Tradewinds
(M) Berhad (19123-K)

CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 30 JUNE 2009

	Unaudited as at end of Current Quarter 30.06.2009 RM'000	Audited as at Preceding Financial Year End 31.12.2008 RM'000
Non-current assets		
Property, plant and equipment	541,710	527,463
Plantation development expenditure	1,010,576	972,413
Prepaid lease payments	953,753	959,199
Investment in associated companies	20,964	20,832
Investment in joint venture	6,952	13,102
Other investments	4,207	4,954
Goodwill on consolidation	91,140	91,140
Deferred tax assets	18,236	12,655
	2,647,538	2,601,758
Current assets		
Inventories	358,679	334,922
Trade and other receivables	401,301	392,197
Assets held for sale	-	454
Tax recoverable	11,870	14,185
Deposits placed with licensed banks	80,666	50,929
Cash and bank balances	30,152	55,197
	882,668	847,884
Current liabilities		
Trade and other payables	250,414	214,281
Amount owing to associated company	20,024	20,186
Borrowings	736,179	702,452
Retirement benefit obligations	-	458
Dividend payable	22,283	-
Tax payable	2,993	4,661
	1,031,893	942,038
Net current liabilities	(149,225)	(94,154)
	2,498,313	2,507,604
Share capital	296,471	296,471
Reserves		
Share premium	84,171	84,171
Exchange reserves	26,554	26,967
Capital reserves	5,761	5,761
Retained profits	959,523	960,154
	1,076,009	1,077,053
Equity attributable to equity holders of the Company	1,372,480	1,373,524
Minority interests	351,675	364,257
Total equity	1,724,155	1,737,781
Non-current liabilities		
Borrowings	537,305	532,912
Deferred tax liabilities	230,619	231,198
Retirement benefit obligations	6,234	5,713
	774,158	769,823
	2,498,313	2,507,604
Net assets per share attributable to ordinary equity holders of the Company (RM)	4.63	4.63

(The Condensed Consolidated Balance Sheet should be read in conjuction with the Annual Financial Report for the financial year ended 31 December 2008)

Tradewinds
(M) Berhad (19123-K)

CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2009
(The figures have not been audited)

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.06.2009 RM'000	Preceding Year Corresponding Quarter 30.06.2008 RM'000	Current Year To Date 30.06.2009 RM'000	Preceding Year To Date 30.06.2008 RM'000
Revenue	415,252	435,944	769,816	870,972
Other operating income	63,764	2,617	117,685	5,378
Operating expenses	(444,561)	(340,365)	(830,261)	(685,773)
Profit from operations	34,455	98,196	57,240	190,577
Finance costs	(9,957)	(12,064)	(21,479)	(22,655)
Share of results of Joint Venture	(3,673)	-	(6,150)	-
Profit before taxation	20,825	86,132	29,611	167,922
Taxation	(8,378)	(23,080)	(13,425)	(47,670)
Profit for the period	12,447	63,052	16,186	120,252
Profit for the period attributable to:-				
Equity holders of the Company	13,211	42,947	21,604	80,762
Minority interests	(764)	20,105	(5,418)	39,490
	12,447	63,052	16,186	120,252
Earnings per share attributable to equity holders of the Company:-				
Basic (sen)	4.26	15.14	6.97	28.63

(The condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2008)

Tradewinds (M) Berhad (19123-K)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2009
(The figures have not been audited)

