

IJM PLANTATIONS BERHAD (133399-A)

Part A1 : Quarterly Report

Quarterly report for the financial period ended: 31/03/2004
Quarter: 1st Qtr
Financial Year End: 31/12/2004
The figures: Have not been audited

Full Quarterly Report: Refer attached

Part A2 : Summary of Key Financial Information for the financial period 31/03/2004

	Individual Quarter		Cumulative Period	
	Current year quarter 31/03/2004 RM'000	Preceding year quarter 31/03/2003 RM'000	Current year to date 31/03/2004 RM'000	Preceding year to date 31/03/2003 RM'000
1Revenue	50,722	28,933	50,722	28,933
2Profit before tax	7,111	4,537	7,111	4,537
3Profit after tax and minority interests	5,187	2,102	5,187	2,102
4Net profit for the period	5,187	2,102	5,187	2,102
5Basic earnings per share (sen)	1.04	1.05	1.04	1.05
6Dividend per share (sen)	--	--	--	--
	As at end of current quarter 31/03/2004		As at preceding financial year end	
7Net tangible assets per share (RM)		0.96		0.95

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CONDENSED CONSOLIDATED INCOME STATEMENT

(The figures have not been audited)

	INDIVIDUAL QUARTER 3 MONTHS ENDED 31 MARCH		CUMULATIVE 3 MONTHS ENDED 31 MARCH	
	2004 RM'000	2003 RM'000	2004 RM'000	2003 RM'000
Revenue	50,722	28,933	50,722	28,933
Operating Expenses	(41,312)	(23,967)	(41,312)	(23,967)
Other Operating Income	1,001	382	1,001	382
Profit from Operations	10,411	5,348	10,411	5,348
Finance Costs	(3,613)	(2,011)	(3,613)	(2,011)
Share of results of associates	313	1,200	313	1,200
Profit Before Taxation	7,111	4,537	7,111	4,537
Taxation	(1,923)	(1,185)	(1,923)	(1,185)
Profit After Taxation	5,188	3,352	5,188	3,352
Minority Interests	(1)	(1,250)	(1)	(1,250)
Net Profit for the Period	5,187	2,102	5,187	2,102
Earnings Per Share:				
(a) Basic:				
- [Note B13]	1.04 sen	1.05 sen	1.04 sen	1.05 sen
(b) Fully diluted:				
- [Note B13]	0.92 sen	n/a	0.92 sen	n/a

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CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2004

(The figures have not been audited)

	(Unaudited) 31 March 2004	(Audited) 31 December 2003
Non-Current Assets:	RM'000	RM'000
Property, Plant and Equipment	675,682	670,013
Investments in Associates	7,506	7,223
Net Goodwill on Consolidation	(2,156)	(2,136)
Deferred Tax Assets	2,336	1,828
Current Assets:		
Inventories	24,030	24,078
Trade and Other Receivables	26,371	18,521
Amount due from Associates	271	54
Cash and Bank Balances	71,632	109,447
	122,304	152,100
Current Liabilities:		
Trade and Other Payables	26,126	22,360
Short Term Borrowings	-	27,441
Amount due to Associates	37,383	37,299
Amount due to Corporate Shareholder	43	2,745
Lease Creditor	1,700	3,368
Tax Payable	540	2,166
	65,792	95,379
Net Current Assets	56,512	56,721
	739,880	733,649
FINANCED BY:		
Share Capital	250,560	250,180
Reserves	230,390	224,945
Shareholders' Equity	480,950	475,125
Minority Interests	459	458
Non-Current Liabilities:		
Redeemable Convertible Unsecured Loan Stock	46,745	46,259
Bond	148,478	148,413
Deferred Income	574	1,148
Deferred Tax Liabilities	62,674	62,246
	258,471	258,066
	739,880	733,649
Net Tangible Assets Per Share (RM)	0.96	0.95

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2004 *(The figures have not been audited)*

	Non distributable				Distributable Reserve	
	Share Capital	Capital Reserves	Revaluation Reserves	Share Premium	Retained profits	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2004	250,180	2,694	53,311	43,431	125,509	475,125
Exercise of ESOS[Note A6(a)]	380	-	-	258	-	638
Net Profit for the period	-	-	-	-	5,187	5,187
At 31 March 2004	<u>250,560</u>	<u>2,694</u>	<u>53,311</u>	<u>43,689</u>	<u>130,696</u>	<u>480,950</u>

	Non distributable				Distributable Reserve	
	Share Capital	Capital Reserves	Revaluation Reserves	Share Premium	Retained profits	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2003	100,000	-	73,829	-	100,070	273,899
Net profit for the period	-	-	-	-	2,102	2,102
At 31 March 2003	<u>100,000</u>	<u>-</u>	<u>73,829</u>	<u>-</u>	<u>102,172</u>	<u>276,001</u>

