

KUALA LUMPUR KEPONG BERHAD
(15043-V)
(Incorporated in Malaysia)

Condensed Consolidated Income Statement
For the first quarter ended 31 December 2005

(The figures have not been audited.)

| | Individual Quarter | | Cumulative Quarter | |
|--|-------------------------------|----------------|-------------------------------|----------------|
| | 3 months ended 31 December | | 3 months ended 31 December | |
| | 2005 | 2004 | 2005 | 2004 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| | | (Restated) | | (Restated) |
| Revenue | 1,013,722 | 1,075,289 | 1,013,722 | 1,075,289 |
| Operating expenses | (843,220) | (882,433) | (843,220) | (882,433) |
| Other operating income | 39,951 | 6,008 | 39,951 | 6,008 |
| Operating profit | 210,453 | 198,864 | 210,453 | 198,864 |
| Finance cost | (2,185) | (1,939) | (2,185) | (1,939) |
| Share of results of associated companies | 6,053 | 7,926 | 6,053 | 7,926 |
| Profit before taxation | 214,321 | 204,851 | 214,321 | 204,851 |
| Tax expense | (42,346) | (46,174) | (42,346) | (46,174) |
| Profit after taxation | 171,975 | 158,677 | 171,975 | 158,677 |
| Minority interests | (1,731) | (3,478) | (1,731) | (3,478) |
| Net profit for the period | <u>170,244</u> | <u>155,199</u> | <u>170,244</u> | <u>155,199</u> |
| | Sen | Sen | Sen | Sen |
| Earnings per share - Basic | <u>23.98</u> | <u>21.86</u> | <u>23.98</u> | <u>21.86</u> |
| - Diluted | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> | <u>N/A</u> |

N/A - Not applicable

The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the year ended 30 September 2005.

KUALA LUMPUR KEPONG BERHAD
(15043-V)
(Incorporated in Malaysia)

Condensed Consolidated Balance Sheet

As at 31 December 2005

(The figures have not been audited.)

| | 31 December 2005 | 30 September 2005 |
|---|---------------------|----------------------|
| | RM'000 | RM'000 |
| | | (Restated) |
| Property, plant and equipment | 2,537,084 | 2,487,297 |
| Land held for property development | 194,441 | 194,839 |
| Associated companies | 142,729 | 135,803 |
| Other investments | 465,231 | 466,766 |
| Deferred tax assets | 9,650 | 8,664 |
| Intangible assets | 17,274 | 17,661 |
| Goodwill on consolidation | 60,369 | 60,369 |
| | 3,426,778 | 3,371,399 |
| Current assets | | |
| Inventories | 592,402 | 614,152 |
| Trade and other receivables | 661,912 | 550,558 |
| Property development costs | 22,852 | 25,950 |
| Cash and cash equivalents | 648,439 | 644,754 |
| | 1,925,605 | 1,835,414 |
| Current liabilities | | |
| Trade and other payables | 337,222 | 335,625 |
| Borrowings | 111,105 | 183,387 |
| Finance leases | 130 | 159 |
| Taxation | 31,412 | 22,810 |
| | 479,869 | 541,981 |
| Net current assets | 1,445,736 | 1,293,433 |
| | 4,872,514 | 4,664,832 |
| Share capital | 712,516 | 712,516 |
| Reserves | 3,737,509 | 3,549,471 |
| | 4,450,025 | 4,261,987 |
| Less: Cost of treasury shares | (13,447) | (13,447) |
| Shareholders' equity | 4,436,578 | 4,248,540 |
| Minority interests | 148,305 | 145,965 |
| Long term and deferred liabilities | | |
| Deferred tax liabilities | 163,931 | 158,741 |
| Provision for retirement benefits | 41,488 | 41,878 |
| Borrowings | 82,173 | 69,648 |
| Finance leases | 39 | 60 |
| | 287,631 | 270,327 |
| | 4,872,514 | 4,664,832 |
| Net assets per share (RM) | 6.25 | 5.98 |
| Net tangible assets per share (RM) | 6.14 | 5.87 |

The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the year ended 30 September 2005.

