



IJM PLANTATIONS BERHAD (133399-A)

Part A1 : Quarterly Report

Quarterly report for the financial period ended: 30/09/2009
Quarter: 2nd Qtr
Financial Year End: 31/03/2010
The figures: Have not been Audited

Full Quarterly Report: Refer attached

Part A2 : Summary of Key Financial Information for the financial period 30/09/2009

	Individual Quarter		Cumulative Period	
	Current year quarter 30/09/2009 RM'000	Preceding year quarter 30/09/2008 RM'000	Current year to date 30/09/2009 RM'000	Preceding year to date 30/09/2008 RM'000
1 Revenue	89,537	152,398	183,814	310,944
2 Profit before tax	23,872	49,035	35,175	106,963
3 Profit for the period	17,431	36,917	25,407	80,689
4 Profit/(loss) attributable to ordinary equity holders of the Company	17,342	36,915	25,223	80,687
5 Basic earnings/(loss) per share (sen)	2.70	5.77	3.93	12.62
6 Proposed/Declared dividend per share (sen)	-	-	-	-
	As at end of current quarter 30/09/2009		As at preceding financial year end	
7 Net assets per share attributable to ordinary equity holders of the Company (RM)		1.27		1.30

IJM PLANTATIONS BERHAD (133399-A)

CONDENSED CONSOLIDATED INCOME STATEMENTS

	INDIVIDUAL QUARTER 3 MONTHS ENDED 30 SEPTEMBER		CUMULATIVE 6 MONTHS ENDED 30 SEPTEMBER	
	2009 RM'000 (unaudited)	2008 RM'000 (unaudited)	2009 RM'000 (unaudited)	2008 RM'000 (unaudited)
Revenue	89,537	152,398	183,814	310,944
Operating Expenses	(65,299)	(105,019)	(148,657)	(208,540)
Other Income	1,606	565	2,017	1,769
Profit from Operations	25,844	47,944	37,174	104,173
Finance Costs	(1,101)	(1,217)	(1,761)	(2,250)
Share of results of Associate	(116)	2,355	540	5,077
Share of results of Jointly Controlled Entities	(755)	(47)	(778)	(37)
Profit Before Taxation	23,872	49,035	35,175	106,963
Taxation	(6,441)	(12,118)	(9,768)	(26,274)
Profit for the Period	17,431	36,917	25,407	80,689
Profit for the Period attributable to:				
- Equity holders of the Company	17,342	36,915	25,223	80,687
- Minority Interests	89	2	184	2
	17,431	36,917	25,407	80,689
Earnings per share attributable to equity holders of the Company (sen):				
(a) Basic:				
- [Note B13]	2.70 sen	5.77 sen	3.93 sen	12.62 sen
(b) Fully diluted:				
- [Note B13]	2.70 sen	5.76 sen	3.93 sen	12.60 sen

IJM PLANTATIONS BERHAD (133399-A)

CONDENSED CONSOLIDATED BALANCE SHEETS AS AT 30 SEPTEMBER 2009

	30 September 2009 RM'000 (Unaudited)	31 March 2009 RM'000 (Audited)
ASSETS		
Non-Current Assets:		
Property, Plant and Equipment	281,914	265,423
Leasehold land	130,431	116,850
Plantation Expenditure	448,730	430,972
Investment in Associate	13,348	12,808
Investments in Jointly Controlled Entities	9,021	9,797
Other Receivables	108,485	92,165
Deferred Tax Assets	4,604	3,394
	996,533	931,409
Current Assets:		
Inventories	47,999	39,317
Trade and Other Receivables	26,159	15,268
Tax recoverable	8,259	3,120
Cash and Bank Balances	46,055	52,665
	128,472	110,370
TOTAL ASSETS	1,125,005	1,041,779
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share Capital	320,537	320,537
Reserves	494,180	510,456
	814,717	830,993
Minority interests	1,660	1,274
Total Equity	816,377	832,267
Non-Current Liabilities:		
Borrowings	100,000	-
Deferred Tax Liabilities	130,400	124,823
	230,400	124,823
Current Liabilities:		
Trade and Other Payables	42,464	49,456
Borrowings	34,989	34,958
Tax payables	775	275
	78,228	84,689
Total Liabilities	308,628	209,512
TOTAL EQUITY AND LIABILITIES	1,125,005	1,041,779
 Net Assets Per Share attributable to ordinary shareholders of the Company (RM)	 1.27	 1.30

