



TDM BERHAD

**COMPANY NO 6265-P
(Incorporated in Malaysia)**

**INTERIM FINANCIAL STATEMENTS
30 SEPTEMBER 2011**



TDM BERHAD (Company No 6265-P)
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 SEPTEMBER 2011**

	Individual Quarter		Cumulative Quarter	
	Current Period Quarter 30.9.2011 RM'000	Preceding Period Corresponding Quarter 30.9.2010 RM'000 Restated	Current Period To date 30.9.2011 RM'000	Preceding Period Corresponding Period 30.9.2010 RM'000 Restated
Continuing operations				
Revenue	151,506	103,649	367,812	264,434
Cost of sales	(56,674)	(49,914)	(161,638)	(139,163)
Gross profit	94,832	53,735	206,174	125,271
Other item of income				
Other income	3,788	1,499	9,130	4,434
Other items of expenses				
Distribution costs	(2,435)	(2,545)	(5,651)	(5,962)
Administration costs	(23,412)	(16,158)	(53,768)	(42,497)
Other expenses	(1,660)	(82)	(3,455)	(189)
Finance costs	(81)	(52)	(300)	(191)
Profit before tax from continuing operations	71,032	36,397	152,130	80,866
Income tax expense	(19,694)	(7,949)	(40,023)	(18,837)
Profit from continuing operations, net of tax	51,338	28,448	112,107	62,029
Discontinued operation				
Profit/(loss) from discontinued operation, net of tax	865	378	2,043	(410)
Profit net of tax	52,203	28,826	114,150	61,619
Other comprehensive income :				
Available for sale investments' fair value movement	(14)	1	(10)	2
Foreign currency translation	2,460	(1,413)	1,490	(2,597)
Other comprehensive income for the period, net of tax	2,446	(1,412)	1,480	(2,595)
Total comprehensive income for the period	54,649	27,414	115,630	59,024

TDM BERHAD (Company No 6265-P)
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 SEPTEMBER 2011 (CONT'D.)**

	Individual Quarter		Cumulative Quarter	
	Current Period Quarter 30.9.2011 RM'000	Preceding Period Corresponding Quarter 30.9.2010 RM'000 Restated	Current Period To date 30.9.2011 RM'000	Preceding Period Corresponding Period 30.9.2010 RM'000 Restated
Profit attributable to:				
Owners of the parent	51,474	28,262	112,511	60,395
Non-controlling interests	729	564	1,639	1,224
	52,203	28,826	114,150	61,619
Total comprehensive income attributable to:				
Owners of the parent	53,702	26,850	113,735	57,800
Non-controlling interests	947	564	1,895	1,224
	54,649	27,414	115,630	59,024
Earnings per share attributable to owners of the parent (sen)				
(a) Basic (Note 29)	21.88	12.81	48.33	27.47
(b) Fully diluted (Note 29)	21.45	12.68	47.36	27.25
Earnings per share from continuing operations attributable to owners of the parent (sen)				
(a) Basic (Note 29)	21.50	12.64	47.46	27.66
(b) Fully diluted (Note 29)	21.09	12.51	46.50	27.44
Earnings/(loss) per share from discontinued operation attributable to owners of the parent (sen)				
(a) Basic (Note 29)	0.37	0.17	0.88	(0.19)
(b) Fully diluted (Note 29)	0.36	0.17	0.86	(0.19)

(The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements)



TDM BERHAD (Company No 6265-P)
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2011**

	Unaudited As at 30.9.2011 RM'000	Audited As at 31.12.2010 RM'000 Restated
	Note	
Non-current assets		
Property, plant & equipment	329,293	296,458
Biological assets	399,783	368,955
Goodwill	8,888	1,468
Other investments	4,700	4,700
Available for sale investments	135	148
	742,799	671,729
Current assets		
Inventories	22,152	14,587
Trade and other receivables	54,565	65,948
Tax recoverable	35	56
Cash and bank balances	214,290	176,702
	291,042	257,293
Assets of disposal group classified as held for sale	14 11,940	-
	302,982	257,293
Total assets	1,045,781	929,022
Equity and liabilities		
Current liabilities		
Retirement benefit obligation	77	160
Borrowings	1,316	3,245
Trade and other payables	153,642	147,146
Tax payable	15,178	6,275
	170,213	156,826
Liabilities directly associated with disposal group classified as held for sale	14 3,976	-
	174,189	156,826
Net current assets	128,794	100,467
Non-current liabilities		
Retirement benefit obligation	827	833
Borrowings	422	1,520
Deferred tax liabilities	42,252	42,489
	43,501	44,842
Total liabilities	217,690	201,668
Net assets	828,091	727,354

