CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2006
(The figures have not been audited)

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.09.2006 RM'000	Preceding Year Corresponding Quarter 30.09.2005 RM'000	Current Year To Date 30.09.2006 RM'000	Preceding Year To Date 30.09.2005 RM'000
Revenue	301,791	244,348	800,971	710,008
Other operating income	2,317	1,608	6,397	5,984
Operating expenses	(259,506)	(216,258)	(729,190)	(654,947)
Profit from operations	44,602	29,698	78,178	61,045
Finance cost	(9,256)	(3,893)	(25,729)	(13,612)
Share of profit of associated company	-	3	9	5
Profit before taxation	35,346	25,808	52,458	47,438
Taxation	(9,217)	(7,976)	(17,533)	(19,440)
Profit for the period	26,129	17,832	34,925	27,998
Profit for the period attributable to:-				
Equity holders of the parent	22,538	18,241	35,682	30,536
Minority interests	3,591	(409)	(757)	(2,538)
	26,129	17,832	34,925	27,998
Earnings per share attributable to equity holders of the parent:-				
Basic (sen)	7.60	6.15	12.04	10.30
Fully diluted (sen)	7.60	6.15	11.91	10.30

(The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the year ended 31 December 2005)

Tradewinds (M) Berhad (19123-K)

CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 30 SEPTEMBER 2006

	Unaudited as at End of Current Quarter 30.09.2006 RM'000	Audited as at Preceding Financial Year End 31.12.2005 RM'000
Non-current assets		
Property, plant and equipment	2,001,739	1,432,895
Properties held for development	-	24,570
Investment in associated companies	112,686	113,489
Other investments	10,964	14,949
Other receivables	55,288	53,795
Goodwill on consolidation	55,969	73,212
Deferred tax assets	34,349	22,631
	2,270,995	1,735,541
Current assets		
Inventories	125,551	134,239
Trade and other receivables	248,075	237,405
Amount owing by related companies	15,443	11,718
Amount owing by associated company	338	-
Assets classified as held for sale	23,969	-
Deposits placed with licensed banks	43,306	17,420
Cash and bank balances	29,328	36,122
	486,010	436,904
Current liabilities		
Trade and other payables	118,619	103,824
Amount owing to holding company	106	-
Amount owing to associated company	111,551	112,388
Amount owing to related companies	147	35
Borrowings	390,124	406,944
Tax payable	6,740	3,273
	627,287	626,464
Net current liabilities	(141,277)	(189,560)
	2,129,718	1,545,981
Share capital	296,471	296,471
Reserves		
Share premium	84,171	84,171
Exchange reserves	21,642	26,847
Capital reserves	5,760	8,042
Retained profits	784,889	614,815
	896,462	733,875
Equity attributable to equity holders of the parent	1,192,933	1,030,346
Minority interests	266,831	46,136
Total equity	1,459,764	1,076,482
Non-current liabilities		
Borrowings	499,602	360,527
Retirement benefit obligations	2,075	-
Deferred tax liabilities	168,277	108,972
	669,954	469,499
	2,129,718	1,545,981
Net assets per share attributable to ordinary equity holders of the parent (RM)	4.0238	3.4754

(The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the year ended 31 December 2005)

Tradewinds (M) Berhad (19123-K)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2006
(The figures have not been audited)

