



IJM PLANTATIONS BERHAD (133399-A)

Part A1 : Quarterly Report

Quarterly report for the financial period ended: 31/12/2008
Quarter: 3rd Qtr
Financial Year End: 31/03/2009
The figures: Have not been Audited

Full Quarterly Report: Refer attached

Part A2 : Summary of Key Financial Information for the financial period 31/12/2008

	Individual Quarter		Cumulative Period	
	Current year quarter 31/12/2008 RM'000	Preceding year quarter 31/12/2007 RM'000	Current year to date 31/12/2008 RM'000	Preceding year to date 31/12/2007 RM'000
1 Revenue	101,665	148,793	412,609	360,118
2 Profit before tax	46,032	68,117	152,995	137,512
3 Profit for the period	33,869	49,018	114,558	99,182
4 Profit/(loss) attributable to ordinary equity holders of the Company	34,001	49,013	114,688	99,168
5 Basic earnings/(loss) per share (sen)	5.30	8.06	17.92	17.00
6 Proposed/Declared dividend per share (sen)	-	-	-	-
	As at end of current quarter 31/12/2008		As at preceding financial year end	
7 Net assets per share attributable to ordinary equity holders of the Company (RM)		1.29		1.22

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CONDENSED CONSOLIDATED INCOME STATEMENTS

	INDIVIDUAL QUARTER 3 MONTHS ENDED 31 DECEMBER		CUMULATIVE 9 MONTHS ENDED 31 DECEMBER	
	2008 RM'000 (unaudited)	2007 RM'000 (unaudited)	2008 RM'000 (unaudited)	2007 RM'000 (unaudited)
Revenue	101,665	148,793	412,609	360,118
Operating Expenses	(53,785)	(80,537)	(262,325)	(221,621)
Other Income	1,063	698	2,832	1,777
Profit from Operations	48,943	68,954	153,116	140,274
Finance Costs	(875)	(1,404)	(3,125)	(4,878)
Share of results of Associate	(1,811)	568	3,266	2,125
Share of results of Jointly Controlled Entities	(225)	(1)	(262)	(9)
Profit Before Taxation	46,032	68,117	152,995	137,512
Taxation	(12,163)	(19,099)	(38,437)	(38,330)
Profit for the Period	33,869	49,018	114,558	99,182
Profit for the Period attributable to:				
- Equity holders of the Company	34,001	49,013	114,688	99,168
- Minority Interests	(132)	5	(130)	14
	33,869	49,018	114,558	99,182
Earnings per share attributable to equity holders of the Company (sen):				
(a) Basic:				
- [Note B13]	5.30 sen	8.06 sen	17.92 sen	17.00 sen
(b) Fully diluted:				
- [Note B13]	5.30 sen	7.69 sen	17.92 sen	15.73 sen

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CONDENSED CONSOLIDATED BALANCE SHEETS AS AT 31 DECEMBER 2008

	31 December 2008 RM'000 (Unaudited)	31 March 2008 RM'000 (Audited)
ASSETS		
Non-Current Assets:		
Property, Plant and Equipment	259,502	216,478
Leasehold land	117,306	118,804
Plantation Expenditure	426,478	416,898
Investments in Associate	14,828	11,562
Investment in Jointly Controlled Entities	9,731	10,691
Other Receivables	48,153	25,024
Deferred Tax Assets	3,363	3,171
	879,361	802,628
Current Assets:		
Inventories	47,462	40,409
Trade and Other Receivables	54,900	55,488
Tax recoverable	421	1,598
Cash and Bank Balances	53,786	99,416
	156,569	196,911
TOTAL ASSETS	1,035,930	999,539
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share Capital	320,537	319,298
Reserves	503,528	457,029
	824,065	776,327
Minority interests	1,313	-
Total Equity	825,378	776,327
Non-Current Liabilities:		
Borrowings	-	34,895
Deferred Tax Liabilities	126,374	107,790
	126,374	142,685
Current Liabilities:		
Trade and Other Payables	45,019	42,496
Borrowings	34,942	34,946
Tax payables	4,217	3,085
	84,178	80,527
Total Liabilities	210,552	223,212
TOTAL EQUITY AND LIABILITIES	1,035,930	999,539
 Net Assets Per Share attributable to ordinary shareholders of the Company (RM)	 1.29	 1.22

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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2008

