

**JAYA TIASA HOLDINGS BHD ( 3751-V )**  
**QUARTERLY REPORT FOR THE FORTH FINANCIAL QUARTER ENDED 30 APRIL 2010**

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

**1 Basis of preparation**

The quarterly report is unaudited and has been prepared in accordance with the requirements of Financial Reporting Standard (“FRS”) 134: Interim Financial Reporting issued by Malaysian Accounting Standards Board (“MASB”) and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The quarterly report should be read in conjunction with the Group’s audited financial statements for the financial year ended 30 April 2009. These explanatory notes attached to the quarterly report 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 April 2009.

The significant accounting policies adopted in the quarterly report are consistent with those adopted in the Group’s audited financial statements for the financial year ended 30 April 2009.

**2 Auditors’ Report on Preceding Annual Financial Statements**

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

**3 Seasonal and Cyclical Factors**

Save for the weather conditions which may affect our operations, our principal business operations have not been significantly affected by any seasonal and cyclical factors.

**4 Unusual items**

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the current quarter and financial year-to-date.

**5 Changes in estimates**

There were no changes in estimates of amounts reported in prior quarters which have a material impact on the current quarterly report.

**6 Debt and Equity Securities**

During the financial year-to-date, 2,000 shares of RM 1.00 each were purchased and retained as treasury shares. The monthly breakdown of shares bought back is as follows:

Month	No of shares purchased	Purchase price per share		Average price per share paid	Total consideration paid
		Lowest	Highest		
Jun 2009	1,000	RM 2.46	RM 2.46	RM 2.5037	RM 2,504
Dec 2009	1,000	2.56	2.56	2.6037	2,604
Total	2,000	2.46	2.56	2.5538	5,108

As at 30 April 2010, the number of shares retained as treasury shares amounted to 15,542,457.

Apart from the above, there were no other issuances and repayments of debt and equity securities for the current quarter and financial year-to-date.

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**7 Dividends Paid**

There were no dividends paid during the current quarter and financial year-to-date.

**8 Segmental Information**

The segment information in respect of the Group’s business segments for the year-to-date ended 31 April 2010 is as follows:

	Revenue	Profit /(Loss) Before Taxation
	RM’000	RM’000
Timber products	666,311	27,819
Oil palm operations	86,540	18,965
Reforestation and others	2,431	(5,051)
	<u>755,282</u>	<u>41,733</u>

**9 Carrying Amount of Revalued Assets**

The Group did not carry out any valuations on its property, plant and equipment during the current quarter and financial year-to-date. The carrying value of property, plant and equipment is based on the valuation incorporated in the annual financial statements for the year ended 30 April 2009.

**10 Subsequent Events**

No material events have arisen during the interval between the end of the current quarter and the date of this announcement that have not been reflected in the current quarterly report.

**11 Changes in Composition of the Group**

There were no changes in the composition of the Group during the current quarter and financial year-to-date, which were previously not announced.

**12 Contingent Liabilities and Contingent Assets**

There are no contingent liabilities or assets as at the end of the current quarter and financial year-to-date.

**13 Capital Commitments**

The amount of commitments for the purchase of property, plant and equipment not provided for in the quarterly report is as follows:

	As at 30/04/10 RM’000	As at 30/04/09 RM’000
Approved and contracted for	8,604	5,099
	<u>8,604</u>	<u>5,099</u>

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

**14 Review of Performance**

**(a) Comparison of 4th Quarter with Corresponding 4th Quarter of the previous financial year**

The Group's results for the quarter under review showed a marginal 2% increase in revenue to RM189.6 million as compared with RM186.7 million recorded in the corresponding quarter of the previous financial year. Pre-tax profit for the current quarter improved significantly to RM16.6 million from RM0.4 million last year.

Better results in revenue and pre-tax profit were mainly due to:

- higher proceeds from plywood sales as a result of 3% increase in volume and 17% in average selling price;
- better margin of plywood sales as a result of 12% reduction in costs of production; and
- 15% increase in sales volume and 34% higher average selling price of fresh fruit bunches (FFB) of oil palm.

**(b) Comparison of Year-to-date with Previous Year-to-date**

For the financial year-to-date, the Group's revenue of RM746.0 million was slightly lower than RM756.5 million reported in the previous corresponding period. However, pre-tax profit had increased by 83% to RM41.7 million as compared with RM22.9 million recorded a year ago.

