



## **TDM BERHAD**

**( COMPANY NO 6265-P )**

**4th QUARTER 2009 RESULT  
ANNOUNCEMENT TO BURSA MALAYSIA**



**TDM BERHAD** (Company No 6265-P)  
 QUARTERLY REPORT ON CONSOLIDATED RESULTS  
 FOR THE YEAR ENDED 31 DECEMBER 2009

**CONDENSED CONSOLIDATED INCOME STATEMENTS**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31-Dec-09 RM'000	Preceding Year Corresponding Quarter 31-Dec-08 RM'000 Restated	Current Year To date 31-Dec-09 RM'000	Preceding Year Corresponding Period 31-Dec-08 RM'000 Restated
Revenue	98,292	94,148	336,377	405,055
Cost of sales	(49,463)	(48,800)	(201,959)	(206,260)
<b>Gross profit</b>	<b>48,829</b>	<b>45,348</b>	<b>134,418</b>	<b>198,795</b>
Other income	2,548	3,918	5,357	7,856
Distribution cost	(2,189)	(3,092)	(7,340)	(9,086)
Administration cost	(18,890)	(21,286)	(53,957)	(53,691)
Other expenses	(224)	(211)	(848)	(2,763)
<b>Operating profit</b>	<b>30,074</b>	<b>24,677</b>	<b>77,630</b>	<b>141,111</b>
Finance costs	89	89	(219)	(425)
<b>Profit before tax</b>	<b>30,163</b>	<b>24,766</b>	<b>77,411</b>	<b>140,686</b>
Taxation	(8,597)	(9,198)	(21,476)	(40,386)
<b>Profit for the period</b>	<b>21,566</b>	<b>15,568</b>	<b>55,935</b>	<b>100,300</b>
Attributable to:				
Equity holders of the Company	21,380	15,414	54,784	98,592
Minority Interest	186	154	1,151	1,708
Profit for the period	21,566	15,568	55,935	100,300
Earnings per share (sen):				
(a) Basic	9.77	7.09	25.03	45.37
(b) Fully diluted	0.00	0.00	0.00	0.00

(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  
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**CONDENSED CONSOLIDATED BALANCE SHEET**

	<b>Unaudited As at 31-Dec-09 RM'000</b>	<b>Audited As at 31-Dec-08 RM'000</b>
<b>Non-current assets</b>		
Property, plant & equipment	102,267	93,846
Prepaid lease payment	169,432	172,746
Biological assets	358,108	354,912
Goodwill	1,070	1,070
Other investments	4,809	4,809
	<b>635,686</b>	<b>627,383</b>
<b>Current assets</b>		
Inventories	14,522	33,123
Trade & other receivables	78,235	69,831
Cash & bank balances	112,162	131,025
	<b>204,919</b>	<b>233,979</b>
<b>TOTAL ASSETS</b>	<b>840,605</b>	<b>861,362</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	218,881	218,876
Share premium	38,132	38,127
Retained earnings	163,527	131,790
Other reserves	210,545	209,172
	631,085	597,965
<b>Minority interests</b>	16,828	15,781
<b>TOTAL EQUITY</b>	<b>647,913</b>	<b>613,746</b>
<b>Non-current liabilities</b>		
Retirement benefit obligations	1,833	1,641
Borrowings	3,229	2,851
Deferred revenue	-	3,500
Deferred taxation	41,206	40,772
	<b>46,268</b>	<b>48,764</b>
<b>Current liabilities</b>		
Borrowings	2,866	3,374
Trade & other payables	136,864	190,971
Taxation	6,694	4,507
	<b>146,424</b>	<b>198,852</b>
<b>TOTAL LIABILITIES</b>	<b>192,692</b>	<b>247,616</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>840,605</b>	<b>861,362</b>
Net assets per share (RM)	2.88	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  
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**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

	<b>Cumulative Quarter</b>	
	<b>31-Dec-09</b>	<b>31-Dec-08</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flow from operating activities</b>		
Profit before tax	77,411	140,686
Adjustments for:		
Interest expense	219	425
Depreciation of property, plant and equipment	12,472	11,063
Amortisation of prepaid land lease payments	3,519	4,211
Amortisation of livestocks	1,383	1,194
Bad debts written-off	-	8
Gain on disposal of property, plant and equipment	(247)	(125)
Inventories written off	9	102
Provision for doubtful debts	359	1,334
Property, plant and equipment written off	1	182
Reversal of impairment of prepaid land lease payment	(488)	-
Impairment of property, plant and equipment	1,313	-
Provision for doubtful debts written back	-	(303)
Share options granted under ESOS	1,360	5,233
Realised foreign exchange gain	-	(288)
Provision/(Reversal) for retirement benefit obligations	232	(26)
Dividend income	(943)	(1,412)
Interest income	(2,521)	(1,920)
Biological assets written off	-	33
Provision for "Zakat"	-	2,697
Profit received from Al Mudharabah	-	(1,071)
Provision for short term accumulating compensated absences	-	39
Operating profit before working capital changes	<u>94,079</u>	<u>162,062</u>
Decrease/(Increase) in inventories	18,607	(24,297)
Increase in receivables	(5,692)	(19,788)
(Decrease)/Increase in payables and deferred revenue	<u>(48,545)</u>	<u>1,660</u>
Cash generated from operations	58,449	119,637
Interest expense	(219)	(425)
Zakat paid	(2,642)	-
Taxes paid	(26,416)	(46,838)
Retirement benefits paid	<u>(56)</u>	<u>(56)</u>
Net cash generated from operating activities	<u>29,116</u>	<u>72,318</u>

