

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

**Condensed Consolidated Income Statement**  
**For the year ended 30 September 2008**

(The figures have not been audited.)

	Individual Quarter		Cumulative Quarter	
	3 months ended 30 September		12 months ended 30 September	
	2008	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
Revenue	2,151,296	1,509,056	7,855,425	5,067,627
Operating expenses	(1,780,852)	(1,241,241)	(6,572,497)	(4,289,081)
Other operating income	2,679	59,155	184,521	112,152
Finance costs	(17,989)	(12,471)	(64,200)	(36,139)
Share of results of associates	13,262	12,572	42,232	31,899
Profit before taxation	368,396	327,071	1,445,481	886,458
Tax expense	(95,223)	(54,673)	(355,976)	(172,009)
Net profit for the period	<u>273,173</u>	<u>272,398</u>	<u>1,089,505</u>	<u>714,449</u>
Attributable to :-				
Equity holders of the Company	267,502	263,336	1,040,653	694,154
Minority interests	5,671	9,062	48,852	20,295
	<u>273,173</u>	<u>272,398</u>	<u>1,089,505</u>	<u>714,449</u>
	Sen	Sen	Sen	Sen
Earnings per share - Basic	<u>25.12</u>	<u>24.73</u>	<u>97.72</u>	<u>65.18</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 2007.*

**KUALA LUMPUR KEPONG BERHAD**  
**(15043-V)**  
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**Condensed Consolidated Balance Sheet**  
**As at 30 September 2008**  
(The figures have not been audited.)

	30 September 2008	30 September 2007
	<u>RM'000</u>	<u>RM'000</u>
<b>Assets</b>		
Property, plant and equipment	2,372,018	2,093,208
Investment properties	5,137	5,188
Prepaid lease payments	347,725	242,809
Biological assets	1,426,545	1,189,512
Land held for property development	195,378	194,735
Goodwill on consolidation	255,940	264,698
Intangible assets	37,656	44,789
Investments in associates	258,495	172,455
Other investments	288,770	438,705
Deferred tax assets	6,888	11,634
Total non-current assets	<u>5,194,552</u>	<u>4,657,733</u>
Inventories	1,219,972	982,655
Biological assets	3,647	3,227
Trade and other receivables	902,461	837,042
Tax recoverable	7,462	15,032
Property development costs	22,445	11,969
Cash and cash equivalents	1,159,705	495,634
Total current assets	<u>3,315,692</u>	<u>2,345,559</u>
<b>Total assets</b>	<b><u>8,510,244</u></b>	<b><u>7,003,292</u></b>
<b>Equity</b>		
Share capital	1,067,505	1,067,505
Reserves	4,483,036	3,864,995
	<u>5,550,541</u>	<u>4,932,500</u>
Less: Cost of treasury shares	(13,447)	(13,447)
Total equity attributable to equity holders of the Company	<u>5,537,094</u>	<u>4,919,053</u>
Minority interests	202,913	176,159
<b>Total equity</b>	<b><u>5,740,007</u></b>	<b><u>5,095,212</u></b>
<b>Liabilities</b>		
Deferred tax liabilities	220,278	195,218
Provision for retirement benefits	27,136	32,951
Borrowings	920,844	566,893
Total non-current liabilities	<u>1,168,258</u>	<u>795,062</u>
Trade and other payables	657,279	563,777
Borrowings	858,991	493,919
Tax payable	85,709	55,322
Total current liabilities	<u>1,601,979</u>	<u>1,113,018</u>
<b>Total liabilities</b>	<b><u>2,770,237</u></b>	<b><u>1,908,080</u></b>
<b>Total equity and liabilities</b>	<b><u>8,510,244</u></b>	<b><u>7,003,292</u></b>
Net assets per share attributable to equity holders of the Company (RM)	5.20	4.62

*The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the year ended 30 September 2007.*

**KUALA LUMPUR KEPONG BERHAD**  
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**Condensed Consolidated Statement of Changes in Equity**  
**For the year ended 30 September 2008**  
(The figures have not been audited.)

