

**CONDENSED CONSOLIDATED BALANCE SHEET  
AS AT 31 MARCH 2008**

	<b>Unaudited as at end of Current Quarter 31.3.2008 RM'000</b>	<b>Audited as at Preceding Financial Year End 31.12.2007 RM'000</b>
<b>Non-current assets</b>		
Property, plant and equipment	473,238	466,193
Plantation development expenditure	922,204	920,371
Prepaid lease payments	970,379	673,102
Investment in associated companies	19,974	19,791
Other investments	5,834	5,926
Goodwill on consolidation	91,140	87,281
Deferred tax assets	13,374	15,378
	<u>2,496,143</u>	<u>2,188,042</u>
<b>Current assets</b>		
Inventories	245,920	215,219
Trade and other receivables	365,761	411,938
Amount owing by related companies	8,656	12,898
Amount owing by associated companies	595	-
Assets held for sale	804	804
Tax recoverable	10,514	11,217
Deposits placed with licensed banks	71,949	76,362
Cash and bank balances	36,309	65,580
	<u>740,508</u>	<u>794,018</u>
<b>Current liabilities</b>		
Trade and other payables	171,902	158,978
Amount owing to related companies	690	4
Amount owing to associated company	19,930	19,445
Borrowings	602,720	428,808
Retirement benefit obligations	283	283
Tax payable	7,108	2,986
	<u>802,633</u>	<u>610,504</u>
Net current assets/(liabilities)	<u>(62,125)</u>	<u>183,514</u>
	<u>2,434,018</u>	<u>2,371,556</u>
Share capital	296,471	296,471
<b>Reserves</b>		
Share premium	84,171	84,171
Exchange reserves	28,835	27,639
Capital reserves	5,761	5,761
Retained profits	887,693	849,878
	<u>1,006,460</u>	<u>967,449</u>
Equity attributable to equity holders of the Company	1,302,931	1,263,920
Minority interests	328,914	304,376
Total equity	<u>1,631,845</u>	<u>1,568,296</u>
<b>Non-current liabilities</b>		
Borrowings	576,045	589,298
Deferred tax liabilities	220,531	208,554
Retirement benefit obligations	5,597	5,408
	<u>802,173</u>	<u>803,260</u>
	<u>2,434,018</u>	<u>2,371,556</u>
Net assets per share attributable to ordinary equity holders of the Company (RM)	<u>4.39</u>	<u>4.26</u>



**CONDENSED CONSOLIDATED INCOME STATEMENT  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2008**  
(The figures have not been audited)

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 31.3.2008 RM'000	Preceding Year Corresponding Quarter 31.3.2007 RM'000	Current Year To Date 31.3.2008 RM'000	Preceding Year To Date 31.3.2007 RM'000
Revenue	435,028	365,691	435,028	365,691
Other operating income	2,761	1,973	2,761	1,973
Operating expenses	(345,408)	(343,280)	(345,408)	(343,280)
Profit from operations	92,381	24,384	92,381	24,384
Finance costs	(10,591)	(10,624)	(10,591)	(10,624)
Share of results of associated company	-	4	-	4
Profit before taxation	81,790	13,764	81,790	13,764
Taxation	(24,590)	(5,403)	(24,590)	(5,403)
Profit for the period	57,200	8,361	57,200	8,361
Profit for the period attributable to:-				
Equity holders of the Company	37,815	8,327	37,815	8,327
Minority interests	19,385	34	19,385	34
	57,200	8,361	57,200	8,361
Earnings per share attributable to equity holders of the Company:-				
Basic (sen)	12.76	2.81	12.76	2.81
Fully diluted (sen)	Note 1	2.73	Note 1	2.73

(Note 1 : The amount derived is "anti-dilutive" as at 31 March 2008.)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2008**  
(The figures have not been audited)