TDM BERHAD (Company No 6265-P)
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2011 (CONT'D.)**

	Unaudited	Audited
	As at	As at
	30.9.2011	31.12.2010
	RM'000	RM'000
		Restated
Equity attributable to owners of the parent		
Share capital	236,315	225,572
Share premium	61,677	45,945
Retained earnings	303,297	229,271
Other reserves	206,471	208,347
	807,760	709,135
Non-controlling interests	20,331	18,219
Total equity	828,091	727,354
Total equity and liabilities	1,045,781	929,022
 Net assets per share (RM)	 3.50	 3.22

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements)



**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2011**

	Attributable to owners of the parent										Non-controlling interests RM'000
	Total equity RM'000	Equity attributable to owners of the parent RM'000	Non-distributable		Distributable		Non-distributable				
			Share capital RM'000	Share premium RM'000	Retained earnings RM'000	Total other reserves RM'000	Asset revaluation reserve RM'000	Foreign currency translation reserve RM'000	Share option reserve RM'000	Fair value adjustment reserve RM'000	
Opening balance at 1 January 2011	727,354	709,135	225,572	45,945	229,271	208,347	205,481	(1,793)	4,626	33	18,219
Total comprehensive income	115,630	113,735	-	-	112,511	1,224	-	1,234	-	(10)	1,895
Transactions with owners											
Issuance of ordinary shares pursuant to ESOS	16,575	16,575	7,245	9,330	-	-	-	-	-	-	-
Share options granted under ESOS	1,041	1,041	-	-	-	1,041	-	-	1,041	-	-
Exercise of ESOS	(4,141)	(4,141)	-	-	-	(4,141)	-	-	(4,141)	-	-
Issuance of ordinary shares pursuant to acquisition of a new subsidiary	9,900	9,900	3,498	6,402	-	-	-	-	-	-	-
Loss on accretion interest	-	(217)	-	-	(217)	-	-	-	-	-	217
Dividend paid	(38,268)	(38,268)	-	-	(38,268)	-	-	-	-	-	-
Total transactions with owners	(14,893)	(15,110)	10,743	15,732	(38,485)	(3,100)	-	-	(3,100)	-	217
Closing balance at 30 September 2011	828,091	807,760	236,315	61,677	303,297	206,471	205,481	(559)	1,526	23	20,331
Opening balance at 1 January 2010	647,868	631,027	218,881	38,132	163,588	210,426	205,481	(543)	5,488	-	16,841
Total comprehensive income	59,024	57,800	-	-	60,395	(2,595)	-	(2,597)	-	2	1,224
Transactions with owners											
Issuance of ordinary shares pursuant to ESOS	5,352	5,352	2,469	2,883	-	-	-	-	-	-	-
Share options granted under ESOS	4,197	4,197	-	-	-	4,197	-	-	4,197	-	-
Exercise of ESOS	(1,375)	(1,375)	-	-	-	(1,375)	-	-	(1,375)	-	-
Dividend paid	(26,431)	(26,431)	-	-	(26,431)	-	-	-	-	-	-
Total transactions with owners	(18,257)	(18,257)	2,469	2,883	(26,431)	2,822	-	-	2,822	-	-
Closing balance at 30 September 2010	688,635	670,570	221,350	41,015	197,552	210,653	205,481	(3,140)	8,310	2	18,065

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements)



TDM BERHAD (Company No 6265-P)
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 SEPTEMBER 2011**