	← Attributable to the equity holders of the Company →									
	Share capital	Capital reserve	Revaluation reserve	Capital redemption reserve	Exchange fluctuation reserve	Retained earnings	Treasury shares	Total	Minority Interests	Total Equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 October 2007	1,067,505	876,144	49,655	29,714	141,309	2,768,173	(13,447)	4,919,053	176,159	5,095,212
Net (loss)/gain not recognised in the income statement	-	31	104	1,000	10,319	(625)	-	10,829	1,734	12,563
Net profit for the year	-	-	-	-	-	1,040,653	-	1,040,653	48,852	1,089,505
Dividends paid	-	-	-	-	-	(433,441)	-	(433,441)	-	(433,441)
Dividends paid to minority shareholders	-	-	-	-	-	-	-	-	(23,832)	(23,832)
Transfer to retained earnings on disposal of subsidiaries	-	-	-	(3,000)	-	3,000	-	-	-	-
Arising from liquidation of a subsidiary	-	(223)	-	-	-	223	-	-	-	-
At 30 September 2008	<u>1,067,505</u>	<u>875,952</u>	<u>49,759</u>	<u>27,714</u>	<u>151,628</u>	<u>3,377,983</u>	<u>(13,447)</u>	<u>5,537,094</u>	<u>202,913</u>	<u>5,740,007</u>
At 1 October 2006	712,516	1,231,792	47,772	26,517	185,116	2,363,130	(13,447)	4,553,396	168,795	4,722,191
Net (loss)/gain not recognised in the income statement	-	(659)	2,200	3,197	(43,807)	(4,373)	-	(43,442)	1,433	(42,009)
Net profit for the year	-	-	-	-	-	694,154	-	694,154	20,295	714,449
Dividends paid	-	-	-	-	-	(285,055)	-	(285,055)	-	(285,055)
Dividends paid to minority shareholders	-	-	-	-	-	-	-	-	(14,364)	(14,364)
Bonus issue	354,989	(354,989)	-	-	-	-	-	-	-	-
Realisation of revaluation reserve on disposal of land	-	-	(317)	-	-	317	-	-	-	-
At 30 September 2007	<u>1,067,505</u>	<u>876,144</u>	<u>49,655</u>	<u>29,714</u>	<u>141,309</u>	<u>2,768,173</u>	<u>(13,447)</u>	<u>4,919,053</u>	<u>176,159</u>	<u>5,095,212</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 2007.*

**KUALA LUMPUR KEPONG BERHAD**  
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**Condensed Consolidated Cash Flow Statement**  
**For the year ended 30 September 2008**  
(The figures have not been audited.)

	12 months ended	
	30 September	
	2008	2007
	RM'000	RM'000
<b>Cash Flows from Operating Activities</b>		
Profit before taxation	1,445,481	886,458
Adjustment for non-cash flow :-		
Non-cash items	217,501	42,893
Non-operating items	(1,491)	(7,046)
Operating profit before working capital changes	1,661,491	922,305
Working capital changes :-		
Net change in current assets	(518,020)	(274,434)
Net change in current liabilities	47,590	(10,544)
Cash generated from operations	1,191,061	637,327
Interest paid	(57,831)	(30,202)
Tax paid	(298,523)	(153,315)
Retirement benefit paid	(5,279)	(2,212)
Net cash generated from operating activities	<u>829,428</u>	<u>451,598</u>
<b>Cash Flow from Investing Activities</b>		
Equity investments	(184,962)	(374,486)
Other investments	(364,369)	(422,492)
Net cash used in investing activities	<u>(549,331)</u>	<u>(796,978)</u>
<b>Cash Flow from Financing Activities</b>		
Bank borrowings	838,756	673,879
Dividends paid to shareholders of the Company	(433,441)	(285,055)
Dividends paid to minority shareholders	(23,832)	(14,364)
Issue of shares to minority shareholder	3,747	1,752
Return of capital to minority shareholders	(6,721)	-
Net cash generated from financing activities	<u>378,509</u>	<u>376,212</u>
Net increase in cash and cash equivalents	658,606	30,832
Cash and cash equivalents at 1 October	472,323	440,702
	1,130,929	471,534
Foreign exchange difference on opening balance	2,033	789
Cash and cash equivalents at 30 September	<u>1,132,962</u>	<u>472,323</u>