IJM PLANTATIONS BERHAD (133399-A)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2009

	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 2009	320,537	59,297	46,296	404,863	830,993	1,274	832,267
Realisation of revaluation reserve	-	-	(90)	90	-	-	-
Foreign exchange Translation	-	-	9,787	-	9,787	202	9,989
Net income recognised directly in equity	-	-	9,697	90	9,787	202	9,989
Profit for the period	-	-	-	25,223	25,223	184	25,407
Total income and expenses recognised for the period	-	-	9,697	25,313	35,010	386	35,396
Dividend - Year ended 31 March 2009	-	-	-	(51,286)	(51,286)	-	(51,286)
At 30 September 2009 (Unaudited)	320,537	59,297	55,993	378,890	814,717	1,660	816,377

IJM PLANTATIONS BERHAD (133399-A)

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 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	-	-	(96)	96	-	-	-
Foreign exchange Translation	-	-	1,003	-	1,003	63	1,066
Net income recognised directly in equity	-	-	907	96	1,003	63	1,066
Profit for the period	-	-	-	80,687	80,687	2	80,689
Total income and expenses recognised for the period	-	-	907	80,783	81,690	65	81,755
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	831	635	-	-	1,466	-	1,466
At 30 September 2008 (Unaudited)	320,129	59,053	55,646	362,266	797,094	1,643	798,737

IJM PLANTATIONS BERHAD (133399-A)

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

	6 MONTHS ENDED 30 SEPTEMBER 2009 RM'000 (unaudited)	6 MONTHS ENDED 30 SEPTEMBER 2008 RM'000 (unaudited)
OPERATING ACTIVITIES		
Receipts from customers	180,768	306,230
Payments to contractors, suppliers and employees	(151,516)	(206,491)
Interest paid	(1,730)	(2,178)
Income tax paid	(9,869)	(11,517)
<i>Net cash flows from operating activities</i>	17,653	86,044
INVESTING ACTIVITIES		
Additions to property, plant, equipment, leasehold land and plantation expenditure	(58,484)	(32,177)
Advances to plantation development activities	(8,265)	-
Acquisition of subsidiaries, net of cash and cash equivalents	-	6,883
Interest received	323	1,504
<i>Net cash flows used in investing activities</i>	(66,426)	(23,790)
FINANCING ACTIVITIES		
Issuance of ordinary shares	-	1,466
Issuance of ordinary shares by subsidiaries to minority interests	-	1,569
Advances to a jointly controlled entity	(7,416)	(14,599)
Proceeds from bank borrowings	100,000	-
Dividend paid	(51,286)	(62,389)
<i>Net cash flows from/(used in) financing activities</i>	41,298	(73,953)
Net Change in Cash and Cash Equivalents	(7,475)	(11,699)
Cash & Cash Equivalent at beginning of year	52,665	99,416
Foreign Exchange differences on opening balances	865	-
Cash & Cash Equivalent at end of period	46,055	87,717
Notes:		
	AS AT 30 SEPTEMBER 2009 RM'000	AS AT 30 SEPTEMBER 2008 RM'000
Cash and cash equivalents represents the following:		
Cash and bank balances	11,954	14,184
Deposits with licensed banks	34,101	73,533
	46,055	87,717

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 unaudited financial report should be read in conjunction with the audited financial statements for the year ended 31 March 2009 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 March 2009.

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 2009.

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

The audit report for the financial year ended 31 March 2009 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.

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 period-to-date.

IJM PLANTATIONS BERHAD (133399-A)

A8. Dividend Paid

Dividend paid during the financial period ended 30 September 2009 is as follow:

In respect of the financial year ended 31 March 2009 as reported in the directors' report of that year:

	RM'000
A single tier interim dividend of 16% or 8 sen per share was paid on 18 August 2009.	<u>51,286</u>

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 for reporting as geographical segment.