	-----> Attributable to Equity Holders of the Company <----->						Total RM'000	Minority Interests RM'000	Total Equity RM'000
	Non-Distributable			Distributable					
	Share Capital RM'000	Share Premium RM'000	Capital reserves RM'000	Exchange Reserves RM'000	Capital Reserves RM'000	Retained Profits RM'000			
At 1 January 2008	296,471	84,171	3,684	27,639	2,077	849,878	1,263,920	304,376	1,568,296
Exchange differences on translation, representing net gain not recognised in the income statement	-	-	-	1,196	-	-	1,196	-	1,196
Net gain recognised directly in equity	-	-	-	1,196	-	-	1,196	-	1,196
Profit for the period	-	-	-	-	-	37,815	37,815	19,385	57,200
Total recognised income and expenses for the period	-	-	-	1,196	-	37,815	39,011	19,385	58,396
Acquisition of subsidiary Company	-	-	-	-	-	-	-	5,153	5,153
<b>At 31 March 2008</b>	<b>296,471</b>	<b>84,171</b>	<b>3,684</b>	<b>28,835</b>	<b>2,077</b>	<b>887,693</b>	<b>1,302,931</b>	<b>328,914</b>	<b>1,631,845</b>
At 1 January 2007	296,471	84,171	3,684	22,505	2,077	749,842	1,158,750	248,987	1,407,737
Exchange differences on translation	-	-	-	671	-	-	671	116	787
Gain/(loss) on dilution of interest in subsidiaries	-	-	-	-	-	-	-	-	-
Net gain/(loss) recognised directly in equity	-	-	-	671	-	-	671	116	787
Profit for the period	-	-	-	-	-	8,327	8,327	34	8,361
Total recognised income and expenses for the period	-	-	-	671	-	8,327	8,998	150	9,148
<b>At 31 March 2007</b>	<b>296,471</b>	<b>84,171</b>	<b>3,684</b>	<b>23,176</b>	<b>2,077</b>	<b>758,169</b>	<b>1,167,748</b>	<b>249,137</b>	<b>1,416,885</b>



**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2008**  
(The figures have not been audited)

	<b>Current Year To Date 31.3.2008 RM'000</b>	<b>Preceding Year To Date 31.3.2007 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	81,790	13,764
Adjustments for:		
Non-cash items	21,607	24,559
Non-operating items	4,958	10,134
Operating profit before changes in working capital	108,355	48,457
Net change in current assets	(14,427)	11,580
Net change in current liabilities	9,122	(11,252)
Interest, retirement benefit and tax paid	(19,314)	(21,323)
Net cash flows from operating activities	<u>83,736</u>	<u>27,462</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Equity investments	(255,305)	-
Other investments	(22,773)	(23,700)
Net cash flows used in investing activities	<u>(278,078)</u>	<u>(23,700)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Bank borrowings	160,659	(94,672)
Dividends paid	-	-
Increase in deposits pledged with licensed banks	-	110
Net cash flows (used in)/from financing activities	<u>160,659</u>	<u>(94,562)</u>
<b>NET(DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(33,683)</b>	<b>(90,800)</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<b>141,306</b>	<b>170,181</b>
<b>EFFECT OF EXCHANGE RATE CHANGES</b>	<b>-</b>	<b>(849)</b>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b><u>107,623</u></b>	<b><u>78,532</u></b>
Cash and cash equivalents at the end of the financial year comprise the following:-		
Deposits placed with licensed banks (excluding deposits pledged)	71,314	45,632
Cash and bank balances	36,309	32,900
	<u>107,623</u>	<u>78,532</u>



## A. NOTES TO THE INTERIM FINANCIAL REPORT

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### 1. Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with FRS 134 "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 financial year ended 31 December 2007.

### 2. Changes in Accounting Policies

The accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted by the Group in the audited financial statements for the year ended 31 December 2007 except for the adoption of the following revised Financial Reporting Standards ("FRS"):-

FRS 107	Cash Flow Statements
FRS 111	Construction Contracts
FRS 112	Income Taxes
FRS 118	Revenue
Amendment to FRS 121	The Effects of Changes in Foreign Exchange Rates – Net Investment in a Foreign Operation
FRS 120	Accounting for Government Grants and Disclosure of Government Assistance
FRS 134	Interim Financial Reporting
FRS 137	Provisions, Contingent Liabilities and Contingent Assets

The adoption of FRS 107, 112, 118, Amendment to FRS 121, FRS 134 and FRS 137 does not have any significant financial impact to the Group. FRS 111 and FRS 120 are not applicable to the Group's operations.



