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

QUARTERLY REPORT ON THE CONSOLIDATED RESULTS FOR THE 3RD QUARTER ENDED 31 MARCH 2010

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
	31/03/2010 RM'000	31/03/2009 RM'000	31/03/2010 RM'000	31/03/2009 RM'000
Revenue	54,514	31,718	148,115	125,812
Other operating income	692	1,211	2,315	4,568
Operating expenses	(36,818)	(28,862)	(104,695)	(91,584)
Profit from operations	18,388	4,067	45,735	38,796
Share of loss after tax of associates	(293)	(253)	(603)	(735)
Profit before taxation	18,095	3,814	45,132	38,061
Taxation	(5,285)	(1,029)	(11,385)	(9,906)
Net profit for the period	12,810	2,785	33,747	28,155
Attributable to:				
Equity holders of the Company	10,151	1,856	27,714	21,775
Minority interests	2,659	929	6,033	6,380
Profit for the period	12,810	2,785	33,747	28,155
(a) Basic earnings per share (sen)	8.90	1.63	24.29	19.09
Net profit for the period (RM'000)	10,151	1,856	27,714	21,775
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

The condensed consolidated income statements should be read in conjunction with the annual financial statements for the financial year ended 30 June 2009.

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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE 3RD QUARTER ENDED 31 MARCH 2010

The figures have not been audited

CONDENSED CONSOLIDATED BALANCE SHEETS

	As at end of current quarter 31/03/2010	As at preceding financial year end 30/06/2009
	RM'000	RM'000
Non-current assets		
Property, plant and equipment	220,384	206,501
Prepaid lease payments	48,641	48,238
Biological assets	253,041	227,314
Investment in associates	173	777
Investments	957	957
	523,196	493,787
Current assets		
Inventories	12,497	10,358
Receivables, deposits and prepayments	22,992	17,237
Tax recoverable	8,635	8,014
Cash and cash equivalents	124,802	158,802
	168,926	194,411
Current liabilities		
Payables and accruals	31,623	53,614
Current tax liabilities	1,358	2,576
	32,981	56,190
Net current assets	135,945	138,221
Non-current liabilities		
Deferred tax liabilities	84,250	81,261
	574,891	550,747

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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE 3RD QUARTER ENDED 31 MARCH 2010

The figures have not been audited

CONDENSED CONSOLIDATED BALANCE SHEETS (CONTINUED)

	As at end of current quarter 31/03/2010 RM'000	As at preceding financial year end 30/06/2009 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	(232)	(853)
Other reserve	163,840	163,840
Retained earnings	238,187	219,030
Total equity attributable to shareholders of the Company	517,552	497,774
Minority interests	57,339	52,973
	574,891	550,747
	=======	=======
Net asset per share attributable to equity holders of the Company (RM)	4.54	4.36

The condensed consolidated balance sheets should be read in conjunction with the annual financial statements for the financial year ended 30 June 2009.

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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE 3RD QUARTER ENDED 31 MARCH 2010

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Issued and fully paid ordinary shares of RM1 each **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 2008	115,362	2,818	(2,423)	202	163,840	202,957	482,756	53,415	536,171
Net profit for the period	-	-	-	-	-	21,775	21,775	6,380	28,155
Net loss not recognised in the income statement	-	-	-	(1,004)	-	-	(1,004)	-	(1,004)
Dividend paid in respect of financial year ended 30 June 2008	-	-	-	-	-	(17,114)	(17,114)	(402)	(17,516)
Addition Investment in a subsidiary	-	-	-	-	-	-	-	(26)	(26)
At 31 March 2009	115,362	2,818	(2,423)	(802)	163,840	207,618	486,413	59,367	545,780

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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE 3RD QUARTER ENDED 31 MARCH 2010

The figures have not been audited

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (CONTINUED)

	Issued and fully paid ordinary shares of RM1 each **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**
At 1 July 2009	115,362	2,818	(2,423)	(853)	163,840	219,030	497,774	52,973	550,747
Net profit for the period	-	-	-	-	-	27,714	27,714	6,033	33,747
Net gain not recognised in the income statement	-	-	-	621	-	-	621	-	621
Dividend paid in respect of financial year ended 30 June 2009	-	-	-	-	-	(8,557)	(8,557)	(1,639)	(10,196)
Addition Investment in a subsidiary	-	-	-	-	-	-	-	(28)	(28)
At 31 March 2010	115,362	2,818	(2,423)	(232)	163,840	238,187	517,552	57,339	574,891

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 2009.