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 except that on 13 November 2009, the Renounceable Rights Issue of 160,268,583 new ordinary shares ("Rights Shares") of RM0.50 each in the Company together with 80,134,149 new detachable Warrants ("Warrants") was completed following listing of and quotation for the Right Shares and Warrants on the Main Board of Bursa Malaysia Securities Berhad.

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 that on 6 June 2009, IJMP Investments (L) Limited ("IJMPILL"), a dormant wholly-owned subsidiary of the Company was struck off from the register of Companies of Labuan Offshore Financial Services Authority.

A13. Contingent Liabilities or Contingent Assets

There were no contingent liabilities or contingent assets since 31 March 2009.

IJM PLANTATIONS BERHAD (133399-A)

A14. Capital Commitments

Capital commitments not provided for in the unaudited financial statements as at 30 September 2009 are as follows:

	2009
	RM'000
Property, plant, equipment and Leasehold land and Plantation expenditure	
Approved and contracted for	40,364
Approved but not contracted for	<u>87,095</u>
	<u>127,459</u>
Share of capital commitments of a jointly controlled entity	
Approved and contracted for	14,144
Approved but not contracted for	<u>10,636</u>
	<u>24,780</u>
	<u>152,239</u>

The current estimated cost of developing our oil palm plantation in Indonesia is about RM700 million of which RM106.9 million has been incurred up to 30 September 2009 and another RM74.5 million has been included in the above stated capital commitment. The Board of Directors will review and approve the development programme and cost annually.

IJM PLANTATIONS BERHAD (133399-A)

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

B1. Review of Performance

The Group revenue of RM89.5 million was lower than the corresponding quarter of the preceding year by 41.2%. The average CPO selling price dropped by 26.5% from RM2,943 per tonne to RM2,164 per tonne. The average price of PKO reduced by 34.6% from RM3,489 to RM2,282 per tonne. Fresh fruit bunches (“FFB”) production for the current quarter decreased by 6.8% compared to the corresponding quarter of the preceding year due to the change in cropping pattern. As a result, profit before taxation of RM23.9 million for the current quarter is a reduction of 51.3% from the same period of the preceding year.

The Group’s year-to-date revenue of RM183.8 million was lower than the corresponding period of the preceding year by 40.9%. The average CPO selling price of RM2,207 per tonne decreased by 29.3% as compared to RM3,122 per tonne in the corresponding period. The average price of PKO decreased by 35.1% moving from RM3,762 to RM2,442 per tonne. Year-to-date FFB production dropped by 7.9% compared to the corresponding period of the preceding year as a result of the change in cropping pattern. Plantation upkeep costs in particular fertiliser were higher due to earlier application of the required nutrients and higher prices. As such, year-to-date profit before taxation of RM35.2 million was 67.1% lower than the corresponding period of the preceding year.

Contribution to the Sabah state sales tax for the current quarter and corresponding quarter of the preceding year were RM6.2 million and RM8.7 million respectively. Year-to-date contribution to the Sabah state sales tax was RM13.5 million as compared to RM19.4 million in the corresponding period of the preceding year.

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

The palm commodity market was weaker in the current quarter as compared to the preceding quarter. Average CPO selling price declined by 3.8% from RM2,249 per tonne to RM 2,164 per tonne while average PKO selling price dropped by 12.0% from RM2,593 to RM2,282 per tonne. CPO sales volume was marginally higher due to higher production while PKO sales volume was reduced by 5.9% owing to the slower reception by the buying refineries. As a result, revenue for the current quarter was lower by 5.0%.

FFB production increased 21.6% from 125,233 tonnes to 152,227 tonnes as production moved into the peak crop season. This higher production resulted higher profit before taxation was by 111.2%.

B3. Prospects for the Current Financial Year

For the current financial year ending 31 March 2010, the Group still expects an increase in palm produce production despite the lower year-to-date production. However, the Group results will be dependent on palm produce prices. Assuming that prices of palm produce remain at current levels, the Group expects reasonable results for the year.

B4. Variance of Actual Profit from Forecast Profit

Not applicable as no profit forecast was published.