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CONDENSED CONSOLIDATED CASH FLOW STATEMENT

(The figures have not been audited)

**3 MONTHS ENDED
31 MARCH 2004**

OPERATING ACTIVITIES	RM'000
Receipts from customers	49,860
Payments to contractors, suppliers and employees	(40,716)
Interest paid	(2,436)
Income tax paid	(3,938)
<i>Net cash flows from operating activities</i>	2,770
INVESTING ACTIVITIES	
Advances to Associates	(216)
Additions to property, plant and equipment	(9,661)
Interest received	381
<i>Net cash flows used in investing activities</i>	(9,496)
FINANCING ACTIVITIES	
Advances from an Associates	84
Issue of shares	638
Repayments of borrowings	(27,441)
Repayments to lease creditor	(1,668)
Repayments to corporate shareholder	(2,702)
<i>Net cash flows used in financing activities</i>	(31,089)
Net Change in Cash and Cash Equivalents	(37,815)
Cash & Cash Equivalent at beginning of year	109,447
Cash & Cash Equivalent at end of period	71,632

Notes:

Cash and cash equivalents represents the following:

	AS AT 31 MARCH 2004
	RM'000
Cash and bank balances	3,065
Fixed deposit with licensed banks	68,567
	71,632

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A NOTES TO THE QUARTERLY RESULTS

A1. Basis of Preparation

The unaudited financial report has been prepared in accordance with *MASB 26: Interim Financial Reporting* and *Chapter 9 Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad*.

The unaudited financial report should be read in conjunction with the audited financial statements for the year ended 31 December 2003 which are available at <http://www.ijm.com>. The explanatory notes attached to the unaudited interim financial report 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 2003.

The accounting policies and methods of computation are consistent with those adopted in the audited financial statements for the year ended 31 December 2003.

A2. Disclosure of Audit Report Qualification and Status of Matters Raised

The audit reports for the financial year ended 31 December 2003 was not subject to any qualifications.

A3. Seasonality or Cyclicity of Operations

As the cropping pattern of oil palm normally declines to a trough in the first half of the year before rising to a peak in a second half, the Group's performance can be affected accordingly.

A4. Unusual Significant Items

There were no items affecting assets, liabilities, equity, net income, or cash flows that are unusual in nature, size or incidence during the financial period under review.

A5. Material Changes in Estimates

There were no changes in estimates that have had material effect in the current quarter and financial period-to-date.

A6. Debt and Equity Securities

- (a) For the period ended 31 March 2004, the paid-up share capital of the Company was increased by RM379,539 by way of allotment and issue of 759,078 ordinary share of RM0.50 at a premium of RM0.34 per share. This is as a result of the exercise of the Employees Share Option Scheme ("ESOS") in the current and financial period-to-date, therefore increasing the issued and paid-up capital to RM250,559,804.
- (b) There were no cancellations, repurchases, resale and repayments of debt and equity securities for the current quarter and financial period-to-date.

A7. Dividends Paid

There was no dividend paid during the current financial period-to-date.

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A8. Segmental Information

There is no segmental reporting as the Group's predominant activities are oil palm cultivation and milling in Malaysia.

A9. Valuations of Property, Plant and Equipment

There was no revaluation of property, plant and equipment for the current quarter and financial period-to-date.

A10. Material Subsequent Events

There was no material event subsequent to the end of the current financial period-to-date that has not been reflected in the unaudited financial statements.

A11. Changes in the Composition of the Group

There were no changes in the composition of the Group for the current quarter and financial period-to-date.

A12. Contingent Liabilities or Contingent Assets

There were no contingent liabilities or contingent assets.

A13. Capital Commitments

Capital commitments not provided for in the unaudited financial statements as at 31 March 2004 are as follows:

	2004 RM'000
Approved and contracted for	2,768
Approved but not contracted for	29,986
	<u>32,754</u>
Analysed as follows:	
- Property, plant and equipment	<u>32,754</u>

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B Bursa Malaysia Listing Requirements (Part A of Appendix 9B)

B1. Review of Performance

For the current quarter, the Group's revenue and profit before taxation amounted to RM50.72 million and RM7.11 million respectively.

Crop production in the quarter was on a reducing trend in line with the seasonality and cyclical pattern where production normally declines to a trough in the first half of the year. However, there are clear indications that cropping levels are turning around and will increase from the second quarter. With strong commodity prices, the impact of lower crop harvested on profit level was however moderated.