KUALA LUMPUR KEPONG BERHAD
(15043-V)
(Incorporated in Malaysia)

Condensed Consolidated Statement of Changes in Equity
For the first quarter ended 31 December 2005
(The figures have not been audited.)

| | Share capital | Capital reserve | Revaluation reserve | Capital redemption reserve | Exchange fluctuation reserve | General reserve | Revenue reserve | Treasury shares | Total |
|--|-----------------------|-------------------------|------------------------|----------------------------------|------------------------------------|----------------------|-------------------------|------------------------|-------------------------|
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| At 1 October 2005 as previously stated | 712,516 | 1,217,892 | 48,231 | 26,517 | 46,558 | 14,337 | 2,173,863 | (13,447) | 4,226,467 |
| Effect of adopting FRS 121 | - | - | - | - | 107,709 | - | (85,636) | - | 22,073 |
| As restated | <u>712,516</u> | <u>1,217,892</u> | <u>48,231</u> | <u>26,517</u> | <u>154,267</u> | <u>14,337</u> | <u>2,088,227</u> | <u>(13,447)</u> | <u>4,248,540</u> |
| Net (loss)/gain not recognised in the income statement | - | (45) | - | - | 17,818 | - | 21 | - | 17,794 |
| Net profit for the period | - | - | - | - | - | - | 170,244 | - | 170,244 |
| Transfer from revenue reserve to capital reserve | - | 37,475 | - | - | - | - | (37,475) | - | - |
| At 31 December 2005 | <u><u>712,516</u></u> | <u><u>1,255,322</u></u> | <u><u>48,231</u></u> | <u><u>26,517</u></u> | <u><u>172,085</u></u> | <u><u>14,337</u></u> | <u><u>2,221,017</u></u> | <u><u>(13,447)</u></u> | <u><u>4,436,578</u></u> |
| At 1 October 2004 as previously stated | 712,516 | 1,195,172 | 49,745 | 14,867 | 96,357 | 14,337 | 1,952,115 | (13,447) | 4,021,662 |
| Effect of adopting FRS 121 | - | - | - | - | 118,153 | - | (93,978) | - | 24,175 |
| As restated | <u>712,516</u> | <u>1,195,172</u> | <u>49,745</u> | <u>14,867</u> | <u>214,510</u> | <u>14,337</u> | <u>1,858,137</u> | <u>(13,447)</u> | <u>4,045,837</u> |
| Net gain not recognised in the income statement | - | - | - | - | 22,296 | - | 56 | - | 22,352 |
| Net profit for the period | - | - | - | - | - | - | 155,199 | - | 155,199 |
| Transfer from capital reserve to revenue reserve | - | (1,263) | - | - | - | - | 1,263 | - | - |
| At 31 December 2004 | <u><u>712,516</u></u> | <u><u>1,193,909</u></u> | <u><u>49,745</u></u> | <u><u>14,867</u></u> | <u><u>236,806</u></u> | <u><u>14,337</u></u> | <u><u>2,014,655</u></u> | <u><u>(13,447)</u></u> | <u><u>4,223,388</u></u> |

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 September 2005.

KUALA LUMPUR KEPONG BERHAD
(15043-V)
(Incorporated in Malaysia)

Condensed Consolidated Cash Flow Statement
For the first quarter ended 31 December 2005
(The figures have not been audited.)