### **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 fluctuating commodity prices and seasonal production of fresh fruit bunches.

### **5. Unusual Items**

There was no unusual item for the current financial year to date.

### **6. Changes in Estimates**

There were no 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 has been no issuance, repurchase and repayment of debt and equity securities during the current financial year to date other than the RM190 million raised from the issuance of Murabahah Commercial Papers/Medium Term Notes by TPB to part-finance the subscription of 100,000,000 new ordinary shares of RM1 each in Kongs Meriah (M) Sdn Bhd at a total subscription price of RM268.0 million.

### **8. Dividends Paid**

There was no dividend paid during the current financial year to date.

**9. Segmental Reporting**

<b>Current Year To Date</b>	<b>Manufacturing &amp; Trading RM'000</b>	<b>Plantation RM'000</b>	<b>Others RM'000</b>	<b>Total RM'000</b>
<b>Revenue</b>				
External sales	221,338	211,502	2,188	435,028
<b>Results</b>				
Segment results	15,551	80,545	2,991	98,995
Unallocated income				922
Unallocated expenses				(7,535)
Profit from operations				92,381
Finance costs				(10,591)
Profit before taxation				81,790
Taxation				(24,590)
Profit for the period				57,200



## 10. Material Subsequent Events

On 29 April 2008, Tradewinds Plantation Berhad (“TPB”) had entered into a conditional Share Sale Agreement with CB Industrial Product Holding Berhad (“CBIP”) to acquire 50% equity interest in Pride Palm Oil Mill Sdn Bhd (“PPOM”) comprising 50,000 ordinary shares of RM1 each at a cash consideration of RM50,000 (“Proposed PPOM Acquisition”). The paid-up capital of PPOM will eventually be raised to RM20 million, which will be subscribed equally by CBIP and TPB.

TPB and CBIP have agreed to utilise PPOM as the 50:50 joint venture vehicle to acquire Solar Green Sdn Bhd (“SGSB”) and to take over SGSB’s oil palm cultivation and palm oil production operations (“Proposed SGSB Acquisition”). With regard to the Proposed SGSB Acquisition, PPOM has on 17 March 2008, entered into a conditional Share Sale Agreement with Tradewinds Resources Sdn Bhd to acquire the entire interest in SGSB comprising 16,250,004 ordinary shares of RM1 each for a cash consideration of RM10.

The completion of the Proposed PPOM Acquisition is subject to the approval of the Foreign Investment Committee.

## 11. Changes in the Composition of the Group

There was no change in the composition of the Group during the current financial year other than the following:-

- (a) On 30 April 2007, Tradewinds Plantation Berhad (“TPB”) entered into a conditional Subscription Agreement for the proposed subscription of 100,000,000 new ordinary shares of RM1.00 each in Kongsu Meriah (M) Sdn Bhd (“KMM”) at a total subscription price of RM268 million. The proposed subscription was completed on 18 March 2008 and thereafter KMM became a 99.9% subsidiary of TPB.

The subscription does not have a material effect on the results of the Group for the current financial year to date.

The details of net assets acquired are as follows:-

	<b>Acquiree’s carrying amount RM’000</b>	<b>Fair value RM’000</b>
Prepaid lease payments for land	277,344	277,344
Other receivable	6	6
Bank balances	179	179
Other payables	(9,529)	(9,529)
Total net assets/Total cost of acquisition	<u>268,000</u>	<u>268,000</u>

The acquisition was completed on 18 March 2008.



- (b) On 7 December 2007, Amalan Penaga (M) Sdn Bhd, a wholly-owned subsidiary of the TPB, entered into an agreement to acquire 70% equity interest in Usaha Wawasan Sdn. Bhd. (“UWSB”) comprising 700,000 ordinary shares of RM1 each for a cash consideration of RM15,882,428. The acquisition was completed on 31 January 2008.

The acquisition does not have a material effect on the results of the Group for the current financial year to date.