*The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the year ended 30 September 2007.*

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**Notes to Interim Financial Report**

A Explanatory Notes as required by FRS 134

A1. Accounting Policies

The interim financial report is unaudited and has been prepared in compliance with Financial Reporting Standard ("FRS") 134 *Interim Financial Reporting*, issued by the Malaysian Accounting Standards Board and paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements for the year ended 30 September 2007, except for the adoption of the following FRSs, Amendments to FRS and Issue Committee ("IC") Interpretations which became effective for financial periods beginning on or after 1 July 2007:-

Amendment to FRS 121 *The Effects of Changes in Foreign Exchange Rates – Net Investment in a Foreign Operation*

IC Interpretation 1 *Changes in Existing Decommissioning, Restoration and Similar Liabilities*

IC Interpretation 2 *Members' Shares in Co-operative Entities and Similar Instruments*

IC Interpretation 5 *Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds*

IC Interpretation 6 *Liabilities arising from Participating in a Specific Market – Waste Electrical and Electronic Equipment*

IC Interpretation 7 *Applying the Restatement Approach under FRS 129<sub>2004</sub> Financial Reporting in Hyperinflationary Economies*

IC Interpretation 8 *Scope of FRS 2*

FRS 107 *Cash Flow Statements*

FRS 111 *Construction Contracts*

FRS 112 *Income Taxes*

FRS 118 *Revenue*

FRS 120 *Accounting for Government Grants and Disclosure of Government Assistance*

FRS 134 *Interim Financial Reporting*

FRS 137 *Provisions, Contingent Liabilities and Contingent Assets*

The adoption of the above FRSs, Amendments to FRS and IC Interpretations does not have any significant financial impact on the Group.

A2. 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.

A3. 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.

A4. 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.

A5. 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.

A6. Dividends Paid

	12 months ended 30 September	
	2008	2007
	RM'000	RM'000
Interim 15 sen (2007 - 10 sen) per share less tax	118,211	77,742
Dividends proposed in Year 2007, paid in Year 2008 :-		
Final 40 sen (2006 - 10 sen) per share less tax	315,230	51,828
Special Nil sen (2006 - 30 sen) per share less tax	-	155,485
	<u>433,441</u>	<u>285,055</u>

A7. Segment Information

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

	12 months ended 30 September			
	Revenue		Profit before tax	
	2008	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
Plantation	4,273,761	2,319,654	1,328,623	677,611
Manufacturing	3,252,330	2,056,056	117,044	61,624
Retailing	703,652	779,057	(4,259)	14,354
Property development	42,164	63,868	11,741	12,056
Investment holding	86,782	53,528	65,691	43,185
Others	69,047	30,338	(3,065)	(912)
	<u>8,427,736</u>	<u>5,302,501</u>	<u>1,515,775</u>	<u>807,918</u>
Inter-segment elimination	<u>(572,311)</u>	<u>(234,874)</u>	-	-
	<u>7,855,425</u>	<u>5,067,627</u>	<u>1,515,775</u>	<u>807,918</u>
Corporate			<u>(48,326)</u>	<u>82,780</u>
			<u>1,467,449</u>	<u>890,698</u>
Finance costs			<u>(64,200)</u>	<u>(36,139)</u>
Share of results of associates			<u>42,232</u>	<u>31,899</u>
			<u>1,445,481</u>	<u>886,458</u>

A8. Event subsequent to Balance Sheet Date

KL-Kepong Plantation Holdings Sdn Bhd ("KLKPH"), a wholly-owned subsidiary, has on 21 October 2008 entered into an Agreement for the Sale and Purchase of Shares with a Mauritian company known as Forever Green Venture Ltd ("FGVL") whereby KLKPH will acquire from FGVL 17% of the issued and paid-up share capital of PT Sekarbumi Alamlestari ("PT SA") consisting of 9,860 shares of Rupiah one million each ("the Sale Shares"). The total cash purchase consideration for the Sale Shares is USD12.9 million.