	Cumulative Quarter	
	30.9.2011	30.9.2010
	RM'000	RM'000
		Restated
Cash flows from operating activities		
Profit before tax from continuing operations	152,130	80,866
Profit/(loss) before tax from discontinued operation	2,044	(409)
Profit before tax, total	<u>154,174</u>	<u>80,457</u>
Adjustments for:		
Interest expense		
- Continuing operations	300	191
- Discontinued operation	86	68
Depreciation of property, plant and equipment	14,750	12,644
(Gain)/loss on disposal of property, plant and equipment	(211)	22
Amortisation of livestocks	416	774
Inventories written off	-	98
Impairment loss on trade and other receivables	596	471
Dividend income	(2)	(940)
Interest income	(3,200)	(1,356)
Share options granted under ESOS	1,041	4,197
Bad debts written off	51	31
Net gain from available for sale of other investment	-	(91)
Reversal of impairment loss on trade and other receivables	(18)	-
Trade and other payables written back	(1,928)	-
Property, plant and equipment written off	24	-
Gain on liquidation of a subsidiary	(152)	-
Total adjustments	<u>11,753</u>	<u>16,109</u>
Operating profit before working capital changes	<u>165,927</u>	<u>96,566</u>
<u>Changes in working capital</u>		
Increase in inventories	(7,884)	(7,359)
Decrease /(increase) in receivables	6,556	(13,808)
Increase in payables	4,534	579
Total changes in working capital	<u>3,206</u>	<u>(20,588)</u>
Cash from operations	169,133	75,978
Interest paid	(386)	(259)
Interest received	3,200	1,356
Taxes paid	(30,538)	(18,148)
Retirement benefits paid	(89)	(1,031)
Net cash from operating activities	<u>141,320</u>	<u>57,896</u>

TDM BERHAD (Company No 6265-P)
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 SEPTEMBER 2011 (CONT'D.)**

	Cumulative Quarter	
	30.9.2011	30.9.2010
	RM'000	RM'000
		Restated
Cash flows from investing activities		
Purchase of property, plant and equipment	(32,651)	(17,187)
Addition of livestock	(425)	(601)
Addition of plantation development expenditure	(31,297)	(2,239)
Dividend received	2	940
Proceeds from disposal of property, plant and equipment	351	60
Proceeds from liquidation of a subsidiary	152	-
Acquisition of a subsidiary	(10,643)	-
Net cash used in investing activities	<u>(74,511)</u>	<u>(19,027)</u>
Cash flows from financing activities		
Proceeds from bankers' acceptances and trust receipts	4,106	4,742
Repayments of bankers' acceptances and trust receipts	(4,223)	(4,775)
Repayment of term loans	(1,645)	(377)
Repayment of hire purchase facilities	(856)	(596)
Proceeds from issuance of ordinary shares	12,434	3,974
Dividend paid	(38,268)	(26,341)
Net cash used in financing activities	<u>(28,452)</u>	<u>(23,373)</u>
Net increase in cash and cash equivalents	38,357	15,496
Cash and cash equivalents at beginning of the period	<u>176,100</u>	<u>106,475</u>
Cash and cash equivalents at end of the period	<u>214,457</u>	<u>121,971</u>
Cash and cash equivalents at end of the period comprise of the following:		
Cash and short term deposits		
- Continuing operations	214,290	122,286
- Discontinued operation (Note 14)	327	47
Cash and bank balances	<u>214,617</u>	<u>122,333</u>
Less: Bank overdraft (Note 14)	(160)	(362)
Cash and cash equivalents	<u>214,457</u>	<u>121,971</u>

(The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements)



TDM BERHAD (Company No 6265-P)
(Incorporated in Malaysia)

Explanatory Notes Pursuant to FRS 134

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 2010. 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 2010.

2. Significant accounting policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2010, except for the adoption of the following new Financial Reporting Standards (FRSs), Amendments to FRSs and Interpretations:

<u>Description</u>	<u>Effective for annual periods beginning on or after</u>
FRS 1 First-time Adoption of Financial Reporting Standards	1 July 2010
FRS 3 Business Combinations (Revised)	1 July 2010
Amendments to FRS 2 Share-based Payment	1 July 2010
Amendments to FRS 5 Non-current Assets Held for Sale and Discontinued Operations	1 July 2010
Amendments to FRS 127 Consolidated and Separate Financial Statements	1 July 2010
Amendments to FRS 138 Intangible Assets	1 July 2010
Amendments to IC Interpretation 9 Reassessment of Embedded Derivatives	1 July 2010
IC Interpretation 12 Service Concession Arrangements	1 July 2010
IC Interpretation 15 Agreements for the Construction of Real Estate	1 July 2010
IC Interpretation 16 Hedges of a Net Investment in a Foreign Operation	1 July 2010
IC Interpretation 17 Distributions of Non-cash Assets to Owners	1 July 2010
Amendments to FRS 132: Classification of Rights Issues	1 March 2010
Amendments to FRS 1: Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters	1 January 2011
Amendments to FRS 7: Improving Disclosures about Financial Instruments	1 January 2011

