

## IJM PLANTATIONS BERHAD (133399-A)

### Part A1 : Quarterly Report

Quarterly report for the financial period ended: 31/03/2006

Quarter: 4<sup>th</sup> Qtr

Financial Year End: 31/03/2006

The figures: Audited

Full Quarterly Report: Refer attached

### Part A2 : Summary of Key Financial Information for the financial year 31/03/2006

	Individual Quarter		Cumulative Period	
	Current year quarter 31/03/2006 RM'000	Preceding period quarter 31/03/2005 RM'000	12 months Current year to date 31/03/2006 RM'000	15 months Preceding period to date 31/03/2005 RM'000
1 Revenue	53,634	54,876	244,630	318,936
2 Profit before tax	8,133	5,283	52,384	65,140
3 Profit after tax and minority interests	4,024	3,503	35,662	46,435
4 Net profit for the period	4,024	3,503	35,662	46,435
5 Basic earnings per share (sen)	0.79	0.70	7.07	9.26
6 Dividend per share (sen)	3.5	-	3.5	3.5
	<b>As at end of current quarter 31/03/2006</b>		<b>As at preceding financial period end</b>	
7 Net assets per share attributable to Ordinary equity holders of the parent (RM)		1.07		1.00

## IJM PLANTATIONS BERHAD (133399-A)

### CONDENSED CONSOLIDATED INCOME STATEMENT

	<b>INDIVIDUAL QUARTER 3 MONTHS ENDED 31 MARCH</b>		<b>CUMULATIVE 12 MONTHS ENDED 31 MARCH</b>		<b>CUMULATIVE 15 MONTHS ENDED 31 MARCH</b>	
	<b>2006 RM'000 (Audited)</b>	<b>2005 RM'000 (Audited)</b>	<b>2006 RM'000 (Audited)</b>	<b>2005 RM'000 (Audited)</b>	<b>2006 RM'000 (Audited)</b>	<b>2005 RM'000 (Audited)</b>
Revenue	53,634	54,876	244,630	318,936		
Operating Expenses	(43,698)	(48,429)	(186,104)	(248,567)		
Other Operating Income	344	1,371	1,578	3,729		
Profit from Operations	<u>10,280</u>	<u>7,818</u>	<u>60,104</u>	<u>74,098</u>		
Finance Costs	(2,140)	(2,688)	(8,500)	(10,400)		
Share of results of associates	(7)	153	780	1,442		
Profit Before Taxation	8,133	5,283	52,384	65,140		
Taxation	(4,106)	(1,776)	(16,706)	(18,692)		
Profit After Taxation	<u>4,027</u>	<u>3,507</u>	<u>35,678</u>	<u>46,448</u>		
Minority Interests	(3)	(4)	(16)	(13)		
Net Profit for the Period	<u><u>4,024</u></u>	<u><u>3,503</u></u>	<u><u>35,662</u></u>	<u><u>46,435</u></u>		
Earnings Per Share:						
(a) Basic:						
- [Note B13]	<u><u>0.79 sen</u></u>	<u><u>0.70 sen</u></u>	<u><u>7.07 sen</u></u>	<u><u>9.26 sen</u></u>		
(b) Fully diluted:						
- [Note B13]	<u><u>0.81 sen</u></u>	<u><u>0.65 sen</u></u>	<u><u>6.19 sen</u></u>	<u><u>7.94 sen</u></u>		

*Note: In view of the change in financial year end from 31 December to 31 March in the previous financial period, the comparative figures are not comparable.*

## IJM PLANTATIONS BERHAD (133399-A)

### CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2006

	<b>31 March 2006 RM'000 (Audited)</b>	<b>31 March 2005 RM'000 (Audited)</b>
<b>Non-Current Assets:</b>		
Property, Plant and Equipment	721,819	708,063
Investments in Associates	8,061	7,948
Deferred Tax Assets	4,072	4,005
 <b>Current Assets:</b>		
Inventories	23,564	18,920
Trade and Other Receivables	22,324	17,417
Amount due from Associates	741	759
Cash and Bank Balances	42,677	51,316
	89,306	88,412
 <b>Current Liabilities:</b>		
Trade and Other Payables	19,464	23,749
Amount due to Associates	2,243	560
Amount due to the holding company of the Corporate Shareholder	-	120
Borrowings	24,907	19,833
Dividend Payable	-	12,652
Tax Payable	-	11
	46,614	56,925
 <b>Net Current Assets</b>	42,692	31,487
	776,644	751,503
 <b>FINANCED BY:</b>		
Share Capital	254,850	251,029
Reserves	288,470	250,285
Shareholders' Equity	543,320	501,314
Minority Interests	487	471
Net Goodwill on Consolidation	2,092	2,112
 <b>Non-Current Liabilities:</b>		
Borrowings	152,525	176,343
Deferred Tax Liabilities	78,220	71,263
	230,745	247,606
	776,644	751,503
 <b>Net Assets Per Share (RM)</b>	<b>1.07</b>	<b>1.00</b>

