GLENEALY PLANTATIONS (MALAYA) BERHAD
Company No: 3453-X

QUARTERLY REPORT ON THE CONSOLIDATED RESULTS FOR THE 2ND QUARTER ENDED 31 DECEMBER 2007

The figures have not been audited

CONDENSED CONSOLIDATED INCOME STATEMENTS

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	31/12/2007 RM'000	31/12/2006 RM'000	31/12/2007 RM'000	31/12/2006 RM'000
Revenue	62,865	36,716	116,345	66,116
Other operating income	23,347	939	24,686	1,946
Operating expenses	(29,294)	(23,539)	(58,298)	(46,014)
Profit from operations	56,918*	14,116	82,733*	22,048
Financing costs	-	-	-	-
Share of (loss)/profit after tax of associates	(299)	(124)	(581)	(631)
Profit before taxation	56,619	13,992	82,152	21,417
Taxation	(8,739)	(4,047)	(15,167)	(5,792)
Net profit for the period	47,880	9,945	66,985	15,625
Attributable to:				
Equity holders of the Company	42,905	7,831	58,693	12,365
Minority interests	4,975	2,114	8,292	3,260
Profit for the period	47,880	9,945	66,985	15,625
(a) Basic earnings per share (sen)	37.61	6.86	51.44	10.84
Net profit for the period (RM'000)	42,905	7,831	58,693	12,365
Weighted average number of ordinary shares on issue during the reporting quarter ('000)	114,091	114,091	114,091	114,091
(b) Diluted earnings per share (sen)	N/A	N/A	N/A	N/A

* Includes RM21.6 million gain made on the sub-licensing of a tree plantation compartment within a forest plantation land known as Lana Plantation to Samling Reforestration (Bintulu) Sdn Bhd.

The condensed consolidated income statements should be read in conjunction with the annual financial statements for the financial year ended 30 June 2007.

GLENEALY PLANTATIONS (MALAYA) BERHAD
Company No: 3453-X

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE 2ND QUARTER ENDED 31 DECEMBER 2007

The figures have not been audited

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS AS AT 31 DECEMBER 2007

	As at end of current quarter 31/12/2007 RM'000	As at preceding financial year end 30/06/2007 Restated RM'000
Non-current assets		
Property, plant and equipment	146,728	144,997
Prepaid lease payments	49,439	29,870
Biological assets	220,398	216,468
Investment in associates	340	921
Investments	957	957
	417,862	393,213
Current assets		
Inventories	9,174	4,839
Receivables, deposits and prepayments	14,907	14,627
Tax recoverable	1,403	1,403
Cash and cash equivalents	163,419	125,394
	188,903	146,263
Current liabilities		
Payables and accruals	19,023	22,221
Current tax liabilities	6,490	2,179
	25,513	24,400
Net current assets	163,390	121,863
Non-current liabilities		
Deferred tax liabilities	79,853	70,566
	501,399	444,510

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE 2ND QUARTER ENDED 31 DECEMBER 2007

The figures have not been audited

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS AS AT 31 DECEMBER 2007 (CONT'D)

	As at end of current quarter 31/12/2007 RM'000	As at preceding financial year end 30/06/2007 Restated RM'000
Capital and reserves		
Share capital	115,362	115,362
Share premium	2,818	2,818
Treasury shares	(2,423)	(2,423)
Exchange reserve	(1,173)	203
Other reserve	163,840	163,840
Retained earnings	175,127	124,762
Total equity attributable to shareholders of the Company	453,551	404,562
Minority interests	47,848	39,948
	501,399	444,510
Net asset per share attributable to equity holders of the Company (RM)	3.98	3.55

The condensed consolidated balance sheets should be read in conjunction with the annual financial statements for the financial year ended 30 June 2007.

GLENEALY PLANTATIONS (MALAYA) BERHAD
Company No: 3453-X

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE 2ND QUARTER ENDED 31 DECEMBER 2007

The figures have not been audited

	Issued and fully paid up ordinary shares of RM1 each	*Non-distributable*				*Distributable*			
	Share capital	**Share premium**	**Treasury shares**	**Exchange reserve**	**Other reserve**	**Retained profits**	**Total equity attributable to equity shareholders of the Company**	**Minority interests**	**Total equity**
	RM'000	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
At 1 July 2006	115,362	2,818	(2,423)	-	163,840	99,988	379,585	33,142	412,727
Net profit for the period	-	-	-	-	-	12,365	12,365	3,260	15,625
Dividends paid in respect of financial year ended 30 June 2006						(6,572)	(6,572)	(1,169)	(7,741)
At 31 December 2006	115,362	2,818	(2,423)	-	163,840	105,781	385,378	35,233	420,611
At 1 July 2007	115,362	2,818	(2,423)	203	163,840	124,762	404,562	39,948	444,510
Net gain/(loss) recognised directly in equity - Currency translation differences	-	-	-	(1,376)	-	-	(1,376)	-	(1,376)
Net profit for the period	-	-	-	-	-	58,693	58,693	8,292	66,985
Dividends paid in respect of financial year ended 30 June 2007	-	-	-	-	-	(8,328)	(8,328)	(392)	(8,720)
At 31 December 2007	115,362	2,818	(2,423)	(1,173)	163,840	175,127	453,551	47,848	501,399

