

Negri Sembilan Oil Palms Berhad (592D)
(Incorporated in Malaysia)

Condensed Consolidated Income Statement
For The Third Financial Quarter And Nine Months Ended 30 September 2008

| | Third | | Nine Months | |
|---|-------------------|-----------|--------------|-----------|
| | Financial Quarter | | 30 September | |
| | 2008 | 2007 | 2008 | 2007 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Revenue | 31,643 | 20,988 | 85,917 | 49,794 |
| Cost of sales | (14,606) | (8,447) | (34,363) | (22,461) |
| Gross profit | 17,037 | 12,541 | 51,554 | 27,333 |
| Other income | 1,136 | 1,553 | 4,696 | 4,026 |
| Administrative expenses | (3,278) | (2,338) | (8,578) | (6,850) |
| Selling expenses | (511) | (368) | (1,214) | (919) |
| Replanting expenses | (356) | (132) | (743) | (552) |
| Operating profit | 14,028 | 11,256 | 45,715 | 23,038 |
| Share of (loss) / profit of associates | (215) | 733 | (220) | 1,076 |
| Share of loss of a jointly controlled entity | (30) | (17) | (390) | (36) |
| Profit before taxation | 13,783 | 11,972 | 45,105 | 24,078 |
| Taxation | (3,661) | (3,019) | (11,408) | (5,973) |
| Profit for the period | 10,122 | 8,953 | 33,697 | 18,105 |
| Attributable to: | | | | |
| Equity holders of the Company | 7,754 | 7,621 | 28,208 | 15,655 |
| Minority interests | 2,368 | 1,332 | 5,489 | 2,450 |
| | 10,122 | 8,953 | 33,697 | 18,105 |
| Earnings per stock unit attributable to equity holders of the Company | | | | |
| Basic | 11.05 sen | 10.86 sen | 40.18 sen | 22.30 sen |
| Diluted | 11.05 sen | 10.86 sen | 40.18 sen | 22.30 sen |

Negri Sembilan Oil Palms Berhad (592D)
(Incorporated in Malaysia)

Condensed Consolidated Balance Sheet
As At 30 September 2008

| | 30.9.2008 | 31.12.2007 |
|---|------------------|-------------------|
| | RM'000 | RM'000 |
| ASSETS | | |
| Non-Current Assets | | |
| Property, plant and equipment | 80,897 | 80,984 |
| Prepaid land lease payments | 67,193 | 67,809 |
| Biological assets | 68,200 | 68,200 |
| Investment in associates | 10,439 | 10,339 |
| Investment in a jointly controlled entity | 23,588 | 16,336 |
| Other investments | 19,766 | 9,423 |
| | <u>270,083</u> | <u>253,091</u> |
| Current Assets | | |
| Inventories | 3,449 | 1,984 |
| Receivables | 5,999 | 6,528 |
| Tax recoverable | 165 | 542 |
| Cash and bank balances | 121,603 | 113,854 |
| | <u>131,216</u> | <u>122,908</u> |
| TOTAL ASSETS | <u>401,299</u> | <u>375,999</u> |
| EQUITY AND LIABILITIES | | |
| Equity attributable to equity holders of the Company | | |
| Share capital | 70,202 | 70,202 |
| Share premium | 4,336 | 4,336 |
| Other reserves | 61,937 | 62,338 |
| Retained profits | 173,409 | 155,234 |
| | <u>309,884</u> | <u>292,110</u> |
| Minority Interests | 53,190 | 48,956 |
| Total Equity | <u>363,074</u> | <u>341,066</u> |
| Non-Current Liability | | |
| Deferred tax liability | 28,065 | 28,195 |
| | <u>28,065</u> | <u>28,195</u> |
| Current Liabilities | | |
| Payables | 8,267 | 5,677 |
| Taxation | 1,893 | 1,061 |
| | <u>10,160</u> | <u>6,738</u> |
| Total Liabilities | <u>38,225</u> | <u>34,933</u> |
| TOTAL EQUITY AND LIABILITIES | <u>401,299</u> | <u>375,999</u> |
| Net assets per stock unit attributable to equity holders of the Company | <u>RM4.41</u> | <u>RM4.16</u> |