**TDM BERHAD** (Company No 6265-P)  
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**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

	<b>Cumulative Quarter</b>	
	<b>31-Dec-09</b>	<b>31-Dec-08</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(22,280)	(21,110)
Proceeds from disposal of property, plant and equipment	374	181
Addition of livestock	(1,006)	(1,461)
Addition of prepaid land lease payments	(519)	(3,209)
Addition of plantation development expenditure	(3,469)	(1,531)
Purchase of additional shares in subsidiaries	-	(3,186)
Profit received from Al Mudharabah	-	1,071
Interest income	2,521	1,920
Dividend received	943	1,412
Net cash used in investing activities	<u>(23,436)</u>	<u>(25,913)</u>
<b>Cash flows from financing activities</b>		
Proceeds from bankers' acceptances and trust receipts	6,054	5,612
Repayments of bankers' acceptances and trust receipts	(5,879)	(5,357)
Repayment of term loans	(532)	(10,044)
Repayment of TCULS	-	(450)
Repayment of hire purchase facilities	(492)	(811)
Proceeds from issuance of ordinary shares	8	5,397
Dividend paid	(23,059)	(12,114)
Net cash used in financing activities	<u>(23,900)</u>	<u>(17,767)</u>
<b>Net increase cash and cash equivalents</b>	<b>(18,220)</b>	<b>28,638</b>
<b>Cash and cash equivalents at beginning of year</b>	<b><u>129,837</u></b>	<b><u>101,199</u></b>
<b>Cash and cash equivalents at year end</b>	<b><u>111,617</u></b>	<b><u>129,837</u></b>

**TDM BERHAD** (Company No 6265-P)  
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**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

	<b>Cumulative Quarter</b>	
	<b>31-Dec-09</b>	<b>31-Dec-08</b>
	<b>RM'000</b>	<b>RM'000</b>
Cash and cash equivalents at year end comprise of the followings:		
Cash on hand and at banks	13,429	20,345
Deposits with licensed banks	98,733	110,680
Cash and bank balances	<u>112,162</u>	<u>131,025</u>
Less: Bank Overdrafts	(545)	(1,188)
Cash and cash equivalents	<u>111,617</u>	<u>129,837</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)



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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	← Attributable to equity holders of the Company →				Total RM'000	Minority interests RM'000	Total equity RM'000
	← Share capital RM'000	Non distributable Share premium RM'000	Other reserves RM'000	→ Distributable Retained earnings RM'000			
<b>At 1 January 2008</b>	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)
<b>At 31 December 2008</b>	218,876	38,127	209,172	131,790	597,965	15,781	613,746
Prior year adjustment	-	-	-	18	18	-	18
<b>At 1 January 2009</b>	218,876	38,127	209,172	131,808	597,983	15,781	613,764
Profit for the year	-	-	-	54,784	54,784	1,151	55,935
Revaluation increase of asset	-	-	77	-	77	-	77
Issuance of ordinary shares pursuant to ESOS	5	5	-	-	10	-	10
Share option granted under ESOS	-	-	1,359	-	1,359	-	1,359
Exercise of ESOS	-	-	(2)	-	(2)	-	(2)
Foreign currency translation	-	-	(61)	-	(61)	-	(61)
Dividends	-	-	-	(23,065)	(23,065)	(82)	(23,147)
Acquisition of share in existing subsidiary	-	-	-	-	-	(22)	(22)
<b>At 31 December 2009</b>	218,881	38,132	210,545	163,527	631,085	16,828	647,913

(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)



**TDM BERHAD** (Company No 6265-P)  
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**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 31 December 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**

No dividend was paid during the current quarter ended 31 December 2009.



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**8 Segment revenue, segment result and segment assets employed for business**

