

THE AYER HITAM PLANTING SYNDICATE BERHAD (37-K)

**CONDENSED CONSOLIDATED BALANCE SHEETS
AS AT 31 MARCH 2007**

	Unaudited As at 31.03.2007 RM'000	Audited As at 31.03.2006 RM'000 (restated)
Property, plant and equipment	37,628	38,273
Investments	192	192
Investment property	3,178	3,196
Land held for property development	163,619	161,995
	<u>204,617</u>	<u>203,656</u>
Current assets		
Property development costs	24,125	28,656
Inventories	20,264	26,116
Receivables	27,564	46,492
Current tax assets	5,052	2,671
Short-term investments	45,225	10,697
Deposits, cash and bank balances	95,780	117,069
	<u>218,010</u>	<u>231,701</u>
Current liabilities		
Bank overdraft	-	607
Payables	21,569	41,715
Current tax liabilities	-	6,198
	<u>21,569</u>	<u>48,520</u>
Net current assets	196,441	183,181
Long-term liabilities		
Deferred tax liabilities	21,211	22,142
	<u>379,847</u>	<u>364,695</u>
Share capital	74,853	74,853
Reserves	304,994	289,842
Total equity attributable to equity holders of the Company	<u>379,847</u>	<u>364,695</u>
Net Assets per share (RM) *	<u>5.07</u>	<u>4.87</u>

* The net assets per share is based on the computation of total assets (including intangibles) minus total liabilities divided by the total number of ordinary shares in circulation.

The condensed consolidated balance sheets should be read in conjunction with the audited financial statements for the financial year ended 31 March 2006 and the accompanying notes.

THE AYER HITAM PLANTING SYNDICATE BERHAD (37-K)

**CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2007**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31 Mar 2007 RM'000	Preceding Year Quarter 31 Mar 2006 RM'000 (restated)	Current Year To Date 31 Mar 2007 RM'000	Preceding Year To Date 31 Mar 2006 RM'000 (restated)
Revenue	18,015	37,040	96,512	48,914
Cost of Sales	(11,631)	(17,944)	(56,866)	(27,260)
Gross profit	6,384	19,096	39,646	21,654
Other income	1,431	1,203	6,021	4,480
Administration expenses	(4,571)	(2,026)	(17,463)	(8,254)
Negative goodwill		37,868		37,869
Share of profit in jointly controlled entity	-	856	-	15,433
Profit before taxation	3,244	56,997	28,204	71,182
Taxation	2,000	(3,702)	(7,400)	(4,473)
Profit for the period	5,244	53,295	20,804	66,709
Attributable to equity holders of the Company	5,244	53,295	20,804	66,709
Earnings per share attributable to equity holders of the Company	sen	sen	sen	sen
Basic	7.01	71.20	27.79	89.12
Fully diluted	N/A	N/A	N/A	N/A

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the financial year ended 31 March 2006 and the accompanying notes.

THE AYER HITAM PLANTING SYNDICATE BERHAD (37-K)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2007**

	Attributable to equity holders of the Company					Total RM'000
	Share capital	Non-distributable		Distributable		
		Share premium	Revaluation reserve	General reserve	Retained profits	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 April 2006	74,853	92	28,468	250	261,032	364,695
Fair value adjustment for property sold			(579)		579	-
Decrease in deferred tax			785		-	785
Profit for the period					20,804	20,804
Dividends					(6,437)	(6,437)
Balance as at 31 March 2007	74,853	92	28,674	250	275,978	379,847
Balance as at 1 April 2005	74,853	92	-	250	199,263	274,458
Fair value adjustment			28,468			28,468
Profit for the period					66,709	66,709
Dividends					(4,940)	(4,940)
Balance as at 31 March 2006	74,853	92	28,468	250	261,032	364,695

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 March 2006 and the accompanying notes.

THE AYER HITAM PLANTING SYNDICATE BERHAD (37-K)

**CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2007**

	12 months ended	
	31 Mar 2007	31 Mar 2006
	RM'000	RM'000
Net cash inflow/(outflow) from operating activities	32,935	16,648
Net cash inflow/(outflow) from investing activities	(12,652)	(32,792)
Net cash inflow/(outflow) from financing activities	(6,437)	(4,940)
Net increase/(decrease) in cash and cash equivalents	13,846	(21,084)
Cash and cash equivalents at 1 April	124,459	145,543
Cash and cash equivalents at 31 March	138,305	124,459
Cash and cash equivalents comprise :		
Short-term deposits	50,120	58,041
Cash and bank balances	45,660	59,028
Bank overdraft	-	(607)
Treasury unit trusts	45,225	10,697
	141,005	127,159
Pledged short-term deposits	(2,700)	(2,700)
Cash and cash equivalents	138,305	124,459

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the financial year ended 31 March 2006 and the accompanying notes.

Part A – Explanatory Notes Pursuant to FRS134

1 Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 March 2006. 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 March 2006.

1A Changes in accounting policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended 31 March 2006 except for the adoption of the new/revised FRSs that are applicable to the Group from the financial period beginning 1 January 2006.