IJM PLANTATIONS BERHAD (133399-A)

B5. Taxation

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

	INDIVIDUAL QUARTER 3 MONTHS ENDED 30 SEPTEMBER		CUMULATIVE QUARTER 6 MONTHS ENDED 30 SEPTEMBER	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Current Income Tax:				
-Income tax	2,759	6,967	5,230	15,359
-Foreign tax	-	4	-	4
Deferred Tax	3,682	5,147	4,538	10,911
	<u>6,441</u>	<u>12,118</u>	<u>9,768</u>	<u>26,274</u>

The Group effective tax rate (excluding the result of associate and jointly controlled entities which are equity accounted net of tax) is 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.

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

- (a) 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.
- (b) On 22 April 2009, a wholly owned subsidiary, Dynasive Enterprise Sdn. Bhd. entered into a Conditional Sale and Purchase Agreement to acquire 750 shares of Rupiah 1 million each, representing 75% equity interest in PT Prima Alumga (“PPA”), a company incorporated in Indonesia, for a total cash consideration of Rupiah 750 million (approximately RM250,000).
- (c) The Renounceable Rights Issue of 160,268,583 new ordinary shares (“Rights Shares”) of RM0.50 each in the Company together with 80,134,149 new detachable Warrants (“Warrants”) was completed following listing of and quotation for the Right Shares and Warrants on the Main Board of Bursa Malaysia Securities Berhad on 13 November 2009.

Except for the above, there were no corporate proposals announced but pending completion for the current quarter and financial period-to-date.

IJM PLANTATIONS BERHAD (133399-A)

B9. Group Borrowings

Particulars of the Group's borrowings as at 30 September 2009 are as follows:

Unsecured:	RM'000
<u>Bond</u>	35,000
Less: Discount on issuance	
At beginning of year	42
Amortisation for the period	(31)
	11
Short term borrowing	34,989
<u>Term Loan</u>	
Long term borrowing	100,000
Total Borrowings	134,989

There were no borrowings denominated in foreign currency.

B10. Off Balance Sheet Risk Financial Instruments

Commodity Swap	Contract Quantity	Effective Period
To fix Crude Palm Oil selling price at RM2,304 per tonne	1,000 tonnes per month	September 2009 to March 2010

The gain or loss on the commodity swap contract is recognised in the profit or loss on a monthly basis based on average price quoted by Bursa Malaysia Derivative Berhad. The settlement of net proceed is done on a monthly basis as well.

B11. Changes in Material Litigation

There was no material litigation since 31 March 2009.

B12. Dividend

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

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 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 in previous financial period, the weighted average number of ordinary shares in issue during the financial period had been adjusted for the dilutive effects of all potential ordinary shares from the exercise of ESOS. The adjusted weighted average number of ordinary shares was 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 upon exercise of the ESOS into ordinary shares. The ESOS were deemed to have been converted into ordinary shares at the beginning of the financial period.

	INDIVIDUAL QUARTER 3 MONTHS ENDED 30 SEPTEMBER		CUMULATIVE QUARTER 6 MONTHS ENDED 30 SEPTEMBER	
	2009	2008	2009	2008
<u>Basic Earnings per share</u>				
(a) Profit for the period attributable to equity holders of the Company (RM'000)	17,342	36,915	25,223	80,687
(b) Weighted average number of ordinary shares ('000')	641,074	639,917	641,074	639,363
Basic Earnings per share (sen)	2.70	5.77	3.93	12.62
<u>Diluted Earnings per share</u>				
(a) Adjusted Profit for the period attributable to equity holders of the Company (RM'000)	17,342	36,915	25,223	80,687
(b) Weighted average number of ordinary shares ('000')	641,074	639,917	641,074	639,363
Effect of dilution				
-ESOS	-	900	-	933
Adjusted weighted average number of ordinary shares in issue and issuable ('000')	641,074	640,817	641,074	640,296
Diluted Earnings per share (sen)	2.70	5.76	3.93	12.60

The basic earnings per share is expected to be diluted as a result of the increase in the number of shares in issue after the Rights Issue and arising from the number of new shares to be issued upon the exercise of the Warrants.

B14. Comparative Figures

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