

KLUANG RUBBER COMPANY (MALAYA) BERHAD (3441-K)
(Incorporated in Malaysia)

Condensed Consolidated Income Statement

For the Period Ended 30 September 2009

(The figures have not been audited)

	Note	Individual Quarter 3 months ended		Year to Date 3 months ended	
		30.09.2009 RM'000	30.09.2008 RM'000	30.09.2009 RM'000	30.09.2008 RM'000
Revenue	3	1,380	1,947	1,380	1,947
Other Income		56	-	56	-
Changes in Inventories		147	105	147	105
Staff Costs		(178)	(163)	(178)	(163)
Depreciation		(17)	(17)	(17)	(17)
Subcontract Labour Costs, Fertilizer and Chemical Costs		(603)	(739)	(603)	(739)
Foreign Exchange Gain / (Loss)		507	(1,032)	507	(1,032)
Other Expenses		(490)	(439)	(490)	(439)
Profit / (Loss) from Operations	3	802	(338)	802	(338)
Share of Profit / (Loss) of Associates		1,739	(83)	1,739	(83)
Profit / (Loss) before Taxation		2,541	(421)	2,541	(421)
Income tax expense	17	(85)	(156)	(85)	(156)
Profit / (Loss) for the period		2,456	(577)	2,456	(577)
Earnings / (Loss) per share attributable to equity holders:					
Basic (Sen)	25(a)	4.08	(0.96)	4.08	(0.96)
Diluted (Sen)	25(b)	4.08	(0.96)	4.08	(0.96)

The condensed consolidated income statement should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

KLUANG RUBBER COMPANY (MALAYA) BERHAD (3441-K)

(Incorporated in Malaysia)

Condensed Consolidated Balance Sheet**As at 30 September 2009**

		(Unaudited)	(Audited)
	Note	As at	As at
		30.09.2009	30.6.2009
		RM'000	RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		74,128	74,143
Investment in associates		216,934	190,625
Available-for-sale investments	19	23,213	20,377
Deferred tax asset		144	144
		<u>314,419</u>	<u>285,289</u>
Current assets			
Inventories		184	36
Trade and other receivables		551	516
Tax recoverable		378	369
Cash and bank balances		47,675	47,012
		<u>48,788</u>	<u>47,933</u>
TOTAL ASSETS		<u>363,207</u>	<u>333,222</u>
EQUITY AND LIABILITIES			
Equity attributable to equity holders to the Company			
Share capital		60,191	60,191
Reserves		300,329	270,731
		<u>360,520</u>	<u>330,922</u>
Non-current liabilities			
Provision for retirement benefits		557	550
Current liabilities			
Trade and other payables		2,130	1,750
Tax payable		-	-
		<u>2,130</u>	<u>1,750</u>
Total liabilities		<u>2,687</u>	<u>2,300</u>
TOTAL EQUITY AND LIABILITIES		<u>363,207</u>	<u>333,222</u>

The condensed consolidated balance sheet should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

KLUANG RUBBER COMPANY (MALAYA) BERHAD (3441-K)

(Incorporated in Malaysia)

Condensed Consolidated Statement of Changes in Equity**For the Period Ended 30 September 2009**

(The figures have not been audited)

	← Non-Distributable →				← Distributable →				Total Equity RM'000
	Share Capital RM'000	Capital Reserves RM'000	Share of associated companies reserve RM'000	Fair Value Reserve RM'000	Foreign Exchange Fluctuation Reserves RM'000	Cultivation and Replacement Reserves RM'000	General Reserve RM'000	Retained Earnings RM'000	
At 1 July 2009	60,191	25,825	156,629	7,511	631	2,707	10,000	67,428	330,922
Share of associated companies' reserves	-	-	24,569	-	-	-	-	-	24,569
Foreign currency translation	-	-	-	-	(471)	-	-	-	(471)
Fair value gain:									
- Available-for-sale investments	-	-	-	3,044	-	-	-	-	3,044
Net income/(expense) recognised directly in equity	-	-	24,569	3,044	(471)	-	-	-	27,142
Profit for the period	-	-	-	-	-	-	-	2,456	2,456
Total recognised income and expense for the period	-	-	24,569	3,044	(471)	-	-	2,456	29,598
At 30 September 2009	60,191	25,825	181,198	10,555	160	2,707	10,000	69,884	360,520

KLUANG RUBBER COMPANY (MALAYA) BERHAD (3441-K)

(Incorporated in Malaysia)

Condensed Consolidated Statement of Changes in Equity (Cont'd)**For the Period Ended 30 September 2009**

(The figures have not been audited)