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

QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE 3RD QUARTER ENDED 31 MARCH 2010

The figures have not been audited

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

	Current period ended 31/03/2010 RM'000	Corresponding period ended 31/03/2009 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit after taxation	33,747	28,155
Adjustments for:-		
Depreciation and amortisation	25,638	21,339
Taxation	11,385	9,906
Dividend income	(24)	0
Interest income	(2,144)	(4,460)
Biological assets and property, plant and equipment written off	0	120
Share of loss after tax of associates	604	734
Operating profit before working capital changes	69,206	55,794
Change in inventories	(2,138)	(7,892)
Change in receivables, deposits and prepayments	(5,753)	6,239
Change in restricted fixed deposits	0	(135)
Change in payables and accruals	(21,990)	(6,141)
Cash generated from operations	39,325	47,865
Taxes paid	(10,239)	(17,165)
Net cash generated from operating activities	29,086	30,700
CASH FLOWS FROM INVESTING ACTIVITIES		
Addition of biological assets and property, plant and equipment	(55,651)	(58,275)
Purchase of shares from minority shareholders	(28)	(26)
Dividend income	24	0
Interest received	2,144	4,460
Proceeds from disposal of property, plant and equipment	0	0
Net cash used in investing activities	(53,511)	(53,841)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividends paid to shareholders	(8,557)	(17,114)
Dividends paid to minority shareholders	(1,639)	(402)
Net cash used in financing activities	(10,196)	(17,516)
Net decrease in cash and cash equivalents	(34,621)	(40,657)
Cash and cash equivalents at beginning of financial year	157,217	192,997
Foreign exchange difference on opening balances	621	(1,004)
Cash and cash equivalents at end of the period	123,217	151,336

The figures have not been audited

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS (CONTINUED)

	Current period ended 31/03/2010 RM'000	Corresponding period ended 31/03/2009 RM'000
Cash and cash equivalents are represented by:		
Cash and bank balances	5,775	4,163
Deposits	119,027	148,733
	124,802	152,896
Less: Restricted balances	(1,585)	(1,560)
	123,217	151,336

The condensed consolidated cash flow statements should be read in conjunction with the annual financial statements for the financial year ended 30 June 2009.

NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE 3RD QUARTER ENDED 31 MARCH 2010

1. Basis of preparation

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

The condensed consolidated interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2009. These explanatory notes attached to the condensed consolidated 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 2009.

Except as described below, the significant accounting policies adopted in the unaudited condensed consolidated interim financial statements are consistent with those adopted in the Group's audited financial statements for the financial year ended 30 June 2009.

<u>Change in accounting policy – FRS 8, 'Operating segments'.</u>
As of 1 July 2009, the Group determines and presents operating segments based on the information that is internally provided to the Managing Director, who is the Group's chief operating decision maker. This change in accounting policy is due to the adoption of FRS 8. Previously, FRS 114_{2004}, 'Segment reporting' was not applicable because all the Group's plantations are located in a single geographical location.

Comparative segment information has been presented. Since the change in accounting policy only impacts presentation and disclosure aspects, there is no impact on earnings per ordinary share.

2. Preceding annual financial statements

The audit report of the preceding annual financial statements for the year ended 30 June 2009 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, Crude Palm Oil ("CPO") prices have improved due to recent drought and tight market supply of world's vegetable oils coupled with lower domestic CPO stocks. The average CPO price achieved for the quarter under review was RM2,500/MT, which was higher than the preceding financial quarter of RM2,210/MT.

Due to cyclicality of production patterns, the production of Fresh Fruit Bunches ("FFB") decreased from 103,167 MT in the immediate preceding financial quarter to 73,932 MT in the financial quarter under review.

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 final dividend of 10 sen per share less income tax amounting to RM8,556,809 for the financial year ended 30 June 2009 on 11 December 2009.

8. **Segmental information**

The chief operating decision maker has been identified as the Managing Director (“MD”). The MD reviews the Group’s internal reporting regularly, in order to assess performance and allocate resources. The Group has determined the operating segments based on these reports.