	<---------------------- Attributable to Equity Holders of the Company ---------------------->								
		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	Total RM'000	Minority Interests RM'000	Total Equity RM'000
At 1 January 2009	296,471	84,171	3,684	26,967	2,077	960,154	1,373,524	364,257	1,737,781
Exchange differences on translation, representing net gain not recognised in the income statement	-	-	-	(413)	-	-	(413)	36	(377)
Net gain/(loss) recognised directly in equity	-	-	-	(413)	-	-	(413)	36	(377)
Profit for the period	-	-	-	-	-	21,604	21,604	(5,418)	16,186
Total recognised income and expenses for the period	-	-	-	-	-	21,604	21,604	(5,418)	16,186
Dividend	-	-	-	-	-	(22,235)	(22,235)	(7,200)	(29,435)
At 30 June 2009	296,471	84,171	3,684	26,554	2,077	959,523	1,372,480	351,675	1,724,155
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	-	-	-	1,312	-	-	1,312	-	1,312
Net gain recognised directly in equity	-	-	-	1,312	-	-	1,312	-	1,312
Profit for the period	-	-		-	-	80,762	80,762	39,490	120,252
Total recognised income and expenses for the period	-	-	-	-	-	80,762	80,762	39,490	120,252
Acquisition of subsidiary Company	-	-	-	-	-	-	-	5,153	5,153
Dividend	-	-	-	-	-	(28,520)	(28,520)	(7,105)	(35,625)
At 30 June 2008	296,471	84,171	3,684	28,951	2,077	902,120	1,317,474	341,914	1,659,388

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2008)

Tradewinds (M) Berhad (19123-K)

CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2009
(The figures have not been audited)

	Current Year To Date 30.06.2009 RM'000	Preceding Year To Date 30.06.2008 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	29,611	167,922
Adjustments for:		
Non-cash items	54,953	52,935
Non-operating items	(7)	17,583
Operating profit before changes in working capital	84,557	238,440
Net change in current assets	(32,860)	(11,057)
Net change in current liabilities	28,408	21,385
Interest, retirement benefit and tax paid	(23,822)	(44,858)
Net cash flows from operating activities	56,283	203,910
CASH FLOWS FROM INVESTING ACTIVITIES		
Equity investments	-	(255,472)
Other investments	(89,660)	(86,216)
Net cash flows used in investing activities	(89,660)	(341,688)
CASH FLOWS FROM FINANCING ACTIVITIES		
Bank borrowings	38,441	70,823
Increase in deposits pledged with licensed banks	-	(819)
Dividend paid/payable	(55)	-
Net cash flows from financing activities	38,386	70,004
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	5,009	(67,774)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	99,812	141,306
EFFECT OF EXCHANGE RATE CHANGES	1	-
CASH AND CASH EQUIVALENTS AT END OF PERIOD	104,822	73,532
Cash and cash equivalents at the end of the financial period comprise the following:-		
Deposits placed with licensed banks (excluding deposits pledged)	74,670	53,528
Cash and bank balances	30,152	20,004
	104,822	73,532

(The Condensed Consolidated Cash Flow Statement should be read in conjuction with the Annual Financial Report for the financial year ended 31 December 2008)

Tradewinds
(M) Berhad (19123-K)

A. NOTES TO THE INTERIM FINANCIAL REPORT

1. Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with Financial Reporting Standard ("FRS") 134 "Interim Financial Reporting" and Chapter 9, Part K of the Main Market 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 2008.

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 financial year ended 31 December 2008.

The following FRSs and Issues Committee ("IC") Interpretation were in issue but not yet effective and have not been adopted by the Group :-

FRS 4	Construction Contracts
FRS 7	Financial Instruments: Disclosures
FRS 8	Operating segments
FRS 139	Financial Instruments: Recognition and Measurement
IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 10	Interim Financial Reporting and Impairment

FRS 4 is not applicable to the Group's operations. The Group is exempted from disclosing the possible impact, if any, to the financial statement upon first adoption of FRS 139. The other FRSs and IC Interpretation are not expected to have significant impact on the financial statements of the Group upon their initial adoption except for changes in disclosures arising from the adoption of FRS 7 and FRS 8.

3. Seasonal or Cyclical Factors

The operations of the Group are not affected by any seasonal or cyclical factors other than the plantation operations, which are affected by the fluctuating commodity prices and seasonal production of fresh fruit bunches.

4. Unusual Items

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

5. Changes in Estimates

There was no change in estimates of amounts reported in prior quarter of the current financial year or change in estimates of amounts reported in prior financial year that has a material effect in the current quarter.