Negri Sembilan Oil Palms Berhad (592D)
(Incorporated in Malaysia)

Condensed Consolidated Statement Of Changes In Equity
For The Nine Months Ended 30 September 2008

| | Attributable to equity holders of the Company | | | | | Minority interests RM'000 | Total equity RM'000 | |
|--|---|-------------------------|---|---|----------------------------|------------------------------|------------------------|-----------------|
| | Non-Distributable | | | Distributable | | | | |
| | Share capital RM'000 | Share premium RM'000 | Asset revaluation reserve - lands RM'000 | Foreign currency translation reserves RM'000 | Retained profits RM'000 | | | Total RM'000 |
| At 1 January 2007 | 70,202 | 4,336 | 57,887 | 2,922 | 129,407 | 264,754 | 43,532 | 308,286 |
| Changes in tax rates on opening balances of deferred tax | - | - | 626 | - | - | 626 | 139 | 765 |
| Reversal of deferred tax arising from exemption of RPGT | - | - | 2,352 | - | - | 2,352 | 300 | 2,652 |
| Revaluation reserve of leasehold lands realised | - | - | (357) | - | 357 | - | - | - |
| Foreign currency translation | - | - | - | (1,008) | - | (1,008) | (59) | (1,067) |
| Net income / (expense) recognised directly in equity | - | - | 2,621 | (1,008) | 357 | 1,970 | 380 | 2,350 |
| Profit for the period | - | - | - | - | 15,655 | 15,655 | 2,450 | 18,105 |
| Total recognised income /(expense) for the period | - | - | 2,621 | (1,008) | 16,012 | 17,625 | 2,830 | 20,455 |
| Dividends | - | - | - | - | (5,125) | (5,125) | (405) | (5,530) |
| At 30 September 2007 | 70,202 | 4,336 | 60,508 | 1,914 | 140,294 | 277,254 | 45,957 | 323,211 |
| At 1 January 2008 | 70,202 | 4,336 | 60,389 | 1,949 | 155,234 | 292,110 | 48,956 | 341,066 |
| Revaluation reserve of leasehold lands realised | - | - | (357) | - | 357 | - | - | - |
| Foreign currency translation | - | - | - | (44) | - | (44) | (136) | (180) |
| Net income / (expense) recognised directly in equity | - | - | (357) | (44) | 357 | (44) | (136) | (180) |
| Profit for the period | - | - | - | - | 28,208 | 28,208 | 5,489 | 33,697 |
| Total recognised income /(expense) for the period | - | - | (357) | (44) | 28,565 | 28,164 | 5,353 | 33,517 |
| Dividends | - | - | - | - | (10,390) | (10,390) | (1,119) | (11,509) |
| At 30 September 2008 | 70,202 | 4,336 | 60,032 | 1,905 | 173,409 | 309,884 | 53,190 | 363,074 |

Negri Sembilan Oil Palms Berhad (592D)
(Incorporated in Malaysia)

Condensed Consolidated Cash Flow Statement
For The Nine Months Ended 30 September 2008