The adoption of the new/revised FRSs does not have significant financial impact on the Group. The principal effects of the changes in accounting policies resulting from the adoption of the new/revised FRSs are as follows:

(a) FRS 101: Presentation of Financial Statements

The adoption of the revised FRS 101 has affected the presentation of minority interest, the share of net after-tax results of jointly-controlled entity and other disclosures. FRS 101 also requires disclosure, on the face of the statement of changes in equity, total recognised income and expenses for the period, showing separately the amounts attributable to equity holders of the parent and to minority interest. The presentation of minority interest is not applicable as all subsidiaries are wholly-owned by the Company and the Group.

The current period's presentation of the Group's financial statements is based on the revised requirements of FRS 101, with the comparatives restated to conform with the current period's presentation.

(b) FRS 140: Investment Property

FRS 140 defines an investment property as a property held for long-term rental yield and/or for capital appreciation and is not occupied by the companies in the Group. Investment property is initially measured at cost, including direct transaction costs. The Group adopted the cost model to measure all its investment properties. Under the cost model, investment property is measured at depreciated cost less any accumulated impairment losses. As a result of the adoption of FRS 140, certain properties of the Group previously classified under property, plant and equipment are now disclosed as Investment Property; a separate line item on the face of the consolidated balance sheet within non-current assets. In line with the revised requirements of FRS 101, the comparatives are restated to conform with the current period's presentation.

The Ayer Hitam Planting Syndicate Berhad (37-K)

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 MARCH 2007

The effects on the comparatives resulting from the adoption of FRS 101 and FRS 140 are as follows:

Group	As previously reported RM'000	Effects on adoption of FRSs RM'000	As restated RM'000
At 31 March 2006			
Property, plant and equipment	39,907	(1,634)	38,273
Investment properties	1,562	1,634	3,196
12 months ended 31 March 2006			
Individual quarter			
Share of profits in jointly-controlled entity	1,189	(333)	856
Profit before taxation	57,330	(333)	56,997
Taxation	(4,035)	333	(3,702)
Cumulative quarter			
Share of profits in jointly-controlled entity	21,435	(6,002)	15,433
Profit before taxation	77,184	(6,002)	71,182
Taxation	(10,475)	6,002	(4,473)

2 Auditors' Report on preceding Annual Financial Statements

The auditors' report on the financial statements for the year ended 31 March 2006 was not qualified.

3 Seasonal or cyclical factors

The Group's results for the current financial quarter were not materially impacted by any seasonal or cyclical factors apart from the plantation segment which is influenced by general climatic conditions, age profile of the oil palms and cyclical production.

4 Unusual items due to their nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the financial year ended 31 March 2007.

5 Changes in estimates

Not applicable.

6 Debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities.

7 Dividends paid

The first and final dividend totalling RM6,437,365 for the financial year ended 31 March 2006 was paid on 5 October 2006; comprising a tax exempt dividend of 5 sen (2005: 3 sen) gross per share amounting to RM3,742,654 and a dividend of 5 sen (2005: 5 sen) gross per share less 28% tax amounting to RM2,694,711.

8 Segmental information - By business segments

12 months ended 31 March 2007	Property development RM'000	Construction RM'000	Plantation RM'000	Consolidated RM'000
Revenue				
External customers	82,441	11,178	2,639	96,258
Unallocated revenue	-	-	-	254
Total Revenue	82,441	11,178	2,639	96,512
Results				
Segment results	24,807	(59)	1,761	26,509
Unallocated income				5,045
Unallocated expenses				(3,350)
Taxation				(7,400)
Profit for the period				20,804
As at 31 March 2007				
Assets				
Segment assets	285,147	11,653	3,013	299,813
Unallocated assets				122,814
Total assets				422,627
Liabilities				
Segment liabilities	14,391	6,179	240	20,810
Unallocated liabilities				21,970
Total liabilities				42,780
<u>Non-cash expenses</u>				
Depreciation	574	270	339	1,183

12 months ended 31 March 2006				
Revenue				
External customers	35,530	11,210	2,012	48,752
Unallocated revenue	-	-	-	162
Total Revenue	35,530	11,210	2,012	48,914
Results				
Segment results	17,478	(856)	931	17,553
Unallocated income				3,912
Unallocated expenses				(3,585)
Negative goodwill				37,869
Share of profit in jointly controlled entity				15,433
Taxation (restated)				(4,473)
Profit for the period				66,709
As at 31 March 2006				
Assets				
Segment assets	350,139	7,581	6,037	363,757
Unallocated assets				71,600
Total assets				435,357
Liabilities				
Segment liabilities	35,971	4,711	1,640	42,322
Unallocated liabilities				28,340
Total liabilities				70,662
<u>Non-cash expenses</u>				
Depreciation	107	285	247	639

9 Carrying amount of revalued assets

The valuations of property, plant and equipment and investment properties have been brought forward without amendment from the financial report for the year ended 31 March 2006.

10 Subsequent events

There were no material events subsequent to the end of the current quarter.