The Group has an existing 48% interest in the issued and paid-up share capital of PT SA. Upon completion of the Proposed Acquisition, PT SA will become a subsidiary of the Group.

The Proposed Acquisition is subject to the approvals from the relevant authorities.

A9. Changes in the Composition of the Group

(a) The compulsory acquisition by Ablington Holdings Sdn Bhd, a wholly-owned subsidiary of the Company, pursuant to Section 34 of the Securities Commission Act 1993, of the shares of Ladang Perbadanan-Fima Berhad ("LPF") was completed on 29 August 2008. As such, LPF is now a wholly-owned subsidiary of the Company.

(b) Scarborough & Company Limited ("Scarborough") and Crabtree & Evelyn London Limited ("C&E London"), both were dormant wholly-owned subsidiaries of CE Holdings Ltd, applied to the Companies House, London, United Kingdom to strike off their names from the register of the Companies. The striking-off process was completed, and Scarborough and C&E London ceased as subsidiaries of the Group.

A10. 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 quarter under review was up 12.6% at RM368.4 million compared to last year's same quarter. Plantations profit registered a steep rise owing to higher commodity prices and FFB production. However, manufacturing sector achieved a lower profit and retailing sector incurred a loss. Allowances were made for the diminution in value of overseas quoted investments totalling RM18.2 million.

For the financial year 2008, the Group's pre-tax profit climbed 63.1% to RM1.45 billion from that of the previous year. Strong performance was recorded by the plantations sector achieved through favourable commodity prices and higher FFB yield. Manufacturing sector's results had also improved and the disposal of a 60% shareholding in a manufacturing subsidiary had contributed a surplus of RM86.5 million. However, the year's results was adversely impacted by the allowance of RM114.2 million for the diminution in value of overseas quoted investments and the impairment of assets and goodwill of Davos Life Science Pte Ltd ("Davos") totalling RM74.4 million.

### B2. Variation of Results to Preceding Quarter

The pre-tax profit of the Group for the 4<sup>th</sup> quarter was marginally higher at RM368.4 million compared to the preceding quarter. The plantations sector contributed a higher profit whilst the previous quarter's results was aided by the surplus on disposal of a 60% shareholding in a manufacturing subsidiary but partially off-set by the impairment of assets and goodwill of Davos.

### B3. Current Year Prospects

The Directors are of the opinion that the Group's profit for the current financial year ending 30 September 2009 would be lower than last year in view of the prevailing lower commodity prices.

### 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

	Individual Quarter		Cumulative Quarter	
	3 months ended 30 September		12 months ended 30 September	
	2008	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
Current tax expense				
Malaysian taxation	70,980	34,028	252,684	131,051
Overseas taxation	28,181	24,968	118,154	64,349
	99,161	58,996	370,838	195,400
Deferred tax				
Relating to origination of temporary differences	234	(4,804)	(3,072)	(17,512)
Relating to changes in tax rate	(321)	(334)	(10,916)	(5,129)
	(87)	(5,138)	(13,988)	(22,641)
	99,074	53,858	356,850	172,759
(Over)/Under provision in respect of previous years				
Malaysian taxation	(178)	(121)	(67)	(1,231)
Overseas taxation	(3,673)	936	(807)	481
	(3,851)	815	(874)	(750)
	95,223	54,673	355,976	172,009

The effective tax rate for the financial year to-date is lower than the statutory tax rate largely due to recognition of deferred tax assets not taken up previously, tax incentives claimed by the Company and certain subsidiaries and adjustments for the reduction in tax rates on deferred taxation.

B6. Sale of Unquoted Investments and Properties

(a) There were no material disposals of unquoted investments during the financial year ended 30 September 2008 (30 September 2007 : Nil).