| | 30.9.2008 | 30.9.2007 |
|--|------------------|------------------|
| | RM'000 | RM'000 |
| Cash Flows From Operating Activities | | |
| Profit before taxation | 45,105 | 24,078 |
| Adjustment for: | | |
| Non-cash items | 141 | (610) |
| Non-operating items | (2,913) | (2,921) |
| Operating profit before working capital changes | <u>42,333</u> | <u>20,547</u> |
| Changes in working capital | | |
| Net changes in current assets | (942) | (682) |
| Net changes in current liabilities | <u>2,590</u> | <u>(476)</u> |
| Cash generated from operations | 43,981 | 19,389 |
| Taxes paid | (10,220) | (4,253) |
| Retirement benefits paid | - | (18) |
| Net cash generated from operating activities | <u>33,761</u> | <u>15,118</u> |
| Cash Flows From Investing Activities | | |
| Property, plant and equipment | (508) | (525) |
| Investment in associates | - | (1,652) |
| Investment in jointly controlled entity | (8,140) | - |
| Other investments | (10,212) | 1,376 |
| Interest received | 2,117 | 2,123 |
| Net dividends received | 691 | 604 |
| Net cash (used in) / generated from investing activities | <u>(16,052)</u> | <u>1,926</u> |
| Cash Flows From Financing Activities | | |
| Dividend paid to shareholders of the Company | (10,390) | (5,125) |
| Dividend paid to minority interests | (1,119) | (405) |
| Net cash used in financing activities | <u>(11,509)</u> | <u>(5,530)</u> |
| Net Increase In Cash And Cash Equivalents | 6,200 | 11,514 |
| Effects Of Exchange Rate Changes | 1,549 | (62) |
| Cash And Cash Equivalents At Beginning Of Period | 113,558 | 100,771 |
| Cash And Cash Equivalents At End Of Period | <u>121,307</u> | <u>112,223</u> |

Notes To The Interim Financial Report - 30 September 2008

A Explanatory Notes - FRS 134 : Interim Financial Reporting

A 1 Basis Of Preparation

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

The interim financial report is unaudited and should be read in conjunction with the audited financial statements for the financial year ended 31 December 2007.

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 December 2007.

On 1 January 2008, the Group adopted new / revised Financial Reporting Standards ('FRS') mandatory for financial period beginning on or after 1 July 2007. The adoption of those FRS does not give rise to any significant impact on the financial statements of the Group.

A 2 Seasonal Or Cyclical Nature Of Operations

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

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

The plantation statistics are as follows:

Average planted area for nine months ended 30 September 2008:

| | |
|-------------------------|--------------|
| Mature | 6,883 |
| Replanting and immature | 280 |
| | <u>7,163</u> |

| | Third Financial Quarter | | Nine Months | |
|---------------------|-------------------------|---------------|----------------|----------------|
| | 30.9.2008 | 30.9.2007 | 30.9.2008 | 30.9.2007 |
| Production (m/t) | | | | |
| fresh fruit bunches | | | | |
| Own estates | 37,525 | 37,109 | 106,279 | 93,353 |
| Purchase | 5,816 | 4,144 | 14,551 | 14,431 |
| | <u>43,341</u> | <u>41,253</u> | <u>120,830</u> | <u>107,784</u> |
| Crude palm oil | 6,206 | 5,473 | 17,008 | 14,643 |
| Palm kernel | 1,743 | 1,539 | 4,676 | 4,235 |
| Extraction Rate | | | | |
| Crude palm oil | 18.82% | 18.49% | 18.85% | 18.62% |
| Palm kernel | 5.29% | 5.20% | 5.18% | 5.38% |

A 3 Items Of Unusual Nature

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

A 4 Changes In Estimates Of Amounts Reported

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

A 5 Changes In Debt And Equity Securities

There were no issuances, repurchases and repayments of debts and equity securities for the nine months ended 30 September 2008.

Notes To The Interim Financial Report - 30 September 2008

A 6 Dividends Paid

The amount of dividend paid during the nine months ended 30 September 2008

In respect of the financial year ending 31 December 2008:

| | |
|---|-------------------------|
| First interim dividend of 20% or 20 sen per stock unit less 26% taxation paid on 30 June 2008 | RM'000 <u>10,390</u> |
|---|-------------------------|

A 7 Segment Information

No segment information has been prepared as the Group's principal activities involve predominantly the cultivation of oil palms, processing and sale of fresh fruit bunches, crude palm oil and palm kernel and is wholly carried out in Malaysia.

A 8 Property, Plant And Equipment

There were no significant acquisitions and disposals of property, plant and equipment for the nine months ended 30 September 2008.

