

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

**Consolidated Statement Of Comprehensive Income**  
**For the Financial Year Ended 30 June 2011**  
(The figures have not been audited)

	Note	Individual Quarter 3 months ended		Year to Date 12 months ended	
		30.06.11 RM'000	30.06.10 RM'000	30.06.11 RM'000	30.06.10 RM'000
<b>Revenue</b>	3	1,920	1,416	7,577	6,410
Other Income		(3)	-	(2)	104
Changes in Inventories		(186)	(61)	(14)	(4)
Staff Costs		(69)	(160)	(519)	(645)
Depreciation		(8)	(22)	(30)	(83)
Subcontract Labour Costs, Fertilizer and Chemical Costs		(731)	(537)	(1,659)	(1,947)
Foreign Exchange Gain / (Loss)		497	(641)	2,015	(1,235)
Other Expenses		(233)	(283)	(1,525)	(1,366)
<b>Profit / (Loss) from Operations</b>	3	1,187	(288)	5,843	1,234
Share of Profit of Associates		3,424	5,014	10,179	7,473
<b>Profit / (Loss) before tax</b>		4,611	4,726	16,022	8,707
Income tax expense	17	(324)	201	(761)	(196)
<b>Profit / (Loss) after tax</b>		4,287	4,927	15,261	8,511
<b><u>Other Comprehensive Income</u></b>					
Available-for-sale investments: Gain on fair value changes		516	144	4,523	7,678
Foreign currency translation		3	10	(3,057)	(2,628)
Share of other comprehensive income of Associates		2,797	3,980	(796)	32,936
Revaluation surplus on plantation land		-	(5,115)	-	(115)
<b>Other comprehensive income for the period, net of tax</b>		3,316	(981)	670	37,871
<b>Total comprehensive income for the period</b>		7,603	3,946	15,931	46,382
<b>Earnings per share attributable to equity holders holders:</b>					
Basic (Sen)	25(a)	7.12	8.19	25.35	14.14
Diluted (Sen)	25(b)	7.12	8.19	25.35	14.14

The consolidated statement of comprehensive income 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)

**Consolidated Statement of Financial Position****As at 30 June 2011**

	(Unaudited)	(Audited)
	As at	As at
	30.06.11	30.6.2010
	RM'000	RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	73,713	73,727
Biological assets	336	336
Investment in associates	238,954	230,517
Available-for-sale investments	36,096	27,345
Deferred tax asset	-	127
	<u>349,099</u>	<u>332,052</u>
<b>Current assets</b>		
Inventories	18	32
Trade and other receivables	455	3,788
Tax recoverable	36	568
Cash and bank balances	44,112	42,615
	<u>44,621</u>	<u>47,003</u>
<b>TOTAL ASSETS</b>	<u>393,720</u>	<u>379,055</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders to the Company</b>		
Share capital	60,191	60,191
Reserves	331,690	316,662
	<u>391,881</u>	<u>376,853</u>
<b>Non-current liabilities</b>		
Deferred tax liability	11	-
Provision for retirement benefits	80	550
	<u>91</u>	<u>550</u>
<b>Current liabilities</b>		
Trade and other payables	1,748	1,652
<b>Total liabilities</b>	<u>1,839</u>	<u>2,202</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>393,720</u>	<u>379,055</u>

The consolidated statement of financial position 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)

**Consolidated Statement of Changes in Equity****For the Financial Year Ended 30 June 2011**

(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	
<b>Opening balance at 1 July 2010</b>	60,191	25,710	189,565	15,189	(1,997)	2,307	10,000	75,888	376,853
Total comprehensive income for the year	-	-	(796)	4,523	(3,057)	-	-	15,261	15,931
Dividends	-	-	-	-	-	-	-	(903)	(903)
<b>Closing balance at 30 June 2011</b>	<u>60,191</u>	<u>25,710</u>	<u>188,769</u>	<u>19,712</u>	<u>(5,054)</u>	<u>2,307</u>	<u>10,000</u>	<u>90,246</u>	<u>391,881</u>
<b>Opening balance at 1 July 2009</b>	60,191	25,825	156,629	7,511	631	2,707	10,000	67,428	330,922
Total comprehensive income for the year	-	(115)	32,936	7,678	(2,628)	(400)	-	8,911	46,382
Dividend	-	-	-	-	-	-	-	(451)	(451)
<b>Closing balance at 30 June 2010</b>	<u>60,191</u>	<u>25,710</u>	<u>189,565</u>	<u>15,189</u>	<u>(1,997)</u>	<u>2,307</u>	<u>10,000</u>	<u>75,888</u>	<u>376,853</u>

