



# **TDM BERHAD**

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

**INTERIM FINANCIAL STATEMENTS  
31 DECEMBER 2012**



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

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2012**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31-Dec-12 RM'000	Preceding Year Corresponding Quarter 31-Dec-11 RM'000 Restated	Current Quarter To date 31-Dec-12 RM'000	Preceding Quarter To date 31-Dec-11 RM'000 Restated
<b>Continuing operations</b>				
Revenue	127,687	147,707	455,258	515,519
Cost of sales	(57,452)	(57,392)	(226,330)	(219,030)
<b>Gross profit</b>	<b>70,235</b>	<b>90,315</b>	<b>228,928</b>	<b>296,489</b>
<b>Other items of income</b>				
Interest income	1,418	1,534	5,117	4,734
Other income	29,883	4,167	35,323	10,097
<b>Other items of expense</b>				
Distribution costs	(2,701)	(2,863)	(7,934)	(8,514)
Administration expenses	(40,850)	(21,614)	(106,300)	(75,382)
Other expenses	(3,468)	(1,696)	(7,235)	(5,151)
Finance costs	(20)	(24)	(92)	(324)
<b>Profit before tax from continuing operations</b>	<b>54,497</b>	<b>69,819</b>	<b>147,807</b>	<b>221,949</b>
Income tax expense	(19,044)	(17,943)	(45,508)	(57,966)
<b>Profit from continuing operations, net of tax</b>	<b>35,453</b>	<b>51,876</b>	<b>102,299</b>	<b>163,983</b>
<b>Discontinued operation</b>				
Profit from discontinued operation, net of tax	-	(1,483)	-	560
<b>Profit for the period, net of tax</b>	<b>35,453</b>	<b>50,393</b>	<b>102,299</b>	<b>164,543</b>
<b>Other comprehensive income :</b>				
Available for sale investments' fair value movement	(92)	14	(56)	4
Revaluation surplus	(3,283)	298,039	(3,286)	298,039
Foreign currency translation	(1,843)	(772)	(13,824)	718
<b>Other comprehensive income for the period, net of tax</b>	<b>(5,218)</b>	<b>297,281</b>	<b>(17,166)</b>	<b>298,761</b>
<b>Total comprehensive income for the period</b>	<b>30,235</b>	<b>347,674</b>	<b>85,133</b>	<b>463,304</b>

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FOR THE YEAR ENDED 31 DECEMBER 2012**

	<b>Current Year Quarter 31-Dec-12 RM'000</b>	<b>Preceding Year Corresponding Quarter 31-Dec-11 RM'000</b>	<b>Current Quarter To date 31-Dec-12 RM'000</b>	<b>Preceding Quarter To date 31-Dec-11 RM'000</b>
<b>Profit attributable to:</b>				
Owner of the parent	34,485	49,664	101,417	162,281
Non-controlling interest	968	729	882	2,262
	<b>35,453</b>	<b>50,393</b>	<b>102,299</b>	<b>164,543</b>
<b>Total comprehensive income attributable to:</b>				
Owner of the parent	29,267	346,727	84,251	457,913
Non-controlling interest	968	947	882	5,391
	<b>30,235</b>	<b>347,674</b>	<b>85,133</b>	<b>463,304</b>
<b>Earnings per share (sen):</b>				
(a) Basic (Note 28)	14.03	21.10	41.27	69.72
(b) Diluted (Note 28)	13.99	20.77	41.14	68.99

(The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2011 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 31 DECEMBER 2012**

