



TDM BERHAD

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

**INTERIM FINANCIAL STATEMENTS
31 DECEMBER 2014**



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

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DECEMBER 2014**

	Individual Quarter		Cumulative Quarter	
	Current Quarter Ended 31-Dec-14 RM'000	Preceding Quarter Ended 31-Dec-13 RM'000	Current Quarter To date 31-Dec-14 RM'000	Preceding Quarter To date 31-Dec-13 RM'000
Revenue	99,699	98,290	386,171	370,718
Cost of sales	(56,242)	(47,544)	(217,645)	(217,425)
Gross profit	43,457	50,746	168,526	153,293
Other items of income				
Interest income	7,591	1,330	22,292	7,386
Other income	4,034	13,445	8,700	20,172
Other items of expense				
Distribution costs	(1,867)	(1,694)	(6,699)	(7,061)
Administration expenses	(28,244)	(26,836)	(101,203)	(93,505)
Other expenses	(4,620)	(4,586)	(18,883)	(13,089)
Finance costs	(1,309)	(17)	(1,443)	(71)
Profit before tax	19,042	32,388	71,290	67,125
Income tax expenses	(3,088)	(6,982)	(20,163)	(20,505)
Profit for the period, net of tax	15,954	25,406	51,127	46,620
Other comprehensive income :				
Available for sale investments' fair value movement	6	4	3	8
Foreign currency translation	(2,684)	23,274	(5,292)	(1,069)
Revaluation of land, buildings, plant & machinery plantation development expenditure	68,608	22,449	68,261	22,449
Net loss on remeasurement of defined benefit liability	-	(1,663)	-	(1,663)
Deferred tax related to:				
Net surplus on revaluation	(16,234)	(5,810)	(16,481)	(5,810)
Effect of reduction in tax rate	-	3,181	-	3,181
Other comprehensive income for the period, net of tax	49,696	41,435	46,491	17,096
Total comprehensive income for the period	65,650	66,841	97,618	63,716



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**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 DECEMBER 2014**

	Individual Quarter		Cumulative Quarter	
	Current	Preceding	Current	Preceding
	Quarter	Quarter	Quarter	Quarter
	Ended	Ended	To date	To date
	31-Dec-14	31-Dec-13	31-Dec-14	31-Dec-13
	RM'000	RM'000	RM'000	RM'000
Profit attributable to:				
Owners of the parent	16,803	25,767	53,610	47,093
Non-controlling interests	(849)	(361)	(2,483)	(473)
	15,954	25,406	51,127	46,620
Total comprehensive income attributable to:				
Owners of the parent	66,499	67,202	100,101	64,189
Non-controlling interests	(849)	(361)	(2,483)	(473)
	65,650	66,841	97,618	63,716
Earnings per share (sen):				
Basic (Note 27)	1.13	1.74	3.62	3.18

(The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2013 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 2014**

	Unaudited As at 31-Dec-14 RM'000	Audited As at 31-Dec-13 RM'000 Restated
Assets		
Non-current assets		
Property, plant & equipment	913,957	741,347
Biological assets	644,833	600,861
Investment property	11,000	11,000
Goodwill	9,959	9,959
Other investments	286,074	204,290
Investment securities	88	85
Deferred tax assets	6,518	9,415
Interest receivable	24,877	4,210
	<u>1,897,306</u>	<u>1,581,167</u>
Current assets		
Inventories	48,335	36,721
Trade and other receivables	67,788	49,738
Prepayments	2,360	1,755
Tax recoverable	1,610	2,144
Cash and bank balances	79,463	101,224
	<u>199,556</u>	<u>191,582</u>
Total assets	<u>2,096,862</u>	<u>1,772,749</u>
Current liabilities		
Borrowings	7,741	1,147
Trade and other payables	149,163	131,692
Tax payable	9,767	8,549
	<u>166,671</u>	<u>141,388</u>
Net current assets	<u>32,885</u>	<u>50,194</u>
Non-current liabilities		
Retirement benefit obligations	3,378	3,046
Borrowings	449,059	273,410
Interest payable	29,682	4,691
Deferred tax liabilities	112,509	97,301
	<u>594,628</u>	<u>378,448</u>
Total liabilities	<u>761,299</u>	<u>519,836</u>
Net assets	<u>1,335,563</u>	<u>1,252,913</u>