The condensed consolidated statements of changes in equity should be read in conjunction with the annual financial statements for the financial year ended 30 June 2007.

GLENEALY PLANTATIONS (MALAYA) BERHAD
Company No: 3453-X

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE 2ND QUARTER ENDED 31 DECEMBER 2007

The figures have not been audited

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2007

	Current period ended 31/12/2007 RM'000	Corresponding period ended 31/12/2006 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit after taxation	66,985	15,625
Adjustments for:-		
Depreciation and amortisation	11,580	11,284
Taxation	15,167	5,792
Interest income	(2,395)	(1,770)
Biological assets and property, plant and equipment written off	508	495
Share of loss after tax of associates	581	631
Operating profit before working capital changes	92,426	32,057
Change in inventories	(4,335)	796
Change in receivables, deposits and prepayments	(280)	(4,787)
Change in payables and accruals	(3,198)	(3,981)
Cash generated from operations	84,613	24,085
Restricted fixed deposits	-	(23)
Taxes paid	(1,569)	(2,443)
Net cash generated from operating activities	83,044	21,619
CASH FLOWS FROM INVESTING ACTIVITIES		
Addition of biological assets and property, plant and equipment	(37,318)	(21,339)
Investment in an associate	-	(516)
Interest received	2,395	1,770
Net cash (used in)/generated from investing activities	(34,923)	(20,085)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid to shareholders	(8,328)	(6,572)
Dividend paid to minority shareholders	(392)	(1,169)
Net cash used in financing activities	(8,720)	(7,741)

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE 2ND QUARTER ENDED 31 DECEMBER 2007

The figures have not been audited

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2007 (CONT'D)

	Current period ended 31/12/2007 RM'000	Corresponding period ended 31/12/2006 RM'000
Net (decrease)/increase in cash and cash equivalents	39,401	(6,207)
Cash and cash equivalents at beginning of financial year	124,014	105,102
Foreign exchange difference on opening balances	(1,376)	-
Cash and cash equivalents at end of the period	162,039	98,895

Cash and cash equivalents as at 31 December is represented by:

Cash and bank balances	14,015	6,050
Deposits	149,404	94,203
	163,419	100,253
Less: Restricted balances	(1,380)	(1,358)
	162,039	98,895

The condensed consolidated cash flow statements should be read in conjunction with the annual financial statements for the financial year ended 30 June 2007.

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE 2ND QUARTER ENDED 31 DECEMBER 2007

The figures have not been audited

NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE 2ND QUARTER ENDED 31 DECEMBER 2007

1. **Basis of preparation**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Financial Reporting Standards ("FRS") 134, Interim Financial Reporting and the applicable disclosure provisions of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2007. 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 30 June 2007.

The significant accounting policies adopted in the unaudited interim financial statements are consistent with those adopted in the Group's audited financial statements for the financial year ended 30 June 2007 except for the adoption of the following revised FRS issued by the Malaysian Accounting Standards Board ("MASB") that are effective for the Group's financial statements commencing 1 July 2007:-

a) FRS 117, Leases

Prior to the adoption of the FRS 117, leasehold land was classified as property, plant and equipment and was stated at cost less accumulated depreciation and impairment losses. Under the FRS 117, leasehold land is an operating lease unless title passes to the lessee at the end of the lease term. With the adoption of the FRS 117, the unamortised carrying amounts of leasehold land are now classified as prepaid lease payments and amortised over the period of its remaining lease term, as allowed by the transitional provisions of the FRS 117. The reclassification of leasehold land as prepaid lease payments has been accounted for retrospectively and the comparatives in the balance sheet have been restated.

The effects on the comparatives to the Group on adoption of FRS 117 are as follows:

	As previously reported	Effects of reclassification	As restated
	RM'000	RM'000	RM'000
Property, plant and equipment	174,867	(29,870)	144,997
Prepaid lease payments	-	29,870	29,870

b) FRS 124, Related Party Disclosures

This standard affects the identification of related parties, and results in additional related party disclosures presented in the financial statements.