| | 3 months ended 31 December | |
|---|-------------------------------|------------------------------|
| | 2005 RM'000 | 2004 RM'000 (Restated) |
| Cash Flows from Operating Activities | | |
| Profit before taxation | 214,321 | 204,851 |
| Adjustment for non-cash flow :- | | |
| Non-cash items | (11,371) | 19,010 |
| Non-operating items | (3,740) | (3,116) |
| Operating profit before working capital changes | <u>199,210</u> | <u>220,745</u> |
| Working capital changes :- | | |
| Net change in current assets | (83,679) | (70,806) |
| Net change in current liabilities | 1,599 | (9,528) |
| Cash generated from operations | <u>117,130</u> | <u>140,411</u> |
| Interest paid | (2,142) | (2,012) |
| Tax paid | (29,956) | (28,831) |
| Retirement benefit paid | (242) | (290) |
| Net cash generated from operating activities | <u><u>84,790</u></u> | <u><u>109,278</u></u> |
| Cash Flow from Investing Activities | | |
| Equity investments | 2,241 | (34,290) |
| Other investments | (23,529) | (43,023) |
| Net cash used in investing activities | <u><u>(21,288)</u></u> | <u><u>(77,313)</u></u> |
| Cash Flow from Financing Activities | | |
| Bank borrowings | (43,628) | (11,394) |
| Issue of shares to minority shareholder | 56 | 2,982 |
| Net cash used in financing activities | <u><u>(43,572)</u></u> | <u><u>(8,412)</u></u> |
| Net increase in cash and cash equivalents | 19,930 | 23,553 |
| Cash and cash equivalents at 1 October | <u>615,439</u> | <u>611,261</u> |
| | 635,369 | 634,814 |
| Foreign exchange difference on opening balance | (1,173) | (4,449) |
| Cash and cash equivalents at 31 December | <u><u>634,196</u></u> | <u><u>630,365</u></u> |

The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the year ended 30 September 2005.

KUALA LUMPUR KEPONG BERHAD
(15043-V)
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Notes to Interim Financial Report

A Explanatory Notes as required by FRS 134₂₀₀₄

A1. Accounting Policies

The interim financial report is unaudited and has been prepared in compliance with FRS 134₂₀₀₄ *Interim Financial Reporting*.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the financial statements for the year ended 30 September 2005 except for the early adoption of FRS 121 *The Effects of Changes in Foreign Exchange Rates* whereby comparative figures have been restated to reflect the adoption of this standard.

This change in accounting policy, applied retrospectively, has the following impact on the results as follows :-

| | 3 months ended 31 December | |
|---|-------------------------------|----------------|
| | 2005 RM'000 | 2004 RM'000 |
| Net profit before change in accounting policy | 170,178 | 155,329 |
| Effect of adopting FRS 121 | 66 | (130) |
| Net profit for the period | 170,244 | 155,199 |

The following comparative figures have been restated to reflect the adoption of FRS 121 :-

| | 3 months ended 31 December 2004 | | |
|---|--------------------------------------|--|--------------------------|
| | As previously stated RM'000 | Effect of Change in Policy RM'000 | As Restated RM'000 |
| Condensed Consolidated Income Statement | | | |
| Operating expenses | 882,637 | (204) | 882,433 |
| Tax expense | 45,840 | 334 | 46,174 |
| | 19,214 | (204) | 19,010 |
| Condensed Consolidated Cash Flow Statement | | | |
| Non-cash items | 19,214 | (204) | 19,010 |
| | 21.88 | (0.02) | 21.86 |
| Earnings per share | 21.88 | (0.02) | 21.86 |

| | As at 30 September 2005 | | |
|--------------------------------------|----------------------------|----------------------------------|----------------|
| | As previously stated | Effect of Change in Policy | As Restated |
| | RM'000 | RM'000 | RM'000 |
| Condensed Consolidated Balance Sheet | | | |
| Reserves | 3,527,398 | 22,073 | 3,549,471 |
| Deferred tax liabilities | 180,814 | (22,073) | 158,741 |
| | RM | RM | RM |
| Net tangible assets per share | 5.84 | 0.03 | 5.87 |

A2. Audit Report

The audit report for the financial year ended 30 September 2005 was not subject to any qualifications.

A3. Seasonal and Cyclical Factors

The Group's plantation operations are affected by seasonal crop production, weather conditions and fluctuating commodity prices. The business of its retailing sector is subject to seasonal sales.

A4. Unusual Items

There were no items affecting the assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence.

A5. Changes in Estimates

There were no significant changes in the amount of estimates reported in prior interim periods or prior financial years that have a material effect in the current interim period.