	<b>Unaudited As at 31-Dec-12 RM'000</b>	<b>Restated As at 31-Dec-11 RM'000</b>	<b>As at 1-Jan-2011 RM'000</b>
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant & equipment	630,575	582,250	296,458
Biological assets	544,823	501,803	368,168
Investment property	11,000	11,000	-
Goodwill	9,959	8,571	1,468
Other investments	4,700	4,700	4,700
Available for sale investments	95	151	148
	<b>1,201,152</b>	<b>1,108,475</b>	<b>670,942</b>
<b>Current assets</b>			
Inventories	30,582	23,151	14,914
Trade and other receivables	66,559	79,279	60,900
Prepayments	1,029	1,392	5,048
Tax recoverable	3,305	297	56
Cash and bank balances	212,554	224,524	176,702
	<b>314,029</b>	<b>328,643</b>	<b>257,620</b>
Assets of disposal group classified as held for sale	-	11,942	-
	<b>314,029</b>	<b>340,585</b>	<b>257,620</b>
<b>Total assets</b>	<b>1,515,181</b>	<b>1,449,060</b>	<b>928,562</b>
<b>Equity and liabilities</b>			
<b>Current liabilities</b>			
Retirement benefit obligation	-	-	160
Borrowings	339	926	3,245
Trade and other payables	123,441	142,974	147,146
Tax payable	11,782	11,926	6,090
	135,562	155,826	156,641
Liabilities directly associated with disposal group classified as held for sale	-	5,616	-
	135,562	161,442	156,641
<b>Net current assets</b>	<b>178,467</b>	<b>179,143</b>	<b>100,979</b>
<b>Non-current liabilities</b>			
Retirement benefit obligations	1,309	1,142	833
Borrowings	30,074	564	1,520
Deferred tax liabilities	88,616	89,551	42,489
	119,999	91,257	44,842
<b>Total liabilities</b>	<b>255,561</b>	<b>252,699</b>	<b>201,483</b>
<b>Net assets</b>	<b>1,259,620</b>	<b>1,196,361</b>	<b>727,079</b>

**TDM BERHAD** (Company No 6265-P)  
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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2012 (CONT'D)**

	<b>Unaudited As at 31-Dec-12 RM'000</b>	<b>Restated As at 31-Dec-11 RM'000</b>	<b>As at 1-Jan-2011 RM'000</b>
<b>Equity attributable to owners of the parent</b>			
Share capital	245,766	238,046	225,572
Share premium	82,522	64,069	45,945
Retained earnings	424,938	368,915	228,996
Other reserves	481,252	500,463	208,347
	<u>1,234,478</u>	<u>1,171,493</u>	<u>708,860</u>
<b>Non-controlling interests</b>	25,142	24,868	18,219
<b>Total equity</b>	<u><b>1,259,620</b></u>	<u><b>1,196,361</b></u>	<u><b>727,079</b></u>
<b>Total equity and liabilities</b>	<u><b>1,515,181</b></u>	<u><b>1,449,060</b></u>	<u><b>928,562</b></u>
Net assets per share (RM)	5.13	5.03	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 2011 and the accompanying explanatory notes attached to the interim financial statements)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2012**

	Attributable to owners of the parent										Non-controlling interests RM'000
	Equity attributable to owners of the parent		Non-distributable		Distributable		Non-distributable				
	Total equity RM'000	RM'000	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	
<b>At 1 January 2012</b>											
As previously stated	1,174,607	1,149,739	238,046	64,069	347,161	500,463	500,435	(1,119)	1,110	37	24,868
Prior year adjustments	21,754	21,754	-	-	21,754	-	-	-	-	-	-
<b>At 1 January 2012 (restated)</b>	1,196,361	1,171,493	238,046	64,069	368,915	500,463	500,435	(1,119)	1,110	37	24,868
Total comprehensive income	85,133	84,251	-	-	101,417	(17,166)	(3,286)	(13,824)	-	(56)	882
<b>Transactions with owners</b>											
Issuance of ordinary shares pursuant to ESOS	9,125	9,125	3,873	5,252	-	-	-	-	-	-	-
Share options granted under ESOS	516	516	-	-	-	516	-	-	516	-	-
Exercise of ESOS	(2,125)	(2,125)	-	-	-	(2,125)	-	-	(2,125)	-	-
Acquisition of a new subsidiary	147	-	-	-	-	-	-	-	-	-	147
Issuance of ordinary shares pursuant to acquisition of asset	14,834	14,834	3,555	11,279	-	-	-	-	-	-	-
Issuance of ordinary shares pursuant to acquisition a subsidiary	2,214	2,214	292	1,922	-	-	-	-	-	-	-
Lapsed of ESOS pursuant to disposal of a subsidiary	(436)	(436)	-	-	-	(436)	-	-	(436)	-	-
Dividends paid on ordinary shares	(46,149)	(45,394)	-	-	(45,394)	-	-	-	-	-	(755)
Total transactions with owners	(21,874)	(21,266)	7,720	18,453	(45,394)	(2,045)	-	-	(2,045)	-	(608)
<b>At 31 December 2012</b>	1,259,620	1,234,478	245,766	82,522	424,938	481,252	497,149	(14,943)	(935)	(19)	25,142
<b>At 1 January 2011 (previously stated)</b>	727,079	708,860	225,572	45,945	228,996	208,347	205,481	(1,793)	4,626	33	18,219
Prior year adjustment	16,324	16,324	-	-	16,324	-	-	-	-	-	-
<b>At 1 January 2011 (restated)</b>	743,403	725,184	225,572	45,945	245,320	208,347	205,481	(1,793)	4,626	33	18,219
Total comprehensive income	463,304	457,913	-	-	162,281	295,632	294,954	674	-	4	5,391
<b>Transactions with owners</b>											
Issuance of ordinary shares pursuant to ESOS	20,698	20,698	8,976	11,722	-	-	-	-	-	-	-
Share options granted under ESOS	1,543	1,543	-	-	-	1,543	-	-	1,543	-	-
Issuance of ordinary shares pursuant to acquisition of new subsidiary	9,900	9,900	3,498	6,402	-	-	-	-	-	-	-
Exercise of ESOS	(5,059)	(5,059)	-	-	-	(5,059)	-	-	(5,059)	-	-
Loss on accretion interest	-	(418)	-	-	(418)	-	-	-	-	-	418
Issuance of new ordinary shares in a subsidiary	932	-	-	-	-	-	-	-	-	-	932
Dividends paid on ordinary shares	(38,360)	(38,268)	-	-	(38,268)	-	-	-	-	-	(92)
Total transactions with owners	(10,346)	(11,604)	12,474	18,124	(38,686)	(3,516)	-	-	(3,516)	-	1,258
<b>At 31 December 2011 (restated)</b>	1,196,361	1,171,493	238,046	64,069	368,915	500,463	500,435	(1,119)	1,110	37	24,868