	<---------------------- Attributable to Equity Holders of the Parent ---------------------->							
	Share Capital RM'000	Share Premium RM'000	Exchange Reserves RM'000	Capital Reserves RM'000	Retained Profits RM'000	Total RM'000	Minority Interests RM'000	Total Equity RM'000
At 1 January 2006	296,471	84,171	26,847	8,042	614,815	1,030,346	46,136	1,076,482
Exchange differences on translation	-	-	1,573	-	-	1,573	(59)	1,514
Gain/(loss) on dilution of interest in subsidiaries	-	-	(6,778)	(2,282)	172,815	163,755	-	163,755
Net gain/(loss) recognised directly in equity	-	-	(5,205)	(2,282)	172,815	165,328	(59)	165,269
Profit for the period	-	-	-	-	35,682	35,682	(757)	34,925
Total recognised income and expenses for the period	-	-	(5,205)	(2,282)	208,497	201,010	(816)	200,194
Minority interests arising from dilution of interest in subsidiaries	-	-	-	-	-	-	237,602	237,602
Additional investment in subsidiary	-	-	-	-	-	-	(16,091)	(16,091)
Dividends	-	-	-	-	(38,423)	(38,423)	-	(38,423)
At 30 September 2006	296,471	84,171	21,642	5,760	784,889	1,192,933	266,831	1,459,764
At 1 January 2005	296,471	84,171	27,924	8,042	624,492	1,041,100	53,569	1,094,669
Exchange differences on translation recognised directly in equity	-	-	(5,073)	-	-	(5,073)	219	(4,854)
Profit for the period	-	-	-	-	30,536	30,536	(2,538)	27,998
Total recognised income and expenses for the period	-	-	(5,073)	-	30,536	25,463	(2,319)	23,144
Additional investment in subsidiary	-	-	-	-	-	-	(4,909)	(4,909)
Dividends	-	-	-	-	(25,615)	(25,615)	-	(25,615)
At 30 September 2005	296,471	84,171	22,851	8,042	629,413	1,040,948	46,341	1,087,289

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2005)

Tradewinds (M) Berhad (19123-K)

CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2006
(The figures have not been audited)

	Current Year To Date 30.09.2006 RM'000	Preceding Year To Date 30.09.2005 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	52,458	47,438
Adjustments for:		
Non-cash items	66,851	52,015
Non-operating items	22,292	12,726
Operating profit before changes in working capital	141,601	112,179
Net change in current assets	61,178	(40,254)
Net change in current liabilities	(66)	55,431
Interest, retirement benefit and tax paid	(49,083)	(44,936)
Net cash flows from operating activities	153,630	82,420
CASH FLOWS FROM INVESTING ACTIVITIES		
Equity investments	(15,942)	(5,891)
Other investments	(64,131)	(80,718)
Net cash flows used in investing activities	(80,073)	(86,609)
CASH FLOWS FROM FINANCING ACTIVITIES		
Bank borrowings	(11,377)	116,158
Dividends paid	(38,423)	(25,615)
Net cash flows (used in)/from financing activities	(49,800)	90,543
NET INCREASE IN CASH AND CASH EQUIVALENTS	23,757	86,354
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	48,488	34,339
EFFECT OF EXCHANGE RATE CHANGES	389	(1,077)
CASH AND CASH EQUIVALENTS AT END OF PERIOD	72,634	119,616
Cash and cash equivalents at the end of the financial period comprise the following:-		
Deposits placed with licensed banks	43,306	71,762
Cash and bank balances	29,328	49,819
Bank overdrafts	-	(1,965)
	72,634	119,616

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the year ended 31 December 2005)

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A. NOTES TO THE INTERIM FINANCIAL REPORT

1. Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with FRS134 "Interim Financial Reporting" and Chapter 9, Part K of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2005.

2. Changes in Accounting Policies

The accounting policies and methods of computation adopted for the interim financial report are consistent with those adopted by the Group in the audited financial statements for the year ended 31 December 2005 except for the adoption of the following new/revised Financial Reporting Standards ("FRS") effective for financial period beginning 1 January 2006: -

FRS 2	Share-based Payment
FRS 3	Business Combinations
FRS 5	Non-current Assets Held for Sale and Discontinued Operations
FRS 101	Presentation of Financial Statements
FRS 102	Inventories
FRS 108	Accounting Policies, Changes in Estimates and Errors
FRS 110	Events after the Balance Sheet Date
FRS 116	Property, Plant and Equipment
FRS 121	The Effects of Changes in Foreign Exchange Rates
FRS 127	Consolidated and Separate Financial Statements
FRS 128	Investments in Associates
FRS 131	Interests in Joint Ventures
FRS 132	Financial Instruments: Disclosure and Presentation
FRS 133	Earnings Per Share
FRS 136	Impairment of Assets
FRS 138	Intangible Assets
FRS 140	Investment Property