A6. Issuance or Repayment of Debts and Equity Securities

There were no issuance and repayment of debts and equity securities, share buy-backs, share cancellation, shares held as treasury shares or resale of treasury shares for the current financial year to-date.

A7. Dividends Paid

There were no dividend paid during the financial quarter ended 31 December 2005 (31 December 2004 : Nil).

A8. Segment Information

Segment information is presented in respect of the Group's business segments. Inter-segment pricing is determined based on current market prices.

| | 3 months ended 31 December | | | |
|--|----------------------------|------------------|-------------------|----------------|
| | Revenue | | Profit before tax | |
| | 2005 | 2004 | 2005 | 2004 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| | | | | (Restated) |
| Plantation | 394,387 | 431,003 | 99,379 | 120,422 |
| Manufacturing | 298,757 | 366,706 | 9,074 | 22,765 |
| Retailing | 302,709 | 296,076 | 53,363 | 49,195 |
| Property development | 20,058 | 3,530 | 5,384 | 536 |
| Investment holding | 6,939 | 20,545 | 5,925 | 5,055 |
| Others | 12,541 | 9,338 | 2,887 | 1,403 |
| | <u>1,035,391</u> | <u>1,127,198</u> | <u>176,012</u> | <u>199,376</u> |
| Inter-segment elimination | <u>(21,669)</u> | <u>(51,909)</u> | - | - |
| | <u>1,013,722</u> | <u>1,075,289</u> | 176,012 | 199,376 |
| Corporate | | | 34,441 | (512) |
| | | | <u>210,453</u> | <u>198,864</u> |
| Finance cost | | | (2,185) | (1,939) |
| Share of results of associated companies | | | 6,053 | 7,926 |
| | | | <u>214,321</u> | <u>204,851</u> |

A9. Valuations of Property, Plant and Equipment

The valuations of land and plantation development have been brought forward without amendment from the previous financial statement.

A10. Events subsequent to Balance Sheet Date

- (a) The Company has completed the acquisition of a 51% equity stake in Davos Life Science Pte Ltd, comprising of 306,001 fully paid-up ordinary shares of USD1.00 each, from Capital Bliss Investments Limited for a cash consideration of USD15,306,000.
- (b) On 6 December 2005, the Company entered into a conditional share sale agreement with Knoxfield Sdn Bhd, a wholly-owned subsidiary of Bolton Berhad, to acquire 13,989,300 ordinary shares of RM1.00 each in Stolthaven (Westport) Sdn Bhd, representing an equity interest of 51% therein, for a cash consideration of RM12,316,500.

This transaction was completed on 10 February 2006.

- (c) On 11 January 2006, a wholly-owned subsidiary company, KL-Kepong Plantation Holdings Sdn Bhd, entered into a conditional agreement with Delta Rank International Limited ("the Vendor"), a company incorporated in the British Virgin Islands, to acquire the entire issued and paid-up share capitals of Tri-Force Element Inc ("TFE") and Double Jump Limited ("DJL") (hereinafter collectively referred to as "the Companies"), comprising of one ordinary share of USD1.00 in each of the Companies, for a total cash purchase consideration of RM22,000,000 ("the Proposed Acquisition").

The purchase considerations consist of RM11,600,000 for TFE and RM10,400,000 for DJL.

The Companies are investment holding companies and their sole investment is in PT Jabontara Eka Karsa ("Jabon"), a company incorporated in the Republic of Indonesia in which TFE owns a 50% equity interest and DJL owns a 45% equity interest.

Jabon is a plantation company which owns approximately 14,086 hectares of land with *Hak Guna Usaha* Titles in Berau, East Kalimantan, Indonesia intended for development into oil palm plantation. Approximately 1,300 hectares of the said land has been planted over the years 1996-2000 with oil palms but these areas will require rehabilitation.

The Proposed Acquisition is subject to, inter-alia, the approval of Bank Negara Malaysia for payment and remittance of the purchase consideration.