The MD considers the business from a geographic perspective. Each geographical location comprises oil palm plantations and palm oil mills. The plantations and mills in each operating segment are considered as a single integrated business unit with its own business unit managers. The reportable segments are Sabah and Sarawak.

The MD assesses the performance of the operating segments based on profit from these operations. This measure excludes expenses that are managed on a central basis and the Group’s share of results in associates. The segment assets comprise of operating assets related to the plantation operations, principally property, plant and equipment, prepaid lease payments, biological assets and inventories. The other assets in the balance sheet managed on a central basis are corporate fixed assets, receivables, deposits and prepayments, tax recoverable and cash and cash equivalents. These other assets form part of the reconciliation to the total assets in the balance sheet.

The figures have not been audited

8 **Segmental information (continued)**

For the period ended 31 March 2010

	Sabah		Sarawak		Total Group	
	31/03/10	**31/03/09**	**31/03/10**	**31/03/09**	**31/03/10**	**31/03/09**
	RM'000	**RM'000**	**RM'000**	**RM'000**	**RM'000**	**RM'000**
External revenue	77,576	68,165	70,490	57,241	148,066	125,406
Profit from operations	39,105	30,843	12,502	9,136	51,607	39,979
Total assets	182,235	191,416	342,504*	290,309	524,739	481,725

* Note: This includes 5,947 hectares of newly matured plantation areas and 5,340 hectares of immature plantation areas in Lana and Jelalong, Sarawak.

Reportable segments' external revenue are reconciled to consolidated total revenue as follows:

	31/03/10	**31/03/09**
	RM'000	**RM'000**
Total segment external revenue	148,066	125,406
Dividend income of non-reportable segment	49	406
Consolidated total revenue	148,115	125,812

A reconciliation of total profit from operations to total consolidated profit before taxation is provided as follows:

	31/03/10	**31/03/09**
	RM'000	**RM'000**
Profit from operations for reportable segments	51,607	39,979
Expenses managed on a central basis	(5,872)	(1,183)
Consolidated profit from operations	45,735	38,796
Share of loss after tax of associates	(603)	(735)
Consolidated profit before taxation	45,132	38,061

Reportable segments' assets are reconciled to consolidated total assets as follows:

	31/03/10	31/03/09
	RM'000	RM'000
Total segment assets	524,739	481,725
Assets managed on a central basis	167,383	177,900
Consolidated total assets	692,122	659,625

9. Valuations of property, plant and equipment

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

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

The Company's wholly-owned subsidiary company, Puncak Selasih Sdn Bhd ("Puncak") has on 8th January 2010 entered into the Conditional Sale and Purchase Agreements ("CSPA") with Mr. Joyo Soetomo and Mr Didi Ferdinand Korompis (collectively, the "Vendors") to :

(a) acquire 5,743,500 Ordinary Shares in PT Natura Pasific Nusantara ("PT NPN") representing 70% of all shares issued by PT NPN from the Vendors for an indicative price of approximately RM8.9 million subject to adjustment arising from the due diligence review. PT NPN has approximately 4,335 hectares of land with Hak Guna Usaha.

(b) acquire 7,910,000 Ordinary Shares in PT Berau Karetindo Lestari ("PT BKL") representing 70% of all shares issued by PT BKL from the Vendors for an indicative price of approximately RM10 million subject to adjustment arising from the due diligence review. PT BKL has approximately 7,023 hectares of land with Hak Guna Usaha.

Both PT NPN and PT BKL are involved in the business of oil palm plantation. The Conditional Sale and Purchase Agreements are subject to various conditions precedent including the following:-

(a) to obtain the approvals or evidence of report from the government institutions with respect to the sale of shares to Puncak;

(b) satisfactory outcome of all due diligence investigations conducted on the financial, legal, technical, tax, trading positions and prospects of PT NPN and PT BKL.

According to the CSPA, the completion date is four (4) months from the date of the CSPA. However, PT NPN and PT BKL have both agreed to extend the completion date of the CSPA to 7th August 2010 vide their letters both dated 26th April 2010.

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. The status of contingent liabilities as disclosed in the last annual balance sheet date is disclosed in Note 18 Material Litigation below.