The details of net assets acquired are as follows:-

	<b>Acquiree's carrying amount RM'000</b>	<b>Fair value RM'000</b>
Prepaid lease payments for land	22,593	22,593
Other payables	(38)	(38)
Deferred tax liabilities	<u>(5,379)</u>	<u>(5,379)</u>
Total net assets	<u>17,176</u>	17,176
Less: Minority interest		<u>(5,153)</u>
Group's share of net assets		12,023
Goodwill on consolidation		<u>3,859</u>
Total cost of acquisition		<u>15,882</u>

The acquisition was completed on 31 January 2008.



## 12. Capital Commitments

The amount of capital commitments not provided for in the interim financial statements as at 31 March 2008 are as follows:-

	<b>RM'000</b>
Property, plant and equipment	203,659
Plantation development expenditure	146,856
Acquisition of subsidiary companies	10,000
	<hr/>
	360,515
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## 14. Contingent Liabilities and Contingent Assets

The contingent liabilities as at 31 March 2008 are as follows:-

	<b>RM'000</b>
Corporate guarantee for credit facilities granted to third parties under "Skim Industri Pertanian"	289
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There are no contingent assets as at 31 March 2008.



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

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**1. Review of Performance**

For the current quarter under review, the Group achieved revenue of RM435.0 million representing an increase of RM69.3 million as recorded in the corresponding period last year. The increase in revenue during the quarter under review was mainly due to the rise in CPO and PK selling prices globally that was contributed by the Plantation Division.

The Group's profit before taxation increased by RM68.0 million to RM81.8 million for the current quarter as compared to RM13.8 million as recorded in the preceding year's corresponding quarter.

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

	<b>Quarter Reported On RM'000</b>	<b>Immediate Preceding Quarter RM'000</b>	<b>Decrease RM'000</b>
Profit before taxation	81,790	115,308	33,518

During the current quarter under review, the Group recorded a decrease of RM33.5 million in profit before taxation as compared to the immediate preceding quarter. The decrease in profit before taxation was mainly due to the lower production of fresh fruit bunches which is a norm for the Plantation industry during the first half of the year.



### 3. Prospects

The financial performance of the Plantation Division in 2008 is expected to be better than 2007 based on the prevailing prices of palm products and the expected increase in plantation yields.

The Manufacturing and Trading Division is expected to be facing a more challenging year as compared to last year in view of the current economic situation resulting in lower selling prices and higher freight charges affecting the sugar refining and trading business globally.

The Directors however expect the performance of the Group for the financial year ending 31 December 2008 to be better than 2007, based on the expected better performance of the Plantation Division.

### 4. Variance on Forecast Profit/Shortfall in Profit Guarantee

Not applicable.

### 5. Taxation

Taxation comprises:-

	<b>Current Year Quarter RM'000</b>	<b>Current Year To Date RM'000</b>
Income tax	16,001	16,001
Deferred tax	8,589	8,589
	<u>24,590</u>	<u>24,590</u>

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 unrecognized tax losses of certain subsidiary companies which are not available for the group relief.

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

There was no sale of unquoted investments during the current quarter and financial year to date.



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

- (a) There was no purchase and disposal of quoted securities.
- (b) Investments in quoted securities as at the reporting period were as follows:-

	<b>RM'000</b>
(i) at cost	37,772
(ii) at carrying value	5,834
(iii) at market value	14,987

**8. (a) Status of Corporate Proposals**

The status of corporate proposals announced but not completed as at 15 May 2008, being the latest practicable date, are as follows:-

- (a) The merger exercise between the Group's Plantation Business with Johor Tenggara Oil Palm Berhad (JTOP) Group was completed on 28 February 2006. The approval of the merger exercise by the Securities Commission ("SC") was subject to compliance of certain conditions imposed on the landed properties involved in the merger. The SC had, vide its letter dated 11 January 2008, approved the Company's application for extension of time up to 31 December 2008 to comply with the following outstanding conditions:-