The 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)

**Consolidated Statement of Cash Flows****For the Financial Year Ended 30 June 2011**

(The figures have not been audited)

	<b>12 months ended</b>	
	<b>30.06.11</b>	<b>30.06.10</b>
	<b>RM'000</b>	<b>RM'000</b>
Net cash generated from / (used in) operating activities	1,858	(3,022)
Net cash (used in) / generated from investing activities	(352)	1,201
Net cash used in financing activities	(903)	(451)
Net increase / (decrease) in cash and cash equivalents	<u>603</u>	<u>(2,272)</u>
Effects of exchange rate changes	894	(2,125)
Cash and cash equivalents at beginning of financial year	<u>42,615</u>	<u>47,012</u>
Cash and cash equivalents at end of financial year	<u>44,112</u>	<u>42,615</u>

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

	<b>As at</b>	<b>As at</b>
	<b>30.06.11</b>	<b>30.06.10</b>
	<b>RM'000</b>	<b>RM'000</b>
Cash and bank balances	<u>44,112</u>	<u>42,615</u>

The consolidated statement of cash flows 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 2010. 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 2010.

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 2010.

**(a) Adoption of New and Revised FRSs, IC Interpretations and Amendments to FRS**

**FRSs, Amendments to FRS and IC Interpretations**

FRS 4:	Insurance Contracts
FRS 7:	Financial Instruments: Disclosures
FRS 101:	Presentation of Financial Statements (revised)
FRS 123:	Borrowing Costs
Amendments to FRS 1:	First-time Adoption of Financial Reporting Standards and FRS 127: Consolidated and Separate Financial Statements: Cost of Investment in Subsidiary, Jointly Controlled Equity or Associate
Amendments to FRS 2:	Share-based Payment - Vesting Conditions and Cancellations
Amendments to FRS 132:	Financial Instruments: Presentation
Amendments to FRS 139:	Financial Instruments: Recognition and Measurement, FRS 7: Financial Instruments: Disclosures and IC interpretation 9: Reassessment of Embedded Derivatives
Amendments to FRSs:	'Improvement to FRS (2009)'
IC Interpretation 9:	Reassessment of Embedded Derivatives
IC Interpretation 10:	Interim Financial Reporting and Impairment
IC Interpretation 13:	Customer Loyalty Programmes
IC Interpretation 14:	FRS 119 - The Limited on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TR I - 3	Presentation of Financial Statements of Islamic Financial Institutions
Amendments to FRS 132:	Classification of Rights Issue
FRS 1 (revised):	First-time Adoption of Financial Reporting Standards
FRS 3 (revised):	Business Combinations
FRS 127 (revised):	Consolidated & Separate Financial Statements

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

**Part A - Explanatory Notes Pursuant to FRS 134**

**1. Basis of Preparation (cont'd)**

Amendments to FRS 2:	Share-based Payment
Amendments to FRS 5:	Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS 138:	Intangible Assets
IC Interpretation 12:	Service Concession Arrangements
IC Interpretation 16:	Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17:	Distributions of Non-cash Assets to Owners

Other than the application of FRS 101, the application of new FRSs, Amendments to FRSs and interpretations that are effective for the financial statements commencing on 1 July 2010 did not result in any significant changes in the accounting policies and presentation of financial results of the Group.

**FRS101 Presentation of Financial Statements**

FRS 101 requires the separation of owner and non-owner changes in equity. Therefore, the current consolidated statement of changes in equity only includes details of transactions with owners. All non-owner changes in equity, if any, will be presented as a single line labelled as total comprehensive income. Comparative information have been re-presented in conformity with the relevant standard.

In addition, FRS 101 has introduced new title on the financial statements. Statement of Financial Position has replaced Balance Sheet, Statement of Comprehensive Income has replaced Income Statement and Statement of Cash Flows has replaced Cash Flow Statement. This Standard does not have any material impact on the financial position and results of the Group.