There were no commitments for the purchase of property, plant and equipment for the nine months ended 30 September 2008.

A 9 Material Events Subsequent To Third Financial Quarter

There were no material events subsequent to the third financial quarter that have not been reflected in the financial statements for the financial quarter ended 30 September 2008.

A 10 Changes In Composition Of The Group

Other than the purchase and sale of quoted investments as disclosed in Note B7 and the subscription of shares in a jointly controlled entity as disclosed in Note B8, there were no business combinations, acquisition or disposal of subsidiaries and long term investments, restructurings and discontinued operations.

A 11 Contingent Liabilities And Contingent Assets

As at the date of issue of this interim financial report, there were no contingent liabilities and contingent assets that had arisen since 31 December 2007.

A 12 Related Party Disclosures

| | Nine Months 30.9.2008 RM'000 |
|--|------------------------------------|
| (a) Companies in which certain directors and substantial shareholders have interests | |
| Purchase of oil palm produce | 377 |
| Agency fee | <u>32</u> |
| (b) Related corporation in which certain directors and substantial shareholders have interests | |
| Sale of oil palm produce | <u>19,436</u> |
| (c) Associate in which certain directors and substantial shareholders have interests | |
| Management fee | <u>41</u> |
| (d) Person connected to certain directors | |
| Purchase of fertilisers | <u>3,830</u> |
| | As at 30.9.2008 RM'000 |
| (e) Included in receivables is an amount due from: - | |
| Related corporation in which certain directors and substantial shareholders have interests | <u>1,472</u> |
| (f) Included in payables are amount due to: - | |
| Person connected to certain directors | 21 |
| Companies in which certain directors and substantial shareholders have interests | <u>389</u> |

Notes To The Interim Financial Report - 30 September 2008

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

B 1 Review Of Performance

The average selling prices of fresh fruits bunches ('ffb'), crude palm oil and palm kernel in the third financial quarter and nine months under review were substantially higher than those in the previous corresponding financial quarter and period and this has mainly resulted in the significant increase in revenue and profit for the period.

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

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

Profit before taxation in the third financial quarter under review decreased by 19.06% when compared with the preceding financial quarter. This is mainly due to higher operating expenses and a decrease in other income even though revenue is higher.

The increase in revenue in the third financial quarter under review when compared with the preceding financial quarter, was due mainly to higher sales volume even though the average selling prices of ffb, crude palm oil and palm kernel were lower.

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

Operating expenses were higher due mainly to application of fertilisers. Other income were lower due mainly to lower dividend and interest income and lesser amount of unrealised gain on foreign exchange.

B 3 Prospects For Financial Year Ending 31 December 2008

The average selling prices of ffb, crude palm oil and palm kernel in the fourth financial quarter of the current financial year would be lower than the preceding quarters, together with the expected unfavourable adjustment to biological assets, this would have a corresponding effect on the financial performance for the fourth financial quarter. However, the overall average selling prices of ffb, crude palm oil and palm kernel for the current financial year would be higher than those achieved in the previous financial year and the financial results from the plantation operations for the current financial year is expected to be higher than previous financial year.

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

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

B 5 Taxation

| | Third Financial Quarter 30.9.2008 RM'000 | Nine Months 30.9.2008 RM'000 |
|------------------------------|---|------------------------------------|
| Income tax: | | |
| Current provision | 3,602 | 11,461 |
| Underprovision in prior year | - | 77 |
| | <hr/> | <hr/> |
| | 3,602 | 11,538 |
| Deferred taxation | 59 | (130) |
| | <hr/> | <hr/> |
| | 3,661 | 11,408 |

The effective tax rate for the third financial quarter under review is higher than the statutory rate due mainly to the effect of share of loss of associates and a jointly controlled entity. The effective tax rate for the nine months under review is lower than the statutory rate due mainly to certain income which is not assessable for income tax

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

There were no sales of unquoted investments and properties for the nine months ended 30 September 2008.