With the exception of FRS 3, 5, 101 and 136, the adoption of the remaining FRSs does not have significant financial impact on the Group. The principal effects of adopting FRS 3, 5, 101 and 136 are as follows:-

(a) FRS 3 : Business Combinations and FRS 136 : Impairment of Assets

Following the adoption of these new FRSs, the Group has ceased to amortise goodwill arising from consolidation. Goodwill is carried at cost less accumulated impairment losses and is subject to annual impairment test, or more frequently if events or changes in circumstances indicate that it might be impaired. Any impairment loss is recognised immediately in the income statement and subsequent reversal is prohibited. Prior to 1 January 2006, goodwill was amortised on a straight line basis over 25 years. This change in accounting policy has been accounted for prospectively for business combinations where the agreement date is on or after 1 January 2006. In accordance with the transitional provisions of FRS 3, the Group has eliminated the carrying amount of the accumulated amortisation of RM60,294,000 against the carrying amount of goodwill of RM133,506,000 as at 1 January 2006. The cessation of amortisation has the effect of increasing the profit by RM3,417,000 in the current period.

(b) FRS 5 : Non-current Assets Held for Sale and Discontinued Operations

An item is classified as held for sale if its carrying amount will be recovered principally through a sale transaction rather than through continuing use. Immediately before the classification as held for sale, the carrying amount of the assets shall be measured in accordance with applicable FRSs. Then, on initial classification as held for sale, the assets shall be measured at the lower of its carrying amount and fair value less costs to sell. The adoption of this FRS has resulted in the Group classifying an asset with a carrying amount of RM23,969,000 as held for sale and presenting it separately from other assets in the balance sheet.

(c) FRS 101 : Presentation of Financial Statements

The adoption of this FRS has affected the presentation of minority interest, share of net after-tax results of associates and other disclosures. In the consolidated balance sheet, minority interests are now presented within total equity. In the consolidated income statement, minority interests are presented as an allocation of the total profit or loss for the period. A similar requirement is also applicable to the statement of changes in equity. This FRS also requires disclosure, on the face of the statement of changes in equity, total recognised income and expenses for the period, showing separately the amounts attributable to equity holders of the parent and to minority interest.

Certain comparative figures of the Group's financial statements have been restated to conform with the current period's presentation which is based on the revised requirements of this FRS.

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3. Audit Report of the Preceding Annual Financial Statements

The auditors' report of the preceding annual financial statements was not subject to any qualification.

4. Seasonal or Cyclical Factors

The operations of the Group are not affected by any seasonal or cyclical factors other than the plantation operation, which is affected by the usual seasonal production of fresh fruit bunches.

5. Unusual Items

The following items occurred during the current financial period as reflected in the financial statements:-

	RM'000
Gain on disposal of quoted shares	1,156
Gain on dilution of interest in subsidiaries	163,755
	164,911

6. Changes in Estimates

There were no changes in estimates of amounts reported in prior quarters of the current financial year or changes in estimates of amounts reported in prior financial years that have a material effect in the current quarter.

7. Changes in Debt and Equity Securities

There have been no issuances, cancellations, repurchases, resales and repayments of debt and equity securities during the current financial year to date.

8. Dividends Paid

Dividends paid during the current financial year to date are as follows:-.