	Attributable to Equity Holders of the Company					Minority Interests	Total Equity
	Non distributable Reserve			Distributable Reserve			
	Share Capital	Share Premium	Other Reserves	Retained Profits	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 April 2008	319,298	58,418	54,739	343,872	776,327	-	776,327
Realisation of revaluation reserve	-	-	(144)	144	-	-	-
Foreign exchange Translation	-	-	(6,680)	-	(6,680)	(135)	(6,815)
Net income recognised directly in equity	-	-	(6,824)	144	(6,680)	(135)	(6,815)
Profit for the period	-	-	-	114,688	114,688	(130)	114,558
Total income and expenses recognised for the period	-	-	(6,824)	114,832	108,008	(265)	107,743
Acquisitions of subsidiaries	-	-	-	-	-	9	9
Issuance of shares by subsidiaries to minority shareholders	-	-	-	-	-	1,569	1,569
Dividend - Year ended 31 March 2008	-	-	-	(62,389)	(62,389)	-	(62,389)
Issuance of ordinary shares pursuant to exercise of ESOS	1,239	880	-	-	2,119	-	2,119
At 31 December 2008 (Unaudited)	320,537	59,298	47,915	396,315	824,065	1,313	825,378

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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2007

	Attributable to Equity Holders of the Company					Minority Interests	Total Equity
	Non distributable Reserve			Distributable Reserve			
	Share Capital	Share Premium	Other Reserves	Retained Profits	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 April 2007	273,586	52,544	55,386	220,771	602,287	504	602,791
Realisation of revaluation reserve recognised directly in equity	-	-	(141)	141	-	-	-
Profit for the period	-	-	-	99,168	99,168	14	99,182
Total income and expense recognised for the period	-	-	(141)	99,309	99,168	14	99,182
Dividend - Year ended 31 March 2007	-	-	-	(19,200)	(19,200)	-	(19,200)
Issue of ordinary shares pursuant to exercise of ESOS	4,747	3,363	-	-	8,110	-	8,110
Issue of ordinary shares pursuant to conversion of RCULS	39,750	1,678	(2,201)	-	39,227	-	39,227
At 31 December 2007 (Unaudited)	318,083	57,585	53,044	300,880	729,592	518	730,110

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CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

	9 MONTHS ENDED 31 DECEMBER 2008 RM'000 (unaudited)	9 MONTHS ENDED 31 DECEMBER 2007 RM'000 (unaudited)
OPERATING ACTIVITIES		
Receipts from customers	414,126	352,128
Payments to contractors, suppliers and employees	(270,567)	(221,088)
Interest paid	(3,147)	(6,620)
Income tax paid	(17,048)	(5,528)
<i>Net cash flows from operating activities</i>	123,364	118,892
INVESTING ACTIVITIES		
Advances to an Associate	-	(50)
Additions to property, plant, equipment, leasehold land and plantation expenditure	(61,562)	(29,135)
Acquisition of subsidiaries	6,883	-
Interest received	2,313	1,461
Dividend received	-	278
<i>Net cash flows used in investing activities</i>	(52,366)	(27,446)
FINANCING ACTIVITIES		
Issuance of shares	2,119	8,110
Issuance of shares by subsidiaries to minority interests	1,569	-
Advances to a jointly controlled entity	(22,927)	(11,424)
Bond Repayment	(35,000)	(35,000)
Dividend paid	(62,389)	(19,200)
<i>Net cash flow used in financing activities</i>	(116,628)	(57,514)
Net Change in Cash and Cash Equivalents	(45,630)	33,932
Cash & Cash Equivalent at beginning of year	99,416	53,804
Cash & Cash Equivalent at end of period	53,786	87,736
Notes:		
	AS AT 31 DECEMBER 2008 RM'000	AS AT 31 DECEMBER 2007 RM'000
Cash and cash equivalents represents the following:		
Cash and bank balances	9,036	4,463
Deposits with licensed banks	44,750	83,273
	53,786	87,736

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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 unaudited financial report should be read in conjunction with the audited financial statements for the year ended 31 March 2008 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 year ended 31 March 2008.

A2. Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 March 2008 except for the adoption of the following revised Financial Reporting Standard ("FRSs") which is effective for financial year beginning on 1 April 2008:

FRS 107	Cash Flow Statements
FRS 111	Construction Contracts
FRS 112	Income Taxes
FRS 118	Revenue
FRS 120	Accounting for Government
Amendment to FRS 121	The Effects of Changes in the Foreign Exchange Rates – Net investment in a Foreign Operation
FRS 134	Interim Financial Reporting
FRS 137	Provisions, Contingent Liabilities and Contingent Assets

The adoption of the above FRSs does not have any significant impact on the financial position of the Group.

A3. Disclosure of Audit Report Qualification and Status of Matters Raised

The audit report for the financial year ended 31 March 2008 was not subject to any qualifications.

A4. 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.

A5. 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.

