

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

**Consolidated Statement Of Comprehensive Income**  
**For the Financial Period Ended 30 September 2010**  
(The figures have not been audited)

	Note	Individual Quarter 3 months ended		Year to Date 3 months ended	
		30.09.10 RM'000	30.09.09 RM'000	30.09.10 RM'000	30.09.09 RM'000
<b>Revenue</b>	3	2,354	1,801	2,354	1,801
Other Income		-	3	-	3
Changes in inventories		38	185	38	185
Staff costs		(204)	(219)	(204)	(219)
Depreciation		(7)	(6)	(7)	(6)
Subcontract labour costs, fertilizer and chemical costs		(553)	(655)	(553)	(655)
Foreign exchange gain		4,369	2,496	4,369	2,496
Other expenses		(403)	(550)	(403)	(550)
<b>Profit from operations</b>	3	5,594	3,055	5,594	3,055
Share of profit of associates		1,431	808	1,431	808
<b>Profit before tax</b>		7,025	3,863	7,025	3,863
Income tax expense	17	(216)	(93)	(216)	(93)
<b>Profit after tax</b>		6,809	3,770	6,809	3,770
<b><u>Other Comprehensive Income</u></b>					
Available-for-sale investments: (Loss) / Gain on fair value changes		(2,352)	18,950	(2,352)	18,950
Foreign currency translation		(8,998)	(2,196)	(8,998)	(2,196)
Share of other comprehensive income of Associates		14,624	8,293	14,624	8,293
<b>Other comprehensive income for the period, net of tax</b>		3,274	25,047	3,274	25,047
<b>Total comprehensive income for the period</b>		10,083	28,817	10,083	28,817
<b>Earnings per share attributable to equity holders</b>					
Basic (Sen)	25(a)	11.26	6.23	11.26	6.23
Diluted (Sen)	25(b)	11.26	6.23	11.26	6.23

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

**SUNGEI BAGAN RUBBER COMPANY (MALAYA) BERHAD (3327-U)**

(Incorporated in Malaysia)

**Consolidated Statement of Financial Position****As at 30 September 2010**

	(Unaudited)	(Audited)
	As at	As at
	<b>30.09.10</b>	<b>30.06.10</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	947	953
Biological assets	549	549
Investment property	20,886	22,139
Investment in associates	102,983	89,571
Available-for-sale investments	113,325	103,630
Deferred tax asset	28	28
	<u>238,718</u>	<u>216,870</u>
<b>Current assets</b>		
Inventories	216	178
Trade and other receivables	494	13,527
Tax recoverable	-	853
Cash and bank balances	124,750	122,304
	<u>125,460</u>	<u>136,862</u>
<b>TOTAL ASSETS</b>	<u>364,178</u>	<u>353,732</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders to the Company</b>		
Share capital	60,492	60,492
Reserves	296,901	286,818
	<u>357,393</u>	<u>347,310</u>
<b>Non-current liabilities</b>		
Provision for retirement benefits	183	179
Deferred tax liability	4,819	4,819
	<u>5,002</u>	<u>4,998</u>
<b>Current liabilities</b>		
Trade and other payables	1,746	1,424
Tax payable	37	-
	<u>1,783</u>	<u>1,424</u>
<b>Total liabilities</b>	<u>6,785</u>	<u>6,422</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>364,178</u>	<u>353,732</u>

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

**SUNGEI BAGAN RUBBER COMPANY (MALAYA) BERHAD (3327-U)**

(Incorporated in Malaysia)

**Consolidated Statement of Changes in Equity  
For the Financial Period Ended 30 September 2010**

(The figures have not been audited)

	← Non-Distributable →				← Distributable →			
	Share Capital RM'000	Capital Reserves 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	Total Equity RM'000
<b>Opening balance at 1 July 2010</b>	60,492	65,244	74,143	(2,952)	5,956	11,000	133,427	347,310
Total comprehensive income for the period	-	14,624	(2,352)	(8,998)	-	-	6,809	10,083
<b>Closing balance at 30 September 2010</b>	<u>60,492</u>	<u>79,868</u>	<u>71,791</u>	<u>(11,950)</u>	<u>5,956</u>	<u>11,000</u>	<u>140,236</u>	<u>357,393</u>
<b>Opening balance at 1 July 2009</b>	60,492	46,094	44,285	9,090	6,469	11,000	121,166	298,596
Total comprehensive income for the period	-	8,293	18,950	(2,196)	-	-	3,770	28,817
<b>Closing balance at 30 September 2009</b>	<u>60,492</u>	<u>54,387</u>	<u>63,235</u>	<u>6,894</u>	<u>6,469</u>	<u>11,000</u>	<u>124,936</u>	<u>327,413</u>