Notes To The Interim Financial Report - 30 September 2008

B 7 Quoted Securities

- (i) Purchases and sale of quoted securities

| | Third Financial Quarter 30.9.2008 RM'000 | Nine Months 30.9.2008 RM'000 |
|------------------------|---|------------------------------------|
| Purchase consideration | 4,305 | 10,610 |
| Sale proceeds | - | 379 |
| Profit on sale | - | 131 |

- (ii) Investments in quoted securities as at 30 September 2008: -

| | RM'000 |
|------------------------------|--------|
| At cost | 19,766 |
| At carrying value/book value | 19,766 |
| At market value | 23,894 |

B 8 Status Of Corporate Proposals

On 10 April 2006, the Company entered into a conditional joint venture and shareholders agreement with Timor Oil Palm Plantation Berhad, a 58.0% owned subsidiary of the Company, Eng Thye Plantations Berhad, an 83.3% owned subsidiary of the Company, Seong Thye Plantations Sdn Bhd, Chin Teck Plantations Berhad 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.

During the financial year ended 31 December 2006, the Company and its subsidiaries subscribed for an aggregate of 7,200,000 shares in Chin Thye Investment Pte Ltd for a total cash subscription sum of RM16,949,730 on a pro-rata basis.

There were no further subscription of shares during the financial year ended 31 December 2007.

During the second financial quarter ended 30 June 2008, the Company and its subsidiaries further subscribed for an aggregate of 3,400,000 shares in Chin Thye Investment Pte Ltd for a total cash subscription sum of RM8,139,610 on a pro-rata basis.

There were no further subscription of shares during the period since 30 June 2008 to the date of issue of this interim financial report.

B 9 Borrowings And Debt Securities

As at 30 September 2008, there were no borrowings and debt securities.

B 10 Off Balance Sheet Financial Instruments

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

B 11 Material Litigation

There were no material litigations as at 31 December 2007 and at the date of issue of this interim financial report.

Notes To The Interim Financial Report - 30 September 2008

B 12 Dividends

- (i) A second interim dividend in respect of the financial year ending 31 December 2008 has been declared by the Board of Directors.
- (ii) The amount per stock unit: 20% or 20 sen per stock unit less 26% taxation.
- (iii) The date payable for the second interim dividend of 20% or 20 sen per stock less 26% taxation: 31 December 2008.
- (iv) In respect of deposited securities, entitlement to the second interim dividend of 20% or 20 sen per stock less 26% taxation will be determined on the basis of the record of depositors as at 17 December 2008.
- (v) The total dividends for the current financial year ending 31 December 2008:-

| Type of dividend | Gross % | Tax % | Net % |
|------------------|------------|----------|----------|
| First interim | 20.00 | 26.00 | 14.80 |
| Second interim | 20.00 | 26.00 | 14.80 |
| | 40.00 | 26.00 | 29.60 |

- (vi) The total dividends for the previous financial year ended 31 December 2007:-

| Type of dividend | Gross % | Tax % | Net % |
|------------------|------------|----------|----------|
| First interim | 10.00 | 27.00 | 7.30 |
| Second interim | 15.00 | 27.00 | 10.95 |
| | 25.00 | 27.00 | 18.25 |

B 13 Earnings Per Stock Unit

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

| | Third Financial Quarter | | Nine Months | |
|---|-------------------------|-----------|-------------|-----------|
| | 30.9.2008 | 30.9.2007 | 30.9.2008 | 30.9.2007 |
| Profit attributable to equity holders of the Company (RM'000) | 7,754 | 7,621 | 28,208 | 15,655 |
| Weighted average number of stock units ('000) | 70,202 | 70,202 | 70,202 | 70,202 |
| Earnings per stock unit (sen) | | | | |
| Basic | 11.05 | 10.86 | 40.18 | 22.30 |
| Diluted | 11.05 | 10.86 | 40.18 | 22.30 |

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.

B 14 Auditors' Report On Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 December 2007 was not qualified.

By Order of the Board

Gan Kok Tiong
 Company Secretary
 28 November 2008