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2011 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 YEAR ENDED 31 DECEMBER 2012**

	Year Ended	
	31-Dec-12 RM'000	31-Dec-11 RM'000
<b>Cash flows from operating activities</b>		
Profit before tax	147,807	221,949
Profit before tax from discontinued operation	-	558
Adjustments for:		
Interest expense	92	404
Depreciation of property, plant and equipment	28,375	21,455
Gain on disposal of property, plant and equipment	(115)	(223)
Amortisation of livestocks	-	492
Inventories written off	37	-
Impairment loss on trade and other receivables	473	2,354
Reversal of impairment loss on receivables	(17)	(240)
Dividend income	(2,053)	(942)
Interest income	(5,117)	(4,734)
Share options granted under ESOS	516	1,543
Bad debts written off	1,782	24
Property, plant and equipment written off	5	310
Gain on disposal of a subsidiary	(744)	
(Reversal)/Provision for short term accumulating compensated absences	(25)	124
Provision for retirement benefit obligations	179	238
Payables written back	(26,347)	(2,771)
Loss/(Gain) on liquidation of subsidiaries	14,196	(152)
Total adjustments	<u>11,237</u>	<u>17,882</u>
Operating profit before working capital changes	<u>159,044</u>	<u>240,389</u>
<u>Changes in working capital</u>		
Increase in inventories	(7,431)	(9,302)
Decrease/(increase) in receivables	12,788	(17,939)
(Decrease)/increase in payables	(11,542)	10,967
Total changes in working capital	<u>(6,185)</u>	<u>(16,274)</u>
Cash from operations	152,859	224,115
Interest paid	(92)	(404)
Interest received	5,117	4,734
Taxes paid	(56,638)	(54,891)
Tax refund	-	159
Retirement benefits paid	-	(89)
Net cash generated from operating activities	<u>101,246</u>	<u>173,624</u>

**TDM BERHAD** (Company No 6265-P)  
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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE PERIOD ENDED 31 DECEMBER 2012 (CONT'D)**

