

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

**QUARTERLY REPORT ON THE CONSOLIDATED RESULTS FOR THE 1st QUARTER  
ENDED 30 SEPTEMBER 2008**

The figures have not been audited

**CONDENSED CONSOLIDATED INCOME STATEMENTS**

	Individual Quarter		Cumulative	
	Current Year Quarter	Preceding Year Corresponding Quarter	Current Year To Date	Preceding Year Corresponding Period
	30/9/2008 RM'000	30/9/2007 RM'000	30/9/2008 RM'000	30/9/2007 RM'000
Revenue	62,229	53,480	62,229	53,480
Other operating income	1,673	1,339	1,673	1,339
Operating expenses	(39,391)	(29,004)	(39,391)	(29,004)
<b>Profit from operations</b>	<u>24,511</u>	<u>25,815</u>	<u>24,511</u>	<u>25,815</u>
Share of (loss)/profit after tax of associates	(139)	(282)	(139)	(282)
<b>Profit before taxation</b>	<u>24,372</u>	<u>25,533</u>	<u>24,372</u>	<u>25,533</u>
Taxation	(8,009)	(6,428)	(8,009)	(6,428)
<b>Net profit for the period</b>	<u>16,363</u>	<u>19,105</u>	<u>16,363</u>	<u>19,105</u>
	=====	=====	=====	=====
<b>Attributable to:</b>				
Equity holders of the Company	12,817	15,788	12,817	15,788
Minority interests	3,546	3,317	3,546	3,317
Profit for the period	<u>16,363</u>	<u>19,105</u>	<u>16,363</u>	<u>19,105</u>
	=====	=====	=====	=====
(a) Basic earnings per share (sen)	11.23	13.84	11.23	13.84
Net profit for the period (RM'000)	12,817	15,788	12,817	15,788
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

**GLENEALY PLANTATIONS (MALAYA) BERHAD**

Company No: 3453-X

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE 1ST QUARTER ENDED 30 SEPTEMBER 2008****The figures have not been audited****UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS AS AT 30 SEPTEMBER 2008**

	As at end of current quarter 30/9/2008 RM'000	As at preceding year end 30/6/2008 RM'000
<b>Non-current assets</b>		
Property, plant and equipment	165,911	160,865
Prepaid lease payments	48,649	48,963
Biological assets	229,901	224,173
Investment in associates	1,601	1,740
Investments	957	957
	<hr/> 447,019	<hr/> 436,698
	-----	-----
<b>Current assets</b>		
Inventories	9,338	6,208
Receivables, deposits and prepayments	15,986	25,143
Tax recoverable	1,869	3,212
Cash and cash equivalents	210,292	194,420
	<hr/> 237,485	<hr/> 228,983
	-----	-----
<b>Current liabilities</b>		
Payables and accruals	33,967	33,666
Current tax liabilities	15,264	12,646
	<hr/> 49,231	<hr/> 46,312
	-----	-----
<b>Net current assets</b>	188,254	182,671
	-----	-----
<b>Non-current liabilities</b>		
Deferred tax liabilities	82,637	83,198
	<hr/> 552,636	<hr/> 536,171
	=====	=====

**GLENEALY PLANTATIONS (MALAYA) BERHAD**

Company No: 3453-X

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE 1ST QUARTER  
ENDED 30 SEPTEMBER 2008**

---

**The figures have not been audited**

**UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS AS AT 30 SEPTEMBER 2008  
(CONT'D)**

	As at end of current quarter 30/9/2008 RM'000	As at preceding year end 30/6/2008 RM'000
<b>Capital and reserves</b>		
Share capital	115,362	115,362
Share premium	2,818	2,818
Treasury shares	(2,423)	(2,423)
Exchange reserve	304	201
Other reserve	163,840	163,840
Retained earnings	215,774	202,958
	<hr/>	<hr/>
<b>Total equity attributable to shareholders of the Company</b>	495,675	482,756
Minority interests	56,961	53,415
	<hr/>	<hr/>
	552,636	536,171
	<hr/> <hr/>	<hr/> <hr/>
Net asset per share attributable to equity holders of the Company (RM)	4.34	4.23

**The condensed consolidated balance sheets should be read in conjunction with the annual financial statements for the financial year ended 30 June 2008.**