Except for the changes in accounting policies arising from the adoption of the revised FRS 3 and the amendments to FRS 127, as well as the new disclosures required under the Amendments to FRS 7, the directors expect that the adoption of the other standards and interpretations above will have no material impact on the financial statements in the period of initial application. The nature of the impending changes in accounting policy on adoption of the revised FRS 3 and the amendments to FRS 127 are described below.

Explanatory Notes Pursuant to FRS 134

2. Significant accounting policies (cont'd.)

Revised FRS 3 Business Combinations and Amendments to FRS 127 Consolidated and Separate Financial Statements

The revised standards are effective for annual periods beginning on or after 1 July 2010. The revised FRS 3 introduces a number of changes in the accounting for business combinations occurring after 1 July 2010. These changes will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs, and future reported results. The Amendments to FRS 127 require that a change in the ownership interest of a subsidiary (without loss of control) is accounted for as an equity transaction. Therefore, such transactions will no longer give rise to goodwill, nor will they give rise to a gain or loss. Furthermore, the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. Other consequential amendments have been made to FRS 107 Statement of Cash Flows, FRS 112 Income Taxes, FRS 121 The Effects of Changes in Foreign Exchange Rates, FRS 128 Investments in Associates and FRS 131 Interests in Joint Ventures. The changes from revised FRS 3 and Amendments to FRS 127 will affect future acquisitions or loss of control and transactions with non-controlling interests.

3. Declaration of audit qualification

The preceding annual financial statements for the year ended 31 December 2010 were reported without any qualification.

4. 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).

5. 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 2011.

6. 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.

7. 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, except for the issuance of the following new ordinary shares of RM1.00 each pursuant to the Employees Share Option Scheme ("ESOS") of the Company and pursuant to acquisition of a subsidiary, TDMC Hospital Sdn. Bhd.

No	Items	No. of Shares Issued
1	ESOS	584,110
2	Acquisition of TDMC Hospital Sdn. Bhd.	3,498,215
	Total	4,082,325

TDM BERHAD (Company No 6265-P)
(Incorporated in Malaysia)

Explanatory Notes Pursuant to FRS 134

8. Dividends paid

No dividend has been paid for the current quarter under review.

9. Segmental Reporting

	PLANTATION RM'000	HEALTH RM'000	OTHERS RM'000	GROUP RM'000
3 months ended 30 September 2011				
Revenue				
Total revenue	155,823	23,904	-	179,727
Intersegment-revenue	(27,165)	(1,056)	-	(28,221)
External revenue	<u>128,658</u>	<u>22,848</u>	-	<u>151,506</u>
Segment result (external)	67,969	3,014	49	<u>71,032</u>
Profit before taxation				<u>71,032</u>
3 months ended 30 September 2010				
Revenue				
Total revenue	99,853	19,024	-	118,877
Intersegment-revenue	(15,048)	(180)	-	(15,228)
External revenue	<u>84,805</u>	<u>18,844</u>	-	<u>103,649</u>
Results				
Segment result (external)	34,106	2,298	(7)	<u>36,397</u>
Profit before taxation				<u>36,397</u>
9 months ended 30 September 2011				
Revenue				
Total revenue	369,702	69,150	-	438,852
Intersegment-revenue	(67,851)	(3,189)	-	(71,040)
External revenue	<u>301,851</u>	<u>65,961</u>	-	<u>367,812</u>
Results				
Segment result (external)	143,567	8,512	51	<u>152,130</u>
Profit before taxation				<u>152,130</u>
9 months ended 30 September 2010				
Revenue				
Total revenue	242,486	57,690	-	300,176
Intersegment-revenue	(34,886)	(856)	-	(35,742)
External revenue	<u>207,600</u>	<u>56,834</u>	-	<u>264,434</u>
Results				
Segment result (external)	73,478	7,419	(31)	<u>80,866</u>
Profit before taxation				<u>80,866</u>

9. Segmental Reporting (cont'd.)

	PLANTATION RM'000	HEALTH RM'000	FOOD RM'000	OTHERS RM'000	GROUP RM'000
Total assets					
30 September 2011	909,698	122,163	11,940	1,980	1,045,781
31 December 2010	832,933	82,589	11,843	1,657	929,022
Total liabilities					
30 September 2011	192,085	21,061	3,976	568	217,690
31 December 2010	176,243	19,095	5,740	590	201,668

10. 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 2010.