Ordinary shares:	Current Year To Date RM'000	Preceding Year Corresponding Period RM'000
Final dividend, proposed in year 2005, paid in year 2006 (10 sen per share less 28% income tax)	21,346	-
Interim dividend for year 2006 (8 sen per share less 28% income tax)	17,077	
Final dividend, proposed in year 2004, paid in year 2005 (12 sen per share less 28% income tax)	-	25,615
	38,423	25,615

9. Segmental Reporting

Current Year To Date	Manufacturing & Trading RM'000	Plantation RM'000	Others RM'000	Total RM'000
Revenue				
External sales	498,420	302,481	70	800,971
Results				
Segment results	42,361	38,938	(684)	80,615
Unallocated income				4,592
Unallocated expenses				(7,029)
Profit from operations				78,178
Finance cost				(25,729)
Share of profit of associated company			9	9
Profit before taxation				52,458
Taxation				(17,533)
Profit for the period				34,925

10. Valuations of Property, Plant and Equipment

The Group did not revalue its property, plant and equipment.

11. Material Subsequent Events

The proposed acquisition of the entire issued and fully paid-up share capital of Gula Padang Terap Sdn Bhd by the Company from Jalinan Semangat Sdn Bhd, Perbadanan Kemajuan Negeri Kedah and PPB Group Berhad for a total cash consideration of RM188.0 million was completed on 15 November 2006.

12. Changes in the Composition of the Group

There were no changes in the composition of the Group during the period except for the following:-

(a) On 25 May 2004, the Company, Johore Tenggara Oil Palm Berhad ("JTOP") and Tradewinds Plantation Berhad (formerly known as Jubilant Century Berhad) ("TPB") entered into a Merger Agreement where the Company and JTOP have agreed to undertake and implement a scheme of amalgamation of companies and a merger exercise ("the Merger") to consolidate and rationalise oil palm businesses of the Company and JTOP via TPB, a special purpose vehicle set up to facilitate the implementation of the Merger. The Merger involves the following:-

(i) Proposed acquisitions by TPB from the Company of the issued and paid-up share capital held by the Company in its plantation subsidiaries for a total purchase consideration of RM687,124,750 to be satisfied by the issuance of 369,153,315 new ordinary shares of RM1.00 each in TPB ("TPB Shares") at an issue price of RM1.60 per TPB Share and RM96,479,445 nominal value 10-year 3% irredeemable convertible unsecured loan stocks ("ICULS") in TPB ("TPB ICULS") at an issue price of RM1.00 per nominal value TPB ICULS ("Proposed Acquisitions");

(ii) Proposed exchange of the entire issued and paid-up share capital of JTOP comprising 160,000,000 ordinary shares of RM1.00 each in JTOP ("JTOP Shares") with 160,000,000 new TPB Shares between TPB and JTOP's existing shareholders pursuant to a proposed members' scheme of arrangement under Section 176 of the Companies Act, 1965, on the basis of one new TPB Share for every one existing JTOP Share held by the JTOP's existing shareholders ("Proposed Share Exchange");

(iii) Proposed assumption by TPB of RM63,520,555, being part of the net inter-company advances owing by certain plantation subsidiaries to the Company, through the issuance of RM63,520,555 nominal value TPB ICULS to the Company ("Proposed Debt Assumption");

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(iv) Proposed placement of certain number of TPB Shares and TPB ICULS at a placement price to be determined later to enable TPB to meet the minimum public shareholding spread for the listing of the TPB Shares and TPB ICULS in accordance with the Listing Requirements of Bursa Malaysia Securities Berhad; and

(v) Proposed transfer of the listing status of JTOP on the Main Board of Bursa Malaysia Securities Berhad to TPB.

The Proposed Acquisitions, Proposed Share Exchange and Proposed Debt Assumption were completed on 28 February 2006 and thereafter, TPB became a 69.76% owned subsidiary company of the Company. On 15 March 2006, the entire 529,153,415 TPB Shares and RM160,000,000 nominal value TPB ICULS were officially listed on the Main Board of Bursa Malaysia Securities Berhad.