No.	Property	Beneficial owner	Condition and extension of time	Status of compliance
	<p>PT Nos. 856, 857 and 803, Mukim of Hulu Jabur, District of Kemaman, Terengganu (394.18 ha of oil palm plantation known as Ladang Bukit Sah)</p>	<p>Uni-Agro Plantations (Terengganu) Sdn Bhd ("Uni-Agro")</p>	<p>The company is to obtain the approval for the change of express conditions, from "Ternakan Air/Tanaman Buah-buahan", to those suitable for the current use of the land, which is currently planted with oil palm. The extension of time for compliance is up to 31 December 2008.</p>	<p>PT Nos. 856 and 857 – Complied.</p> <p>PT No. 803 – Application for the change of express conditions for PT No. 803 was submitted to the Pejabat Pengarah Tanah dan Galian Terengganu ("PPTGT") on 24 October 2004.</p> <p>The PPTGT had on 30 June 2005 informed Uni-Agro that its application for the change of express conditions had been postponed until the proposed land acquisition for the East Coast Expressway by the State Government of Terengganu which involves, amongst others, a part of the land held under PT No. 803 is completed.</p> <p>Uni-Agro had received Borang E, Akta Pengambilan Tanah, 1960 (Seksyen 10) dated 2 September 2007 for the compulsory acquisition of 27.4359 ha out of PT No. 857 and 68.3940 ha out of PT No. 803.</p> <p>Pursuant thereto, Uni-Agro had on 18 September 2007 written to PPTGT on the status of the application for the change of express conditions and is still awaiting their response thereto.</p>



- (b) On 29 April 2008, TPB entered into a conditional Share Sale Agreement with CB Industrial Product Holding Berhad (“CBIP”) to acquire 50% equity interest in Pride Palm Oil Mill Sdn Bhd (“PPOM”) comprising 50,000 ordinary shares of RM1 each at a cash consideration of RM50,000 (“Proposed PPOM Acquisition”). The paid-up capital of PPOM will eventually be raised to RM20 million, which will be subscribed equally by CBIP and TPB.

The Company and CBIP have agreed to utilise PPOM as the 50:50 joint venture vehicle to acquire Solar Green Sdn Bhd (“SGSB”) and to take over SGSB’s oil palm cultivation and palm oil production operations (“Proposed SGSB Acquisition”). With regard to the Proposed SGSB Acquisition, PPOM has on 17 March 2008, entered into a conditional Share Sale Agreement with Tradewinds Resources Sdn Bhd to acquire the entire interest in SGSB comprising 16,250,004 ordinary shares of RM1 each for a cash consideration of RM10.

The completion of the Proposed PPOM Acquisition is subject to the approval of the Foreign Investment Committee.

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

There was no corporate proposal involving fund raising.



## 9. Group Borrowings and Debt Securities

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

	<b>RM'000</b>
<u>Long Term Borrowings</u>	
Secured term loans	454,557
Unsecured term loan	65,000
Sukuk Ijarah	210,000
Less: Current portion of long term borrowings	(156,540)
	<u>573,017</u>
<u>Short Term Borrowings</u>	
Secured	
Revolving credit	38,000
Murabahah Commercial Paper/Medium Term Notes	190,000
	228,000
Unsecured	
Revolving credit	123,500
Bankers' acceptance	97,708
Overdraft	-
	221,208
Current portion of long term borrowings	156,540
	<u>605,748</u>
Total	<u>1,178,765</u>

## 10. Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments as at 28 May 2008, being the latest practicable date.





**11. Changes in Material Litigation**

There was no pending material litigation as at 28 May 2008, being the latest practicable date.

**12. Dividend**

The Board of Directors does not recommend any dividend for the quarter ended 31 March 2008.

**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 financial year attributable to equity holders of the Company of RM37,814,930 and the number of ordinary shares outstanding during the current year to date of 296,470,484.

**(b) Diluted earnings per share**

Currently, there are potential TPB ordinary shares comprising RM160,000,000 nominal value 10-year 3% irredeemable convertible unsecured loan stocks ("TPB ICULS") that were issued on 28 February 2006. The profit for the period attributable to equity holders of the Company used in computing the diluted earnings per share has been adjusted as follows:-

	<b>Current Year To Date RM'000</b>
Profit attributable to equity holders of the Company	37,814
Effect of assumed conversion of TPB ICULS	1,973
Profit attributable to equity holders of the Company including assumed conversion of TPB ICULS	39,787

As the diluted earnings per share is derived from the assumed conversion of the TPB ICULS, it does not affect the issued share capital of the Company. Thus, the 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  
28 May 2008