11. Significant event

On 23 September 2011, the voluntary winding-up proceedings of TDM Markwell (Singapore) Pte. Ltd. ("TDM Markwell"), a wholly-owned subsidiary of Kumpulan Ladang-Ladang Trengganu Sdn. Bhd. ("KLLT") which is a wholly-owned subsidiary of the TDM Berhad ("the Company") have been completed.

The winding up of TDM Markwell was in line with TDM Group's efforts to streamline and rationalise its core businesses.

12. Material subsequent event

On 20 October 2011, the Company entered into a Share Sale Agreement with Vision Poultry Sdn. Bhd. to dispose the Company's entire investments in its wholly-owned subsidiary, TD Poultry Sdn. Bhd. ("TDPSB") comprising 35,495,984 ordinary shares of RM1.00 each, representing 100% of the issued and paid-up share capital of TDPSB to Vision Poultry for a total cash consideration of RM4,000,000.

The rationale for the disposal is to streamline and rationalise the core business of TDM Group.

13. Changes in the composition of the Group

The voluntary winding up proceedings of TDM Markwell has been completed on 23 September 2011. Upon its dissolution, TDM Markwell ceased to be a subsidiary of KLLT and the Company.

Save as disclosed above, there have been no other changes in the composition of the Group during the current quarter under review.

14. Discontinued operation and disposal group classified as held for sale

As at 30 September 2011, the assets and liabilities related to TDPSB have been presented in the statement of financial position as "Assets of disposal group classified as held for sale" and "Liabilities directly associated with disposal group classified as held for sale", and its results are presented separately on the statement of comprehensive income as "Profit/(loss) from discontinued operation, net of tax".

ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA LISTING REQUIREMENT

14. Discontinued operation and disposal group classified as held for sale (cont'd.)

Statements of financial position disclosures

The major classes of assets and liabilities of TDPSB classified as held for sale as at 30 September 2011 are as follows:

	RM'000
Assets	
Property, plant and equipment	5,813
Biological assets	478
Inventories	455
Trade and other receivables	4,867
Cash and bank balances	327
Assets of disposal group classified as held for sale	11,940
Liabilities	
Trade and other payables	2,465
Borrowings - overdraft	160
Borrowings	1,351
Liabilities directly associated with disposal group classified as held for sale	3,976
Net assets directly associated with disposal group classified as held for sale	7,964

Statement of comprehensive income disclosures

The results of TDPSB for the period ended 30 September 2011 and 30 September 2010 are as follows:

	Individual quarter		Cumulative quarter	
	30.9.2011	30.9.2010	30.9.2011	30.9.2010
	RM'000	RM'000	RM'000	RM'000
Revenue	9,360	6,487	25,831	20,557
Cost of sales	(8,323)	(5,878)	(23,349)	(20,273)
Gross profit	1,037	609	2,482	284
Other income	86	8	200	12
Administrative expenses	(206)	(214)	(552)	(633)
Distribution cost	-	-	-	(4)
Operating profit/(loss)	917	403	2,130	(341)
Finance costs	(52)	(24)	(86)	(68)
Profit/(loss) before tax from discontinued operation	865	379	2,044	(409)
Income tax expense	-	(1)	(1)	(1)
Profit/(loss) from discontinued operation, net of tax	865	378	2,043	(410)

Statement of cash flows disclosures

The cash flow attributable to TDPSB are as follows:

	30.9.2011	30.9.2010
	RM'000	RM'000
Operating	1,503	1,006
Investing	(578)	(721)
Financing	(171)	(85)
Net cash inflows	754	200

15. Capital commitments

Capital commitments provided for in the financial statements as at 30 September 2011 are as follows:

	RM '000
Authorised by the Directors and contracted	127,693
Authorised by the Directors but not contracted	29,914
	157,607

16. Changes in contingent liabilities or contingent assets

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

17. 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

Individual quarter - Q3 2011 versus Q3 2010

Group revenue of RM151.5 million in the current quarter was 46% higher than that reported in the previous corresponding quarter. Profit before taxation rose by 95% to RM71.0 million for the Q3 2011, compared to RM36.4 million in the previous corresponding quarter.

