



TDM BERHAD

(COMPANY NO 6265-P)

**3rd QUARTER 2009 RESULT
ANNOUNCEMENT TO BURSA MALAYSIA**



TDM BERHAD (Company No 6265-P)
 QUARTERLY REPORT ON CONSOLIDATED RESULTS
 FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2009

CONDENSED CONSOLIDATED INCOME STATEMENTS

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30-Sep-09 RM'000	Preceding Year Corresponding Quarter 30-Sep-08 RM'000	Current Year To date 30-Sep-09 RM'000	Preceding Year Corresponding Period 30-Sep-08 RM'000
Revenue	95,286	123,039	238,085	310,907
Cost of sales	(53,809)	(55,170)	(152,496)	(152,960)
Gross profit	41,477	67,869	85,589	157,947
Other income	1,101	1,464	2,809	3,938
Distribution cost	(1,960)	(2,445)	(5,151)	(5,994)
Administration cost	(12,158)	(16,053)	(35,068)	(36,905)
Other expenses	(235)	(1,145)	(625)	(2,552)
Operating profit	28,225	49,690	47,554	116,434
Finance costs	(113)	(183)	(308)	(514)
Profit before tax	28,112	49,507	47,246	115,920
Taxation	(7,478)	(12,991)	(12,879)	(31,187)
Profit for the period	20,634	36,516	34,367	84,733
Attributable to:				
Equity holders of the Company	20,202	35,845	33,460	83,024
Minority Interest	432	671	907	1,709
Profit for the period	20,634	36,516	34,367	84,733
Earnings per share (sen):				
(a) Basic	9.23	16.45	15.29	38.28
(b) Fully diluted	-	-	-	-

(The Condensed Consolidated Income Statements should be read in conjunction with the Audited Financial Report for the year ended 31 December 2008 and the accompanying explanatory notes on pages 7 to 12 of the financial statements)



TDM BERHAD (Company No 6265-P)
 QUARTERLY REPORT ON CONSOLIDATED RESULTS
 FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2009
CONDENSED CONSOLIDATED BALANCE SHEET

	Unaudited As at 30-Sep-09 RM'000	Audited As at 31-Dec-08 RM'000
Non-current assets		
Property, plant & equipment	101,414	93,846
Prepaid lease payment	170,375	172,746
Biological assets	356,760	354,912
Other investments	4,809	4,809
Goodwill	1,070	1,070
	634,428	627,383
Current assets		
Inventories	18,341	33,123
Trade & other receivables	62,213	69,831
Cash & bank balances	114,634	131,025
	195,188	233,979
TOTAL ASSETS	829,616	861,362
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	218,881	218,876
Share premium	38,132	38,127
Other reserves	208,887	209,172
Retained earnings	142,267	131,790
	608,167	597,965
Minority interests	16,688	15,781
TOTAL EQUITY	624,855	613,746
Non-current liabilities		
Deferred income	-	3,500
Borrowings	3,795	2,851
Retirement benefit obligations	1,857	1,641
Deferred taxation	40,942	40,772
	46,594	48,764
Current liabilities		
Trade & other payables	155,615	190,971
Short term borrowings	2,360	3,374
Taxation	192	4,507
	158,167	198,852
TOTAL LIABILITIES	204,761	247,616
TOTAL EQUITY AND LIABILITIES	829,616	861,362
Net assets per share (RM)	2.78	2.73

(The Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Report for the year ended 31 December 2008 and the accompanying explanatory notes on pages 7 to 12 of the financial statements)



TDM BERHAD (Company No 6265-P)
 QUARTERLY REPORT ON CONSOLIDATED RESULTS
 FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2009

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	Cumulative Quarter	
	30-Sep-09	30-Sep-08
	RM'000	RM'000
Cash flow from operating activities		
Profit before tax	47,246	115,920
Adjustments for:		
Interest expense	281	70
Depreciation of property, plant and equipment	9,283	10,170
Amortisation of prepaid land lease payments	2,889	1,857
Amortisation of livestocks	1,068	874
Bad debts written-off	-	8
Gain on disposal of property, plant and equipment	(148)	(173)
Inventories written off	9	-
Provision for doubtful debts	359	369
Reversal of provision for doubtful debts	-	(1,138)
Share options granted under ESOS	1,017	2,599
Unrealised foreign exchange gain	-	288
Provision for retirement benefit obligations	242	-
Dividend income	(3)	(706)
Interest income	(1,790)	(1,541)
Operating profit before working capital changes	<u>60,453</u>	<u>128,597</u>
Decrease/(Increase) in inventories	14,782	(13,512)
Decrease/(Increase) in receivables	2,779	(98,347)
(Decrease)/Increase in payables and deferred revenue	<u>(33,685)</u>	<u>31,545</u>
Cash generated from operations	44,329	48,283
Interest expense	(281)	(70)
Zakat paid	(2,642)	-
Taxes paid	(16,769)	(14,637)
Retirement benefits paid	(56)	-
Net cash generated from operating activities	<u>24,581</u>	<u>33,576</u>