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A6. Material Changes in Estimates

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

A7. 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 financial period ended 31 December 2008, the paid-up share capital of the Company was increased by RM1,238,695 by way of allotment and issue of 2,477,389 ordinary shares of RM0.50 each arising from the exercise of Employee Share Option Scheme (“ESOS”).
- (b) Pursuant to the RM150 million bonds issued under the Islamic Financing concept of Al-Bai’s Bithaman Ajil on 15 December 2003, a fourth installment payment of the bonds amounting to RM 35 million was made during the current quarter.

A8. Dividend Paid

An interim dividend paid during the financial period ended 31 December 2008 in respect of the financial year ended 31 March 2008 was as follows:

	RM’000
(a) 18% less 25% taxation (9 sen per ordinary share); and	43,192
(b) 6% tax exempt dividend (3 sen per ordinary share)	19,197
	<hr/> <u>62,389</u>

The interim dividend was paid on 13 August 2008.

A9. Segmental Information

There was no segmental reporting as the Group’s activities are predominantly engaged in the oil palm cultivation and milling, and principally operated in Malaysia. The operation in Indonesia is significantly below the 10% thresholds required by the financial reporting standards for geographical segment analysis.

A10. Valuations of Property, Plant and Equipment

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

A11. Material Subsequent Events

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

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A12. 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 except for the following:

- (a) On 7 July 2008, a wholly owned subsidiary, Minat Teguh Sdn. Bhd. (“MTSB”) subscribed 95 shares of Rupiah 1 million each representing 95% equity interest in PT Primabahagia Permai (“PBP”), a company incorporated in Indonesia, for a total cash consideration of Rupiah 95 million (approximately RM37,000).
- (b) On 7 July 2008, a wholly owned subsidiary Gunaria Sdn Bhd (“GSB”) subscribed 190 shares of Rupiah 1 million each, representing 95% equity interest in PT Sinergi Agro Industri (“PTS”), a company incorporated in Indonesia, for a total cash consideration of Rupiah 190 million (approximately RM72,000).

The above acquisitions have no significant effect on the financial results of the Group for the current quarter and financial period-to-date.

A13. Contingent Liabilities or Contingent Assets

There were no contingent liabilities or contingent assets since 31 March 2008.

A14. Capital Commitments

Capital commitments not provided for in the unaudited financial statements as at 31 December 2008 are as follows:

	2008 RM'000
Property, plant, equipment and Plantation expenditure	
Approved and contracted for	25,356
Approved but not contracted for	28,934
	<u>54,290</u>
Share of capital commitments of a jointly controlled entity	
Approved and contracted for	14,144
Approved but not contracted for	1,542
	<u>15,686</u>
	<u>69,976</u>

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

B1. Review of Performance

The Group revenue of RM101.7 million was lower than the corresponding quarter of the preceding year by 31.7%. The average CPO selling price decreased by 12.9% from RM2,672 per tonne to RM2,327 per tonne. The average price of PKO decreased by 29.1% from RM3,333 to RM2,362 per tonne. Profit before taxation of RM46.0 million for the current quarter is a reduction of 32.4% from the same period of the preceding year.

Fresh fruit bunches (“FFB”) production for the current quarter increased by 2.4% compared to the corresponding quarter of the preceding year.

The Group’s year-to-date revenue of RM412.6 million was higher than the corresponding period of the preceding year by 14.6%. The average CPO selling price of RM2,874 per tonne was an increase of 19.3% as compared to RM2,410 per tonne. The average price of PKO increased by 12.1% moving from RM2,998 to RM3,361 per tonne. Year-to-date profit before taxation of RM153.0 million was 11.3% higher than the corresponding period of the preceding year.

Year-to-date FFB production grew by 6.6% compared to the corresponding period of the preceding year, primarily due to more areas reaching prime age.

Contribution to the Sabah state sales tax, statutory payment of cess to Malaysian Palm Oil Board (“MPOB”) and windfall profit levy to federal government are as follows:

	Individual Quarter		Cumulative Period	
	Current year quarter 31/12/2008 RM’000	Preceding year quarter 31/12/2007 RM’000	Current year to date 31/12/2008 RM’000	Preceding year to date 31/12/2007 RM’000
Sabah sales tax	4,345	9,651	23,715	23,994
Windfall profit levy	-	-	2,139	-
MPOB Cesses:				
-Palm Oil Price Stabilisation Fund Order 2001	200	204	553	556
-Research & Development, Licensing, Enforcement and Marketing Cess Order 2002	553	561	1,522	1,541
-Oil Palm Fruit Cess Order 2007 (Supply and Cooking Oil Price Stabilisation Scheme)	-	4,749	5,565	9,220
Total	5,098	15,165	33,494	35,311

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

FFB production increased by 5.1% to 171,742 tonnes as production moved into the peak crop season. Similarly, outside fruits purchase increased by 7.3% to 47,941 tonnes. 4,955 tonne of FFB were sold to third party mills due to capacity constraint while the second mill in Sugut was being commissioned.