Plantation Division

Our Plantation Division reported a 99% increase in profit before tax for the Q3 2011 compared to the same period last year mainly due to:

- i) Double digit growth in production of CPO & PK by 25% and 13% respectively.
- ii) Higher average prices of CPO & PK by 24% and 52% respectively:

Average Price	Q3'11	Q3'10
CPO (RM/mt)	3,152	2,538
PK (RM/mt)	2,149	1,409

Healthcare Division

Healthcare Division registered higher revenue and profit before tax by 21% and 31% respectively due to increase of 6% in number of patients being treated at our hospitals. The recently acquired TDMC Hospital Sdn. Bhd. contributed RM1.9 million in additional revenue to the division during the quarter under review.

Food Division (Discontinued operation)

Food Division recorded profit of RM0.9 million due to increase in average prices of livebird by 17%.

Cumulative quarter - Q3 2011 versus Q3 2010

Group revenue of RM367.8 million for the nine month ended 30 September 2011 was 39% higher than that reported in the previous corresponding period. Profit before taxation rose by 88% to RM152.1 million, compared to RM80.9 million in the previous corresponding period.

Explanatory Notes Pursuant to FRS 134

17. 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 (cont'd.)

Plantation Division

Our Plantation Division reported a 95% increase in profit before tax for the first nine month ended 30 September 2011 compared to the same period last year mainly due to:

- i) Higher production of CPO & PK by 12% and 7% respectively.
- ii) Higher average CPO & PK prices by 32% and 78% respectively:

Average Price	YTD Q3'11	YTD Q3'10
CPO (RM/mt)	3,327	2,514
PK (RM/mt)	2,368	1,334

Healthcare Division

Healthcare Division registered higher revenue and profit before tax by 16% and 15% respectively due to increase in number of patients being treated at our hospitals by 8% .

Food Division (Discontinued operation)

Food Division recorded profit of RM2.0 million due to increase in average prices of livebird by 20%.

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

Individual quarter - Q3 2011 versus Q2 2011

Group profit before tax for the quarter under review was higher by RM26.9 million or 61% compared to the preceding quarter.

This is achieved from higher CPO & PK productions by 51% and 49% respectively, despite the lower average CPO & PK prices by 5% and 18%, respectively.

19. 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 2011 remains favourable. Barring unforeseen circumstances, the Group is expected to continue to record satisfactory performance in the current financial year.

20a. 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.

20b. Explanatory note for any shortfall in the profit guarantee

There was no profit guarantee issued for the period ended 30 September 2011.

Explanatory Notes Pursuant to FRS 134

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

	Cumulative Quarter	
	30 September 2011	30 September 2010
	RM'000	RM'000
Current income tax	39,836	20,264
Under/(over) provision of income tax in prior year	424	(2,252)
	40,260	18,012
Deferred tax	833	817
(Over)/under provision of deferred tax	(1,070)	8
	40,023	18,837
 Effective tax rate	 26%	 23%

For the current financial period under review, the Group's effective tax rate was higher than the statutory tax rate due to non-deductible expenses in arriving at the adjusted income.

For the preceding financial period, the Group's effective tax rate was lower than the statutory tax rate due to overprovision of income tax in prior year of RM2.3 million.

22. Amount of profits on sale of unquoted investments or properties

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

23. Quoted securities

Investments in quoted securities as at 30 September 2011 were as follows:-

	As at
	30 September 2011
	RM'000
i) At cost	110
ii) At carrying value/book value	135
iii) At market value at end of reporting period	135

24. Corporate proposals

- a) On 5 October 2011, a Second Supplemental Agreement had been executed and entered between TDM, Bapak H Rahman ("BHR") and PT Rafi Kamajaya Abadi (PT Rafi) to regulate rights and regulations in the Supplemental Agreement and JV Agreement for the purpose of incorporating a new joint venture company in place of PT Rafi to hold and own the Additional Land of approximately 20,000 hectares.
- b) On 5 October 2011, a Heads of Agreement had been executed and entered into between TDM and BHR to record the salient points and broad agreement reached with a view to entering into a more formal arrangement and definitive agreement in the near future.