**GLENEALY PLANTATIONS (MALAYA) BERHAD**

Company No: 3453-X

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE 1ST QUARTER  
ENDED 30 SEPTEMBER 2008**

**The figures have not been audited**

*Issued and  
fully paid  
up ordinary  
shares of  
RM1 each*

*Non-distributable*

*Distributable*

	Share capital RM'000	Share premium RM'000	Treasury shares RM'000	Exchange reserve RM'000	Other reserve RM'000	Retained profits RM'000	Total equity attributable to equity shareholders of the Company RM'000	Minority interests RM'000	Total equity RM'000
<b>At 1 July 2007</b>	115,362	2,818	(2,423)	203	163,840	124,762	404,562	39,948	444,510
Net profit for the period	-	-	-	-	-	15,788	15,788	3,317	19,105
Net loss not recognised in the income statement	-	-	-	(409)	-	-	(409)	-	(409)
<b>At 30 September 2007</b>	115,362	2,818	(2,423)	(206)	163,840	140,550	419,941	43,265	463,206
<b>At 1 July 2008</b>	115,362	2,818	(2,423)	202	163,840	202,957	482,756	53,415	536,171
Net profit for the period		-		-	-	12,817	12,817	3,546	16,363
Net gain not recognised in the income statement		-		102	-	-	102	-	102
<b>At 30 September 2008</b>	115,362	2,818	(2,423)	304	163,840	215,774	495,675	56,961	552,636

**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 2008.**

**GLENEALY PLANTATIONS (MALAYA) BERHAD**

Company No: 3453-X

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE 1ST QUARTER ENDED 30 SEPTEMBER 2008**

**The figures have not been audited**

**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS FOR THE QUARTER ENDED 30 SEPTEMBER 2008**

	<b>Current year quarter ended 30/9/2008 RM'000</b>	<b>Preceding year corresponding quarter ended 30/9/2007 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit after taxation	16,363	19,105
Adjustments for:-		
Depreciation and amortisation	6,447	5,849
Taxation	8,009	6,428
Interest income	(1,661)	(1,111)
Biological assets and property, plant and equipment written off	-	508
Share of loss after tax of associates	139	282
	<hr/>	<hr/>
Operating profit before working capital changes	29,297	31,061
Change in inventories	(3,131)	(3,629)
Change in receivables, deposits and prepayments	9,157	(4,288)
Change in payables and accruals	301	766
	<hr/>	<hr/>
Cash generated from operations	35,624	23,910
Taxes paid	(4,607)	(657)
	<hr/>	<hr/>
<b>Net cash generated from operating activities</b>	<b>31,017</b>	<b>23,253</b>
	-----	-----
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Addition of biological assets and property, plant and equipment	(16,908)	(8,566)
Interest received	1,661	1,111
	<hr/>	<hr/>
<b>Net cash used in investing activities</b>	<b>(15,247)</b>	<b>(7,455)</b>
	-----	-----
Net increase in cash and cash equivalents	15,770	15,798
Cash and cash equivalents at beginning of financial year	192,997	124,014
Foreign exchange difference on opening balances	102	(409)
	<hr/>	<hr/>
<b>Cash and cash equivalents at end of the period</b>	<b>208,869</b>	<b>139,403</b>
	=====	=====
Cash and cash equivalents as at 30 September is represented by:		
Cash and bank balances	10,213	10,761
Deposits	200,079	130,022
	<hr/>	<hr/>
	210,292	140,783
Less: Restricted balances	(1,423)	(1,380)
	<hr/>	<hr/>
	208,869	139,403
	=====	=====

**GLENEALY PLANTATIONS (MALAYA) BERHAD**

**Company No: 3453-X**

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE 1ST QUARTER  
ENDED 30 SEPTEMBER 2008**

---

**The figures have not been audited**

**The condensed consolidated cash flow statements should be read in conjunction with the annual financial statements for the financial year ended 30 June 2008.**

**GLENEALY PLANTATIONS (MALAYA) BERHAD**

**Company No: 3453-X**

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE 1ST QUARTER ENDED 30 SEPTEMBER 2008**

---

**The figures have not been audited**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE 1st QUARTER ENDED 30 SEPTEMBER 2008**

**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 2008. 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 2008.

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 2008.

