

SUNGEI BAGAN RUBBER COMPANY (MALAYA) BERHAD (3327-U)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 30 SEPTEMBER 2005

	As at 30 September 2005 (Unaudited) RM'000	As at 30 June 2005 (Audited) RM'000
NON-CURRENT ASSETS		
Property, plant and equipment	7,357	7,457
Investment in Associated Companies	51,079	49,858
Other Investments	25,133	26,420
Due from Associates	200	200
Deferred Tax Assets	70	70
	83,839	84,005
CURRENT ASSETS		
Inventories	55	3
Tax recoverable	30	-
Trade and other receivables	1,127	1,026
Cash and short term deposits	118,118	117,841
	119,330	118,870
CURRENT LIABILITIES		
Trade and other payables	2,927	2,668
Tax payable	-	18
	2,927	2,686
NET CURRENT ASSETS	116,403	116,184
	200,242	200,189
FINANCED BY:		
Share Capital	60,492	60,492
Reserves	139,415	139,369
Shareholders' equity	199,907	199,861
Provision for retirement benefits	335	328
	200,242	200,189

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

SUNGEI BAGAN RUBBER COMPANY (MALAYA) BERHAD (3327-U)
(Incorporated in Malaysia)

Condensed Consolidated Income Statement
for the period ended 30 September 2005
(The figures have not been audited)

	Individual Quarter		Year to Date	
	Current quarter ended 30 September 2005 RM'000	Comparative quarter ended 30 September 2004 RM'000	Current period ended 30 September 2005 RM'000	Comparative period ended 30 September 2004 RM'000
Revenue	2,915	2,969	2,915	2,969
Other Operating Income	-	3	-	3
Changes in Inventories	52	85	52	85
Staff Costs	(195)	(286)	(195)	(286)
Depreciation	(53)	(57)	(53)	(57)
Subcontract Labour Costs, Fertilizer and Chemical Costs	(765)	(566)	(765)	(566)
Foreign Exchange (Loss) / Gain	(463)	1,294	(463)	1,294
Other Operating Expenses	(400)	(489)	(400)	(489)
Provision for Diminution in Value of Investment	(1,287)	(3,068)	(1,287)	(3,068)
(Loss) from Operations	(196)	(115)	(196)	(115)
Share of Results of Associates	1,289	1,236	1,289	1,236
Profit before Taxation	1,093	1,121	1,093	1,121
Taxation:				
Company	(291)	(354)	(291)	(354)
Associates	(68)	(90)	(68)	(90)
	(359)	(444)	(359)	(444)
Net profit for the period	734	677	734	677
Earnings per share (sen)				
Basic	1.21	1.12	1.21	1.12

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

SUNGEI BAGAN RUBBER COMPANY (MALAYA) BERHAD (3327-U)
(Incorporated in Malaysia)

**Condensed Consolidated Statement of Changes in Equity
for the period ended 30 September 2005**

(The figures have not been audited)

	Non-Distributable			Distributable			Total RM'000
	Share Capital RM'000	Capital Reserve RM'000	Exchange fluctuation reserve RM'000	Cultivation and replacement reserves RM'000	General reserve RM'000	Retained profits RM'000	
3 months ended 30 September 2005							
At 1 July 2005	60,492	43,893	17,015	7,500	11,000	59,961	199,861
Arising during the period	-	-	(688)	-	-	-	(688)
Net profit for the period	-	-	-	-	-	734	734
Transfer (to)/ from reserves	-	(1,287)	-	-	-	1,287	-
At 30 September 2005	60,492	42,606	16,327	7,500	11,000	61,982	199,907
3 months ended 30 September 2004							
At 1 July 2004	1,890	109,353	17,015	7,500	11,000	49,902	196,660
Net profit for the period	-	-	-	-	-	677	677
Transfer (to)/ from reserves	-	3,068	-	-	-	(3,068)	-
At 30 September 2004	1,890	112,421	17,015	7,500	11,000	47,511	197,337

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Report for the year ended 30 June 2005).