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

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

**Consolidated Statement of Cash Flows**  
**For the Financial Period Ended 30 September 2010**  
(The figures have not been audited)

	<b>12 months ended</b>	
	<b>30.09.10</b>	<b>30.09.09</b>
	<b>RM'000</b>	<b>RM'000</b>
Net cash generated from / (used in) operating activities	1,757	(202)
Net cash generated from investing activities	479	403
Net increase in cash and cash equivalents	<u>2,236</u>	<u>201</u>
Effects of exchange rate changes	210	1,241
Cash and cash equivalents at beginning of financial period	<u>122,304</u>	<u>143,586</u>
Cash and cash equivalents at end of financial period	<u>124,750</u>	<u>145,028</u>

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

	<b>As at</b>	<b>As at</b>
	<b>30.09.10</b>	<b>30.09.09</b>
	<b>RM'000</b>	<b>RM'000</b>
Cash and bank balances	<u>124,750</u>	<u>145,028</u>

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

**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 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 Entity 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: Disclosure 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 Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

TR i – 3: Presentation of Financial Statements of Islamic Financial Institutions

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.

**SUNGEI BAGAN RUBBER COMPANY (MALAYA) BERHAD (3327-U)**  
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**Part A - Explanatory Notes Pursuant to FRS 134**

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

**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 labeled 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 132: Classification of Rights Issue	1 March 2010
FRS 1(revised): First-time Adoption of Financial Reporting Standards	1 July 2010
FRS 3 (revised): Business Combinations	1 July 2010
FRS 127 (revised): Consolidated & Separate Financial Statements	1 July 2010
Amendments to FRS 2: Share-based Payment 1 July 2010	1 July 2010
Amendments to FRS 5: Non-current Assets Held for Sale and Discontinued Operations	1 July 2010
Amendments to FRS 138: Intangible Assets	1 July 2010
IC Interpretation 12: Service Concession Arrangements	1 July 2010
IC Interpretation 16: Hedges of a Net Investment in a Foreign Operation	1 July 2010
IC Interpretation 17: Distributions of Non-cash Assets to Owners	1 July 2010
Amendments to IC Interpretation 9 Reassessment of Embedded Derivatives	1 July 2010
Amendments to FRS 1: Limited exception for comparative FRS 7: Disclosures for First-time Adopters	1 January 2011
Amendments to FRS 7: Improving Disclosures about Financial Instruments	1 January 2011
Amendment 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
IC Interpretation 18: Transfers of Assets from Customers	1 January 2011
IC Interpretation 4: Determining whether an Arrangement contains a Lease	1 January 2011

**SUNGEI BAGAN RUBBER COMPANY (MALAYA) BERHAD (3327-U)**  
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**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
TR 3 Guidance on Disclosures of Transaction to IFRSs	1 January 2011
TR i-4 Shariah Compliant Sale Contracts	1 January 2011
IC Interpretation 15: Agreements for the Construction of Real Estate	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>3 months ended</b>	
	<b>30.09.10</b>	<b>30.09.09</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Segment Revenue</b>		
Plantation	1,824	1,350
Investment	530	451
Total	<u>2,354</u>	<u>1,801</u>
<b>Segment results</b>		
Plantation	1,065	492
Investment	4,888	2,910
	<u>5,953</u>	<u>3,402</u>
Unallocated corporate expenses	<u>(359)</u>	<u>(347)</u>
Profit from operations	<u>5,594</u>	<u>3,055</u>
<b>Segment assets</b>		
Plantation	35,129	31,267
Investment	329,021	302,293
	<u>364,150</u>	<u>333,560</u>
Unallocated corporate expenses	<u>28</u>	<u>28</u>
Total assets	<u>364,178</u>	<u>333,588</u>

**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 period ended 30 September 2010.

**SUNGEI BAGAN RUBBER COMPANY (MALAYA) BERHAD (3327-U)**  
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**Part A - Explanatory Notes Pursuant to FRS 134**

**5. Changes in Estimates**

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

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 2010.