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CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	Cumulative Quarter	
	30-Sep-09	30-Sep-08
	RM'000	RM'000
Cash flows from investing activities		
Purchase of property, plant and equipment	(16,251)	(19,556)
Proceeds from disposal of property, plant and equipment	308	177
Addition of livestocks	(846)	(927)
Addition of prepaid land lease payments	(518)	(1,010)
Addition of plantation development expenditure	(1,975)	(664)
Purchase of additional shares in subsidiaries	-	(3,186)
Issuance of ordinary shares	-	-
Interest income	1,790	1,541
Dividend received	3	-
Net cash used in investing activities	<u>(17,489)</u>	<u>(23,625)</u>
Cash flows from financing activities		
Proceeds from bankers' acceptances and trust receipts	4,471	4,442
Repayments of bankers' acceptances and trust receipts	(4,082)	(4,162)
Repayment of term loans	(524)	(10,102)
Repayment of TCULS	-	(450)
Repayment of hire purchase facilities	(373)	(407)
Proceeds from term loan	-	10,149
Proceeds from issuance of ordinary shares	8	8,019
Dividend paid	(22,983)	(12,032)
Net cash used in financing activities	<u>(23,483)</u>	<u>(4,543)</u>
Net increase cash and cash equivalents	(16,391)	5,408
Cash and cash equivalents at beginning of year	<u>131,025</u>	<u>101,786</u>
Cash and cash equivalents at period ended	<u>114,634</u>	<u>107,194</u>

(The Condensed Cash Flow Statement should be read in conjunction with the Audited Financial Report for the year ended 31 December 2008 and the accompanying explanatory notes on pages 7 to 12 of the financial statements)



TDM BERHAD (Company No 6265-P)
 QUARTERLY REPORT ON CONSOLIDATED RESULTS
 FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2009

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	← Attributable to equity holders of the Company →			Distributable Retained earnings RM'000	Total RM'000	Minority interests RM'000	Total equity RM'000
	← Non distributable →		Other reserves RM'000				
	Share capital RM'000	Share premium RM'000					
At 1 January 2008							
As previously stated	215,524	34,979	205,481	56,832	512,816	15,853	528,669
Prior year adjustment	-	-	(479)	(11,602)	(12,081)	-	(12,081)
At 1 January 2008 (restated)	215,524	34,979	205,002	45,230	500,735	15,853	516,588
Profit for the year	-	-	-	98,592	98,592	1,708	100,300
Dividends	-	-	-	(12,032)	(12,032)	(82)	(12,114)
Foreign currency translation	-	-	40	-	40	-	40
Issuance of ordinary shares pursuant to exercise of ESOS	3,352	3,148	-	-	6,500	-	6,500
Share option granted under ESOS	-	-	5,233	-	5,233	-	5,233
Exercise of ESOS	-	-	(1,103)	-	(1,103)	-	(1,103)
Acquisition of share in existing subsidiary	-	-	-	-	-	(1,698)	(1,698)
At 31 December 2008	218,876	38,127	209,172	131,790	597,965	15,781	613,746
Profit for the year	-	-	-	33,460	33,460	907	34,367
Issuance of ordinary shares pursuant to ESOS	5	5	-	-	10	-	10
Share option granted under ESOS	-	-	1,480	-	1,480	-	1,480
Exercise of ESOS	-	-	(2)	-	(2)	-	(2)
Foreign currency translation	-	-	(1,763)	-	(1,763)	-	(1,763)
Dividends	-	-	-	(22,983)	(22,983)	-	(22,983)
At 30 September 2009	218,881	38,132	208,887	142,267	608,167	16,688	624,855

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Report for the year ended 31 December 2008 and the accompanying explanatory notes on pages 7 to 12 of the financial statements)



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QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE NINE MONTHS PERIOD ENDED 30 SEPTEMBER 2009

Notes:-

1 Accounting policies and methods

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2008. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2008.

2 Declaration of audit qualification

The preceding annual financial statements for the year ended 31 December 2008 were reported without any qualification.

3 Seasonal or Cyclical Factors

The operations of the Group are not affected by any cyclical factors, other than the cyclical production of fresh fruit bunches (FFB).