TDM BERHAD (Company No 6265-P)
(Incorporated in Malaysia)

Explanatory Notes Pursuant to FRS 134

25. Borrowings and debt securities as at the end of the reporting period

Details of the Group's borrowings as at 30 September 2011 are as follows :

Secured	Short-term RM'000	Long-term RM'000	Total RM'000
Continuing operations			
-Term loans	188	406	594
-Hire purchase payables	1,128	16	1,144
	1,316	422	1,738
Discontinued operation			
-Hire purchase payables	111	-	111
-Bank overdraft	160	-	160
-Revolving credit	1,240	-	1,240
	1,511	-	1,511
Total Group borrowings	2,827	422	3,249

26. Summary of off balance sheet financial instruments by type and maturity profile

The Group did not enter into any contract involving off balance sheet financial instruments during the financial period ended 30 September 2011.

27. 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 ended 31 December 2010.

28. Dividend proposed

No dividend has been proposed for the current quarter under review.

29. Earnings/(loss) per share

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

	Individual Quarter Preceding Current Quarter Ended 30.9.2011	Preceding Period Corresponding Period 30.9.2010	Cumulative Quarter Preceding Current Period To date 30.9.2011	Preceding Period Corresponding Period 30.9.2010
Basic				
Profit from continuing operations for the period attributable to owners of the parent (RM'000)	50,609	27,884	110,468	60,805
Profit/(loss) from discontinued operations for the period attributable to owners of the parent (RM'000)	865	378	2,043	(410)
Profit for the period attributable to owners of the parent (RM'000)	51,474	28,262	112,511	60,395
Weighted average number of ordinary shares in issue ('000)	235,394	220,520	232,775	219,797
Basic earnings/(loss) per ordinary share for (sen)				
- Continuing operations	21.50	12.64	47.46	27.66
- Discontinued operation	0.37	0.17	0.88	(0.19)
Basic earnings per ordinary share for attributable to owners of the parent	21.88	12.81	48.33	27.47

TDM BERHAD (Company No 6265-P)
(Incorporated in Malaysia)

Explanatory Notes Pursuant to FRS 134

29. Earnings per share (cont'd.)

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended 30.9.2011	Preceding Period Corresponding Period 30.9.2010	Current Period To date 30.9.2011	Preceding Period Corresponding Period 30.9.2010
Diluted				
Profit from continuing operations for the period attributable to owners of the parent (RM'000)	50,609	27,884	110,468	60,805
Profit/(loss) from discontinued operations for the period attributable to owners of the parent (RM'000)	865	378	2,043	(410)
Profit for the period attributable to owners of the parent (RM'000)	51,474	28,262	112,511	60,395
Weighted average number of ordinary shares in issue ('000)	235,394	220,520	232,775	219,797
Adjustment for share options	4,629	2,357	4,781	1,799
Weighted average number of shares - diluted	240,023	222,877	237,556	221,596
Diluted earnings/(loss) per ordinary share for (sen)				
- Continuing operations	21.09	12.51	46.50	27.44
- Discontinued operation	0.36	0.17	0.86	(0.19)
Diluted earnings per ordinary share for attributable to owners of the parent	21.45	12.68	47.36	27.25

30. Realised and unrealised profits

	As at 30.9.2011 RM'000	As at 31.12.2010 RM'000
Total retained profits of the Company and subsidiaries		
- Realised profits	277,055	203,267
- Unrealised profits	26,242	26,004
Total Group retained profits as per consolidated accounts	303,297	229,271

31. The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 24 November 2011.

TDM BERHAD (Company No 6265-P)
(Incorporated in Malaysia)

Explanatory Notes Pursuant to FRS 134

32. Limited Review by External Auditors

The Group's quarterly results for the second quarter period ended 30 September 2011 have been reviewed by our external auditors in accordance with FRS 134 and Appendix 9B of Main Market listing requirements of Bursa Malaysia Securities Berhad.

BY ORDER OF THE BOARD

YEAP KOK LEONG
Company secretary

Kuala Lumpur
24 November 2011