**(b) Revised FRSs, IC Interpretations and Amendments to FRS issued and not yet effective**

The Group has not early adopted the following revised FRSs, IC Interpretations and amendments to FRSs which have been issued as at the date of authorisation of these financial statements and will be effective for the financial periods as stated below:

		<b>Effective date for financial periods beginning on or after</b>
Amendments to FRS 1:	Limited exemption for comparatives FRS 7: Disclosures for First-time Adopters	1 January 2011
Amendments to FRS 7:	Improving Disclosures about Financial Instruments	1 January 2011
Amendments to FRS 1:	Additional exemptions for First-time Adopters	1 January 2011
Amendments to FRS 2:	Group Cash-settled Share-based Payment Transactions	1 January 2011
IC Interpretation 4:	Determining whether an Arrangement contains a Lease	1 January 2011

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

**Part A - Explanatory Notes Pursuant to FRS 134**

**1. Basis of Preparation (cont'd)**

		<b>Effective date for financial periods beginning on or after</b>
IC Interpretation 18:	Transfers of Assets from Customers	1 January 2011
	Improvements to FRSs issued in 2010	1 January 2011
IC Interpretation 19:	Extinguishing Financial Liabilities with Equity Instruments	1 July 2011
Amendments to IC		
Interpretation 14:	Prepayments of a Minimum Funding Requirement	1 July 2011
IC Interpretation 15:	Agreements for the Construction of Real Estate	1 January 2012
FRS 124 (revised) :	Related Party Disclosures	1 January 2012

**2. Auditors' Report on Preceding Annual Financial Statements**

The auditors' report on the financial statements for the year ended 30 June 2010 was not qualified.

**3. Segmental Information**

	<b>12 months ended</b>	
	<b>30.06.11</b>	<b>30.06.10</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Segment Revenue</b>		
Plantation	6,018	5,206
Investment	1,559	1,204
Total	<u>7,577</u>	<u>6,410</u>
<b>Segment results</b>		
Plantation	3,785	2,694
Investment	3,584	(48)
	<u>7,369</u>	<u>2,646</u>
Unallocated corporate expenses	(1,526)	(1,412)
Profit from operations	<u>5,843</u>	<u>1,234</u>
<b>Segment assets</b>		
Plantation	76,789	76,460
Investment	316,895	301,900
	<u>393,684</u>	<u>378,360</u>
Unallocated corporate asset	36	695
Total assets	<u>393,720</u>	<u>379,055</u>

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

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

There were no other unusual items affecting assets, liabilities, equity, net income, or cash flows during the financial year ended 30 June 2011.

**5. Changes in Estimates**

There were no changes in estimates that have had a material effect in the current quarter and year-to-date results.

**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. Dividend Paid**

The amount of dividends paid during the financial year ended 30 June 2011 were as follows:-

	<b>Amount RM</b>	<b>Net dividend per share Sen</b>
In respect of the financial year ended 30 June 2010, as reported in the directors' report of that year:		
First and final dividend of 1% less 25% taxation	<u>451,437</u>	<u>0.8</u>
In respect of the financial year ended 30 June 2011:		
Special interim dividend of 1% less 25% taxation	<u>451,437</u>	<u>0.8</u>

**8. Debt and Equity Securities**

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



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**Part A - Explanatory Notes Pursuant to FRS 134**

**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 June 2011.

**11. Changes in Contingent Liabilities and Contingent Assets**

There were no contingent liabilities or contingent assets as at 30 June 2011.

**12. Subsequent Events**

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

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

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

**13. Performance Review**

The Group achieved revenue of RM1.92 million and RM7.58 million for the current quarter and financial year ended 30 June 2011 which were higher than last year's corresponding quarter of RM1.42 million and year-to-date of RM6.41 million. These were mainly due to higher dividend income and higher crop sales, the latter on account of higher FFB prices as tonnage harvested was lower.

The Group posted a net profit of RM4.29 million which was lower than last year's corresponding quarter by RM640,000 despite the unrealised exchange difference for the current quarter was a gain of RM497,000 as compared to last year's corresponding quarter's loss of RM641,000. This was due to higher operating expenses and share of profit of associates of RM3.42 million was lower than last year's corresponding quarter's RM5.01 million.

The Group ended the current financial year with an after-tax profit of RM15.26 million which was better than last year's result of RM8.51 million by RM6.75 million or 79%. This was due to:

- 1) Current year's revenue of RM7.58 million was higher than last year's revenue of RM6.41 million.
- 2) Current year's unrealised exchange difference was a gain of RM2.02 million while last year was a loss of RM1.24 million.
- 3) Share of profit of associates was RM10.18 million which was higher than last year's share of RM7.47 million.