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

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2014**

	Unaudited As at 31-Dec-14 RM'000	Audited As at 31-Dec-13 RM'000 Restated
Equity attributable to owners of the parent		
Share capital	296,332	296,332
Share premium	33,064	33,064
Retained earnings	454,431	415,638
Other reserves	547,598	501,107
	<u>1,331,425</u>	<u>1,246,141</u>
Non-controlling interests	4,138	6,772
Total equity	<u>1,335,563</u>	<u>1,252,913</u>
Total equity and liabilities	<u>2,096,862</u>	<u>1,772,749</u>
Net assets per share (RM)	0.90	0.85

(The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2013 and the accompanying explanatory notes attached to the interim financial statements)

TDM BERHAD (Company No 6265-P)
(Incorporated in Malaysia)
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2014

	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	Transaction with non-controlling interest RM'000		
Opening balance at 1 January 2014	1,252,913	1,246,141	296,332	33,064	415,638	501,107	516,970	(15,821)	-	(11)	(31)	6,772	
Profit for the year	51,127	53,610	-	-	53,610	-	-	-	-	-	-	(2,483)	
Other comprehensive income													
Net gain on fair value changes in available for sale investments' fair value movement	3	3	-	-	-	3	-	-	-	3	-	-	
Foreign currency translation	(5,292)	(5,292)	-	-	-	(5,292)	-	(5,292)	-	-	-	-	
Net surplus on revaluation of land, buildings, plant & machinery and plantation development expenditure	51,780	51,780	-	-	-	51,780	51,780	-	-	-	-	-	
Net loss on remeasurement of defined benefit liability	-	-	-	-	-	-	-	-	-	-	-	-	
Other comprehensive income for the year, net of tax	46,491	46,491	-	-	-	46,491	51,780	(5,292)	-	3	-	-	
Total comprehensive income for the year	97,618	100,101	-	-	53,610	46,491	51,780	(5,292)	-	3	-	(2,483)	
Transactions with owners													
Dividends paid on ordinary shares	(14,968)	(14,817)	-	-	(14,817)	-	-	-	-	-	-	(151)	
Total transactions with owners	(14,968)	(14,817)	-	-	(14,817)	-	-	-	-	-	-	(151)	
Closing balance at 31 December 2014	1,335,563	1,331,425	296,332	33,064	454,431	547,598	568,750	(21,113)	-	(8)	(31)	4,138	
Opening balance at 1 January 2013	1,259,458	1,234,267	245,767	80,908	424,536	483,056	497,150	(14,752)	677	(19)	-	25,191	
Profit for the year	46,620	47,093	-	-	47,093	-	-	-	-	-	-	(473)	
Other comprehensive income													
Net gain on fair value changes in available for sale investments' fair value movement	8	8	-	-	-	8	-	-	-	8	-	-	
Foreign currency translation	(1,069)	(1,069)	-	-	-	(1,069)	-	(1,069)	-	-	-	-	
Net surplus on revaluation of land, buildings, plant & machinery and plantation development expenditure	19,820	19,820	-	-	-	19,820	19,820	-	-	-	-	-	
Net loss on remeasurement of defined benefit liability	(1,663)	(1,663)	-	-	(1,663)	-	-	-	-	-	-	-	
Other comprehensive income for the year, net of tax	17,096	17,096	-	-	(1,663)	18,759	19,820	(1,069)	-	8	-	-	
Total comprehensive income for the year	63,716	64,189	-	-	45,430	18,759	19,820	(1,069)	-	8	-	(473)	
Transactions with owners													
Issuance of shares pursuant to bonus issue	-	-	49,389	(49,389)	-	-	-	-	-	-	-	-	
Exercise of ESOS	2,048	2,048	1,176	1,545	-	(673)	-	-	(673)	-	-	-	
Lapse of ESOS	(4)	(4)	-	-	-	(4)	-	-	(4)	-	-	-	
Acquisition of non-controlling interest in a subsidiary without a change in control	(17,651)	(31)	-	-	-	(31)	-	-	-	-	(31)	(17,620)	
Dividends paid on ordinary shares	(54,654)	(54,328)	-	-	(54,328)	-	-	-	-	-	-	(326)	
Total transactions with owners	(70,261)	(52,315)	50,565	(47,844)	(54,328)	(708)	-	-	(677)	-	(31)	(17,946)	
Closing balance at 31 December 2013	1,252,913	1,246,141	296,332	33,064	415,638	501,107	516,970	(15,821)	-	(11)	(31)	6,772	