6. 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 following:-

a) RM50 million was raised from the issuance of Murabahah Commercial Papers/Medium Term Notes on 16 January 2009 by Tradewinds Plantation Berhad ("TPB") to part-finance the development of the Group's plantations and for working capital requirement; and

b) RM100 million was redeemed from the Murabahah Commercial Papers/Medium Term Notes on 18 June 2009 by TPB.

Tradewinds
(M) Berhad (19123-K)

7. Dividends Paid

Dividend paid during the current financial year to date was as follows:-

	Current Year To Date RM'000	Preceding Year Corresponding Period RM'000
Final dividend of 10 sen per share less 25% income tax (2008: 13 sen per share less 26% income tax) proposed in previous year, paid in current year	22,235	28,520
	22,235	28,520

8. Segmental Reporting

Current Year To Date	Sugar Manufacturing & Trading	Plantation	Others	Total
	RM'000	RM'000	RM'000	RM'000
Revenue				
External sales	452,338	317,439	-	769,777
Results				
Segment results	48,803	24,125	(8,774)	64,154
Unallocated income				1,900
Unallocated expenses				(8,814)
Profit from operations				57,240
Finance costs				(21,479)
Share of results of Joint Venture				(6,150)
Profit before taxation				29,611
Taxation				(13,425)
Profit for the period				16,186

9. Material Subsequent Events

Tradewinds Plantation Berhad ("TPB") has on 21 August 2009 entered into a conditional Sale and Purchase Agreement with Gerak Mashyur (Malaysia) Sdn Bhd ("GMSB") for the acquisition of 700,000 ordinary shares of RM1.00 each, representing 70% of the equity interest, of Northern Integrated Agriculture Sdn Bhd ("NIA") for a total purchase consideration of RM50.36 million ("Proposed Acquisition"), payable upon completion of the Proposed Acquisition.

NIA is a property development and rubber plantation company. NIA was established as a joint venture vehicle between GMSB and Perbadanan Kemajuan Negeri Kedah pursuant to a Joint Venture & Shareholders Agreement dated 13 May 2002 ("Shareholders Agreement"), to undertake the development of the second border town between Malaysia and Thailand known as "Bandar Sempadan Kota Putra".

NIA owns 5 parcels of leasehold agriculture land located at Kota Putra, Mukim Batang Tunggang Kiri, Daerah Padang Terap, Negeri Kedah measuring in aggregate approximately 2,612.99 acres ("NIA Lands") of which 169.44 acres had been surrendered to the Government following completion of their project in November 2008. The valuation of the NIA Lands has excluded the abovementioned 169.44 acres of land.

1,115.02 acres of the NIA Lands are plantation lands which had been planted with rubber trees in 1996 and 1999. The rubber plantation is located adjacent to TPB Group's existing plantation land at Padang Terap which is being developed into rubber and oil palm plantation by Tradewinds Corridor Sdn Bhd, a 99.99% subsidiary of TPB.

Tradewinds
(M) Berhad (19123-K)

10. Changes in the Composition of the Group

There was no change in the composition of the Group during the current financial year to date other than the acquisition of Masretus Oil Palm Plantation Sdn Bhd ("Masretus") by Retus Plantation Sdn Bhd ("Retus"), a 60% owned subsidiary of TWS. On 3 April 2009, the Company entered into a Sales and Purchase Agreement for the acquisition of the entire issued and paid-up share capital of Masretus comprising of 100,000 ordinary shares of RM1.00 each for a total cash consideration of RM7,208,600.

As at 24 July 2009, as a result of the completion of the acquisition of the 77% shares of Masretus for a consideration of RM5,550,622, Masretus is now a subsidiary of TWS through Retus.