The Merger has contributed the following results to the Group:-

	Current Year Quarter RM'000	**Current Year To Date RM'000**
Revenue	30,309	67,154
Loss for the period	(2,690)	(3,969)

If the Merger had completed on 1 January 2006, the Group revenue and profit for the period from 1 January 2006 to 30 September 2006 would have been RM816,785,000 and RM34,130,000 respectively.

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The assets and liabilities arising from the Merger are as follows:-

	Fair value RM'000	Acquiree's Carrying Amount RM'000
Property, plant and equipment	557,007	557,007
Other investments	3,047	3,047
Deferred tax assets	7,005	7,005
Inventories	6,863	6,863
Trade and other receivables	58,058	58,058
Tax recoverable	4,132	4,132
Cash and bank balances	566	566
Trade and other payables	(16,422)	(16,422)
Tax payables	(98)	(98)
Retirement benefit obligations	(2,431)	(2,431)
Borrowings	(138,743)	(138,743)
Deferred tax liabilities	(59,975)	(59,975)
Total net assets	419,009	419,009
Less: Goodwill diluted	(17,652)	
Less: Minority interest	(237,602)	
Group's share of net assets	163,755	
Less: Gain on dilution of interest in subsidiaries	(163,755)	
Purchase consideration satisfied by cash	-	

The cash inflow on the completion of the Merger is as follows:-

	Current Year To Date RM'000
Purchase consideration satisfied by cash	-
Cash and cash equivalents of subsidiaries acquired	558
Net cash inflow of the Group	558

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(b) On 29 March 2006, TPB acquired the entire shareholding of Tradewinds Plantation Management Sdn Bhd ("TPMSB") and Tradewinds Plantech Sdn Bhd ("TPSB") for a cash consideration of RM2 for each company.

TPMSB is principally involved in the provision of plantation management and advisory services and TPSB is principally involved in the provision of technical support and advisory services to subsidiaries within the Group.

There was no material effect on the results or net assets of the Group arising from the above acquisitions for the current quarter and financial year to date.

(c) On 28 April 2006, TPB acquired the entire shareholding of Tradewinds Agro Services Sdn Bhd (formerly known as Sparkling Crest Sdn Bhd) ("TASSB") for a cash consideration of RM2.

TASSB is principally involved in the provision of plantation management and advisory services to non-group companies.

There was no material effect on the results or net assets of the Group arising from the above acquisition for the current quarter and financial year to date.

(d) On 7 June 2006, TPB acquired 6,340,587 ordinary shares of RM1.00 each representing 30% of the issued and fully paid-up share capital of Ladang Serasa Sdn Bhd ("LSSB"), which was previously a 70% owned subsidiary of TPB, for a cash consideration of RM16.5 million.

LSSB is principally involved in the business of cultivation of oil palm and production of crude palm oil.

There was no material effect on the results or net assets of the Group arising from the above acquisition for the current quarter and financial year to date.

13. Capital Commitments

The amount of capital commitments not provided for in the interim financial statements as at 30 September 2006 is as follows:-

	RM'000
Property, plant and equipment	181,294
Acquisition of subsidiary company	131,600
	312,894

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14. Contingent Liabilities and Contingent Assets

The contingent liabilities as at 30 September 2006 are as follows:-

	RM'000
Corporate guarantee for credit facilities granted to third parties under "Skim Industri Pertanian"	820

There were no contingent assets as at 30 September 2006.

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B. ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF BURSA SECURITIES

1. Review of Performance

For the quarter under review, the Group achieved revenue of RM301.8 million, representing an increase of RM57.5 million from RM244.3 million recorded for the corresponding quarter last year. The increase in revenue during the quarter under review was mainly due to the higher sales volume of refined sugar by the Manufacturing and Trading Division. The higher volume of sales contributed by the enlarged plantation hectarage arising from the merger exercise by the Plantation Division also contributed positively to the increase in revenue. The Group's profit before taxation increased by RM9.5 million to RM35.3 million for the quarter under review from RM25.8 million for the preceding year corresponding quarter. The increase in profit before taxation was mainly due to higher sales volume by the Plantation Division.