(The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2013 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 2014**

	Year Ended	
	31-Dec-14	31-Dec-13
	RM'000	RM'000
Cash flows from operating activities		
Profit before tax	71,290	67,125
Adjustments for:		
Interest expense	1,443	71
Depreciation of property, plant and equipment	34,713	28,928
Property, plant and equipment written off	177	163
Biological asset written off	3,218	-
Impairment loss on trade and other receivables	974	925
Bad debts written off	-	16
Payables written back	-	(204)
Inventories written off	5	-
Dividend income	(471)	(599)
Unrealised gain on the foreign exchange of investment in fixed income securities	(1,121)	-
Gain on voluntary winding up of a subsidiaries	-	(1,577)
Gain on disposal of property, plant and equipment	(38)	(7)
Gain on disposal of other investment	-	(272)
Interest income	(22,292)	(7,386)
Gain on fair value changes of embedded derivative	(2,457)	(3,536)
Provision for short term accumulating compensated absences	54	71
Provision for retirement benefit obligations	316	118
Other receivables written off	-	625
Share options lapsed under ESOS	-	(67)
Total adjustments	<u>14,521</u>	<u>17,269</u>
Operating cash flows before changes in working capital	<u>85,811</u>	<u>84,394</u>
<u>Changes in working capital</u>		
Increase in inventories	(11,598)	(2,739)
(Increase)/decrease in receivables	(18,287)	23,134
Increase/(decrease) in payables	33,493	(11,830)
Total changes in working capital	<u>3,608</u>	<u>8,565</u>
Cash flows from operations	89,419	92,959
Interest paid	(1,443)	(71)
Interest received	1,626	3,176
Taxes paid	(17,734)	(22,900)
Retirement benefits paid	(41)	(43)
Net cash flows from operating activities	<u>71,827</u>	<u>73,121</u>



TDM BERHAD (Company No 6265-P)
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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2014**

	Year Ended	
	31-Dec-14 RM'000	31-Dec-13 RM'000
Cash flows from investing activities		
Purchase of property, plant and equipment	(123,749)	(119,113)
Addition of plantation development expenditure	(37,724)	(57,688)
Dividend received	471	599
Acquisition of additional shares in subsidiary	-	(12,653)
Proceeds from disposal of property plant and equipment	38	10
Investment in fixed income securities	(78,205)	(196,054)
Net cash flows used in investing activities	<u>(239,169)</u>	<u>(384,899)</u>
Cash flows from financing activities		
Drawdown of term loan	97,216	48,559
Proceeds from issuance of ordinary shares	-	2,111
Repayments of term loans	(1,008)	(327)
Repayments of hire purchase facilities	(1,711)	(126)
Subscription of structured notes	78,205	196,054
Dividend paid	(14,968)	(54,654)
Net cash flows from financing activities	<u>157,734</u>	<u>191,617</u>
Net decrease in cash and cash equivalents	(9,608)	(120,161)
Cash and cash equivalents at 1 January	91,067	212,297
Effect of foreign exchange rate changes	(5,292)	(1,069)
Cash and cash equivalents at 31 December	<u>76,167</u>	<u>91,067</u>

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

Cash and banks balances	13,009	28,459
Deposits with licensed banks	66,454	72,765
Less: Pledged as securities	(3,296)	(10,157)
Cash and cash equivalents	<u>76,167</u>	<u>91,067</u>

The Group's deposit with licensed banks amounting to RM3,296,000 (2013: RM10,157,000) are pledged as securities for certain banking facilities.

(The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2013 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 2013. 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 2013.