	<b>Year Ended</b>	
	<b>31-Dec-12</b>	<b>31-Dec-11</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(79,896)	(51,895)
Addition of livestock	-	(881)
Addition of plantation development expenditure	(41,180)	(40,059)
Dividend received	2,053	942
Proceeds from disposal of property, plant and equipment	115	363
Proceeds from disposal of a subsidiary	1,375	-
Acquisition of a subsidiary	-	(9,501)
Liquidation of subsidiaries	(1,093)	-
Proceeds from liquidation of a subsidiary	-	152
Net cash used in investing activities	<u>(118,626)</u>	<u>(100,879)</u>
<b>Cash flows from financing activities</b>		
Drawdown of term loans	29,834	-
Repayment of term loans	(187)	(1,692)
Repayment of hire purchase facilities	(724)	(1,125)
Proceeds from issuance of ordinary shares	21,981	16,571
Proceeds from bankers' acceptances and trust receipts	-	5,648
Repayments of bankers' acceptances and trust receipts	-	(5,463)
Dividend paid	(45,394)	(38,360)
Net cash generated from / (used in) financing activities	<u>5,510</u>	<u>(24,421)</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>	(11,870)	48,324
<b>Cash and cash equivalents at beginning of the period</b>	<u>224,424</u>	<u>176,100</u>
<b>Cash and cash equivalents at end of the period</b>	<u>212,554</u>	<u>224,424</u>

Cash and cash equivalents at end of the period comprise of the following:

Cash on hand and at banks	29,644	5,915
Deposits with licensed banks	182,910	218,655
Cash and bank balances	<u>212,554</u>	<u>224,570</u>
Less: Bank overdraft	-	(146)
Cash and cash equivalents	<u>212,554</u>	<u>224,424</u>

(The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements)





**TDM BERHAD** (Company No 6265-P)  
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**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 2011. 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 2011.

**2. Significant accounting policies**

The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated annual financial statements as at and for the year ended 31 December 2011.

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (MFRS Framework).

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of *MFRS 141 Agriculture* (MFRS 141) and *IC Interpretation 15 Agreements for Construction of Real Estate (IC 15)*, including its parent, significant investor and venturer (herein called 'Transitioning Entities').

Transitioning Entities will be allowed to defer adoption of the new MFRS Framework for an additional one year. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2014. The Group falls within the scope definition of Transitioning Entities, has decided to apply as Transitioning Entities and adopt Financial Reporting Standards ("FRS") Framework for the current reporting period.

**3. Declaration of audit qualification**

The preceding annual financial statements for the year ended 31 December 2011 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 31 December 2012.

**TDM BERHAD** (Company No 6265-P)  
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**Explanatory Notes Pursuant to FRS 134**

**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 .

No.	Option price per share RM	No. of Share issued	Cash proceeds RM
1	1.61	3,000	4,830
2	1.90	5,000	9,500
<b>Total</b>		<b>8,000</b>	<b>14,330</b>

**8. Dividends paid**

No dividend paid in the current quarter under review.

**9. Segmental reporting**

	<b>PLANTATION RM'000</b>	<b>HEALTH RM'000</b>	<b>OTHERS RM'000</b>	<b>GROUP RM'000</b>
<b>3 months ended 31 December 2012</b>				
<b>Revenue</b>				
Total revenue	162,633	29,871	-	192,504
Intersegment-revenue	(62,870)	(1,947)	-	(64,817)
External revenue	99,763	27,924	-	127,687
Segment result (external)	51,093	3,394	10	54,497
Profit before taxation				54,497
<b>3 months ended 31 December 2011</b>				
<b>Revenue</b>				
Total revenue	190,935	25,604	-	216,539
Intersegment-revenue	(67,590)	(1,242)	-	(68,832)
External revenue	123,345	24,362	-	147,707
Segment result (external)	67,416	2,094	309	69,819
Profit before taxation				69,819

**TDM BERHAD** (Company No 6265-P)  
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**Explanatory Notes Pursuant to FRS 134**

**9. Segmental reporting (cont'd)**

	<b>PLANTATION RM'000</b>	<b>HEALTH RM'000</b>	<b>OTHERS RM'000</b>	<b>GROUP RM'000</b>
<b>12 months ended</b>				
<b>31 December 2012</b>				
<b>Revenue</b>				
Total revenue	467,076	112,866	-	579,942
Intersegment-revenue	(118,503)	(6,181)	-	(124,684)
External revenue	<u>348,573</u>	<u>106,685</u>	-	<u>455,258</u>
Segment result (external)	138,049	9,991	(233)	<u>147,807</u>
Profit before taxation				<u>147,807</u>

<b>12 months ended</b>				
<b>31 December 2011</b>				
<b>Revenue</b>				
Total revenue	560,637	94,754	-	655,391
Intersegment-revenue	(135,441)	(4,431)	-	(139,872)
External revenue	<u>425,196</u>	<u>90,323</u>	-	<u>515,519</u>
Segment result (external)	210,983	10,606	360	<u>221,949</u>
Profit before taxation				<u>221,949</u>