11 Changes in composition of the Group

On 30 November 2006, the Company's wholly-owned subsidiary, Bukit Hitam Development Sdn. Bhd., acquired 2 ordinary shares of RM1.00 each representing 100% equity interest in BBP Management Services Sdn. Bhd whose intended principal activity is to provide property management services.

The Company had on 8 December 2006 acquired 2 ordinary shares of RM1.00 each representing 100% equity interest in Ayer Hitam Resorts Sdn. Bhd. ["AH Resorts"] whose intended principal activity is to build, own and operate hotels, resorts, villas and spas.

12 Changes in contingent liabilities and contingent assets

There were no changes in contingent liabilities or contingent assets since the last annual balance sheet as at 31 March 2006.

13 Capital commitments

None.

14 Significant Related Party Transactions

None.

Part B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia

15 Review of performance (current quarter and year to date)

In the fourth quarter ended 31 March 2007, the Group recorded a revenue of RM18.02 million and a pre-tax profit of RM3.24 million arising from progress billings for the period. New products launched during the quarter, comprising 400 units of low-medium cost apartments and 38 units of 3-storey shophouses, are expected to contribute to earnings in the next financial year.

The results for the year to date were in line with the progress billings and profit recognized on the development projects as well as the sales of completed residential properties.

16 Material changes in profit/(loss) before taxation vs. preceding quarter

Pre-tax profit decreased by RM1.04 million in the fourth quarter ended 31 March 2007 from RM4.28 million in the preceding quarter mainly due to lower sales from completed units.

17 Commentary on prospects – next financial year

The overall performance of the Group will depend substantially on the performance of the property development business units. As the property market is a major component of the country's national economic development, the Government announced, in April 2007, a series of measures to innovate the property sector and to cut bureaucracy in the industry. Among the initiatives are the setting up of one-stop centres in every state for housing projects for fast-track approval, replacing the Certificate of Fitness for Occupancy with the Certificate of Completion and Compliance and giving incentives to developers who adopt the Build-Then-Sell concept. These initiatives together with the exemption from Real Property Gains Tax and the relaxation of FIC legislation augur well for the property industry and will benefit the Group.

18 Statement of the board of directors' opinion as to whether the revenue or profit estimate, forecast, projection or internal targets are likely to be achieved

Not applicable. The Company has not announced or disclosed any estimates, forecasts, projections or internal targets.

19 Variance of actual profit from forecast profit or profit guarantee

Not applicable.

20 Taxation

	Quarter 3 months ended 31.03.2007 RM'000	Year to date 12 months ended 31.03.2007 RM'000
Malaysian income tax	<u>(2,000)</u>	<u>7,400</u>

The effective tax rate of the Group for the financial year is marginally lower than the statutory tax rate as certain interest income from treasury unit trusts are not subject to tax. A write back of RM3.25 million for the current year's tax overprovision was made in the current quarter.

21 Sale of unquoted investments and/or properties

There was no sale of any unquoted investments. Properties sold were in the ordinary course of business of the Group.

22 Quoted securities

There were no purchases or sales of quoted securities for the current quarter and financial year to date.

	As at 31.03.2007 RM'000
Investment in quoted securities:	
At cost	106
At carrying value/book value	106
At market value	<u>3,302</u>

23 Corporate proposals

(a) Status of corporate proposals

On 15 September 2006, the Company entered into a Memorandum of Understanding (MOU) with Tacorp Holdings Sdn Bhd to jointly develop about four acres of leasehold land in Mukim Sungai Karang, Daerah Kuantan, Pahang as a hotel and resort. Subsequently, on 12 December 2006 the Company entered into a joint venture agreement with YAM Tengku Abdullah ibni Al-Marhum Sultan Abu Bakar to develop a luxury boutique hotel resort through AH Resorts.

As at 23 May 2007, development of the hotel resort is in the planning and design stage.

(b) Status of utilisation of proceeds

Not applicable.

24 Group borrowings and debt securities

There were no group borrowings and debt securities as at 31 March 2007.

25 Off balance sheet financial instruments

There were no off balance sheet financial instruments as at 23 May 2007.

26 Material litigation

There were no changes in material litigation since the date of the last annual balance sheet on 31 March 2006.

INTERIM FINANCIAL REPORT FOR THE FOURTH QUARTER ENDED 31 MARCH 2007

27 Dividend

No interim ordinary dividend has been declared for the fourth quarter ended 31 March 2007. The Board of Directors recommends the payment of a first and final dividend of 10 sen per share tax exempt and 3.7 sen per share net of tax at 26% , (2006: 5 sen per share tax exempt and 3.6 sen per share, net of tax at 28%) for the financial year ended 31 March 2007 amounting to RM10.26 million (2006: RM6.44 million). The proposed dividend is subject to the approval of shareholders at the forthcoming Annual General Meeting.

28 Earnings per share

Basic

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

	Quarter 3 months ended 31.03.2007	Year to date 12 months ended 31.03.2007
Net profit for the period (RM'000)	5,244	20,804
Weighted average number of ordinary shares in issue ('000)	74,853	74,853
Basic earnings per share (sen)	7.01	27.79

29 Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 30 May 2007.