- (d) The Company entered into an agreement on 27 December 2005 with Cessna Aircraft Company, USA, the manufacturer, to purchase a new 7-seater Citation Bravo Model 550 aircraft. The purchase consideration is USD5,495,000 for the new Bravo and USD551,145 for the optional equipment. Delivery of the aircraft is expected to be in August 2006.

A11. Changes in the Composition of the Group

There were no changes in the composition of the Group arising from business combinations, acquisition or disposal of subsidiary companies and long term investments, restructurings and discontinued operations for the current quarter under review.

A12. Changes in Contingent Liabilities and Contingent Assets

There were no contingent liabilities or contingent assets since the last annual balance sheet date.

B Explanatory Notes as required by the BMSB Revised Listing Requirements

B1. Review of Performance

The Group's profit before taxation for the 1st quarter rose 4.6% to RM214.3 million when compared to the preceding year's same quarter. Despite lower plantation profit owing to lower palm product prices and reduced contribution from manufacturing sector, the quarter's improved results came from the surplus arising from Government acquisition of land and better results from the retailing and property sectors.

B2. Variation of Results to Preceding Quarter

For the quarter under review, the Group posted a pre-tax profit of RM214.3 million, an increase of 49.8% over that of the previous quarter. The retailing sector recorded higher earnings due to higher seasonal sales and Government acquisition of land resulted in a surplus of RM35.7 million. However, contributions from plantation and manufacturing sectors and from dividend income were lower.

B3. Current Year Prospects

Plantation profits should be supported by prevailing commodity prices and expected higher FFB production. While the manufacturing sector may face competitive market conditions, the Directors are of the opinion that the Group's results for the current financial year would be satisfactory.

B4. Profit Forecast and Profit Guarantee

The Group did not issue any profit forecast or profit guarantee during the current financial year to-date.

B5. Tax Expense

| | <u>Individual Quarter</u> | | <u>Cumulative Quarter</u> | |
|--|---------------------------|---------------|---------------------------|---------------|
| | <u>3 months ended</u> | | <u>3 months ended</u> | |
| | <u>31 December</u> | | <u>31 December</u> | |
| | 2005 | 2004 | 2005 | 2004 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Current tax expense | | (Restated) | | (Restated) |
| Malaysian taxation | 27,538 | 27,880 | 27,538 | 27,880 |
| Overseas taxation | 9,511 | 7,972 | 9,511 | 7,972 |
| | <u>37,049</u> | <u>35,852</u> | <u>37,049</u> | <u>35,852</u> |
| Deferred tax relating to origination of temporary differences | 3,614 | 8,101 | 3,614 | 8,101 |
| | <u>40,663</u> | <u>43,953</u> | <u>40,663</u> | <u>43,953</u> |
| (Over)/Under provision in respect of previous years | | | | |
| Malaysian taxation | - | (136) | - | (136) |
| Overseas taxation | - | 178 | - | 178 |
| | <u>-</u> | <u>42</u> | <u>-</u> | <u>42</u> |
| | <u>40,663</u> | <u>43,995</u> | <u>40,663</u> | <u>43,995</u> |
| Share of associated companies' taxation | 1,683 | 2,179 | 1,683 | 2,179 |
| | <u>42,346</u> | <u>46,174</u> | <u>42,346</u> | <u>46,174</u> |

The effective tax rates for the current quarter and year to-date are lower than the statutory tax rate due principally to tax exempt income received and utilization of previously unrecognized tax losses.

B6. Sale of Unquoted Investments and Properties

(a) There was no sale of unquoted investments during the financial quarter ended 31 December 2005 (31 December 2004 : Nil).