	<b>PLANTATION RM'000</b>	<b>HEALTH RM'000</b>	<b>FOOD RM'000</b>	<b>OTHERS RM'000</b>	<b>GROUP RM'000</b>
<b>Total assets</b>					
31 December 2012	<u>1,336,052</u>	<u>176,640</u>	-	<u>2,489</u>	<u>1,515,181</u>
31 December 2011	<u>1,301,120</u>	<u>133,833</u>	<u>11,942</u>	<u>2,165</u>	<u>1,449,060</u>
<b>Total liabilities</b>					
31 December 2012	<u>166,000</u>	<u>88,123</u>	-	<u>1,438</u>	<u>255,561</u>
31 December 2011	<u>226,998</u>	<u>20,074</u>	<u>5,616</u>	<u>11</u>	<u>252,699</u>

**10. Valuation on non-current assets**

The valuations of property, plant and equipment have been brought forward without amendment from the financial statements for the year ended 31 December 2011.

**TDM BERHAD** (Company No 6265-P)  
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**Explanatory Notes Pursuant to FRS 134**

**11. Significant event**

TDM on 3 October 2012 had announced that the following dormant subsidiaries have been placed under members' voluntary winding up pursuant to Section 254(1)(b) of the Companies Act, 1965:

- 1) TDM Properties Bhd;
- 2) TD Ijarah Sdn Bhd;
- 3) TDM Helling Sdn Bhd;
- 4) TRP Industries Sdn Bhd;
- 5) KLLT Fibres Sdn Bhd;
- 6) Trengganu Rubber Processing Sdn Bhd;
- 7) World Wide Rubber Marketing Sdn Bhd;
- 8) TD Permatang Sdn Bhd;
- 9) HMMC (Ampang) Sdn Bhd;

***(Collectively known as "subsidiaries")***

Mr Heng Ji Keng and Mr Michael Joseph Monteiro of Ferrier Hodgson MH Sdn Bhd have been appointed as liquidators of the Subsidiaries.

The Subsidiaries are currently dormant and there are no future plans to activate these companies. The winding up of the Subsidiaries is in line with TDM Group's efforts to streamline and rationalise its core business.

**12. Material subsequent event**

There were no material subsequent event of the Group for the financial period under review.

**13. Changes in the composition of the Group**

There is no changes in the composition of the group during quarter under review.

**14. Capital commitments**

Capital commitments as at period ended 31 December 2013 are as follows:

	<b>RM '000</b>
Authorised by the Directors and contracted	10,582
Authorised by the Directors but not contracted	404,990
	<hr/>
	415,572
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**15. 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.

**ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA LISTING REQUIREMENT**

**16. 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 - Q4 2012 versus Q4 2011**

Group revenue of RM127.7 million for the current quarter ended 31 December 2012 was 14% lower than that reported in the previous corresponding quarter. Profit before tax decreased by 22% to RM54.5 million, mainly due to lower price and production of both CPO and PK compared to the previous quarter.

Plantation Division

During the quarter under review, the division registered lower revenue and PBT by 19% and 24% respectively, compared to the previous corresponding quarter due to:

- i) Lower production of CPO and PK by 3% and 6% respectively;
- ii) Lower of average price of CPO and PK by 16% and 28% respectively.

The average selling prices realised are as follows:

<b>Average Price</b>	<b>Q4'12</b>	<b>Q4'11</b>
CPO (RM/mt)	2,522	3,019
PK (RM/mt)	1,372	1,911

Healthcare Division

The Healthcare Division's posted a 15% growth in revenue in Q4 2012 against the same period in 2011, contributed by 8% growth in patient numbers seeking for treatment in our hospital.

The Healthcare Division's PBT for three months increased by 62% compared to the same quarter last year due to improvement in contribution margin and better control of operating overhead.

**FY2012 versus FY2011**

Group revenue of RM455.3 million in the financial year 2012 was 12% lower than that reported in the previous year. Profit before taxation decreased by 33% to RM147.8 million, compared to RM221.9 million in the previous year.

Plantation Division

The Plantation Division's revenue and profit before tax for the current year decreased by 18% and 35% respectively, compared to the previous year contributed by:

- i) Lower production of CPO and PK by 8% and 6% respectively.
- ii) Lower average CPO & PK prices by 9% and 25% respectively.

