

JAYA TIASA HOLDINGS BHD (3751-V)
QUARTERLY REPORT FOR THE FORTH FINANCIAL QUARTER ENDED 30 APRIL 2012

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 2011. 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 2011.

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 2011 except for the adoption of new FRSSs, amendments and IC interpretations which are relevant to the Group for the financial year beginning 1 May 2011:-

FRS 3	Business Combinations (revised)
FRS 127	Consolidated and Separate Financial Statement (revised)
Amendments to FRS 7	Improving Disclosures about Financial Instruments
Amendments to FRS 132	Financial Instruments: Presentation
Amendments to FRS 138	Intangible Assets
IC Interpretation 4	Determining Whether an Arrangement Contains a Lease
Amendments to FRSSs	Improvement to FRSSs (2010)

2 Auditors’ Report on Preceding Annual Financial Statements

The auditors’ report on the financial statements for the year ended 30 April 2011 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.

JAYA TIASA HOLDINGS BHD (3751-V)
QUARTERLY REPORT FOR THE FORTH FINANCIAL QUARTER ENDED 30 APRIL 2012

Part A – Explanatory Notes Pursuant to FRS 134 (Continued)

6 Debt and Equity Securities

During the financial year-to-date, 36,500 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 2011	1,000	RM 7.10	RM 7.10	RM 7.1527	RM 7,153
Nov 2011	34,500	5.72	6.01	5.9834	206,428
Dec 2011	1,000	6.82	6.82	6.8700	6,870
Total	36,500	5.72	7.10	6.0398	220,451

As at 30 April 2012, the number of shares retained as treasury shares amounted to 15,580,957.

On 04 May 2012, the Company distributed 13,346,969 treasury shares as Share Dividend to entitled shareholders in the ratio of One (1) Treasury Share for every Twenty (20) existing Ordinary Shares. The average cost of the repurchases would be applied against the share premium account in accordance with section 67A of the Companies Act 1965.

Apart from the above, there were no other issuances and repayments of debt and equity securities for the period.

7 Dividends Paid

A first and final dividend of 6% less 25% tax in respect of the financial year ended 30 April 2011 amounting to RM12,013,134 was paid on 25th November 2011.

8 Segmental Information

The segment information in respect of the Group's business segments for the year-to-date ended 30 April 2012 is as follows:

	Revenue	Profit Before Taxation
	RM'000	RM'000
Logs	352,776	46,239
Wood Processing	354,843	35,519
Oil palm operations	303,336	142,779
Others & Admin expenses	660	(3,275)
Consolidated total	<u>1,011,615</u>	<u>221,262</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 2011.

JAYA TIASA HOLDINGS BHD (3751-V)
QUARTERLY REPORT FOR THE FORTH FINANCIAL QUARTER ENDED 30 APRIL 2012

Part A – Explanatory Notes Pursuant to FRS 134 (Continued)

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, which were previously not announced.

12 Contingent Liabilities and Contingent Assets

There are no significant changes in contingent liabilities or assets as at the end of the current quarter.

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 30/04/12 RM'000	As at 30/04/11 RM'000
Authorised and contracted for	66,290	15,530
Authorised but not contracted for	165,000	-
	<u>231,290</u>	<u>15,530</u>

JAYA TIASA HOLDINGS BHD (3751-V)
QUARTERLY REPORT FOR THE FORTH FINANCIAL QUARTER ENDED 30 APRIL 2012

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

14 Review of Performance

(a) Comparison of Results with Corresponding Quarter of the Previous Financial Year

The Group registered a revenue of RM274.5 million for the quarter under review, an increase of 7% from the RM255.5 million recorded in the corresponding quarter of previous financial year. Pre-tax profit of RM38.9 million was 47% lower than that of RM72.8 million recorded in the corresponding quarter of the previous financial year.

Better revenue was attributable to significant increase in logs sales volume whereas lower pre-tax profit was affected by:-

- 33% fall in logs average selling price;
- 25% reduction in plywood sales volume; and
- 10% and 9% decrease in fresh fruit bunches (FFB) and crude palm oil (CPO) average selling prices respectively.

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

For the financial year-to-date, the Group's revenue of RM1,011.6 million was 16% higher than RM870.9 million reported in the preceding year corresponding period. Pre-tax profit increased by 7% to RM221.3 million as compared with RM206.0 million recorded in the previous year.