B2. Material Changes in the Quarterly Results Compared to the Results of Immediate Preceding Quarter

The profit before taxation for the current quarter is 68% lower than that of the immediate preceding quarter. This is attributable to the low crop production season, though partially offset by the higher palm product prices.

B3. Prospects for the Current Financial Year

Based on the expectation of higher crop production from the increasing area of young and prime palms, and that favourable palm product prices will continue, the Group is expecting a better performance for the financial year 2004 as compared to financial year 2003, barring unforeseen circumstances.

B4. Variance of Actual Profit from Forecast Profit

Not applicable as no profit forecast was published.

B5. Taxation

The taxation of the group for the financial period under review is as follows:

	INDIVIDUAL QUARTER 3 MONTHS ENDED 31 MARCH		CUMULATIVE QUARTER 3 MONTHS ENDED 31 MARCH	
	2004 RM'000	2003 RM'000	2004 RM'000	2003 RM'000
Malaysian Income Taxation	1,973	1,158	1,973	1,158
Transfer from Deferred Taxation	(80)	-	(80)	-
	1,893	1,158	1,893	1,158
Share of associates' taxation	30	27	30	27
	1,923	1,185	1,923	1,185

The Group's effective tax rate approximates statutory tax rate.

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B6. Unquoted Investments and/or Properties

There were no sales of unquoted investment and/or properties for the current quarter and financial period-to-date.

B7. Quoted Investment

There were no purchases or disposals of quoted investments for the current quarter and financial period-to-date.

B8. Status of Corporate Proposals

There were no corporate proposals announced but pending completion for the current quarter and financial period-to-date.

B9. Group Borrowings

Particulars of the Group's borrowings as at 31 March are as follows:

SECURED:

Short term borrowings

Lease creditors

Amount due to an Associate

RM'000

1,700

37,383

39,083

Long term borrowings

Bond

Less: Discount on issuance

Less: Amortisation

150,000

(1,599)

77

148,478

Redeemable convertible unsecured loan stocks

Less: Equity portion

Less: Deferred tax liability

Add: Interest expenses

Less: Interest paid

50,000

(2,694)

(1,047)

1,111

(625)

46,745

Total 234,306

There were no borrowings denominated in foreign currency.

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B10. Off Balance Sheet Risk Financial Instruments

As detailed in note 28 of the audited financial statement for the year ended 31 December 2003, the Company issued RM 150 million bonds under the Islamic Financing concept of AL-Bai' Bithaman Ajil. Arising from this, on 18 February 2004, the Company entered into the following rate swap contracts:

Rate Swap	Notional Amount	Effective Period
(a) 4 years Ringgit Fixed rate @ 6.4% to floating rate @ 6 months Klibor (in arrear) + 2.05%	RM 35,000,000	18 February 2004 to 15 February 2007
(b) 5 years Ringgit Fixed rate @ 6.65% to floating rate @ 6 months Klibor (in arrear) + 1.90%	RM 35,000,000	18 February 2004 to 18 February 2008

Any differential to be paid or received on the rate swap contracts is recognized as a component of related expense over the period of the contracts. Gains or losses on early termination of swap contracts or on repayment of the borrowings are taken to the income statement.

There is minimal credit risk as the rate swap contracts were entered into with a reputable financial institution.

B11. Changes in Material Litigation

There was no material litigation since 31 December 2003.

B12. Dividend

The Directors do not recommended any interim dividend for current quarter and financial period-to-date.

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B13. Earnings per Share

Basic and diluted earnings per ordinary 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.

For the purpose of calculating diluted earnings per share, the net profit for the period and the weighted average number of ordinary shares in issue during the period have been adjusted for the effects of interest expenses (net of tax) and potential dilution on the ordinary shares from the conversion of the 5% of the Redeemable Convertible Unsecured Loan Stock and the exercise of the ESOS.

	INDIVIDUAL QUARTER 3 MONTHS ENDED 31 MARCH		CUMULATIVE QUARTER 3 MONTHS ENDED 31 MARCH	
	2004 RM'000	2003 RM'000	2004 RM'000	2003 RM'000
(a) Net profit for the period	5,187	2,102	5,187	2,102
(b) Adjusted net profit for the period	5,637	2,102	5,637	2,102
(c) Weighted average number of shares ('000')	500,904	200,000	500,904	200,000
(d) Diluted weighted average number of shares ('000')	611,943	-	611,943	-
(e) Basic earnings per share (sen)	1.04	1.05	1.04	1.05
(f) Diluted earnings per share (sen)	0.92	-	0.92	-

B14. Comparative Figures

As this is the fourth announcement since the Company listed on 2 July 2003, certain comparative figures are not available.