**IJM PLANTATIONS BERHAD (133399-A)**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2006**

	Non distributable			Distributable Reserve	
	Share Capital	Other Reserves	Share Premium	Retained Profits	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 April 2005</b>	251,029	54,525	44,008	151,752	501,314
Exercise of ESOS [Note A6 (a)]	3,821	-	2,523	-	6,344
Net Profit for the year	-	-	-	35,662	35,662
Realisation of Revaluation Reserve	-	(186)	-	186	-
<b>At 31 March 2006 (Audited)</b>	<b>254,850</b>	<b>54,339</b>	<b>46,531</b>	<b>187,600</b>	<b>543,320</b>

*Note: In view of the change in financial year end from 31 December to 31 March in the previous financial period, the comparative figures are not comparable.*

## IJM PLANTATIONS BERHAD (133399-A)

### CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH 2005

	Non distributable		Distributable Reserve		
	Share Capital	Other Reserves	Share Premium	Retained Profits	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 January 2004</b>	250,180	56,005	43,431	125,509	475,125
Exercise of ESOS	849	-	577	-	1,426
Net Profit for the period	-	-	-	46,435	46,435
Realisation of Revaluation Reserve	-	(1,480)	-	1,480	-
Dividend	-	-	-	(21,672)	(21,672)
<b>At 31 March 2005 (Audited)</b>	<b>251,029</b>	<b>54,525</b>	<b>44,008</b>	<b>151,752</b>	<b>501,314</b>

*Note: In view of the change in financial year end from 31 December to 31 March in the previous financial period, the comparative figures are not comparable.*

## IJM PLANTATIONS BERHAD (133399-A)

### CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	<b>12 MONTHS ENDED 31 MARCH 2006 RM'000 (Audited)</b>	<b>15 MONTHS ENDED 31 MARCH 2005 RM'000 (Audited)</b>
<b>OPERATING ACTIVITIES</b>		
Receipts from customers	237,868	316,875
Payments to contractors, suppliers and employees	(173,926)	(215,824)
Interest paid	(6,998)	(9,043)
Income tax paid	(8,131)	(13,745)
<i>Net cash flows from operating activities</i>	48,813	78,263
<b>INVESTING ACTIVITIES</b>		
Repayment from/(Advances to) Associates	18	(705)
Proceeds from disposal of property, plant and equipment	745	322
Additions to property, plant and equipment	(33,234)	(59,619)
Dividend received from an Associate	405	405
Interest received	1,049	1,512
<i>Net cash flows used in investing activities</i>	(31,017)	(58,085)
<b>FINANCING ACTIVITIES</b>		
Repayment of advances from Associate	(7)	(37,281)
Issuance of Ordinary Shares	6,344	1,426
Repayment of term loan	-	(27,441)
Repayment of lease financing	-	(3,368)
Redemption of Bonds	(20,000)	-
Repayment to the holding company of the Corporate Shareholder	(120)	(2,625)
Dividend paid	(12,652)	(9,020)
<i>Net cash flows used in financing activities</i>	(26,435)	(78,309)
<b>Net Change in Cash and Cash Equivalents</b>	(8,639)	(58,131)
<b>Cash &amp; Cash Equivalent at beginning of year/period</b>	51,316	109,447
<b>Cash &amp; Cash Equivalent at end of year/period</b>	42,677	51,316
<b>Notes:</b>	<b>AS AT 31 MARCH 2006 RM'000</b>	<b>AS AT 31 MARCH 2005 RM'000</b>
Cash and cash equivalents represents the following:		
Cash and bank balances	1,449	4,191
Fixed deposits	41,228	47,125
	42,677	51,316

*Note: In view of the change in financial year end from 31 December to 31 March in the previous financial period, the comparative figures are not comparable.*

## IJM PLANTATIONS BERHAD (133399-A)

### A NOTES TO THE QUARTERLY RESULTS

#### A1. Basis of Preparation

The audited financial report has been prepared in accordance with *FRS 134: Interim Financial Reporting* and *Chapter 9 Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad*.

The audited financial report should be read in conjunction with the audited financial statements for the period ended 31 March 2005 which are available at <http://www.ijm.com>. The explanatory notes attached to the audited 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 period ended 31 March 2005.

The accounting policies and methods of computation are consistent with those adopted in the audited financial statements for the period ended 31 March 2005.