(b) Sale of properties

| | <u>Individual Quarter</u> | | <u>Cumulative Quarter</u> | |
|---|---------------------------|--------------|---------------------------|--------------|
| | <u>3 months ended</u> | | <u>3 months ended</u> | |
| | <u>31 December</u> | | <u>31 December</u> | |
| | 2005 | 2004 | 2005 | 2004 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Surplus arising from government acquisitions of land | 35,692 | 1,259 | 35,692 | 1,259 |
| | <u>35,692</u> | <u>1,259</u> | <u>35,692</u> | <u>1,259</u> |

B7. Quoted Securities

(a) Purchases and sales of quoted securities other than securities in existing subsidiaries for the current quarter and financial year to-date :-

| | Individual Quarter | | Cumulative Quarter | |
|--|--------------------|----------------|--------------------|----------------|
| | 3 months ended | | 3 months ended | |
| | 31 December | | 31 December | |
| | 2005 | 2004 | 2005 | 2004 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Purchases of quoted securities | <u>4,809</u> | <u>59,259</u> | <u>4,809</u> | <u>59,259</u> |
| Sales proceeds of quoted securities | <u>8,155</u> | <u>7,562</u> | <u>8,155</u> | <u>7,562</u> |
| Surplus/(Loss) on sales of quoted securities | <u>1,783</u> | <u>(2,522)</u> | <u>1,783</u> | <u>(2,522)</u> |

(b) Investments in quoted securities other than securities in existing subsidiaries as at end of the reporting period were as follows :-

| | 31 December 2005 RM'000 | 30 September 2005 RM'000 |
|----------------------------------|-------------------------------|--------------------------------|
| At cost | | |
| Associated companies | 40,504 | 40,366 |
| Other investments | <u>460,423</u> | <u>461,855</u> |
| | <u>500,927</u> | <u>502,221</u> |
| At carrying value less allowance | | |
| Associated companies | 13,851 | 13,748 |
| Other investments | <u>460,423</u> | <u>461,855</u> |
| | <u>474,274</u> | <u>475,603</u> |
| At market value | | |
| Associated companies | 7,834 | 7,794 |
| Other investments | <u>632,312</u> | <u>647,904</u> |
| | <u>640,146</u> | <u>655,698</u> |

B8. Status of Corporate Proposals Announced

There were no corporate proposals announced.

B9. Group Borrowings

As at the end of the reporting period, the Group's borrowings were as follows :-

| | 31 December 2005 | | 30 September 2005 | |
|-----------------------------------|------------------|--|-------------------|--|
| | RM'000 | Amount in Foreign Currency '000 | RM'000 | Amount in Foreign Currency '000 |
| (a) Repayable within 12 months :- | | | | |
| (i) Term Loans | | | | |
| - Secured | 4,796 | GBP736 | 3,398 | GBP512 |
| | 1,565 | CAD482 | 1,551 | CAD482 |
| | 4,884 | HKD10,000 | 2,432 | HKD5,000 |
| | 1,643 | Rmb3,500 | - | |
| | <u>12,888</u> | | <u>7,381</u> | |
| - Unsecured | 36,615 | USD9,670 | 67,243 | USD17,835 |
| | 33,494 | GBP5,141 | 54,089 | GBP8,141 |
| | 6,543 | HKD13,400 | 5,679 | HKD11,700 |
| | - | | 5,299 | AUD1,850 |
| | 4,695 | Rmb10,000 | 4,666 | Rmb10,000 |
| | <u>81,347</u> | | <u>136,976</u> | |
| | <u>94,235</u> | | <u>144,357</u> | |
| (ii) Bank Overdraft | | | | |
| - Secured | - | | 6,821 | CAD2,120 |
| | - | | 1,643 | HKD3,382 |
| | - | | <u>8,464</u> | |
| - Unsecured | 9,792 | USD2,587 | 9,541 | USD2,532 |
| | 2,503 | GBP384 | 10,509 | GBP1,582 |
| | 977 | HKD2,001 | 801 | HKD1,649 |
| | 971 | | - | |
| | <u>14,243</u> | | <u>20,851</u> | |
| | <u>14,243</u> | | <u>29,315</u> | |
| (iii) Short Term Borrowing | | | | |
| - Unsecured | <u>2,627</u> | | <u>9,715</u> | |
| Total repayable within 12 months | <u>111,105</u> | | <u>183,387</u> | |
| (b) Repayable after 12 months :- | | | | |
| Term Loans | | | | |
| - Secured | 489 | CAD151 | 943 | CAD293 |
| | 4,560 | GBP700 | 6,989 | GBP1,052 |
| | <u>5,049</u> | | <u>7,932</u> | |
| - Unsecured | <u>77,124</u> | USD20,364 | <u>61,716</u> | USD16,345 |
| Total repayable after 12 months | <u>82,173</u> | | <u>69,648</u> | |