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 as at 24 July 2009 are as follows:-

	Acquiree's carrying amount RM	Fair value RM
Long leasehold land	561,516	7,208,600
Other receivable	23,000	23,000
Amount owing by/to directors (net)	(500,109)	(500,109)
Other payables	(2,500)	(2,500)
Total net assets	81,907	6,728,991
Less: Minority interest		(1,547,668)
Group's share of net assets		5,181,323
Goodwill on consolidation		369,299
Total cost of acquisition		5,550,622

Tradewinds (M) Berhad (19123-K)

11. Capital Commitments

The amount of capital commitments not provided for in the interim financial statements as at 30 June 2009 were as follows:-

		RM'000
Property, plant and equipment		
-	Approved and contracted for	108,400
-	Approved but not contracted for	248,936
		357,336

12. Contingent Liability and Contingent Asset

There was no contingent liability and contingent asset as at 30 June 2009.

Tradewinds
(M) Berhad (19123-K)

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

1. Review of Performance

For the quarter under review, the Group's revenue declined to RM415.2 million from RM435.9 million as compared to the corresponding quarter last year. The decline in revenue was mainly due to the decrease in crude palm oil and palm kernel selling prices during the quarter under review. The decline in revenue coupled with higher operating expenses and share of loss in a jointly controlled entity had resulted in a significant decrease in profit before tax to RM20.8 million during the current quarter as compared to profit before tax of RM86.1 million for the same quarter last year.

2. Material Change 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	20,825	8,786	12,039

The Group recorded an increase in profit before taxation of RM12.0 million as compared to profit before taxation of RM8.8 million in the immediate preceding quarter. The increase in profit was mainly due to the additional government subsidy received during the quarter by the Sugar Manufacturing & Trading Division amounting to RM60.8 million. The total government subsidy received by the Sugar Manufacturing & Trading Division during the financial year todate is RM113.5 million.

3. Prospects

Based on the prevailing prices of palm products and the expected increase in production in the second half of the year, the Board of Directors expects the results for the second half of the current financial year to be much better than that of the first half of the current financial year.

Notwithstanding that the Sugar Manufacturing and Trading Division is experiencing thinning margins for the financial year ending 2009, the Group is taking steps to improve production and costs efficiencies to ensure continuous profits in the 2nd half of the year.

The Board of Directors expect the results for the financial year ending 31 December 2009 to improve in the remaining periods of the current financial year on the back of the prevailing prices of palm products and the expected increase in production in the second half of the 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
Income tax	11,131	19,594
Deferred tax	(2,753)	(6,169)
	8,378	13,425

The Group recorded a higher effective tax rate as compared with the statutory income tax rate of 25% mainly due to benefits from tax losses that are yet to be recognised in certain loss making subsidiaries.

Tradewinds
(M) Berhad (19123-K)

6. Sale of Unquoted Investments and/or Properties

There was no sale of unquoted investments and/or properties during the current financial year to date except for the disposal of a parcel of freehold land and building for a cash consideration of RM1.1 million by TPB which was completed on 6 April 2009. The gain arising from the disposal amounted to RM0.7 million.

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

(a) The was no purchase or disposal of quoted securities.

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

	RM'000
(i) at cost	34,066
(ii) at carrying value	4,059
(iii) at market value	11,039

8. (a) Status of Corporate Proposals

Save as disclosed below, there was no corporate proposal announced but not completed as at 27 August 2009:-

(i) The merger exercise between the plantation subsidiaries of Tradewinds (M) Berhad and Johore Tenggara Oil Palm Berhad was completed on 28 February 2006. The approval of the merger exercise by the Securities Commission was subject to compliance of certain conditions imposed on the landed properties of the Group. The status of compliance was announced to Bursa Securities on 15 July 2009.

Tradewinds (M) Berhad (19123-K)

(ii) As mentioned in Note 9 of Section A of this report, TPB has on 21 August 2009 entered into a conditional Sale and Purchase Agreement with Gerak Mashyur (Malaysia) Sdn Bhd ("GMSB") for the acquisition of 700,000 ordinary shares of RM1.00 each ("Sale Shares"), representing 70% of the equity interest, of Northern Integrated Agriculture Sdn Bhd ("NIA") for a total purchase consideration of RM50.36 million ("Proposed Acquisition").