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

The audit reports for the financial year ended 31 March 2006 and financial period ended 31 March 2005 were 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 a calendar 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 year under review.

#### A5. Material Changes in Estimates

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

#### A6. Debt and Equity Securities

There were no other cancellations, repurchases, resale and repayments of debt and equity securities for the current quarter and financial year-to-date except for the following:

- (a) For the year ended 31 March 2006, the paid-up share capital of the Company was increased by RM3,821,737 by way of allotment and issue of 7,643,475 ordinary share of RM0.50 each. This is as a result of the exercise of the Employee Share Option Scheme ("ESOS") increasing the issued and paid-up capital to RM254,850,368.
- (b) Pursuant to the RM150 million bonds issued under the Islamic Financing concept of Al-Bai' Bithaman Ajil on 15 December 2003, the company redeemed the series of bonds with a nominal value of RM20 million which matured on 15 December 2005.

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### A7. Dividend Paid

Dividend paid during the financial year ended 31 March 2006 is as follow:

In respect of the financial period ended 31 March 2005 as reported in the directors' report of that period:

An interim dividend of 7% or 3.5 sen per share less income tax at 28% was paid on 22 April 2005.	RM'000
	<u>12,652</u>

### 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 year-to-date.

### A10. Material Subsequent Events

There was no material event subsequent to the end of the current financial year-to-date that has not been reflected in the audited 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 year-to-date, except the Company has on 30 December 2005 acquired at par two ordinary shares of RM1 each representing the entire interest of IJM Biofuel Sdn. Bhd. The acquisition has no material financial impact on the Group for the financial year-to-date.

### A12. Contingent Liabilities or Contingent Assets

There were no contingent liabilities or contingent assets since 31 March 2005.

### A13. Capital Commitments

Capital commitments not provided for in the audited financial statements as at 31 March 2006 are as follows:

Property, Plant and Equipment	<b>RM'000</b>
Approved and contracted for	7,062
Approved but not contracted for	<u>78,419</u>
	85,481
Share of capital commitments of an Associate	<u>168</u>
	<u><u>85,649</u></u>



## IJM PLANTATIONS BERHAD (133399-A)

### **B Bursa Securities Listing Requirements (Part A of Appendix 9B)**

#### **B1. Review of Performance**

Fresh Fruit Brunches (“FFB”) production for the current quarter grew 6.56% compared to the corresponding quarter of the preceding year. The growth was primarily from more areas coming into maturity and of prime age in the Sugut plantations.

Outside fruit purchase volume for the current quarter reduced by 33.68% from the corresponding quarter of the preceding year. The reduction was mainly due to increased number of mills particularly in Sugut Region. As a result, total CPO production of 24,319 tonne is a reduction of 12.95% from the corresponding quarter of the preceding year.

The average CPO selling price achieved at RM1,370 per tonne was an improvement as compared to RM1,329 per tonne in the corresponding quarter of the preceding year. However, the average price of PKO of RM2,058 per tonne was a reduction from RM2,229 per tonne.

Despite the increase in CPO selling price, the lower CPO production resulted in the Group revenue of RM53.63 million being marginally lower than the corresponding quarter of the preceding year by 2.26%.

Profit before taxation of RM8.13 million was an improvement of 53.95% from the corresponding quarter of preceding year. This improvement is due to tight control on cost and a lower expenditure on flood rehabilitation.

Year to date FFB production was 13.77% higher than that of the corresponding 12 months period of the preceding year. Average CPO selling price achieved was RM1,373 per tonne compared to RM1,500 per tonne in the previous 12 months. Revenue of RM244.63 million and profit before taxation of RM52.38 million were however lower by 8.74% and 9.77% respectively from that of the corresponding 12 months period of the preceding year due to lower average commodity prices and higher costs of fertiliser, fuel oil and Sabah State’s sales tax.

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

FFB production in the quarter declined by 37.23% to 86,013 tonne as production moved out of the peak season. Average CPO selling price declined by 1.44% from RM1,390 per tonne in the previous quarter. As a result, revenue and profit before taxation for the current quarter were 25.19% and 58.10% lower than that of the immediate preceding quarter respectively.

#### **B3. Prospects for the Coming Financial Year**

For the coming financial year, the Group expects significantly higher crop production, and assuming the current palm product prices will sustain, the Group is expecting higher level of profitability, barring unforeseen circumstances.