In line with the above, for the nine months period ended 30 September 2006, the Group recorded revenue of RM801.0 million, which represents an increase of RM91.0 million from the previous corresponding period of RM710.0 million. The increase in revenue was mainly due to the higher sales volume by the Plantation Division and higher sales volume of refined sugar by the Manufacturing and Trading Division. The Group's profit before taxation also increased by RM5.0 million to RM52.4 million from the preceding corresponding period of RM47.4 million. The Manufacturing and Trading Division recorded a higher pre-tax profit mainly due to the increase in average selling price of refined sugar. Pre-tax profit of the Plantation Division declined during the period under review due to the increase in finance costs incurred as compared to the previous corresponding period.

2. Material Changes in the Profit Before Taxation for the Quarter Reported On as Compared with the Immediate Preceding Quarter

	Quarter Reported On RM'000	Immediate Preceding Quarter RM'000	Increase RM'000
Profit before taxation	35,346	11,463	23,883

For the current quarter under review, the Group recorded an increase of RM23.9 million in profit before taxation as compared to the immediate preceding quarter. The increase was mainly due to higher sales of oil palm products by the Plantation Division.

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3. Prospects

The financial performance of the Plantation Division is expected to remain stable for the remaining period of the financial year in view of the firm palm products prices.

Despite facing the challenging environment, the Manufacturing and Trading Division is expected to perform satisfactorily for the remaining period of the current financial year.

4. Variance on Forecast Profit/Shortfall in Profit Guarantee

Not applicable.

5. Taxation

Taxation comprises:-

	Current Year Quarter RM'000	Current Year To Date RM'000
Current period provision	8,862	22,789
Transfer from deferred taxation	355	(5,259)
Real property gains tax	-	3
	9,217	17,533

The taxation charge of the Group for the current quarter and financial year to date reflects an effective tax rate which is higher than the statutory income tax rate mainly due to certain expenses that are not deductible for tax purposes and tax losses of subsidiaries which are not available for group relief.

6. Profits/(Losses) on Sale of Unquoted Investments and/or Properties

The Group recorded a loss of RM57,732 on the sale of unquoted investment during the current quarter and financial year to date. There were no sales of properties during the current quarter and financial year to date.

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7. Quoted Securities Other Than Securities in Existing Subsidiaries and Associated Company

(a) The purchases and disposals of quoted securities are as follows:-

	Current Year Quarter RM'000	Current Year To Date RM'000
(i) Purchase consideration of quoted securities	-	-
(ii) Total sales proceeds of quoted securities	-	7,981
(iii) Gain on disposal of quoted securities	-	1,156

(b) Investments in quoted securities as at the reporting period are as follows:-

	RM'000
(i) at cost	41,839
(ii) at carrying value	10,478
(iii) at market value	10,099

8. (a) Status of Corporate Proposals

The status of corporate proposals announced but not completed as at 15 November 2006, being the latest practicable date, are as follows:

On 22 September 2006, Tradewinds (M) Berhad ("TWS") entered into 2 conditional sale and purchase agreements:-

(a) Conditional Sale and Purchase Agreement of Shares ("CSPA Shares") for the disposal of its entire 100% equity interest in Tenaga Lestari (M) Sdn Bhd ("TLSB") to Willalpha Investments Limited for a total cash consideration of USD2,286,316; and

(b) Conditional Sale and Purchase Agreement of Loan ("CSPA Loan") for the disposal of TWS's right, tittle and interest to:-

(i) all moneys owing and payable by P.T. Bumipermai Suryalestari ("BPSL") to TWS by virtue of the advances made by TWS ("TWS' Advances") in relation to the Loan Agreement dated 5 November 1996 between BPSL and Maybank International (L) Limited for the principal amount of USD10 million ("Bank Loan") and the Novation Agreement dated 30 June 1998 between BPSL, Maybank International (L) Limited and Malayan Banking Bhd ("Maybank") and the subrogation of TWS to the rights of Maybank as creditor in respect to TWS' Advances;