2. **Preceding annual financial statements**

The audit report of the preceding annual financial statements for the year ended 30 June 2007 was unqualified.

3. **Seasonality of Cyclical Factors**

Climate conditions and the age of our palms continued to have effect on the oil palm plantations' operational performance. For the financial quarter under review, CPO prices continued to rise due to the supply shortage of global edible oils and strong demand from importing countries. The average CPO price achieved for the quarter under review was RM2,845/MT , which was higher than the preceding financial quarter of RM2,574/MT.

4. **Exceptional item**

There were no items for which by nature or amount affecting assets, liabilities, equity, net income, or cash flows that were unusual because of their nature, size, or incidence during the quarter under review.

5. **Changes in estimates**

There were no changes in estimates of amounts reported in prior financial years that have a material effect in the quarter under review.

6. **Changes in debt and equity securities**

There were no other issuances, cancellations, repurchases, resale, and repayment of debt and equity securities in the quarter under review.

7. **Dividends paid**

The Company paid a first and final dividend of 10 sen per share on 114,090,792 ordinary shares, less 27% income tax amounting to RM8,328,628 for financial year ended 30 June 2007 on 11 December 2007.

8. **Segmental information**

All of the Group's plantations are located in East Malaysia and therefore segmental reporting is not applicable.

9. **Valuations of property, plant and equipment**

The Group does not have a policy on revaluing its property, plant and equipment.

The figures have not been audited

10. **Material events subsequent to the end of the reporting quarter**

There have been no material events subsequent to the end of the quarter under review that have not been reflected in the financial statements.

11. **Changes in the composition of the Group**

There were no changes in the composition of the Group during the current quarter and financial year to-date including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operations.

12. **Contingent liabilities or contingent assets**

No contingent liabilities or contingent assets had arisen since the last annual balance sheet date except for that disclosed in Note 19: Material Litigation below.

13. **Taxation**

	Current quarter Oct'07 – Dec'07 RM'000	Current financial year-to-date Jul'07 – Dec'07 RM'000
Current tax expense	3,318	5,881
Deferred tax expense	5,421	9,286
	---------	---------
	8,739	15,167
	=====	======

14. **Profits/(Losses) on sale of unquoted investments and/or properties**

There were no disposals of unquoted investments and/or properties during the quarter under review.

15. **Quoted securities**

(a) There were no purchases or disposals of quoted securities for the current quarter and financial year to date.

(b) Total investments in quoted securities as at 31 December 2007 were as follows:

	RM'000
(i) At carrying value / book value	957
(ii) At market value	3,379

16. **Status of Corporate Proposals**

There were no new corporate proposals during the current quarter under review.

The figures have not been audited

17. **Group borrowings and debt securities**

The Group does not have any borrowings or debt securities at the end of the reporting quarter.

18. **Off balance sheet financial instruments**

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

19. **Material litigation**

There were no pending material litigation as at the date of this report except for the following:

Wembley I.B.A.E Sdn Bhd (in Liquidation) v Timor Enterprises Sdn Bhd (hereinafter referred to as "Suit II")

The Company had announced on 28 March 2003 that its wholly owned sub-subsidiary company Timor Enterprises Sdn Bhd (hereinafter referred to as "Defendant") had been served with a Writ of Summons on 20 March 2003 in respect of Suit II by Wembley I.B.A.E Sdn Bhd (in Liquidation) (hereinafter referred to as "Plaintiff") which was the Defendant's main contractor for its oil mill factory project in Lahad Datu, Sabah (hereinafter referred to as "Oil Mill").

The Plaintiff's claims against the Defendant which were in respect of the Oil Mill were judgement for the sum alleged to be in arrears of RM 799,893.17 plus interest costs before the judgement date up to the date of full settlement, costs of Suit II and any other relief deemed fit and proper by the High Court. The Board of Directors are of the view that there are no such sums due and owing by the Defendant to the Plaintiff and the Defendant's solicitors had filed a defence and served it upon the solicitors of the Plaintiff on 10 April 2003. The solicitors for the Plaintiff had served a notice to the Defendant to file an affidavit verifying existence of documents on 22 March 2004.

The Defendant had filed an application to strike out the action. The Summons in Chambers was served onto the Plaintiff on 5 October 2004. The learned Senior Assistant Registrar had on 22 March 2005 made an order for the striking out of the Plantiff's claim. However, the Plaintiff had on 24 March 2005 appealed against the decision. The hearing of the Plaintiff's appeal has been fixed for 14 September 2005.

On 14 September 2005, the learned Judge of the High Court dismissed the Plaintiff's appeal with costs to be paid by the Plaintiff to the Defendant.