4 Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size or incidence

There were no items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence during the quarter ended 30 September 2009.

5 Nature and amount of changes in estimates of amounts reported in prior interim periods of the current financial year, which give a material effect in the current interim period

There were no changes in estimates of amounts, which give a material effect in the current interim period.

6 Details of issue, cancellation, repurchase, resale and repayment of debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the current quarter.

7 Dividends paid

During the third quarter ended 30 September 2009, the Company had on 21 July 2009 paid a First and Final Dividend of 14 sen per ordinary share less 25% taxation (10.50 sen net per ordinary share) in respect of the financial year ended 31 December 2008 amounted to RM 22,982,547.

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8 Segment revenue, segment result and segment assets employed for

	PLANTATION RM'000	FOOD RM'000	HEALTH RM'000	OTHERS RM'000	GROUP RM'000
3 months ended 30 September 2009					
Sales					
Total sales	67,370	13,211	17,076	13,787	111,444
Intersegment sales	<u>(7,735)</u>	<u>(4,880)</u>	<u>(180)</u>	<u>(3,363)</u>	<u>(16,158)</u>
External sales	<u>59,635</u>	<u>8,331</u>	<u>16,896</u>	<u>10,424</u>	<u>95,286</u>
Results					
Segment result (external)	20,826	573	1,938	4,775	28,112
Unallocated income					-
Profit before taxation					<u>28,112</u>
3 months ended 30 September 2008					
Sales					
Total sales	95,073	12,809	15,648	19,050	142,580
Intersegment sales	<u>(8,854)</u>	<u>(5,184)</u>	<u>(180)</u>	<u>(5,323)</u>	<u>(19,541)</u>
External sales	<u>86,219</u>	<u>7,625</u>	<u>15,468</u>	<u>13,727</u>	<u>123,039</u>
Results					
Segment result (external)	39,045	500	1,633	8,329	49,507
Unallocated income					-
Profit before taxation					<u>49,507</u>
9 months ended 30 September 2009					
Sales					
Total sales	158,111	34,931	49,941	32,066	275,049
Intersegment sales	<u>(16,924)</u>	<u>(13,547)</u>	<u>(540)</u>	<u>(5,953)</u>	<u>(36,964)</u>
External sales	<u>141,187</u>	<u>21,384</u>	<u>49,401</u>	<u>26,113</u>	<u>238,085</u>
Results					
Segment result (external)	33,638	436	5,593	7,579	47,246
Unallocated income					-
Profit before taxation					<u>47,246</u>
9 months ended 30 September 2008					
Sales					
Total sales	230,973	31,718	44,164	48,972	355,827
Intersegment sales	<u>(19,805)</u>	<u>(12,399)</u>	<u>(540)</u>	<u>(12,176)</u>	<u>(44,920)</u>
External sales	<u>211,168</u>	<u>19,319</u>	<u>43,624</u>	<u>36,796</u>	<u>310,907</u>
Results					
Segment result (external)	90,260	(1,113)	4,699	22,074	115,920
Unallocated income					-
Profit before taxation					<u>115,920</u>

9 Valuation of property, plant and equipment

The valuations of property, plant and equipment have been brought forward without amendment from the financial statements for the year ended 31 December 2008.

10 Material subsequent events

There was no item, transaction or event of material and unusual nature which has arisen during the period from the end of the financial quarter to the date of this announcement that would affect substantially the results of the operations of the Group.

11 Changes in the composition of the Group

There were no changes in the composition of the Group for the financial period under review.

12 Capital commitments

Capital commitments provided for in the financial statements as at 30 September 2009 is as follows:

	RM '000
Authorised by the Directors and contracted	8,610
Authorised by the Directors and not contracted	29,959
	<u>38,569</u>

13 Changes in contingent liabilities or contingent assets

There were no changes in contingent liabilities from the previous audited financial statements to the date of the quarterly report.

ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA LISTING REQUIREMENT

14 Review of the performance of the Group, setting out material factors affecting the earnings and/or revenue of the Group for the current quarter and financial year to date

For the current quarter, the Group recorded a decrease of 22.5% in revenue to RM95.3 million from RM123.0 million reported in the previous corresponding quarter. Group revenue for the nine months period ended 30 September 2009 was RM238.1 million compared with RM310.9 million recorded in the same period last year.

The Group posted a profit before taxation of RM28.1 million as compared to RM49.5 million in the previous corresponding quarter. For nine months period ended 30 September 2009, profit before taxation was RM47.2 million compared with RM115.9 million registered in the same period last year.