(ii) Pledge of Shares Agreement dated 5 September 1997 between PT Sadin Multiagro Sentosa, TWS, BPSL and P.T. Bumibangka Lestari ("BBL") as amended by an Amendment to the Pledge of Shares Agreement dated 22 August 2000 and the shares pledged by PT Sadin Multiagro Sentosa in BPSL and BBL in consideration of TWS entering into and assuming obligations under the Guarantee and Indemnity dated 5 November 1996 in relation to the Bank Loan; and

(iii) Upon execution of the Company Assignment, all moneys owing and payable by BPSL to TWS as assignee of TLSB's rights, title and interest in and to all moneys (denominated in United States Dollars) owing and payable by BPSL to TLSB by virtue of the advances made by TLSB ("TLSB's Advances") and the subrogation of TLSB to the rights of Maybank as creditor with respect to TLSB's Advances,

(collectively, the "Assigned Rights") to Labuan Agri Investment (L) Bhd for a total cash consideration of USD10,713,684.

The completion of the CSPA Shares and CSPA Loan is pending the approval of Foreign Investment Committee of Malaysia and fulfillment of the conditions precedent obtained in the CSPA Shares and CSPA Loan.

(b) Status of Utilisation of Proceeds Raised from Corporate Proposal

There was no corporate proposal involving fund raising.

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9. Group Borrowings and Debt Securities

Group borrowings as at the end of the reporting period are as follows:-

	RM'000
Long Term Borrowings	
Secured term loan	591,776
Less: Current portion of long term borrowings	(92,174)
	499,602
Short Term Borrowings	
Secured	
Revolving credit	134,200
Overdraft	-
	134,200
Unsecured	
Revolving credit	108,750
Bankers' acceptance	55,000
Overdraft	-
	163,750
Current portion of long term borrowings	92,174
	390,124
Total	889,726

10. Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments as at 15 November 2006, being the latest practicable date.

11. Changes in Material Litigation

There was no pending material litigation as at 15 November 2006, being the latest practicable date.

12. Dividend

An Interim Dividend of 8.0 sen per share less 28% income tax (2005: Nil) was declared on 24 August 2006 in respect of the financial year ended 31 December 2006 and was paid on 25 September 2006.

The Board of Directors does not recommend any dividend (2005: 8.0 sen) for the third quarter ended 30 September 2006.

13. Earnings Per Share

(a) Basic earnings per share

The calculation of basic earnings per share for the current year to date is based on the profit for the period attributable to equity holders of the parent of RM35.7 million and the weighted average number of ordinary shares outstanding during the current year to date of 296,470,484.

Tradewinds (M) Berhad (19123-K)

(b) Diluted earnings per share

Diluted earnings per share is calculated after taking into consideration subsidiary's potential ordinary shares in issue that are convertible into ordinary shares of the subsidiary. The subsidiary's potential ordinary shares comprise 160,000,000 TPB ICULS issued on 28 February 2006. The profit for the period attributable to equity holders of the parent used in computing the diluted earnings per share has been adjusted as follows:-

	Current Year To Date RM'000
Profit attributable to equity holders of the parent	35,682
Effect of assumed conversion of TPB ICULS	(384)
Profit attributable to equity holders of the parent including assumed conversion of TPB ICULS	35,298

As the diluted earnings per share is derived from the assumed conversion of the subsidiary's potential ordinary shares, the weighted average number of ordinary shares used in computing the diluted earnings per share is the same as that used in computing the basic earnings per share.

BY ORDER OF THE BOARD

MOHAMAD AFFENDI BIN YUSOFF (LS007158)
SAKINAH BINTI ABDUL KADIR (MAICSA 7000087)
Company Secretaries

Kuala Lumpur
22 November 2006