The Plaintiff has since filed an appeal against the decision of the High Court to the Court of Appeal, and is pending determination.

The Group has in the meantime filed an application for an assessment of costs in respect of the High Court orders of 22 March 2005 and 14 September 2005. This application has been fixed for hearing before the learned Deputy Registrar on 6 September 2006.

On 6 September 2006, after hearing submissions, the Deputy Registrar informed both parties that decision on the application will be rendered on 12 October 2006.

The figures have not been audited

19. Decision on the Defendant's application for an assessment of costs was delivered by the Deputy Registrar on 12 October 2006. In this regard, the learned Deputy Registrar had directed that several reductions were to be made in numerous items that were sought for in the application referred above. The Defendant's solicitors have reverted that the total sum of RM17,446.38 is payable to the Defendant as costs in respect of the High Court proceedings pursuant to the Deputy Registrar's decision on the Defendant's application for assessment of costs.

    On 27 December 2006, the solicitors for the Plaintiff agreed to pay the sum of RM17,446.38 to the Defendant. The Defendant has agreed not to proceed with allocatur and to consider the issue of costs fully settled.

    On 9 January 2007, a cheque of RM17,446.38 was received by the Defendant's solicitors and subsequently, the sum was forwarded to the Defendant.

    At present, no date has been fixed for the hearing of the Plaintiff's appeal to the Court of Appeal and the appeal remains pending determination.

20. **Material changes in the quarterly results compared to the results of the immediate preceding quarter**

    For the financial quarter under review, the Group achieved total CPO sales of 21,458 MT with an average CPO price of RM2,845/MT as compared to 20,183 MT with an average CPO price of RM2,574/MT for the immediate preceding quarter. With both higher volumes and price of CPO sold, revenue for the financial quarter under review rose to RM62.9 million, which was higher than that in the preceding financial quarter of RM53.5 million. Profit before taxation of RM56.6 million was RM31.1 million higher than that of the preceding quarter mainly due to the above factors and included a gain of RM21.6 million arising from the sub-licence of tree plantation compartment measuring 40,684 hectares within a forest plantation land known as Lana Plantation from Timor Enterprises Sdn Bhd, an indirectly wholly owned subsidiary of the Company to Samling Reforestration (Bintulu) Sdn Bhd.

    On an earnings before interest, tax, depreciation and amortisation ("EBITDA") basis, the Group achieved RM61.1 million which was higher than the preceding quarter of RM30.3 million.

21. **Review of performance of the Group for the quarter and financial year-to-date**

    The Group's Fresh Fruit Bunches ("FFB") production for the quarter under review was 85,293 MT. During the financial quarter, the Group produced 22,259 MT of CPO and 21,458 MT was sold at an average selling price of RM2,845/MT. With cost of production per MT being well managed, the Group achieved an operating profit before tax of RM60.5 million for the financial year to date. After accounting for a gain of RM21.6 million made on the sub-licensing of a tree plantation compartment within a forest plantation land known as Lana Plantation to Samling Reforestration (Bintulu) Sdn Bhd, the Group achieved a profit before tax of RM82.1 million and earnings before interest, depreciation, tax and amortisation of RM91.4 million.

    During the quarter under review, the Group planted an additional 317 hectares of oil palm in Sarawak, bringing the total immature area planted in Sarawak to 6,703 hectares.

The figures have not been audited

22. **Commentary on the outlook of the Group**

Based on the prevailing prices of palm products, the outlook of the Group's performance continues to remain positive. The palm oil price is well-supported by high prices in competing vegetable oils such as soyabean oil and rapeseed oil. The trend for palm oil price remains favourable amid a generally positive outlook for commodities as supplies of vegetable oils are expected to remain tight in the near term with palm oil production entering a seasonal downturn. Meanwhile, demand for palm oil is expected to sustain in view of its competitive price relative to other vegetable oils.

The Group will continue to emphasise the effective and efficient management of the estates and the mills. The Group's matured hectarage includes palms that are reaching their full maturity which should bring increasing yields to the Group.

23. **Variation of actual profit from forecast profit and shortfall in profit guarantee**

The Group did not issue any profit forecast for this quarter and therefore comments on variances with forecast profit are not applicable.

24. **Dividends**

The Directors declared an interim dividend of 10 sen per share less income tax totalling RM8,442,719 on 31 January 2008 which to be paid on 28 February 2008.

BY ORDER OF THE BOARD

TAN GHEE KIAT (MICPA 811)
T.V.SEKHAR A/L T.G.VENKATESAN (MICPA 1371)

Company Secretaries

Kuala Lumpur
31 January 2008