	← Non-Distributable →				← Distributable →				Total Equity RM'000
	Share Capital RM'000	Capital Reserves RM'000	Share of associated companies reserve RM'000	Fair Value Reserve RM'000	Foreign Exchange Fluctuation Reserves RM'000	Cultivation and Replacement Reserves RM'000	General Reserve RM'000	Retained Earnings RM'000	
At 1 July 2008	60,191	25,825	196,269	12,364	(2,383)	3,110	10,000	73,194	378,570
Share of associated companies' reserves	-	-	(26,414)	-	-	-	-	-	(26,414)
Foreign currency translation	-	-	-	-	2,128	-	-	-	2,128
Fair value loss:									
- Available-for-sale investments	-	-	-	(3,453)	-	-	-	-	(3,453)
Net expense recognised directly in equity	-	-	(26,414)	(3,453)	2,128	-	-	-	(27,739)
Loss for the period	-	-	-	-	-	-	-	(577)	(577)
Total recognised income and expense for the period	-	-	(26,414)	(3,453)	2,128	-	-	(577)	(28,316)
At 30 September 2008	60,191	25,825	169,855	8,911	(255)	3,110	10,000	72,617	350,254

The condensed consolidated statement of changes in equity should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

KLUANG RUBBER COMPANY (MALAYA) BERHAD (3441-K)

(Incorporated in Malaysia)

Condensed Consolidated Cash Flow Statement**For the Period Ended 30 September 2009**

(The figures have not been audited)

	3 months ended	
	30.09.2009	30.09.2008
	RM'000	RM'000
Net cash generated from operating activities	335	334
Net cash generated from investing activities	83	166
Net increase in cash and cash equivalents	<u>418</u>	<u>500</u>
Effects of exchange rate changes	245	80
Cash and cash equivalents at beginning of financial period	<u>47,012</u>	<u>46,172</u>
Cash and cash equivalents at end of financial period	<u>47,675</u>	<u>46,752</u>

Cash and cash equivalents at the end of the financial period comprise the following :

	As at	As at
	30.09.2009	30.09.2008
	RM'000	RM'000
Cash and bank balances	<u>47,675</u>	<u>46,752</u>

The condensed consolidated cash flow statement should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements.

KLUANG RUBBER COMPANY (MALAYA) BERHAD (3441-K)
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Part A - Explanatory Notes Pursuant to FRS 134

1. Basis of Preparation

The interim financial statements have been prepared on a historical cost basis, except for freehold land included within property, plant and equipment, investment properties and available-for-sale investments that have been measured at their fair values.

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 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 year ended 30 June 2009. 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 year ended 30 June 2009.

Except as described below, 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 2009.

Change in accounting policy - FRS 8: Operating Segments

FRS 8 sets out the requirements for disclosure of information on an entity's operating segment, products and services, the geographical areas in which it operates and its customers. The adoption of this Standard does not result in significant change in the Group's accounting policies and only impact the form and content of disclosures presented in the financial statements.

2. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the year ended 30 June 2009 was not qualified.

KLUANG RUBBER COMPANY (MALAYA) BERHAD (3441-K)
(Incorporated in Malaysia)

Part A - Explanatory Notes Pursuant to FRS 134

3. Segmental Information

	3 months ended	
	30.09.2009	30.09.2008
	RM'000	RM'000
Segment Revenue		
Plantation	1,278	1,696
Investment	102	251
Total	<u>1,380</u>	<u>1,947</u>
Segment results		
Plantation	556	785
Investment	604	(784)
	<u>1,160</u>	<u>1</u>
Unallocated corporate expenses	<u>(358)</u>	<u>(339)</u>
Profit / (Loss) from operations	<u>802</u>	<u>(338)</u>
Segment assets		
Plantation	77,446	77,703
Investment	285,239	275,271
	<u>362,685</u>	<u>352,974</u>
Unallocated corporate expenses	<u>522</u>	<u>185</u>
Total assets	<u>363,207</u>	<u>353,159</u>

4. Unusual Items due to their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the financial year ended 30 September 2009.

5. Changes in Estimates

There were no changes in estimates that have had a material effect in the current quarter results.

KLUANG RUBBER COMPANY (MALAYA) BERHAD (3441-K)
(Incorporated in Malaysia)

Part A - Explanatory Notes Pursuant to FRS 134

6. Comments about Seasonal or Cyclical Factors

The revenue and earnings are impacted by the production of fresh fruit bunches and volatility of the selling price of crude palm oil. The production of fresh fruit bunches is influenced by weather conditions, production cycle and age of palms.

7. Dividends Paid

No dividend was paid since the last quarter.

8. Debt and Equity Securities

There were no issuance, repurchase and repayment of debts and equity securities in the current quarter.

9. Changes in Composition of the Group

There were no changes in the composition of the Group during the current quarter.

10. Capital Commitments

There are no commitments for the purchase of property, plant and equipment not provided for in the interim financial statements as at 30 September 2009.

11. Changes in Contingent Liabilities and Contingent Assets

There were no contingent liabilities or contingent assets as at 30 September 2009.