# GLENEALY PLANTATIONS (MALAYA) BERHAD

Company No: 3453-X

## QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE 1ST QUARTER ENDED 30 SEPTEMBER 2008

---

**The figures have not been audited**

### 2. **Preceding annual financial statements**

The audit report of the preceding annual financial statements for the year ended 30 June 2008 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 fall as the world goes through its worse financial crisis which slows down the demand for palm oil from consuming countries. The average CPO price achieved for the quarter under review was RM2,915/MT, which was lower than the preceding financial quarter of RM3,518/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**

There were no dividends paid during the quarter under review.

### 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.



**GLENEALY PLANTATIONS (MALAYA) BERHAD**

Company No: 3453-X

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE 1ST QUARTER  
ENDED 30 SEPTEMBER 2008**

---

**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**

	<b>Current quarter Jul'08 – Sep'08 RM'000</b>	<b>Current financial year-to-date Jul'08 – Sep'08 RM'000</b>
Current tax expense	8,570	8,570
Deferred tax expense	(561)	(561)
	-----	-----
	8,009	8,009
	=====	=====

**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 30 September 2008 were as follows:

	RM'000
(i) At carrying value / book value	957
(ii) At market value	2,874

## GLENEALY PLANTATIONS (MALAYA) BERHAD

Company No: 3453-X

### QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE 1ST QUARTER ENDED 30 SEPTEMBER 2008

---

#### The figures have not been audited

#### 16. Status of Corporate Proposals

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

#### 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 defense 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 Plaintiff'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 defendant were subsequently awarded a total sum of RM17,446.38. On 27 December 2006, the solicitors for the Plaintiff agreed to pay the sum and was forwarded to the Defendant. The Defendant has agreed not to proceed with allocatur and to consider the issue of costs fully settled.

The Plaintiff has since filed an appeal against the decision of the High Court to the Court of Appeal. 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.

# GLENEALY PLANTATIONS (MALAYA) BERHAD

Company No: 3453-X

## QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE 1ST QUARTER ENDED 30 SEPTEMBER 2008

---

**The figures have not been audited**

**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 20,659 MT with an average CPO price of RM2,915/MT as compared to 21,442 MT with an average CPO price of RM3,518/MT for the immediate preceding quarter. The revenue for the financial quarter declined to RM62.2 million as a result of lower volume of CPO sold coupled with lower average CPO price. The revenue for the preceding financial quarter was RM76.2 million. Profit before taxation of RM24.3 million for the financial quarter under review was RM11.8 million lower as compared to the preceding financial quarter.

On an earnings before interest, tax, depreciation and amortisation ("EBITDA") basis, the Group achieved RM29.1 million which was lower than the preceding quarter of RM42.9 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 74,401 MT. During the financial quarter, the Group produced 20,280 MT of CPO and 20,659 MT was sold at an average selling price of RM2,915/MT. There was an increase in the Group's cost of production per MT which resulted from higher fuel and fertilizer cost and the Group achieved a profit before tax of RM24.3 million and earnings before interest, depreciation, tax and amortization of RM29.1 million.

During the quarter under review, the Group planted an additional 146 hectares of oil palm in Lana, Sarawak, bringing the total immature area planted in Sarawak to 7,455 hectares.

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

Crude palm oil price has been affected by the current financial crisis which affected global trade leading to a slowdown in demand. Coupled with the impact of the collapse of crude oil price and seasonal peak crop, CPO prices fell from a peak of RM4,486 per metric tonnes in March 2008 to as low as RM1,331 per metric tonnes in October 2008, all within a span of 7 months. Confidence has been badly affected and demand for palm oil is expected to slow down due to slower growth and consumption in consuming countries. Prices will continue to be under pressure until stock level drops significantly as palm oil production trends down seasonally.

The Group will continue to emphasize the effective and efficient management of the estates, mills and its planting programme. The Group's plantation maturity profile comprising palms that are reaching its peak production cycle should bring consistent improving and higher 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.

**GLENEALY PLANTATIONS (MALAYA) BERHAD**

**Company No: 3453-X**

**QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE 1ST QUARTER  
ENDED 30 SEPTEMBER 2008**

---

**The figures have not been audited**

24. **Dividends**

The Board does not propose to declare or recommend any interim dividend for the current quarter.

BY ORDER OF THE BOARD

TAN GHEE KIAT (MICPA 811)

T.V.SEKHAR A/L T.G.VENKATESAN (MICPA 1371)

Company Secretaries

Kuala Lumpur

18 November 2008