B10. Financial Instruments with Off Balance Sheet Risk

The forward exchange contracts entered into by the Group as at 15 February 2006 (being a date not earlier than 7 days from the date of this report) were as follows :-

| | <u>Currency</u> | <u>Contract Amount</u> Million | <u>Equivalent Amount</u> RM million | <u>Mature within One Year</u> RM million | <u>Mature in the Second Year</u> RM million |
|------------------------|-----------------|-----------------------------------|--|---|--|
| (a) Sale contracts | GBP | 3.5 | 23.0 | 23.0 | - |
| | AUD | 1.6 | 4.4 | 4.4 | - |
| | NZD | 1.3 | 3.5 | 3.5 | - |
| | EURO | 10.6 | 48.4 | 48.4 | - |
| | USD | 120.2 | 450.3 | 444.0 | 6.3 |
| (b) Purchase contracts | GBP | 2.1 | 13.9 | 13.9 | - |
| | EURO | 3.0 | 13.7 | 13.7 | - |
| | USD | 0.5 | 1.7 | 1.7 | - |
| | CHF | 1.3 | 3.7 | 3.7 | - |

The contracts were entered into by the Group as hedges for committed sales and purchases denominated in foreign currencies. The hedging of the foreign currencies is to minimise the exposure of the Group to fluctuations in foreign exchange on receipts and payments.

The transactions in foreign currencies which are hedged by forward foreign exchange contracts are recorded in the book at the contracted rates. Any gains or losses arising from forward contracts are recognised in the Income Statement upon maturity.

There is minimal credit risk for the forward foreign exchange contracts because these contracts are entered into with licensed financial institutions.

B11. Material Litigation

The following matters reported in the last quarterly report came up for trial at the High Court from 1 to 5 August 2005 :-

- (a) the interim injunction by Glamour Green Sdn Bhd against the Company and its wholly-owned subsidiary, Ablington Holdings Sdn Bhd ("AHSB"), restraining Ambank Berhad, the Company and AHSB from dealing with the 35,000,000 Ladang Perbadanan-Fima Berhad ("LPF") shares which AHSB acquired on 14 December 2004, and AHSB from continuing with the mandatory general offer; and
- (b) the Company's and AHSB's interim order from the High Court of Malaya for the preservation of assets in LPF.

The next Court hearing is fixed for 23 February 2006.

B12. Dividend

- (a) The Directors do not recommend the payment of dividend for the first quarter ended 31 December 2005 (31 December 2004 : Nil).
- (b) The total dividend for the current financial year is Nil (2004 : Nil).

B13. Earnings Per Share

Basic earnings per share

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

| | <u>Individual Quarter</u> | | <u>Cumulative Quarter</u> | |
|--|---------------------------|------------------------------|---------------------------|------------------------------|
| | 3 months ended | | 3 months ended | |
| | 31 December | | 31 December | |
| | 2005 | 2004 | 2005 | 2004 |
| (a) Net profit for the period (RM'000) | <u>170,244</u> | <u>155,199</u> (Restated) | <u>170,244</u> | <u>155,199</u> (Restated) |
| (b) Weighted average number of shares | <u>709,977,128</u> | <u>709,977,128</u> | <u>709,977,128</u> | <u>709,977,128</u> |
| (c) Earnings per share (sen) | <u>23.98</u> | <u>21.86</u> | <u>23.98</u> | <u>21.86</u> |

By Order of the Board
J. C. LIM
FAN CHEE KUM
Company Secretaries

22 February 2006