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 2013 except as follows:

Effective for annual periods beginning on or after 1 January 2014 and 1 July 2014:

- Amendments to FRS 132: Offsetting Financial Assets and Financial Liabilities
- Amendments to FRS 10, FRS 12, and FRS 127: Investment Entities
- Amendments to FRS 136: Recoverable Amount Disclosure for Non-Financial Assets
- Amendments to FRS 139: Novation of Derivatives and Continuation of Hedge Accounting
- IC Interpretation 21 Levies
- Amendments to FRS 119: Defined Benefit Plans: Employee Contributions
- Annual Improvements to FRSs 2010-2012 Cycle:
 - Amendment to FRS 2 Share-based Payment
 - Amendment to FRS 3 Business Combinations
 - Amendment to FRS 8 Operating Segments
 - Amendment to FRS 13 Fair Value Measurement
 - Amendment to FRS 116 Property, Plant and Equipment
 - Amendment to FRS 124 Related Party Disclosure
 - Amendment to FRS 138 Intangible Assets
- Annual Improvements to FRSs 2011-2013 Cycle:
 - Amendment to FRS 1 First-time Adoption of Financial Reporting Standards
 - Amendment to FRS 3 Business Combinations
 - Amendment to FRS 13 Fair Value Measurement
 - Amendment to FRS 140 Investment Property

The directors expect that the adoption of the standards and interpretations above will have no material impact on the financial statements in the period under review.

Explanatory Notes Pursuant to FRS 134

2. Significant accounting policies (cont'd.)

Malaysian Financial Reporting Standards (MFRS Framework)

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 2017.

The Group falls within the scope definition of Transitioning Entities and accordingly, will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 December 2017. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

3. Declaration of audit qualification

The preceding annual financial statements for the year ended 31 December 2013 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 2014.

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.

Explanatory Notes Pursuant to FRS 134

8. Dividends paid

There were no dividend paid of the Group during quarter under review.

9. Segmental reporting

	PLANTATION RM'000	HEALTH RM'000	OTHERS RM'000	GROUP RM'000
3 months ended 31 December 2014				
Revenue				
Total revenue	92,928	36,074	-	129,002
Intersegment-revenue	(27,169)	(2,134)	-	(29,303)
External revenue	<u>65,759</u>	<u>33,940</u>	-	<u>99,699</u>
Depreciation	7,038	2,498	(1)	9,535
Segment result (external)	17,920	1,110	12	<u>19,042</u>
Profit before taxation				<u>19,042</u>
3 months ended 31 December 2013				
Revenue				
Total revenue	123,799	31,829	-	155,628
Intersegment-revenue	(55,711)	(1,627)	-	(57,338)
External revenue	<u>68,088</u>	<u>30,202</u>	-	<u>98,290</u>
Depreciation	5,470	1,645	1	7,116
Segment result (external)	29,316	3,083	(11)	<u>32,388</u>
Profit before taxation				<u>32,388</u>
12 months ended 31 December 2014				
Revenue				
Total revenue	368,858	137,872	-	506,730
Intersegment-revenue	(112,979)	(7,580)	-	(120,559)
External revenue	<u>255,879</u>	<u>130,292</u>	-	<u>386,171</u>
Depreciation	26,472	8,238	3	34,713
Segment result (external)	60,198	11,080	12	<u>71,290</u>
Profit before taxation				<u>71,290</u>
12 months ended 31 December 2013				
Revenue				
Total revenue	389,434	121,801	-	511,235
Intersegment-revenue	(133,781)	(6,736)	-	(140,517)
External revenue	<u>255,653</u>	<u>115,065</u>	-	<u>370,718</u>
Depreciation	22,224	6,698	6	28,928
Segment result (external)	54,066	13,060	(1)	<u>67,125</u>
Profit before taxation				<u>67,125</u>

9. Segmental reporting (cont'd.)

	PLANTATION RM'000	HEALTH RM'000	OTHERS RM'000	GROUP RM'000
Total assets				
31 December 2014	1,843,901	250,463	2,498	2,096,862
31 December 2013	1,545,789	224,474	2,486	1,772,749
Total liabilities				
31 December 2014	632,918	126,936	1,445	761,299
31 December 2013	388,668	129,728	1,440	519,836

10. Valuation on non-current assets

Assets of the Group were revalued by independent valuers during the quarter under review. The revaluation surplus of RM68.6 million for property, plant and equipment and biological assets have been accounted for in other reserves and recognized in the financial statements for the year ended 31 December 2014.

11. Material subsequent event

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

12. Changes in the composition of the Group

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

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 this quarterly report.