The average selling prices realised are as follows:

<b>Average Price</b>	<b>FY'12</b>	<b>FY'11</b>
CPO (RM/mt)	2,946	3,237
PK (RM/mt)	1,677	2,224

**16. 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)**

**FY2012 versus FY2011 (cont'd)**

Healthcare Division

The Healthcare Division revenue at RM107 million from RM90 million, 18% growth as compared to previous period driven by 14% growth in number of patients seeking treatment at our hospitals.

Increase in patient volume, better control of overhead costs and improvement of case mix, especially at KJMC, contributed to an increase of 3% in total for the operational profit of the four hospitals. However, overall PBT decrease by 6% due to payable write back of RM0.8 million and discounts received on amount payable to creditors of RM1 million made in the previous year.

**17. 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 - Q4 2012 versus Q3 2012**

Group profit before tax for the quarter under review was higher by RM0.8 million or 1% compared to the preceding quarter due to:

Plantation Division

- 1) Higher other income from payables written back
- 2) Higher CPO & PK production by 2% & 7% respectively.

This is however partly offset with the lower of average price of CPO and PK by 16% and 18% respectively

Healthcare Division

The Healthcare Division improved and posted healthy growth in both revenue by 11% and PBT by more than 100% for the current quarter as compared to the preceding quarter during the year driven by increase in inpatient and outpatient volumes, better control in overhead cost and improvement in case mix.

**18. 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**

The group remains positive on the long term fundamentals of the industry. Despite of lower palm oil prices beginning in fourth quarter of 2012, the group expects FY 2013 performance to remain satisfactory.

**19a. 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.

**19b. Explanatory note for any shortfall in the profit guarantee**

There was no profit guarantee issued for the year ended 31 December 2012.

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**20. Profit for the period**

	<b>Current year to date</b>	
	<b>31-Dec-12 RM'000</b>	<b>31-Dec-11 RM'000</b>
<b>The following amounts have been included in arriving at profit before tax:</b>		
Interest expense	92	404
Interest income	(5,117)	(4,734)
Dividend income	(2,053)	(942)
Depreciation of property, plant and equipment	28,375	21,455
Amortisation of livestocks	-	492
Bad debts written off	1,782	24
Inventories written off	37	-
Impairment loss on receivables	473	2,354
Reversal of impairment loss on receivables	(17)	(240)
Payables written back	(26,347)	(2,771)
Gain on disposal of subsidiary	(744)	-
Loss/(Gain) on liquidation of subsidiaries	14,196	(152)

Saved as disclosed above as required under Appendix B, Part A(16) of the Bursa Listing Requirements are not applicable.

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

	<b>Current Quarter</b>		<b>Current Year To date</b>	
	<b>31-Dec-12 RM'000</b>	<b>31-Dec-11 RM'000</b>	<b>31-Dec-12 RM'000</b>	<b>31-Dec-11 RM'000</b>
Current income tax	18,988	19,239	45,906	59,075
Under/(over) provision of income tax in prior year	(1)	(1,630)	556	(1,206)
	18,987	17,609	46,462	57,869
Deferred tax	(157)	335	(717)	1,168
Under/(Over) provision of deferred tax	214	(1)	(237)	(1,071)
	19,044	17,943	45,508	57,966

Income tax is calculated at the Malaysian statutory tax rate of 25% of the estimated assessable profit for the period

The effective tax rate of the Group for the current and previous corresponding periods were higher than the statutory tax rate of the respective year principally due to certain expenses which were not deductible for the purposes.

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

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

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**23. Corporate proposals**

Not applicable.

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

Details of the Group's borrowings as at 31 December 2012 are as follows :

<u>Secured</u>	<b>Short-term RM'000</b>	<b>Long-term RM'000</b>	<b>Total RM'000</b>
<b>Continuing operations</b>			
-Term loans	187	30,006	30,193
-Hire purchase payables	152	68	220
	<u>339</u>	<u>30,074</u>	<u>30,413</u>