	<b>PLANTATION RM'000</b>	<b>FOOD RM'000</b>	<b>HEALTH RM'000</b>	<b>OTHERS RM'000</b>	<b>GROUP RM'000</b>
<b>3 months ended 31 December 2009</b>					
<b>Sales</b>					
Total sales	76,675	12,288	16,925	53,332	159,220
Intersegment sales	(13,412)	(5,395)	(180)	(41,941)	(60,928)
External sales	<u>63,263</u>	<u>6,893</u>	<u>16,745</u>	<u>11,391</u>	<u>98,292</u>
<b>Results</b>					
Segment result (external)	28,193	448	2,481	(959)	30,163
Unallocated income					-
Profit before taxation					<u>30,163</u>
<b>3 months ended 31 December 2008</b>					
<b>Sales</b>					
Total sales	75,072	8,388	14,555	55,320	153,335
Intersegment sales	(10,358)	(4,539)	(180)	(44,110)	(59,187)
External sales	<u>64,714</u>	<u>3,849</u>	<u>14,375</u>	<u>11,210</u>	<u>94,148</u>
<b>Results</b>					
Segment result (external)	23,782	(765)	1,407	342	24,766
Unallocated income					-
Profit before taxation					<u>24,766</u>
<b>12 months ended 31 December 2009</b>					
<b>Sales</b>					
Total sales	234,788	47,218	66,866	85,398	434,270
Intersegment sales	(30,337)	(18,942)	(720)	(47,894)	(97,893)
External sales	<u>204,451</u>	<u>28,276</u>	<u>66,146</u>	<u>37,504</u>	<u>336,377</u>
<b>Results</b>					
Segment result (external)	61,834	884	8,073	6,620	77,411
Unallocated income					-
Profit before taxation					<u>77,411</u>
<b>12 months ended 31 December 2008</b>					
<b>Sales</b>					
Total sales	306,045	40,106	58,719	104,292	509,162
Intersegment sales	(30,163)	(16,938)	(720)	(56,286)	(104,107)
External sales	<u>275,882</u>	<u>23,168</u>	<u>57,999</u>	<u>48,006</u>	<u>405,055</u>
<b>Results</b>					
Segment result (external)	114,041	(1,878)	6,106	22,417	140,686
Unallocated income					-
Profit before taxation					<u>140,686</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 31 December 2009 is as follows:

	<b>RM '000</b>
Authorised by the Directors and contracted	14,908
Authorised by the Directors and not contracted	<u>16,448</u>
	<u><u>31,356</u></u>

**13 Changes in contingent liabilities or contingent assets**

There were no material changes in contingent liabilities and contingent assets since the last balance sheet date.

**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 an increased of 4.4% in revenue to RM98.3 million from RM94.1 million reported in the previous corresponding quarter. Group revenue for the year ended 31 December 2009 was RM336.4 million compared with RM405.1 million recorded in the same period last year.

The Group posted a profit before taxation of RM30.2 million for the quarter under review, as compared to RM24.8 million in the previous corresponding quarter. For the year ended 31 December 2009, profit before taxation was RM77.4 million compared with RM140.7 million registered in the same period last year.

For the year ended 31 December 2009, our Plantation division recorded lower revenue by 26% as compared to the same period last year. The lower revenue was mainly due to:

- a) Lower average CPO and PK prices by 22% and 40% 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 7% and 9% respectively due to high production cycle experienced in 2008.

Notwithstanding the economic slowdown in 2009, for the year ended 31 December 2009, our Healthcare division continued its sterling performance which saw revenue and profit before tax rose by 14% and 32% 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 RM0.9 million compared to the losses of RM1.9 million recorded in year 2008, due to higher production of birds and better farming performance.

**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 RM30.2 million for the current quarter, which represents a increased of RM2.1 million over profit before tax of RM28.1 million for the preceding quarter ended 30 September 2009 mainly due to the higher production and sales of CPO and PK during the quarter under review.

**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**

Based on the prevailing CPO and PK prices, the outlook for financial year ending 31 December 2010 remains favourable.

**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**

	<b>For the year ended 31-Dec-09 RM'000</b>
<b>Tax expenses :</b>	
Malaysian tax : Current year	21,078
Deferred tax	398
<b>Total tax expense</b>	<b>21,476</b>

The effective tax rate of the group for the year ended 31 December 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**

	<b>For the Year ended 31-Dec-09 RM'000</b>
Investment in quoted securities	
At cost	275
At book value	48
At market value	<b>61</b>

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**21 Corporate proposals**

Not applicable.

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

Details of the Group's borrowings as at 31 December 2009 are as follows :

<b>Secured</b>	<b>Short-term RM'000</b>	<b>Long-term RM'000</b>	<b>Total RM'000</b>
-Term loan	187	734	921
-Bank overdraft	545	-	545
-Revolving credit	1,422	-	1,422
-Hire purchase	712	2,495	3,207
Total Group borrowings	<u>2,866</u>	<u>3,229</u>	<u>6,095</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 contingent liabilities from the previous audited financial statements to the date of this quarterly report.

**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.

	<b>Current quarter ended 31-Dec-09</b>	<b>Preceding year corresponding quarter ended 31-Dec-08</b>	<b>Current year to date 31-Dec-09</b>	<b>Preceding year corresponding period 31-Dec-08</b>
<b>Basic</b>				
Net profit attributable to ordinary shareholders (RM'000)	21,380	15,414	54,784	98,592
Weighted average number of ordinary shares in issue ('000)	218,881	217,297	218,881	217,297
Basic earnings per ordinary share (sen)	<u>9.77</u>	<u>7.09</u>	<u>25.03</u>	<u>45.37</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 25 February 2010.

**BY ORDER OF THE BOARD**

YEAP KOK LEONG  
Company secretary

Kuala Lumpur  
25-Feb-10