**14. Comment on Material Change in Profit Before Taxation for the Current Quarter as  
Compared with the Immediate Preceding Quarter**

For the quarter under review, the Group's revenue of RM1.92 million was higher than the immediate preceding quarter of RM1.7 million. This was mainly due to higher crop sales and higher interest income. Dividend income of RM100,000 was received during the current quarter while there was none during the immediate preceding quarter ended 31 March 2011.

The pre-tax profit of RM4.61 million achieved by the Group for the current quarter was higher than the immediate preceding quarter's pre-tax profit of RM2.96 million. This was due to higher revenue, higher unrealised foreign exchange gain, higher share of associates' profit and lower operating expenses.

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

**15. Commentary on Prospects**

Prospects for the oil palm industry is expected to remain strong, supported by resilient demand from the food sector, price competitiveness over other edible oils and higher consumption in emerging markets. The Group's plantation performance for the next financial year ending 30 June 2012 is expected to achieve satisfactory level of profitability, barring unforeseen circumstances.

The results of the associated companies may be further affected by the market valuation of their investments and currency fluctuations.

**16. Profit Forecast or Profit Guarantee**

There is no profit forecast or profit guarantee.

**17. Income Tax Expense**

	<b>Individual Quarter</b>		<b>Year-To-Date</b>	
	<b>3 months ended</b>		<b>12 months ended</b>	
	<b>30.06.11</b>	<b>30.06.10</b>	<b>30.06.11</b>	<b>30.06.10</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Current tax:				
Malaysian income tax	167	78	604	475
Foreign tax	-	-	-	-
	<u>167</u>	<u>78</u>	<u>604</u>	<u>475</u>
Over provision of Malaysian income tax in prior years	19	(296)	19	(296)
	<u>186</u>	<u>(218)</u>	<u>623</u>	<u>179</u>
Deferred taxation	138	17	138	17
	<u>138</u>	<u>17</u>	<u>138</u>	<u>17</u>
Total income tax expense	<u>324</u>	<u>(201)</u>	<u>761</u>	<u>196</u>

The effective tax rates for the current quarter, current year-to-date, last year's corresponding quarter and year-to-date were lower than the statutory tax rates as certain income are not subject to tax.

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

**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 and year-to-date.

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

	<b>As at 30.06.11 RM'000</b>
At cost	47
At carrying value	5,549
At market value	<u>5,549</u>

**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 June 2011.

**22. Off Balance Sheet Financial Instruments**

There were no off balance sheet financial instruments as at 24 August 2011.

**23. Changes in Material Litigation**

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

**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**

**24. Dividend Payable**

The directors do not recommend any dividend for the current quarter under review.

**25. Earnings Per Share**

**(a) Basic**

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

	<b>Individual Quarter</b>		<b>Year-To-Date</b>	
	<b>3 months ended</b>		<b>12 months ended</b>	
	<b>30.06.11</b>	<b>30.06.10</b>	<b>30.06.11</b>	<b>30.06.10</b>
Profit attributable to ordinary equity holders (RM'000)	<u>4,287</u>	<u>4,927</u>	<u>15,261</u>	<u>8,511</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 per share (Sen)	<u>7.12</u>	<u>8.19</u>	<u>25.35</u>	<u>14.14</u>

**(b) Diluted**

Diluted earnings per share is the same as basic earnings per share as there is no dilutive potential ordinary shares outstanding as at 30 June 2011.

**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**

**26. Disclosure of Realised and Unrealised Retained Profits / (Losses)**

The disclosure of realised and unrealised profits mentioned above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Malaysia and should not be applied for any other purposes.

The breakdown of retained profits of the Group as at 30 June 2011, pursuant to the format prescribed by Bursa Malaysia, is as follows:

	<b>As at 30.06.11 RM'000</b>
<b>Total retained (losses) / profits of the Group and its subsidiaries:</b>	
- Realised	40,289
- Unrealised	(2,215)
	38,074
<b>Total share of retained profits from associated companies:</b>	
- Realised	40,269
- Unrealised	17,921
	58,190
	96,264
<b>Less: Consolidation adjustments</b>	(6,018)
	<u>90,246</u>

**27. 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 24 August 2011.