(b) Sale of properties

	Individual Quarter		Cumulative Quarter	
	3 months ended 30 September		12 months ended 30 September	
	2008	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
(Deficit)/Surplus arising from government acquisition of land	(101)	(414)	2,423	22,885
(Deficit)/Surplus on sale of property	(95)	-	7,522	-

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		12 months ended	
	30 September		30 September	
	2008	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
Purchases of quoted securities	<u>4,232</u>	<u>10,716</u>	<u>27,227</u>	<u>26,851</u>
Sales proceeds of quoted securities	<u>6,679</u>	<u>1,823</u>	<u>60,182</u>	<u>60,563</u>
Surplus on sales of quoted securities	<u>3,958</u>	<u>879</u>	<u>34,093</u>	<u>26,078</u>

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

	30 September	30 September
	2008	2007
	RM'000	RM'000
At cost		
Associate	37,838	37,466
Other investments	388,588	438,001
	<u>426,426</u>	<u>475,467</u>
At carrying value less allowance		
Associate	13,551	28,045
Other investments	287,773	437,984
	<u>301,324</u>	<u>466,029</u>
At market value		
Associate	13,549	28,126
Other investments	292,021	634,490
	<u>305,570</u>	<u>662,616</u>

B8. Status of Corporate Proposals Announced

The Company has proposed to issue up to USD300 million nominal value of 5-year unsecured guaranteed exchangeable bonds ("Exchangeable Bonds") via KLK Capital Resources (L) Ltd, a wholly-owned subsidiary incorporated in the Federal Territory of Labuan. The Exchangeable Bonds may be exchangeable into new ordinary shares of RM1.00 each in the Company.

Approvals have been obtained from the relevant authorities.

The Securities Commission has via its letter dated 9 October 2008, approved an extension of time until 2 April 2009 for the implementation of the Proposed Exchangeable Bonds Issue.

B9. Group Borrowings

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

	30 September 2008		30 September 2007	
	RM'000	Amount in Foreign Currency '000	RM'000	Amount in Foreign Currency '000
(a) Repayable within 12 months :-				
(i) Term Loans				
- Secured	-		781	GBP112
	-		5,907	Rmb13,000
	-		79	CAD23
	-		2,209	HKD5,040
	-		8,976	
- Unsecured	131,969	USD38,235	118,525	USD34,740
	31,383	GBP5,000	56,727	GBP8,132
	58,098	Rmb115,000	43,168	Rmb95,000
	-		4,501	HKD10,268
	-		5,297	AUD1,750
	221,450		228,218	
	221,450		237,194	
(ii) Bank Overdraft				
- Secured	1,379	CHF438	-	
	5,718	EURO1,146	-	
	-		1,465	HKD3,342
	7,097		1,465	
- Unsecured	9,403	USD2,723	9,843	USD2,889
	6,178	GBP984	8,249	GBP1,183
	4,065	HKD9,145	3,754	HKD8,565
	19,646		21,846	
	26,743		23,311	
(iii) Short Term Borrowings				
- Secured	6,297	CHF2,000	17,570	CHF6,000
	34,931	EURO7,000	5,686	Euro1,169
	41,228		23,256	
- Unsecured	89,703	USD26,000	19,803	USD5,793
	17,682	Rmb35,000	-	
	462,185		190,355	
	569,570		210,158	
	610,798		233,414	
Total repayable within 12 months	858,991		493,919	

	30 September 2008		30 September 2007	
	RM'000	Amount in Foreign Currency	RM'000	Amount in Foreign Currency
		'000		'000
(b) Repayable after 12 months :-				
(i) Term Loans				
- Secured	14,968	EURO3,000	-	
	6,568	Rmb13,000	-	
	-		195	GBP28
	<u>21,536</u>		<u>195</u>	
- Unsecured	<u>239,830</u>	USD69,500	<u>266,698</u>	USD78,235
	<u>159,478</u>		<u>-</u>	
	<u>399,308</u>		<u>266,698</u>	
	<u>420,844</u>		<u>266,893</u>	
(ii) Islamic Medium Term Notes				
- Unsecured	<u>500,000</u>		<u>300,000</u>	
Total repayable after 12 months	<u><u>920,844</u></u>		<u><u>566,893</u></u>	

B10. Financial Instruments with Off Balance Sheet Risk

- (a) The forward exchange contracts entered into by the Group as at 14 November 2008 (being a date not earlier than 7 days from the date of this report) were as follows :-

	Currency	Contract Amount Million	Equivalent Amount RM million	Maturing within One Year RM million
Sale contracts	GBP	1.1	6.1	6.1
	EURO	19.0	90.3	90.3
	USD	259.8	872.4	872.4
	YEN	<u>22.3</u>	<u>0.7</u>	<u>0.7</u>
Purchase contracts	USD	<u>3.2</u>	<u>10.3</u>	<u>10.3</u>

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.