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

There were no contingent liabilities or contingent assets as at 30 September 2010.

**12. Subsequent Events**

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



**SUNGEI BAGAN RUBBER COMPANY (MALAYA) BERHAD (3327-U)**  
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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 for the current quarter of RM2.35 million was higher than the corresponding quarter ended 30 September 2009 despite lower interest income. This was due to higher crop sales arising from higher tonnage harvested and higher FFB prices. Dividend income was also higher.

For the current quarter, the Group posted an after-tax profit of RM6.81 million which was higher than last year's corresponding quarter's RM3.77 million. This was due to higher foreign exchange gain of RM4.37 million compared to RM2.50 million in last year's corresponding quarter and share of associates' profit of RM1.43 million for the current quarter was higher as compared to last year's corresponding quarter's RM808,000.

**14. Comment on Material Change in Profit Before Taxation**

For the quarter under review, the Group's revenue of RM2.35 million was lower than the immediate preceding quarter of RM3.30 million despite higher crop sales on account of higher tonnage harvested and higher FFB prices. This was mainly due to lower dividend and interest income.

The Group achieved a pre-tax profit of RM7.03 million for the current quarter which was lower than the immediate preceding quarter's pre-tax profit of RM8.70 million despite foreign exchange gain of RM4.37 million was recorded as compared to the foreign exchange loss of RM2.89 million suffered during the immediate preceding quarter ended 30 June 2010. This was due to the fair value gain of RM3.15 million arising from the revaluation of its investment property achieved in the immediate preceding quarter while there was none in the current quarter. Share of associates' profit of RM1.43 million for the current quarter was also lower by RM4.95 million as compared to the immediate preceding quarter of RM6.38 million.

**15. Commentary on Prospects**

The performance of the plantation for the rest of financial year ending 30 June 2011 is not expected to improve significantly. The production for the 1st half of the current financial year may experience the effect of La Nina as heavier rainfall typically hampers harvesting. However, this may be compensated by higher FFB prices if the current pricing trend continues.

For the 2nd half of the financial year ending 30 June 2011, production is expected to increase as La Nina recedes 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.

**SUNGEI BAGAN RUBBER COMPANY (MALAYA) BERHAD (3327-U)**  
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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 or profit guarantee.

**17. Income Tax Expense**

	<b>Individual Quarter</b>		<b>Year-To-Date</b>	
	<b>3 months ended</b>		<b>3 months ended</b>	
	<b>30.09.10</b>	<b>30.09.09</b>	<b>30.09.10</b>	<b>30.09.09</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Current tax:				
Malaysian income tax	216	93	216	93
Total income tax expense	<u>216</u>	<u>93</u>	<u>216</u>	<u>93</u>

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

**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:

	<b>As at 30.09.10 RM'000</b>
At cost	26,207
At carrying value	95,423
At market value	<u>95,423</u>

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

**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 2010.

**22. Off Balance Sheet Financial Instruments**

There were no off balance sheet financial instruments as at 29 November 2010.

**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 2010 on 60,491,552 ordinary shares has been approved by the shareholders at the Annual General Meeting on 29 November 2010:

	<b>Amount RM</b>	<b>Net dividend per share Sen</b>
First and final dividend of 2% less 25% taxation	<u>907,373</u>	<u>1.5</u>

**SUNGEI BAGAN RUBBER COMPANY (MALAYA) BERHAD (3327-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 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>3 months ended</b>	
	<b>30.09.10</b>	<b>30.09.09</b>	<b>30.09.10</b>	<b>30.09.09</b>
Profit attributable to ordinary equity holders (RM'000)	<u>6,809</u>	<u>3,770</u>	<u>6,809</u>	<u>3,770</u>
Weighted average number of ordinary shares in issue	<u>60,492</u>	<u>60,492</u>	<u>60,492</u>	<u>60,492</u>
Basic earnings per share (Sen)	<u>11.26</u>	<u>6.23</u>	<u>11.26</u>	<u>6.23</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 September 2010.

**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 29 November 2010.