Reduction in revenue was caused by 18% decrease in plywood sales volume and 5% in Logs average selling price, whereas higher pre-tax profit was mainly due to lower production cost of logs and plywood by 11% and 12% respectively.

**15 Comparison of 4th Quarter with Preceding 3rd Quarter**

The Group's revenue for current quarter has decreased by 10% to RM189.6 million from RM209.7 million registered in the immediate preceding quarter. Pre-tax profit reduced by 9% to RM16.6 million from RM18.4 million reported in preceding 3rd quarter.

The decrease in revenue and pre-tax profit were attributable to 26% fall in sales volumes of logs and 7% higher production costs due to lower logs production volume.

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**16 Commentary on Prospects**

The prospect for the timber industry is expected to turn positive with the gradual improvement of Japan housing starts and strong demand for logs from countries like India and China.

As for the oil palm division, improved fresh fruit bunches (FFB) production from more productive age profile of the Group's oil palm plantations is expected to contribute positively to the Group's profitability.

Despite uncertainties of the global economic situation, the board will strive to intensify its effort to improve efficiency and productivity in its operations and to deliver a satisfactory result for the next financial year.

**17 Profit Forecast or Profit Guarantee**

The disclosure requirements for explanatory notes on the variation of actual profit after tax and minority interest, and shortfall in profit guarantee are not applicable.

**18 Taxation**

Taxation comprise:-

	Current Quarter RM'000	Cumulative Year-to-date RM'000
Current taxation	214	318
Deferred taxation	7,154	14,135
	<u>7,368</u>	<u>7,085</u>

Additional provision of deferred tax liabilities in certain subsidiaries has causes effective tax rate of the Group for the financial year-to-date higher than the statutory tax rate.

**19 Sales of Unquoted Investments and Properties**

There were no profits or losses from sale of unquoted investments and properties for the current quarter and financial year-to-date.

**20 Quoted Securities**

There was no purchase or disposal of quoted securities during the current quarter and financial year-to-date.

**21 Corporate Proposals**

There were no corporate proposals announced or pending completion as at the date of this quarterly report.

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**22 Borrowings and Debt Securities**

	As at 30/04/10 RM'000	As at 30/04/09 RM'000
Secured borrowings:		
Short term	15,355	29,076
Long term	15,699	12,725
	<u>31,054</u>	<u>41,801</u>
Unsecured borrowings:		
Short term	258,000	259,321
Long term	512,505	478,222
	<u>770,505</u>	<u>737,543</u>
	<u>801,559</u>	<u>779,344</u>
 Borrowings denominated in foreign currency:		RM'000 Equivalent
	USD'000	
United States Dollars	10,500	33,474
	<u>10,500</u>	<u>33,474</u>

**23 Off Balance Sheet Financial Instruments**

Forward foreign exchange contracts that were entered into as at 30 April 2010 by certain subsidiary companies are as follows:

(In RM Million)	Maturity Analysis			
	Less than 1 year	1 year to 3 years	More than 3 years	Total Amount
Sales Contracts	110.0	-	-	110.0
Purchase Contracts	11.1	-	-	11.1

The above contracts were entered into as hedges for sales and purchases denominated in foreign currencies and to limit the exposure to potential changes in foreign exchange rates with respect to subsidiary companies' foreign currencies denominated estimated receipts and payments.

There is minimal credit risk as the contracts were entered into with reputable banks.

**24 Material litigation**

There is no pending material litigation as at the date of this announcement.

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**25 Dividend Payable**

- (a) No interim dividend has been declared by the Board of Directors for the current quarter (previous corresponding period: Nil).
- (b) The Board of Directors has recommended a first and final dividend of 2% less 25% tax (2009: Nil) in respect of the financial year ended 30 April 2010 for the shareholders' approval at the forthcoming annual general meeting. The entitlement and payment dates will be decided and announced in due course.

**26 Earnings per share (EPS)**

(a) Basic EPS

Basic earnings per share is calculated by dividing the net profit of the period over the weighted average number of ordinary shares in issue during the period excluding treasury shares held by the Company.

	Current Quarter	Cumulative Year-to-date
Net profit attributable to the equity holders of the Company (RM'000)	8,984	26,575
Weighted average number of Ordinary shares in issue ( '000 )	266,986	266,987
Basic earnings per share (Sen)	3.36	9.95

(b) Diluted EPS

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**27 Authorization for issue**

The Board of Directors in accordance with a resolution of the directors has authorized the quarterly report for issue on 23 June 2010.