For the nine months period ended 30 September 2009, our Plantation division recorded lower revenue by 33% as compared to the same period last year. The lower revenue was mainly due to:

- a) Lower average CPO and PK prices by 23% and 43% respectively. The lower average prices of CPO and PK were in line with the softer global vegetable oil prices as a result of economic slowdown in 2009.
- b) Lower CPO and PK production by 8% and 10% respectively due to high production cycle experienced in 2008.

Notwithstanding the economic slowdown in 2009, our Healthcare division continued its sterling performance which saw revenue and profit before tax rise by 13% and 19% as compared to the corresponding period in 2008. This is contributed by the growth in the patient number by 14% as compared to the corresponding period in 2008.

Year 2009 also marked a turnaround of our Food division, which recorded profit before tax of RM0.436 million compared to the losses of RM1.1 million recorded in the same period last year.

15 Explanatory comment on any material change in the profit before taxation for the quarter reported on as compared with the immediate preceding quarter

The Group recorded a profit before taxation of RM28.1 million for the current quarter, which represents an increased of RM15.5 million over profit before tax of RM12.6 million for the preceding quarter ended 30 June 2009 mainly due to higher CPO and PK production by 38% and 36% respectively.

16 Commentary on the prospects, including the factors that are likely to influence the Group's prospects for the remaining period to the end of the financial year or the next financial year if the reporting period is the last quarter

Overall, the Group's result for year 2009 is expected to be lower than that of 2008, however we anticipate it to be still satisfactory.

17a Explanatory note for any variance of actual profit after tax and minority interest and the forecast profit after tax and minority interest (where the variance exceeds 10%)

Not applicable.

17b Explanatory note for any shortfall in the profit guarantee

Not applicable.

18 Breakdown of tax charge and explanation on variance between effective and statutory tax rate for the current quarter and financial year to date

	Nine months period ended 30-Sep-09 RM'000
Tax expenses :	
Malaysian tax : Current year	12,703
Deferred tax	176
Total tax expense	12,879

The effective tax rate of the group for the nine months period ended 30 September 2009 is higher than the statutory tax rate due to lower capital allowances available to offset against taxable profit.

19 Amount of profits on sale of unquoted investments or properties

There is no sale of unquoted investments or properties for the current quarter and financial year to date.

20 Particulars of purchase or disposal of quoted securities

	Nine months period ended 30-Sept-09 RM'000
Investment in quoted securities	
At cost	275
At book value	48
At market value	61

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21 Corporate proposals

On 19 August 2009, Kuantan Medical Centre Sdn. Bhd. (KMC), a subsidiary of TDM Berhad had entered into a Sale and Purchase Agreement with Far East Holdings Berhad to acquire 4.324 hectares of land for a total cash consideration of RM 13.96 million.

22 Borrowings and debt securities as at the end of the reporting period

Details of the Group's borrowings as at 30 September 2009 are as follows :

<u>Secured</u>	Short-term RM'000	Long-term RM'000	Total RM'000
-Term loan	187	781	968
-Bank overdraft	21	-	21
-Revolving credit	1,636	-	1,636
-Hire purchase	516	3,014	3,530
Total Group borrowings	<u>2,360</u>	<u>3,795</u>	<u>6,155</u>

23 Summary of off balance sheet financial instruments by type and maturity

Not applicable.

24 Changes in material litigation (including status of any pending material litigation) since the last annual balance sheet date

There were no changes in material liabilities since the previous audited financial statements for the year ended 31 December 2008.

25 Dividend

There is no dividend proposed for the current quarter.

26 Earnings per share

Basic earnings per share is calculated by dividing the net profit for the period by the weighted average number of ordinary shares in issue during the period.

	Current quarter ended 30-Sep-09	Preceding year corresponding quarter ended 30-Sep-08	Current year to date 30-Sep-09	Preceding year corresponding period 30-Sep-08
Basic				
Net profit attributable to ordinary shareholders (RM'000)	20,202	35,845	33,460	83,024
Weighted average number of ordinary shares in issue ('000)	218,881	217,882	218,881	216,898
Basic earnings per ordinary share (sen)	<u>9.23</u>	<u>16.45</u>	<u>15.29</u>	<u>38.28</u>

26 Earnings per share (cont'd.)

Diluted

Diluted earning per share is the same as basic earnings per share for the current quarter and year-to-date as it is assumed the Employee Share Option Scheme ("ESOS") will not be exercised due to lower current market price compared to the ESOS exercise price.

27 Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 24 November 2009.

BY ORDER OF THE BOARD

YEAP KOK LEONG
Company secretary

Kuala Lumpur
24-Nov-09