**25. 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 year ended 31 December 2012.

**26. 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 2011.

**27. Dividend proposed**

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

**28. 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>Individual Quarter</b>		<b>Current Year Ended</b>	<b>Preceding Corresponding Year Ended</b>
	<b>Current Quarter Ended</b>	<b>Preceding Corresponding Quarter Ended</b>		
	<b>31.12.2012</b>	<b>31.12.2011</b>	<b>31.12.2012</b>	<b>31.12.2011</b>
<b>Basic</b>				
Profit from continuing operations for the period attributable to owners of the parent (RM'000)	34,485	51,146	101,417	161,721
Profit from discontinued operations for the period attributable to owners of the parent (RM'000)	-	(1,483)	-	560
Profit for the period attributable to owners of the parent (RM'000)	<u>34,485</u>	<u>49,663</u>	<u>101,417</u>	<u>162,281</u>
Weighted average number of ordinary shares in issue ('000)	245,766	235,394	245,760	232,775
Basic earnings per ordinary share for (sen)				
- Continuing operations	14.03	21.73	41.27	69.48
- Discontinued operation	-	(0.63)	-	0.24
Basic earnings per ordinary share for attributable to owners of the parent	<u>14.03</u>	<u>21.10</u>	<u>41.27</u>	<u>69.72</u>



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**28. Earnings per share (cont'd)**

	Individual Quarter		Current Year Ended 31.12.2012	Preceding Corresponding Year Ended 31.12.2011
	Current Quarter Ended 31.12.2012	Preceding Quarter Ended 31.12.2011		
<b>Diluted</b>				
Profit from continuing operations for the period attributable to owners of the parent (RM'000)	34,485	51,146	101,417	161,721
Profit from discontinued operations for the period attributable to owners of the parent (RM'000)	-	(1,483)	-	560
Profit for the period attributable to owners of the parent (RM'000)	34,485	49,663	101,417	162,281
Weighted average number of ordinary shares in issue ('000)	245,766	235,394	245,760	232,775
Adjustment for share options	716	3,829	772	2,439
Weighted average number of shares - diluted	246,482	239,223	246,532	235,214
Diluted earnings per ordinary share for (sen)				
- Continuing operations	13.99	21.38	41.14	68.75
- Discontinued operation	-	(0.61)	-	0.24
Diluted earnings per ordinary share for attributable to owners of the parent	13.99	20.77	41.14	68.99

**29. Realised and unrealised profits**

	As at 31-Dec-12 RM'000	As at 31-Dec-11 RM'000
Total retained profits of the Company and subsidiaries		
- Realised profits	356,675	291,656
- Unrealised profits	68,263	77,259
Total Group retained profits as per consolidated accounts	424,938	368,915

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**30. Prior year adjustments**

**(a) Correction of the understatement of profit in previous financial years.**

Prior year adjustments relate to the understatement of profit in previous financial years. The adjustments have been accounted for retrospectively and the effects of the adjustments are as disclosed in Note 30 (b)

**(b) Effects of prior year adjustments**

	<b>1-Jan-2011</b>
Effects on retained earnings:	
At 1 January, as previously stated	228,996
Effects of prior year adjustments (Note 30(a))	16,324
At 1 January, as restated	245,320
<b>31-Dec-2011</b>	
Effects on retained earnings:	
At 1 January, as previously stated	347,161
Effects of prior year adjustments (Note 30(a))	21,754
At 1 January, as restated	368,915
<b>31-Dec-2011</b>	
Effects on profit net of tax:	
As previously stated	156,851
Effects of prior year adjustments (Note 30(a))	5,430
As restated	162,281

	<b>2011 Previously stated RM'000</b>	<b>Adjustments RM'000</b>	<b>2011 As restated RM'000</b>
<b>Statement of comprehensive income</b>			
Revenue	503,234	12,285	515,519
Cost of sales	214,374	4,656	219,030
Other income	10,097	-	10,097
Distribution expenses	8,064	450	8,514
Administrative expenses	75,359	23	75,382
Other expenses	5,001	150	5,151
Income tax expense	56,390	1,576	57,966
Profit net of tax	159,113	5,430	164,543

	<b>2011 Previously stated RM'000</b>	<b>Adjustments RM'000</b>	<b>2011 As restated RM'000</b>
<b>Statement of financial position</b>			
Trade and other payables	166,304	(23,330)	142,974
Tax payable	10,350	1,576	11,926
Retained earnings	347,161	21,754	368,915

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- 30.** The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 26 February 2013.

**BY ORDER OF THE BOARD**

YEAP KOK LEONG  
Company secretary

Kuala Lumpur  
26 February 2013