12. Subsequent Events

There were no material events subsequent to the end of the current quarter.

KLUANG RUBBER COMPANY (MALAYA) BERHAD (3441-K)
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**Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of
Bursa Malaysia Securities Berhad**

13. Performance Review

The Group's revenue of RM1.38 million for the current quarter ended 30 September 2009 was lower by RM567,000 as compared to the corresponding quarter ended 30 September 2008. Crop sales were lower due to lower tonnage harvested and lower CPO prices. Interest income was also lower.

For the current quarter, the Group achieved an after-tax profit of RM2.46 million as compared to the after-tax loss of RM577,000 suffered during previous year's corresponding quarter ended 30 September 2008. This was mainly due to the exchange gain of RM507,000 as compared to the prior year's corresponding quarter's exchange loss of RM1.03 million. Share of associates' financial results was a profit of RM1.74 million as compared to previous year's corresponding quarter's loss of RM83,000.

14. Comment on Material Change in Profit Before Taxation

For the quarter under review, pre-tax profit of RM2.54 million was achieved as compared to the immediate preceding quarter's pre-tax loss of RM1.69 million. This was mainly due to the share of its associates' financial results for the current quarter was a profit of RM1.74 million as compared to the immediate preceding quarter's share of its associates' loss of RM3.01 million.

15. Commentary on Prospects

The prospect of the plantation performance for the rest of the financial year ending 30 June 2010 is not expected to improve significantly. The CPO prices and production for the 1st half of the current financial year are expected to be lower, the latter due to the lower production period in the biological cycle. For the 2nd half of the financial year ending 30 June 2010, production is expected to increase while prices may remain stable.

The results of the associated companies may be further affected by the market valuation of their investments and currency fluctuations due to the jittery capital markets and global economic slowdown.

KLUANG RUBBER COMPANY (MALAYA) BERHAD (3441-K)
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**Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of
Bursa Malaysia Securities Berhad**

16. Profit Forecast or Profit Guarantee

There is no profit forecast and profit guarantee.

17. Income Tax Expense

	Individual Quarter		Year-To-Date	
	3 months ended		3 months ended	
	30.09.2009	30.09.2008	30.09.2009	30.09.2008
	RM'000	RM'000	RM'000	RM'000
Current tax:				
Malaysian income tax	<u>85</u>	<u>156</u>	<u>85</u>	<u>156</u>
Total income tax expense	<u>85</u>	<u>156</u>	<u>85</u>	<u>156</u>

The effective tax rate for the current quarter was lower than the statutory tax rate due to certain income not subject to tax while the effective tax rate for prior year's corresponding quarter was higher as certain expenses were not deductible for tax purposes.

18. Sale of Unquoted Investments and Properties

There were no sales of unquoted investments and properties.

19. Quoted Securities

There was no purchase or disposal of quoted securities for the current quarter.

Details of investments in quoted securities classified as available-for-sale financial assets:

	As at
	30.09.2009
	RM'000
At cost	12,874
At carrying value	23,213
At market value	<u>23,213</u>

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**Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of
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20. Corporate Proposals

There was no corporate proposal announced by the Company as at the date of the issue of this quarterly report.

21. Borrowings

There were no borrowings and debt securities as at 30 September 2009.

22. Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments as at 23 November 2009.

23. Changes in Material Litigation

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

24. Dividend Payable

The following dividend in respect of the financial year ended 30 June 2009 on 60,191,550 ordinary shares has been approved by the shareholders at the Annual General Meeting on 23 November 2009:

	Amount	Net dividend
	RM	per share
		Sen
First and final dividend of 1% less 25% taxation	451,437	0.8
	<u>451,437</u>	<u>0.8</u>

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**Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of
Bursa Malaysia Securities Berhad**

25. Earnings Per Share

(a) Basic

Basic earnings/(loss) per share amounts are calculated by dividing profit/(loss) for the period attributable to ordinary equity holders by the weighted average number of ordinary shares in issue during the period.

	Individual Quarter		Year-To-Date	
	3 months ended		3 months ended	
	30.09.2009	30.09.2008	30.09.2009	30.09.2008
Profit/(Loss) attributable to ordinary equity holders (RM'000)	<u>2,456</u>	<u>(577)</u>	<u>2,456</u>	<u>(577)</u>
Weighted average number of ordinary shares in issue	<u>60,191</u>	<u>60,191</u>	<u>60,191</u>	<u>60,191</u>
Basic earnings/(loss) per share (Sen)	<u>4.08</u>	<u>(0.96)</u>	<u>4.08</u>	<u>(0.96)</u>

(b) Diluted

Diluted earnings/(loss) per share is the same as basic earnings/(loss) per share as there is no dilutive potential ordinary shares outstanding as at 30 September 2009.

26. Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 23 November 2009.