

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

Consolidated Statement Of Comprehensive Income
For the Financial Period Ended 30 September 2011
(The figures have not been audited)

	Note	Individual Quarter 3 months ended		Year to Date 3 months ended	
		30.09.11 RM'000	30.09.10 RM'000	30.09.11 RM'000	30.09.10 RM'000
Revenue	3	3,412	2,354	3,412	2,354
Changes in inventories		568	38	568	38
Staff costs		(265)	(204)	(265)	(204)
Depreciation		(7)	(7)	(7)	(7)
Subcontract labour costs, fertilizer and chemical costs		(617)	(553)	(617)	(553)
Foreign exchange (loss) / gain		(3,818)	4,369	(3,818)	4,369
Other expenses		(1,067)	(403)	(1,067)	(403)
(Loss) / Profit from operations	3	(1,794)	5,594	(1,794)	5,594
Share of profit of associates		1,151	1,431	1,151	1,431
(Loss) / Profit before tax		(643)	7,025	(643)	7,025
Income tax expense	17	(418)	(216)	(418)	(216)
(Loss) / Profit after tax		(1,061)	6,809	(1,061)	6,809
<u>Other Comprehensive Income</u>					
Available-for-sale investments:					
Loss on fair value changes		(16,963)	(2,352)	(16,963)	(2,352)
Foreign currency translation		8,402	(8,998)	8,402	(8,998)
Share of other comprehensive (loss) / income of associates		(17,930)	14,624	(17,930)	14,624
Other comprehensive (loss) / income for the period, net of tax		(26,491)	3,274	(26,491)	3,274
Total comprehensive (loss) / income for the period		(27,552)	10,083	(27,552)	10,083
(Loss) / Earnings per share attributable to equity holders					
Basic (Sen)	25(a)	(1.75)	11.26	(1.75)	11.26
Diluted (Sen)	25(b)	(1.75)	11.26	(1.75)	11.26

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 2011**

	(Unaudited)	(Audited)
	As at	As at
	30.09.11	30.06.11
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	921	928
Biological assets	549	549
Investment property	26,854	25,513
Investment in associates	84,910	99,229
Available-for-sale investments	109,819	125,448
Deferred tax asset	35	35
	<u>223,088</u>	<u>251,702</u>
Current assets		
Inventories	615	47
Trade and other receivables	298	353
Cash and bank balances	130,760	129,535
	<u>131,673</u>	<u>129,935</u>
TOTAL ASSETS	<u>354,761</u>	<u>381,637</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	60,492	60,492
Reserves	285,626	313,178
	<u>346,118</u>	<u>373,670</u>
Non-current liabilities		
Provision for retirement benefits	219	212
Deferred tax liability	6,175	5,867
	<u>6,394</u>	<u>6,079</u>
Current liabilities		
Trade and other payables	2,102	1,862
Tax payable	147	26
	<u>2,249</u>	<u>1,888</u>
Total liabilities	<u>8,643</u>	<u>7,967</u>
TOTAL EQUITY AND LIABILITIES	<u>354,761</u>	<u>381,637</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 2011

(The figures have not been audited)

	← Non-Distributable →				← Distributable →			Total Equity RM'000
	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	
Opening balance at 1 July 2011	60,492	79,753	80,005	(14,743)	5,956	11,000	151,207	373,670
Total comprehensive income / (loss) for the period	-	(17,930)	(16,963)	8,402	-	-	(1,061)	(27,552)
Closing balance at 30 September 2011	<u>60,492</u>	<u>61,823</u>	<u>63,042</u>	<u>(6,341)</u>	<u>5,956</u>	<u>11,000</u>	<u>150,146</u>	<u>346,118</u>
Opening balance at 1 July 2010	60,492	65,244	74,143	(2,952)	5,956	11,000	133,427	347,310
Total comprehensive income / (loss) for the period	-	14,624	(2,352)	(8,998)	-	-	6,809	10,083
Closing balance at 30 September 2010	<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>

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 2011
(The figures have not been audited)

	3 months ended	
	30.09.11	30.09.10
	RM'000	RM'000
Net cash generated from operating activities	894	1,757
Net cash generated from investing activities	575	479
Net increase in cash and cash equivalents	<u>1,469</u>	<u>2,236</u>
Effects of exchange rate changes	(244)	210
Cash and cash equivalents at beginning of financial period	<u>129,535</u>	<u>122,304</u>
Cash and cash equivalents at end of financial period	<u>130,760</u>	<u>124,750</u>

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

	As at	As at
	30.09.11	30.09.10
	RM'000	RM'000
Cash and bank balances	<u>130,760</u>	<u>124,750</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 2011. 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 2011.

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 2011.

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

FRSs, Amendments to FRS and IC Interpretations

Amendments to FRS 1:	Limited exemption for comparatives	FRS 7: Disclosures for First-time Adopters
Amendments to FRS 7:	Improving Disclosures about Financial Instruments	
Amendments to FRS 1:	Additional exemptions for First-time Adopters	
Amendments to FRS 2:	Group Cash-settled Share-based Payment Transactions	
IC Interpretation 4:	Determining whether an Arrangement contains a Lease	
IC Interpretation 18:	Transfers of Assets from Customers	
Improvements to FRSs issued in 2010		
IC Interpretation 19:	Extinguishing Financial Liabilities with Equity Investments	
Amendments to IC		
Interpretation 14:	Prepayments of a Minimum Funding Requirement	
TR 3:	Guidance on Disclosure of Transition to IFRSs	
TR i - 4:	Shariah Compliant Sale Contracts	

Except for the new disclosures required under the Amendments to FRS 7, the application of new FRSs, Amendments to FRSs and interpretations that are effective for the financial statements commencing on 1 July 2011 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)
(Incorporated in Malaysia)

Part A - Explanatory Notes Pursuant to FRS 134

1. Basis of Preparation (cont'd)

(b) Revised FRS and IC Interpretation issued and not yet effective

The Group has not early adopted the following revised FRS and IC Interpretation 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:

		Effective date for financial periods beginning on or after
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 2011 was not qualified.