## IJM PLANTATIONS BERHAD (133399-A)

### 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 year under review is as follows:

	INDIVIDUAL QUARTER 3 MONTHS ENDED 31 MARCH		CUMULATIVE 12 MONTHS ENDED 31 MARCH	CUMULATIVE 15 MONTHS ENDED 31 MARCH
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
Malaysian Income Taxation	979	1,144	9,554	11,540
Transfer to Deferred Taxation	3,133	965	6,890	6,840
	4,112	2,109	16,444	18,380
Share of associates' taxation	(6)	(333)	262	312
	4,106	1,776	16,706	18,692

The Group's effective tax rate is slightly higher than the statutory tax rate of 28% due to under provision of tax expense and deferred taxation in prior years.

### B6. Unquoted Investments and/or Properties

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

### B7. Quoted Investment

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

### B8. Status of Corporate Proposals

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

## IJM PLANTATIONS BERHAD (133399-A)

### B9. Group Borrowings

Particulars of the Group's borrowings as at 31 March 2006 are as follows:

<b>UNSECURED:</b>	<b>RM'000</b>
<b>Long term borrowings</b>	
Redeemable Convertible Unsecured Loan Stocks – Nominal Value	50,000
Equity component, net of deferred tax	2,694
Liability Component - At date of issue	46,259
Interest expense recognised in Income Statement:	
At beginning of year	5,546
Recognised during the year	3,247
At end of year	8,793
Interest paid:	
At beginning of year	(4,375)
Paid during the year	(2,514)
At end of year	(6,889)
Liability Component - At end of year	48,163
Bond	105,000
Less: Discount on issuance	
At beginning of year	878
Amortisation for the year	(240)
	638
At end of year	104,362
Total Long term borrowings	152,525
<b>UNSECURED:</b>	
<b>Short term borrowings</b>	
Bond	45,000
Less: Discount on issuance	
At beginning of year	376
Amortisation for the year	(283)
	93
Less: Bond repayment	20,000
At end of year	24,907
Total Borrowings	177,432

There were no borrowings denominated in foreign currency.

## IJM PLANTATIONS BERHAD (133399-A)

### B10. Off Balance Sheet Risk Financial Instruments

As detailed in Note 28 of the audited financial statements for the year period 31 March 2005, the Company issued RM150 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%	RM35,000,000	18 February 2004 to 15 December 2007
(b) 5 years Ringgit Fixed rate @ 6.65% to floating rate @ 6 months Klibor (in arrear) + 1.90%	RM35,000,000	18 February 2004 to 15 December 2008

Any differential to be paid or received on the rate swap contracts is recognised 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 March 2005.

### B12. Dividend

For the current financial year-to-date, an interim dividend of 7% or 3.5 sen per share less income tax at 28% in respect of the financial year ended 31 March 2006 (previous corresponding financial period: 7% or 3.5 sen per share less income tax at 28%) is declared. The interim dividend will be paid on 28 July 2006 to every member who is entitled to receive the dividend at 5.00 pm on 30 June 2006.

There would be no final dividend for the financial year ended 31 March 2006.

## IJM PLANTATIONS BERHAD (133399-A)

### B13. Earnings per Share

#### Basic and diluted earnings per ordinary share

Basic earnings per share is calculated by dividing the net profit for the year by the weighted average number of ordinary shares in issue during the year.

For the purpose of calculating diluted earnings per share, the net profit for the year and the weighted average number of ordinary shares in issue during the year 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 ("RCUL") and the exercise of the ESOS.

	INDIVIDUAL QUARTER 3 MONTHS ENDED 31 MARCH		CUMULATIVE 12 MONTHS ENDED 31 MARCH		CUMULATIVE 15 MONTHS ENDED 31 MARCH	
	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000	2006 RM'000	2005 RM'000
<u>Basic Earnings per share</u>						
(a) Net profit for the period/year	4,024	3,503	35,662	46,435		
(b) Weighted average number of ordinary shares ('000')	507,871	502,028	504,664	501,610		
<b>Basic earnings per share (sen)</b>	<b>0.79</b>	<b>0.70</b>	<b>7.07</b>	<b>9.26</b>		
<u>Diluted Earnings per share</u>						
(a) Adjusted net profit for the period/year	5,011	3,953	37,999	48,685		
(b) Weighted average number of ordinary shares ('000')	507,871	502,028	504,664	501,610		
Effect of dilution ('000')						
-RCUL	100,000	100,000	100,000	100,000		
-ESOS	9,408	8,915	8,825	11,618		
Adjusted weighted average number of ordinary shares in issue and issuable ('000')	617,279	610,943	613,489	613,228		
<b>Diluted earnings per share (sen)</b>	<b>0.81</b>	<b>0.65</b>	<b>6.19</b>	<b>7.94</b>		

### B14. Comparative Figures

Comparative figures, where applicable, have been modified to conform to the current quarter and year-to-date presentation.