13. **Taxation**

	Current Quarter Jan'10 – Mar'10 RM'000	**Current Financial Year-to-date Jul'09 – Mar'10 RM'000**
Taxation based on profit for the period:		
Corporate income tax	2,969	8,123
Deferred taxation	2,316	4,852
	5,285	12,975
Under/(over) provision in respect of prior year:		
Corporate income tax	0	274
Deferred taxation	0	(1,864)
	5,285	11,385

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 March 2010 were as follows:

	RM'000
(i) At carrying value / book value	957
(ii) At market value	1,259

16. **Status of Corporate Proposals**

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

17. **Off balance sheet financial instruments**

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

The figures have not been audited

18. **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) (hereinafter referred to as "the Plaintiff") v Timor Enterprises Sdn Bhd (hereinafter referred to as "the Defendant")

On 2 February 2010, Wembley IBAE's appeal to the Court of Appeal on this case has been discontinued with no order as to costs, and as such, proceedings are at an end.

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

For the financial quarter under review, the Group's FFB production decreased by 29,235 MT to 73,932 MT as compared to the immediate preceding financial quarter of 103,167 MT. The Group achieved lower CPO sales of 21,434 MT with a higher average CPO price of RM2,500/MT, as compared to 23,348 MT with an average CPO price of RM2,210/MT for the immediate preceding financial quarter. As a result of higher average CPO price, the revenue for the financial quarter under review increased to RM54.5 million compared to that of the preceding financial quarter of RM52.5 million. Cost of production per MT of CPO was higher than that of the immediate preceding financial quarter, mainly due to the fixed overheads being allocated to a lower amount of CPO produced. As a consequence, profit before taxation of RM18.1 million for the financial quarter under review was RM0.3 million lower as compared to the immediate preceding financial quarter.

On an earnings before interest, tax, depreciation and amortisation ("EBITDA") basis, the Group achieved RM26.0 million which was higher than the immediate preceding financial quarter of RM25.9 million.

The figures have not been audited

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

For the financial quarter under review, the Group harvested 73,932 MT of FFB and produced 18,052 MT of CPO. The Group sold 21,434 MT of CPO at an average price of RM 2,500/MT. It recorded a profit before tax of RM18.1 million and EBITDA of RM26.0 million. On a year-to-date, the Group harvested 250,826 MT of FFB, produced 62,803 MT of CPO and sold 62,949 MT of CPO at an average price of RM2,321/MT. It achieved a profit before tax of RM45.1 million and EBITDA of RM68.6 million.

In terms of segmental results, Sabah and Sarawak operations achieved an operating profit of RM39.1 million and RM12.5 million respectively. The lower operating profits for Sarawak was due to the inclusion of the results of newly matured areas in the Lana plantations totaling 5,947 hectares, which due to lower yields from newly matured palms, recorded operating losses of RM3.7 million. Expenses managed on a central basis amounted to RM5.8 million and this mainly relates to head office expenses and unrealized foreign exchange losses on foreign currency funds allocated for the Indonesian operations.

During the financial quarter, the Group planted an additional 117 hectares of oil palm plantations in Lana, Sarawak, bringing the total planted area in this estate to 8,742 hectares. As at the end of the financial quarter under review, 5,947 hectares of the plantation in Lana has matured, leaving the total immature area at 2,795 hectares. As for the new oil palm estate in Jelalong, Sarawak, the Group has to date planted 2,545 hectares.

21. Commentary on the outlook of the Group

The outlook for palm oil price remains positive as palm oil exports from Malaysia remains healthy and production has been lagging resulting in palm oil stocks dropping to 1.65 million MT in March 2010 from 2.0 million MT in January 2010. The recent drought may still affect palm oil production in the later months of this financial year. A recovering world economy with good growth in China and India are some of the external factors that contributed to the strength of palm oil price in recent months and these factors are supportive for the palm oil price outlook. Risks to this outlook include another shock to the world economy resulting in negative growth and a collapse in crude petroleum prices.

With the Group's matured areas moving to higher yielding profiles, the Group's production of CPO in the financial year ending 30 June 2010 is expected to increase.

With CPO prices expected to remain stable and the increase in the Group's CPO production, the outlook for the financial year ending 30 June 2010 remains favourable.

22. 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.

23. 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 (MICPA 1371)

Company Secretaries

Kuala Lumpur
18 May 2010