SUNGEI BAGAN RUBBER COMPANY (MALAYA) BERHAD (3327-U)
(Incorporated in Malaysia)

Condensed Consolidated Cash Flow Statement
for the quarter ended 30 September 2005

2,438

	3 months ended	
	30 September 2005 RM'000	30 September 2004 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	1,093	1,121
Adjustments for :		
Depreciation	53	57
Provision for retirement benefit	7	5
Dividend income	(505)	(479)
Share of results of associated companies	(1,289)	(1,236)
Unrealised foreign exchange loss/(gain)	463	(1,295)
Interest income	(617)	(361)
Provision for diminution in value of investment	1,287	3,068
Operating profit before working capital changes	492	880
Receivables	(113)	2,105
Inventories	(52)	(85)
Payables	260	210
Cash generated from operations	587	3,110
Retirement benefit paid	-	(1)
Taxes paid	(235)	(325)
Net cash from operating activities	352	2,784
CASH FLOWS FROM INVESTING ACTIVITIES		
Dividend received	401	382
Interest received	603	261
Purchase of property, plant and equipment	(2)	(9)
Net cash from investing activities	1,002	634
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,354	3,418
EFFECTS OF EXCHANGE RATE CHANGES	(1,077)	1,295
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE YEAR	117,841	112,453
CASH AND CASH EQUIVALENTS AT END OF THE YEAR	118,118	117,166

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

SUNGEI BAGAN RUBBER COMPANY (MALAYA) BERHAD (3327-U)
(Incorporated in Malaysia)

PART A- EXPLANATORY NOTES PURSUANT TO FRS 134

1. Basis of Preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134 : Interim Financial Reporting (formerly MASB 26) and paragraph 9.22 of the Listing Requirements of the Bursa Malaysia.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 30 June 2005. 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 financial year ended 30 June 2005.

The same accounting policies and methods of computation are followed in the interim financial statements as compared with the financial statements for the year ended 30 June 2005.

2. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the year ended 30 June 2005 was not qualified.

3. 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.

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

There were no unusual items affecting assets, liabilities, equity, net income, or cash flow during the financial year ended 30 September 2005.

5. Changes in Estimates

There were no changes in estimates of amounts reported in prior financial year.

6. Debt and Equity Securities

There were no issuance and repayment of debts and equity securities, share buy-backs, share cancellation, share held as treasury shares and resale of treasury shares for the 3 months to-date.

7 Dividends Paid

No dividend has been paid since the last quarterly report.

SUNGEI BAGAN RUBBER COMPANY (MALAYA) BERHAD (3327-U)
(Incorporated in Malaysia)

PART A- EXPLANATORY NOTES PURSUANT TO FRS 134

8. Segmental Reporting

<u>Cumulative to-date</u>	<u>Plantation</u>		<u>Investments</u>		<u>Consolidated</u>	
	2005 RM '000	2004 RM '000	2005 RM '000	2004 RM '000	2005 RM '000	2004 RM '000
REVENUE AND EXPENSES						
Revenue						
External	1,792	2,129	1,123	840	2,915	2,969
Total revenue	<u>1,792</u>	<u>2,129</u>	<u>1,123</u>	<u>840</u>	<u>2,915</u>	<u>2,969</u>
Result						
Segment result	853	1,261	(257)	(2,343)	596	(1,082)
Unallocated corporate expenses					(329)	(327)
Foreign exchange gain/(loss)	-	-	(463)	1,294	<u>(463)</u>	<u>1,294</u>
Loss from operations					(196)	(115)
Share of results of associates	-	-	1,289	1,236	1,289	1,236
Taxation					<u>(359)</u>	<u>(444)</u>
					<u>734</u>	<u>677</u>

9. Carrying Amount of Revalued Assets

The valuations of property, plant and equipment have been brought forward, without amendment from the previous annual financial report.

10. Subsequent Events

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

11. Changes in the Composition of the Group

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

12. Changes in Contingent Liabilities

There were no contingent liabilities as at the date of the issue of this quarterly report.