14. Capital commitments

Capital commitments as at 31 December 2014 are as follows:

	RM '000
Authorised by the Directors and contracted	35,974
Authorised by the Directors but not contracted	163,134
	<u>199,108</u>

ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA LISTING REQUIREMENT

15. 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 2014 versus Q4 2013

	Q4 2014	Q4 2013	Variance
	RM'000	RM'000	
Revenue			
Plantation	65,759	68,088	-3%
Healthcare	33,940	30,202	12%
Total	99,699	98,290	1%
Profit Before Tax ("PBT")			
Plantation	17,920	29,316	-39%
Healthcare	1,110	3,083	-64%
Total	19,030	32,399	-41%

For the 4th quarter ended 31 December 2014, the Group's revenue increased 1% to RM99.7 million, while profit before tax ("PBT") fell 41% to RM19.0 million, compared to the previous corresponding quarter.

Plantation Division

During the quarter, the Plantation Division registered lower revenue and PBT by 3% and 39% respectively compared to the same period last year mainly due to:

- a) Lower CPO and PK productions by 12% and 8% respectively
- b) Lower CPO price by 9%;

Average Price	Q4 2014	Q4 2013	Variance
	RM/mt	RM/mt	
CPO	2,233	2,449	-9%

During the quarter, we have sold 14,260 mt of CSPO at premium of RM99/mt and RM67/mt for segregated and mass balance respectively.

- c) Higher start-up losses at Indonesian operation by RM4.1 million.

Healthcare Division

During the quarter, the Healthcare Division registered higher revenue by 12% compared to the previous corresponding quarter due to improved hospital case-mix of patient and growth in number of inpatients of new KMC - which opened in November 2014 - by 19%. However, due to the pre-operating expenses incurred for the new KMC's building, the profit before tax was lower, compared to the same quarter last year.

15. 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.)

FY2014 versus FY2013

	FY2014	FY2013	Variance
	RM'000	RM'000	
Revenue			
Plantation	255,879	255,653	0%
Healthcare	130,292	115,065	13%
Total	386,171	370,718	4%
Profit Before Tax ("PBT")			
Plantation	60,198	54,066	11%
Healthcare	11,080	13,060	-15%
Total	71,278	67,126	6%

For the FY2014, the Group's revenue increased by 4% to RM386.2 million, while PBT rose 6% to RM71.3 million, compared to the previous corresponding period.

Plantation Division

During the year, the Plantation Division registered higher PBT by 11% compared to last year mainly due to:

- a) Higher CPO and PK prices by 3% and 36% respectively;

Average Price	FY2014	FY2013	Variance
	RM/mt	RM/mt	
CPO	2,432	2,360	3%
PK	1,749	1,288	36%

During the period, we have sold 49,124 mt of CSPO at premium of RM98/mt and RM66/mt for segregated and mass balance respectively, translated into additional revenue of RM4.2 mil from the premium.

- b) Higher interest income by RM14.9 million; and
c) Lower production cost by RM7.0 million.

However, this is partly offset with:

- a) Higher start up losses at Indonesia operation by RM12.4 million; and
b) Higher replanting/immature cost at Malaysia operation by RM5.8 million.

Healthcare Division

During the year, the Healthcare Division recorded higher revenue by 13% compared to last year mainly due to:

- a) 3% growth in inpatient admissions; and
b) Higher number of inpatient days by 6% from improved hospital case-mix of patient.

However, the division recorded lower PBT by 15% mainly due to pre-operating expenses of new KMC.

16. 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 2014 versus Q3 2014

The quarter under review recorded higher revenue and PBT by 1% and 46% respectively compared to the preceding quarter mainly due to:

- a) Higher revenue at healthcare division, mainly contributed from new KMC; and
- b) Lower estate production cost.

This is partly offset with lower CPO production by 12% as compared to the preceding quarter.

17. 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, the Group expects FY 2015 performance to remain satisfactory.

18a. 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.

18b. Explanatory note for any shortfall in the profit guarantee

There was no profit guarantee issued for the quarter ended 31 December 2014.