The Proposed Acquisition is conditional upon the fulfilment and satisfaction of the following conditions precedent:-

(a) the approval of the shareholders of GMSB for the sale of the Sale Shares to TPB;

(b) the approval of Perbadanan Kemajuan Negeri Kedah under the Shareholders Agreement for GMSB's sale of the Sale Shares to TPB and to enter into a Novation Agreement with TPB and GMSB for the transfer of all GMSB's rights, entitlements and obligations under the Shareholders Agreement to TPB;

(c) GMSB obtaining, and delivering to TPB, the approval of the Majlis Daerah Padang Terap to NIA for the extension or renewal of the planning permission to undertake and carry out the development of "Bandar Sempadan Kota Putra" ("Planning Permission") for a further period of not less than one year from 18 November 2009 together with documentary evidence of the payment and settlement of all fees and charges payable in respect of the said extension or renewal of the Planning Permission;

(d) TPB being satisfied with the results and findings of the financial and legal due diligence investigations into NIA and its subsidiaries and if applicable, the satisfactory resolution and determination of any issues arising from the due diligence investigations;

(e) other requisite approvals, if any.

(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 were as follows:-

		RM'000
Long Term Borrowings		
Secured term loans		391,692
Unsecured term loan		65,000
Sukuk Ijarah		210,000
Less: Current portion of long term borrowings		(129,387)
		537,305
Short Term Borrowings		
Secured		
- Revolving credit	50,000	
- Murabahah Commercial Paper/Medium Term Notes	201,000	
		251,000
Unsecured		
- Revolving credit	142,500	
- Bankers' acceptance	213,292	
		355,792
Current portion of long term borrowings		129,387
		736,179
Total		1,273,484

All the above borrowings are denominated in Ringgit Malaysia.

Tradewinds
(M) Berhad (19123-K)

10. Off Balance Sheet Financial Instruments

As at 27 August 2009, being the latest practicable date, the Group has the following crude palm oil ("CPO") swap contract:-

	Notional Amount **RM'000**	**Effective Period**
CPO Floating to Fixed Swap	16,000	May 2009 to December 2009

This CPO swap contract was entered into by TPB with the objective of managing and hedging the exposure of the Group's revenue and cash flows against adverse price movements of CPO.

The associated credit risk is minimal as this contract was entered into with a reputable bank. Gains or losses arising from this contract are deferred until the settlement dates of such transactions, at which time they are included in the measurement of such transactions.

11. Material Litigation

There was no material litigation as at 27 August 2009, being the latest practicable date.

12. Dividend

The Board of Directors does not recommend any dividend for the quarter ended 30 June 2009.

Tradewinds
(M) Berhad (19123-K)

13. Earnings Per Share

(a) Basic earnings per share

The earnings per share is calculated after taking into consideration of 100 million new ordinary shares arising from the mandatory conversion on the maturity date of Tradewinds Plantation Berhad's 160,000,000 ICULS ("TPB ICULS") of RM1.00 each issued on 28 February 2006.

Net profit for the financial year to date attributable to equity holders of the Company used in computing the earnings per share has been adjusted as follows:

	Current Year To Date RM'000	Prior Year To Date RM'000
Profit attributable to equity holders of the Company	21,604	80,762
Effect of assumed conversion of TPB ICULS	(936)	4,124
Profit attributable to equity holders of the Company including assumed conversion of TPB ICULS	20,668	84,886

The Group's weighted average number of ordinary shares in issue during the financial year is 296,470,484 (2008: 296,470,484).

(b) There is no diluted earnings per share as the Company does not have any potential dilutive ordinary shares to be issued at the end of the quarter.

Tradewinds (M) Berhad (19123-K)

14. Audit Report of the Preceding Year's Consolidated Financial Statement

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

BY ORDER OF THE BOARD

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

Kuala Lumpur
27 August 2009