3. Segmental Information

	3 months ended	
	30.09.11	30.09.10
	RM'000	RM'000
Segment Revenue		
Plantation	2,836	1,824
Investment	576	530
Total	<u>3,412</u>	<u>2,354</u>
Segment results		
Plantation	2,094	1,065
Investment	(3,275)	4,888
	<u>(1,181)</u>	<u>5,953</u>
Unallocated corporate expenses	(613)	(359)
(Loss) / Profit from operations	<u>(1,794)</u>	<u>5,594</u>
Segment assets		
Plantation	41,814	35,129
Investment	312,912	329,021
	<u>354,726</u>	<u>364,150</u>
Unallocated corporate expenses	35	28
Total assets	<u>354,761</u>	<u>364,178</u>

SUNGEI BAGAN RUBBER COMPANY (MALAYA) BERHAD (3327-U)
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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 period ended 30 September 2011.

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 2011.

11. Changes in Contingent Liabilities and Contingent Assets

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

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 RM3.41 million was higher than the corresponding quarter ended 30 September 2010 by RM1.06 million. This was due to higher crop sales arising from higher FFB prices and higher fresh fruit bunches production. Dividend and interest income were also slightly higher.

For the current quarter, the Group suffered after-tax loss of RM1.06 million as compared to the after-tax profit of RM6.81 million achieved during last year's corresponding quarter. This was mainly due to the unrealised exchange loss of RM3.82 million as compared to the corresponding quarter's unrealised exchange gain of RM4.37 million. Share of associates' profit of RM1.15 million for the current quarter was lower than the corresponding quarter by RM280,000.

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 RM3.41 million was lower than the immediate preceding quarter of RM4.25 million despite higher crop sales on account of higher tonnage harvested. This was mainly due to lower dividend and interest income.

The Group suffered a pre-tax loss of RM643,000 for the current quarter as compared to the immediate preceding quarter's pre-tax profit of RM5.51 million despite share of associates' financial results was a profit of RM1.15 million for the current quarter as compared to the preceding quarter's loss of RM4.48 million. This was due to:-

- 1) The unrealised exchange difference was a loss of RM3.82 million for the current quarter as compared to the gain of RM2.30 million for the preceding immediate quarter.
- 2) The fair value gain of RM5.13 million arising from the revaluation of its investment property achieved during the immediate preceding quarter while there was none in the current quarter.

15. Commentary on Prospects

Prospects for the oil palm industry is expected to remain strong for the rest of the financial year ending 30 June 2012. The Group's plantation performance is expected to achieve satisfactory levels 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.

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

	Individual Quarter		Year-To-Date	
	3 months ended		3 months ended	
	30.09.11	30.09.10	30.09.11	30.09.10
	RM'000	RM'000	RM'000	RM'000
Current tax:				
Malaysian income tax	418	216	418	216
Total income tax expense	<u>418</u>	<u>216</u>	<u>418</u>	<u>216</u>

The effective tax rate for the current quarter was higher than the statutory tax rate as certain expenses were not deductible for tax purposes while the effective tax rate for last year's corresponding quarter was lower than the statutory tax rate 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 and year-to-date.

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

	As at
	30.09.11
	RM'000
At cost	26,207
At carrying value	84,482
At market value	<u>84,482</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 2011.

22. Off Balance Sheet Financial Instruments

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

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 dividends in respect of the financial year ended 30 June 2011 on 60,491,552 ordinary shares have been approved by the shareholders at the Annual General Meeting on 24 November 2011:

	Amount RM	Net dividend per share Sen
Final dividend of 2% less 25% taxation	907,373	1.500
Bonus dividend of 1.5% less 25% taxation	680,530	1.125
	<u>1,587,903</u>	<u>2.625</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 (loss) / earnings per share amounts are calculated by dividing (loss) / profit 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	
	30.09.11	30.09.10	30.09.11	30.09.10
(Loss) / Profit attributable to ordinary equity holders (RM'000)	<u>(1,061)</u>	<u>6,809</u>	<u>(1,061)</u>	<u>6,809</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 (loss) / earnings per share (Sen)	<u>(1.75)</u>	<u>11.26</u>	<u>(1.75)</u>	<u>11.26</u>

(b) Diluted

Diluted (loss) / earnings per share is the same as basic (loss) / earnings per share as there is no dilutive potential ordinary shares outstanding as at 30 September 2011.

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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 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, pursuant to the format prescribed by Bursa Malaysia, is as follows:

	As at 30.09.11 RM'000	As at 30.09.10 RM'000
Total retained profits of the Group and its subsidiaries:		
- Realised	112,572	103,329
- Unrealised	7,509	(938)
	120,081	102,391
Total share of retained profits from associated companies:		
- Realised	36,880	36,667
- Unrealised	2,602	4,369
	39,482	41,036
	159,563	143,427
Less: Consolidation adjustments	(9,417)	(3,191)
	<u>150,146</u>	<u>140,236</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 November 2011.