19. Profit for the period

	Current period to date	
	31-Dec-14 RM'000	31-Dec-13 RM'000
The following amounts have been included in arriving at profit before tax:		
Interest expense	1,443	71
Interest income	(22,292)	(7,386)
Dividend income	(471)	(599)
Depreciation of property, plant and equipment	34,713	28,928
Gain on disposal of property, plant and equipment	(38)	(7)
Bad debts written off	-	16
Property, plant and equipment written off	177	163
Biological asset written off	3,218	-
Impairment loss on trade and other receivables	974	925
Inventories written off	5	-
Payables written back	-	(204)
Unrealised gain on the foreign exchange of investment in fixed income securities	(1,121)	-
Gain on disposal of other investment	-	(272)
Gain on fair value changes of embedded derivative	(2,457)	(3,536)
Gain on voluntary winding up of a subsidiaries	-	(1,577)
Other receivables written off	-	625
	-	625

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

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

	Current Quarter		Current period To date	
	31-Dec-14 RM'000	31-Dec-13 RM'000	31-Dec-14 RM'000	31-Dec-13 RM'000
Current income tax	2,554	6,979	19,508	23,410
(Over)/under provision of income tax in prior year	(1,028)	382	(919)	597
	1,526	7,361	18,589	24,007
Deferred tax				
Relating to origination and reversal of temporary differences	-	(60)	-	(2,848)
Relating to changes in Malaysia tax rates	2,727	(356)	2,447	(337)
(Over)/under provision of deferred tax	(1,165)	37	(873)	(317)
	3,088	6,982	20,163	20,505

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 tax purposes.

21. 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.

22. Corporate proposals

- a) On 31 October 2014, TDM had announced that Medi Air Sdn. Bhd. (in liquidation) which was placed under members' voluntary winding-up had held their Final Meeting on 30 October 2014 to conclude that the said members' voluntary winding-up had been completed.
- b) On 19 November 2014, TDM had announced that TRP Industries Sdn. Bhd. (in liquidation) which was placed under members' voluntary winding-up had held their Final Meeting on 18 November 2014 to conclude that the said members' voluntary winding-up had been completed.
- c) On 9 December 2014, TDM had announced that the Company has entered into relevant Share Sale Agreements with Kumpulan Medic Iman Sdn. Bhd. and Kumpulan Mediiiman Sdn. Bhd. to carry out, on 2 January 2015, via share swap, an internal re-organisation involving the Company and the following subsidiaries in the Group:
 - a) TDM Berhad ("TDM")
 - b) Kumpulan Medic Iman Sdn. Bhd. ("KMDI")
 - c) Kumpulan Mediiiman Sdn. Bhd. ("KMI")
 - d) Kuantan Medical Centre Sdn. Bhd. ("KMC")
 - e) Kuala Terengganu Specialist Hospital Sdn. Bhd. ("KTSH")
 - f) Kelana Jaya Medical Centre Sdn. Bhd. ("KJMC")
 - g) TDMC Hospital Sdn. Bhd. ("TDMCH")

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

Details of the Group's borrowings as at 31 December 2014 are as follows :

	Current RM'000	Non-Current RM'000	Total RM'000
<u>Secured</u>			
- Bank loans	654	174,800	175,454
- Obligation under the finance leases	7,087	-	7,087
	<u>7,741</u>	<u>174,800</u>	<u>182,541</u>
<u>Unsecured</u>			
- Structured	-	274,259	274,259
	<u>-</u>	<u>274,259</u>	<u>274,259</u>
Total	<u>7,741</u>	<u>449,059</u>	<u>456,800</u>

24. 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 quarter ended 31 December 2014.

25. 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 2013.

26. Dividend proposed

No dividend has been proposed for the current quarter ended 31 December 2014.

27. 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 31.12.2014	Preceding Quarter Ended 31.12.2013	Current Quarter To date 31.12.2014	Preceding Quarter To date 31.12.2013
Basic				
Profit for the period attributable to owners of the parent (RM'000)	16,803	25,767	53,610	47,093
Weighted average number of ordinary shares in issue ('000)	1,481,662	1,481,662	1,481,662	1,481,662
Basic earnings per ordinary share attributable to owners of the parent	<u>1.13</u>	<u>1.74</u>	<u>3.62</u>	<u>3.18</u>

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28. Realised and unrealised profits

	As at 31-Dec-14 RM'000	As at 31-Dec-13 RM'000
Total retained profits of the Company and subsidiaries		
- Realised profits	308,053	295,820
- Unrealised profits	83,593	84,437
	<u>391,646</u>	<u>380,257</u>
Less: Consolidation adjustments	62,785	35,381
Total Group retained profits as per consolidated accounts	<u>454,431</u>	<u>415,638</u>

29. The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 26 February 2015.

BY ORDER OF THE BOARD

WAN HASLINDA WAN YUSOFF
Company Secretary

Kuala Lumpur
26 February 2015