SUNGEI BAGAN RUBBER COMPANY (MALAYA) BERHAD (3327-U)**(Incorporated in Malaysia)****Part B- Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia****13. Performance Review**

The Group's revenue of RM2.915 million for the current period ended 30 September 2005 was lower by RM54,000 as compared to that of prior corresponding financial period ended 30 September 2004. This was due to lower sales offset by higher dividend and interest income. Profit before taxation of RM1.093 million was lower than the RM1.121 million achieved during the quarter ended 30 September 2004 although provision for diminution in value of investment was lower and share of profit of associates was higher. This was due to unrealised exchange loss of RM463,000 incurred for the current period as compared to the unrealised exchange gain of RM1.294 million attained for the prior corresponding period.

14. Comment on Material Change in Profit Before Taxation

For the quarter under review, the Group achieved a pre-tax profit of RM1.093 million as compared to the immediate preceding quarter's pre-tax loss of RM2.8 million despite lower revenue and share of profit of associates. This was mainly due to significantly lower unrealised foreign exchange loss and provision for diminution in value of investment.

15. Commentary on Prospects

The plantation contribution is not expected to improve for the rest of the financial year due to lower production expected especially from older palms. The performance of the associated companies is affected by the market valuation of their investments. Currency fluctuations will continue to have an effect on the results.

16. Profit Forecast and Profit Guarantee

There is no profit forecast or profit guarantee.

17. Taxation

	Individual Quarter		Year To Date	
	Current Quarter 30.09.2005 RM'000	Comparative Quarter 30.09.2004 RM'000	Current Period 30.09.2005 RM'000	Comparative Period 30.09.2004 RM'000
Income tax :				
Malaysian income tax	198	260	198	260
Foreign tax	93	94	93	94
	<hr/>	<hr/>	<hr/>	<hr/>
	291	354	291	354
Share of taxation of associated companies	68	90	68	90
	<hr/>	<hr/>	<hr/>	<hr/>
	359	444	359	444

SUNGEI BAGAN RUBBER COMPANY (MALAYA) BERHAD (3327-U)**(Incorporated in Malaysia)****Part B- Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia**

The reconciliation of the tax expense and the product of accounting profit multiplied by the applicable rate is as follows :

	Current Quarter RM'000	Financial year-to-date RM'000
(Loss)/Profit before tax	1,093	1,093
Tax rate applicable for the current year at 28%	306	306
Expenses not deductible for tax purposes	375	375
Foreign income subjected to tax at source at lower tax rate	(37)	(37)
Profits in subsidiaries not subject to tax	(53)	(53)
Share of associated companies results at lower tax rate	(232)	(232)
	359	359

18. Sale of Unquoted Investments and Properties

There were no sales of unquoted investments and properties

19. Quoted Securities

- (a) There was no purchase or disposal of quoted securities for the current quarter. The decrease in other investments is mainly due to the additional provision for diminution in value of investments.
- (b) Summary of details of all investments in quoted securities as at 30 September 2005:

	RM'000
Total investment at cost	43,689
Less: Provision for diminution in value of investments	(18,556)
Total investment at carrying value (after provision for diminution in value)	25,133
Total investment at market value	91,408

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 and Debt Securities

There were no group borrowings and debt securities as at 30 September 2005.

SUNGEI BAGAN RUBBER COMPANY (MALAYA) BERHAD (3327-U)**(Incorporated in Malaysia)****Part B- Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia****22. Off Balance Sheet Financial Instruments**

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

23. Changes in Material Litigation

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

24. Dividend Payable

No interim dividend has been declared for the financial period ended 30 September 2005.

25. Basic Earnings Per Share

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

	Individual Quarter		Year To Date	
	Current Quarter 30.09.2005 RM'000	Comparative Quarter 30.09.2004 RM'000	Current Period 30.09.2005 RM'000	Comparative Period 30.09.2004 RM'000
Net profit attributable to shareholders	734	677	734	677
Ordinary shares	60,491	60,491	60,491	60,491
Basic earnings per share (sen)	<u>1.21</u>	<u>1.12</u>	<u>1.21</u>	<u>1.12</u>

The comparative basic earnings per share has been restated to take into account the effect of the bonus issue.