CPO sales was lower by 10.5% due to the constraint in reception at the local refineries arising from decline in demand for the commodity globally.

Average CPO selling price reduced by 20.9% from RM2,943 per tonne to RM2,327 per tonne while average PKO selling price decreased by 32.3% from RM3,489 to RM2,362 per tonne. Revenue for the current quarter was RM50.7 million (33.3%) lower.

Profit before taxation for the current quarter was RM3.0 million (6.1%) lower than the preceding quarter. The reduction is mainly due to a loss in an Associate.

B3. Prospects for the Current Financial Year

For the current financial year ending 31 March 2009, the Group expects higher crop production. Although cost of production will rise as a result of higher prices for fertilisers and materials, the Group has initiated measures to mitigate the impact. Despite palm product price declining significantly since September 2008, the Group still expects a satisfactory performance for the financial year.

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 DECEMBER		CUMULATIVE QUARTER 9 MONTHS ENDED 31 DECEMBER	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Current income tax				
-Malaysian income tax	4,109	7,455	19,468	13,690
-Foreign tax	35	-	39	-
Deferred tax	8,019	11,644	18,930	24,640
	12,163	19,099	38,437	38,330

The Group effective tax rate (excluding the result of associate and jointly controlled entities which are equity accounted net of tax) is marginally higher than the statutory tax rate of 25% due to non deductibility of certain expenses for tax purposes.

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.

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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

On 4 April 2007, a wholly owned subsidiary, Gunaria Sdn. Bhd. (“GSB”) entered into a Conditional Sale and Purchase Agreement to acquire 2,850 shares of Rupiah 1 million each, representing 95% equity interest in PT Zarhasih Kaltim Perkasa (“ZKP”), a company incorporated in Indonesia, for a total cash consideration of Rupiah 2,850 million (approximately RM1,056,000). Approval from the Indonesia Investment Coordinating Board for the conversion of ZKP to a foreign capital investment company had been obtained. Subscription of shares in ZKP by GSB is pending clearance from the Indonesia Ministry of Law and Justice and Company Registry.

Except for the above, 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 December 2008 are as follows:

Unsecured:	RM’000
Short term borrowing	
<u>Bond</u>	70,000
Repayment	(35,000)
Less: Discount on issuance	
At beginning of year	159
Amortisation for the period	(101)
	58
Total Borrowing	<u>34,942</u>

There were no borrowings denominated in foreign currency.

B10. Off Balance Sheet Risk Financial Instruments

There were no off balance sheet financial instruments as at the date of this report.

B11. Changes in Material Litigation

There was no material litigation since 31 March 2008.

B12. Dividend

The Directors do not recommend any interim dividend for the 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 profit for the period attributable to ordinary equity shareholders of the Company by the weighted average number of ordinary shares in issue during the financial period.

For the purpose of calculating diluted earnings per share, the profit for the period attributable to ordinary equity holder of the Company and the weighted average number of ordinary shares in issue during the financial period have been adjusted for the dilutive effects of all potential ordinary shares from conversion of the 5% RCULS and the exercise of ESOS. The amount of profit for the period attributable to ordinary equity holders of the Company is adjusted by the after-tax effects of interest expense recognised during the period which would have been saved on conversion of the outstanding RCULS into ordinary shares. The adjusted weighted average number of ordinary shares is the weighted average number of ordinary shares in issue during the financial period plus the weighted average number of ordinary shares which would be issued on the conversion of the outstanding RCULS and upon exercise of the ESOS into ordinary shares. The RCULS and ESOS are deemed to have been converted into ordinary shares at the beginning of the financial year.

	INDIVIDUAL QUARTER 3 MONTHS ENDED 31 DECEMBER		CUMULATIVE QUARTER 9 MONTHS ENDED 31 DECEMBER	
	2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
<u>Basic Earnings per share</u>				
(a) Profit for the period attributable to equity holders of the Company	34,001	49,013	114,688	99,168
(b) Weighted average number of ordinary shares ('000')	640,944	607,922	639,892	583,215
Basic Earnings per share (sen)	5.30	8.06	17.92	17.00
<u>Diluted Earnings per share</u>				
(a) Adjusted Profit for the period attributable to equity holders of the Company	34,001	49,178	114,688	100,065
(b) Weighted average number of ordinary shares ('000')	640,944	607,922	639,892	583,215
Effect of dilution				
-RCULS	-	27,404	-	49,640
-ESOS	-	3,841	-	3,447
Adjusted weighted average number of ordinary shares in issue and issuable ('000')	640,944	639,167	639,892	636,302
Diluted Earnings per share (sen)	5.30	7.69	17.92	15.73

B14. Comparative Figures

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