- (b) The commodity future contracts entered into by the Group as at 14 November 2008 (being a date not earlier than 7 days from the date of this report) were as follows :-

	Contracted Amount RM million	Maturing within One Year RM million
Sale contracts	<u>77.2</u>	<u>77.2</u>
Purchase contracts	<u>6.0</u>	<u>6.0</u>

These commodity contracts were entered into with the objective of managing and hedging the Group's exposure to the adverse price movements in the vegetable oil commodities.

The credit risk for the commodity future contracts is minimal as these contracts were entered into with brokers of commodity exchanges. Any gains or losses arising from these contracts are deferred until the date of such transactions at which time they are included in the measurement of such transactions.

- (c) KL-Kepong Industrial Holdings Sdn Bhd ("KLKIH") and Barry Callebaut Group ("BCG") had on 31 March 2008 entered into a Joint Venture Agreement which stipulates the manner in which Barry Callebaut Malaysia Sdn Bhd (formerly known as KL-Kepong Cocoa Products Sdn Bhd) ("BCM") shall be managed and the way in which KLKIH and BCG shall exercise their rights as shareholders of BCM.

Under the Joint Venture Agreement :-

- (i) KLKIH may exercise a put option to require BCG to acquire the remaining 40% shares in BCM held by KLKIH including the working capital of BCM of approximately RM133.5 million; and
- (ii) BCG may also exercise a call option to require KLKIH to sell the remaining 40% shares in BCM held by KLKIH based on the value of 9 times of the audited average EBITDA of the 3 financial years prior to the exercise of the Call Option plus cash minus all interest bearing debts at that point of time.

Both the put option and call option may be exercised by KLKIH and BCG respectively between the second anniversary and the fifth anniversary starting from 30 April 2008.

#### B11. Material Litigation

There was no pending material litigation as at the date of this report.

#### B12. Dividend

- (a) A final dividend of 45 sen per share less 25% Malaysian income tax and 10 sen per share tax exempt has been recommended by the Directors in respect of the financial year ended 30 September 2008 (year ended 30 September 2007 : 40 sen per share less 26% Malaysian income tax) and subject to approval at the forthcoming Annual General Meeting, will be paid on 17 March 2009 to shareholders registered on the Company's Register as at 19 February 2009.

A Depositor with the Bursa Malaysia Depository shall qualify for entitlement to the dividend only in respect of :-

- (i) Shares deposited into the Depositor's securities account before 12.30 p.m. on 17 February 2009 in respect of shares which are exempted from mandatory deposit;
  - (ii) Shares transferred into the Depositor's securities account before 4.00 p.m. on 19 February 2009 in respect of transfers; and
  - (iii) Shares bought on the Bursa Malaysia Securities Berhad on a cum entitlement basis according to the Rules of the Bursa Malaysia Securities Berhad.
- (b) The total dividend for the financial year ended 30 September 2008 is 15 sen per share less 26% Malaysian income tax, 45 sen per share less 25% Malaysian income tax and 10 sen per share tax exempt (2007 : 10 sen per share less 27% Malaysian income tax and 40 sen per share less 26% Malaysian income tax).

#### B13. Earnings Per Share

##### *Basic earnings per share*

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

	Individual Quarter		Cumulative Quarter	
	3 months ended		12 months ended	
	30 September		30 September	
	2008	2007	2008	2007
(a) Net profit for the period attributable to equity holders of the Company (RM'000)	267,502	263,336	1,040,653	694,154
(b) Weighted average number of shares	1,064,965,692	1,064,965,692	1,064,965,692	1,064,965,692
(c) Earnings per share (sen)	25.12	24.73	97.72	65.18

#### B14. Audit Report

The audit report for the financial year ended 30 September 2007 was not subject to any qualifications.

By Order of the Board  
 J. C. LIM  
 YAP MIOW KIEN  
 Company Secretaries

21 November 2008