The improvement in revenue and pre-tax profit were mainly due to:

- 32% growth in logs sales volume;
- 22% increase in plywood average selling price; and
- 25% and 53% improvement in FFB and CPO sales volume respectively.

15 Comparison of Profit before tax with Immediate Preceding Quarter

The Group's revenue for the quarter under review improved 16% to RM274.5 million from RM237.6 million reported in the immediate preceding quarter. Pre-tax profit reduced by 22% to RM38.9 million from RM49.8 million reported in the preceding quarter.

The improvement in revenue was attributable to 72% rise in logs sales volumes. However, decline in pre-tax profit was mainly due to 6% and 9% reduction in the average selling price of logs and plywood respectively.

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

16 Commentary on Prospects

Despite the weakening of Rupee which had impacted log export to India and the delay in Japan's reconstruction efforts, the prospect for the timber division is expected to remain positive in view of the tight log supply condition and anticipated increase in demand for wood products from Japan's reconstruction efforts.

The outlook for the oil palm sector remains firm with the growth in demand from Pakistan and European countries and lower than expected CPO inventory level as reported recently. For our oil palm division, increase in FFB production is expected to contribute positively to the Group's profitability with more palms reaching their prime production age and additional planted estates entering into maturity.

Barring any unforeseen circumstances, the Board believes that the performance for the current financial year will be satisfactory.

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	1,879	20,877
Deferred taxation	6,610	25,776
	<u>8,489</u>	<u>46,653</u>

The effective tax rate of the Group is lower than the statutory tax rate. This is due mainly to tax credit on loss making subsidiaries and no effect on the gain on disposal of subsidiary.

19 Quoted Securities

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

JAYA TIASA HOLDINGS BHD (3751-V)

QUARTERLY REPORT FOR THE FORTH FINANCIAL QUARTER ENDED 30 APRIL 2012

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

20 Corporate Proposals Pending Completion

- I. Proposed placement of new ordinary shares of RM1.00 each in the Company, representing up to 15% of the issued and paid-up share capital of the Company (“PROPOSED PLACEMENT”); and
- II. Proposed bonus issue of new shares in the Company on the basis of 2 bonus shares for every 1 ordinary share held after the Proposed Placement (“PROPOSED BONUS ISSUE”)

The above two Proposals are expected to be completed by the second half of the calendar year 2012.

21 Borrowings and Debt Securities

	As at 30/04/12 RM'000	As at 30/04/11 RM'000
Secured borrowings:		
Short term	30,364	17,694
Long term	36,480	28,162
	<u>66,844</u>	<u>45,856</u>
Unsecured borrowings:		
Short term	195,895	225,787
Long term	621,863	497,658
	<u>817,758</u>	<u>723,445</u>
	<u>884,602</u>	<u>769,301</u>
Borrowings denominated in foreign currency:		RM'000 Equivalent
United States Dollars	USD'000 19,190	65,110
	<u>19,190</u>	<u>65,110</u>

22 Material litigation

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

JAYA TIASA HOLDINGS BHD (3751-V)
QUARTERLY REPORT FOR THE FORTH FINANCIAL QUARTER ENDED 30 APRIL 2012

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

23 Disclosure of Realised and Unrealised Profits or Losses

	As at 30/04/12 RM'000	As at 30/04/11 RM'000
Total retained profits of Jaya Tiasa Holdings Bhd and its subsidiaries		
- Realised	1,092,900	895,185
- Unrealised	<u>(61,305)</u>	<u>(45,543)</u>
	1031,595	849,642
Less: Consolidation adjustments	(146,077)	(124,858)
Total group retained profits as per consolidated accounts	<u>885,518</u>	<u>724,784</u>

24 Dividend Payable

(a) No interim dividend has been declared by the Board of Directors for the period (previous corresponding period: first and final dividend of 6% less 25% tax).

(b) Total dividends – Not applicable.

25 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)	30,155	172,747
Weighted average number of Ordinary shares in issue ('000)	266,948	266,965
Basic earnings per share (Sen)	11.30	64.71

(b) Diluted EPS

- -

26 Authorization for issue

The Board of Directors in accordance with a resolution of the directors has authorized the quarterly report for issue on 20th of June 2012.