been sold to Firstcrest Global Limited ("FGL"), Cogent Management Limited ("CML") and Batemans Capital Limited ("BCL") vide Shares Sale Agreements dated 20 April 2005, to any other party (other than to FGL, CML and BCL) including Kulim. Based on the Statement of Claim, the QSR Shares purportedly sold to FGL by Indexia were 6,173,110 QSR Shares; the QSR Shares purportedly sold to CML by Naunton were 5,416,200 QSR Shares and the QSR Shares purportedly sold to BCL by Yates were 8,143,400 QSR Shares. The matter is pending full trial after the Plaintiffs' application for an inter partes interim injunction was dismissed by the High Court, the Court of Appeal and the Federal Court.

2) **KLHC Suit No. D5-22-942-2005**

1. **Chain Valley Management Limited (No. Syarikat 650672)**
2. **Eagle Option Sdn. Bhd. (No. Syarikat: 672334-M)**

v.

1. **Indexia Assets Limited (No. Syarikat : 434721)**
2. **Kulim (Malaysia) Berhad (No. Syarikat: 23370-V)**
3. **UOB Kay Hian Pte. Ltd. (No. Syarikat :197000447-W)**

The Plaintiffs are seeking a declaration that the sale and purchase agreement between Kulim as purchaser and Indexia as vendor is void ab initio and for a permanent injunction restraining the defendants from disposing or dealing with or negotiating for the sale or diminishing the value of any of the 9,557,900 shares held in QSR ("QSR Shares") which had been sold to Chain Valley Management Limited ("CVM"). The matter is pending full trial after the Plaintiffs' application for an inter partes interim injunction was dismissed by the High Court, the Court of Appeal and the Federal Court.

B12. **Dividend Proposed**

There was proposed a final dividend of 15% less 25% income tax for the financial year 2008. The dividend payment is pending to shareholders approval at the Company's forthcoming AGM scheduled for the 26th May 2009.

B13. **Earnings Per Share ("EPS")**

	CURRENT QUARTER 1 Jan - 31 Mar		CUMULATIVE QUARTERS 1 Jan - 31 Mar	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
a) Basic earnings per share				
Net profit for the period	24,407	98,193	24,407	98,193
Weighted average no. of shares in issue	302,597	284,187	302,597	284,187
Basic earnings per share	8.07	34.56	8.07	34.56
Diluted Earnings per share	7.92	33.43	7.92	33.43

b) Diluted earnings per share

For the diluted earnings per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares.

(i) From the renounceable rights issue of 47,289,060 shares with free warrants of same number. The exercise period for the warrants opens from July 13, 2005 being one (1) year after the issue date of July 13, 2004 and available for exercise within a period of four (4) years there after expiring in July 2009. As at the end of the reporting quarter there were 8,863,751 warrants outstanding. The potential dilutive effect of these outstanding warrants is computed as disclosed.

(ii) On the Employee Share Option Scheme

There were accepted ESOS options for 11,171,000 shares exercisable at RM2.04 per share. As at end of the reporting Quarter there were outstanding 1,770,450 options exercisable within the expiry period to August 2009. The potential dilutive effect of these outstanding ESOS is computed as disclosed.

B14. **Currency Translation**

The exchange rates used for each unit of the currencies in the Group for the current financial period are:

	THIS YEAR CURRENT QUARTER		**PRECEEDING YEAR CORRESPONDING QUARTER**	
	MTH-END RATE	**AVERAGE RATE**	**MTH-END RATE**	**AVERAGE RATE**
Papua New Guinea Kina (PGK/Kina/K)	1.2190	1.2135	1.1705	1.2001
United Kingdom Pound Sterling (GBP)	5.2225	5.0918	6.3850	6.5032
United States of America Dollar (USD/US$)	3.6595	3.5513	3.1985	3.2568
EUR	4.8270	4.8395	4.9307	4.8944
Singapore Dollar (S$)	2.4048	2.3934	2.3148	2.3039
Solomon Islands Dollar (SBD)	0.5240	0.5211	0.4670	0.4637

By Order of the Board
KULIM (MALAYSIA) BERHAD

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(Secretaries)

Dated : 26 May 2009