

**MHC Plantations Bhd (4060-V)**

**Condensed Consolidated Income Statements  
For The Period Ended 30 September 2009**

	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Corresponding	To Date	Corresponding
	30 Sep 2009	Quarter	30 Sep 2009	Period
	RM' 000	30 Sep 2008	RM' 000	30 Sep 2008
	RM' 000	RM'000	RM' 000	RM' 000
Revenue	6,192	7,911	17,313	24,355
Cost of sales	(2,921)	(3,620)	(7,810)	(9,614)
Gross profit	3,271	4,291	9,503	14,741
Other income	62	80	178	203
Administrative expenses	(965)	(869)	(2,564)	(2,706)
Operating profit	2,368	3,502	7,117	12,238
Finance costs	(200)	(313)	(630)	(954)
Share of profit in associated company	1,166	3,303	4,060	12,585
Profit before tax	3,334	6,492	10,547	23,869
Income tax expense	(635)	(894)	(1,715)	(3,068)
Profit for the year	2,699	5,598	8,832	20,801
Attributable to				
Equity holders of the parent	2,681	5,582	8,774	20,741
Minority interest	18	16	58	60
	2,699	5,598	8,832	20,801
Weighted average number of shares in issue	84,233,130	84,233,130	84,233,130	84,233,130
Earnings per share in sen	3.18	6.63	10.42	24.62

**The interim financial report should be read in conjunction with the audited financial statements for the year ended 31 Dec 2008.**

**MHC Plantations Bhd (4060-V)**  
(Incorporated in Malaysia)

**Condensed Consolidated Balance Sheets at at 30 September 2009**

	As at 30 September 2009 RM'000	As at 31 December 2008 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	16,616	16,540
Investment property	650	661
Prepaid land lease payments	18,407	18,663
Biological assets	16,536	16,536
Associated companies	158,680	154,405
Other investments	3,364	3,364
Goodwill on consolidation	16,929	16,929
	231,182	227,098
<b>Current assets</b>		
Inventories	472	1,271
Trade and other receivables	1,968	1,671
Tax recoverable	1	1
Short term investments	4,769	429
Fixed deposits with licensed banks	1,642	2,142
Cash and bank balances	1,730	1,227
	10,582	6,741
<b>TOTAL ASSETS</b>	241,764	233,839
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	84,233	84,233
Reserves	127,314	120,435
	211,547	204,668
<b>Minority interest</b>	1,500	1,458
<b>Total equity</b>	213,047	206,126

Condensed Consolidated Balance Sheets at at 30 September 2009 (Contd.)

	As at 30 September 2009 RM'000	As at 31 December 2008 RM'000
<b>EQUITY AND LIABILITIES (CONTD.)</b>		
<b>Non-current liabilities</b>		
Hire purchase payables	367	439
Borrowings	19,450	19,450
Deferred tax liabilities	2,898	2,964
	<u>22,715</u>	<u>22,853</u>
<b>Current liabilities</b>		
Payables	1,165	1,457
Hire purchase payables	162	162
Borrowings	3,350	2,650
Taxation	1,325	591
	<u>6,002</u>	<u>4,860</u>
<b>Total liabilities</b>	<u>28,717</u>	<u>27,713</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>241,764</u>	<u>233,839</u>
Net Tangible Asset Per Share (RM)	2.31	2.23
Net Asset Per Share (RM)	2.51	2.43

The interim financial report should be read in conjunction with the audited financial statements for the year ended 31 Dec 2008.

**MHC Plantations Bhd (4060-V)**

**Condensed Consolidated Cash Flow Statements  
For The Period Ended 30 September 2009**

	2009	2008
	RM' 000	RM' 000
Net cash generated from operating activities	6,683	9,497
Net cash used in investing activities	(982)	(584)
Net cash used in financing activities	(1,358)	(7,440)
Net increase in Cash and Cash Equivalents	<u>4,343</u>	<u>1,473</u>
Cash and Cash Equivalents at Beginning	3,391	2,457
Cash and Cash Equivalents at End	<u><u>7,734</u></u>	<u><u>3,930</u></u>
Fixed deposits with licensed banks	1,642	2,485
Short term investments	4,769	-
Cash and bank balances	<u>1,730</u>	<u>1,880</u>
	8,141	4,365
Less : fixed deposits pledged	<u>(407)</u>	<u>(435)</u>
	<u><u>7,734</u></u>	<u><u>3,930</u></u>

**The interim financial report should be read in conjunction with the audited financial statements for the year ended 31 Dec 2008.**

MHC Plantations Bhd (4060-V)

Condensed Consolidated Statements of Changes in Equity  
For The Period Ended 30 September 2009

	Attributable to the equity holders of the parent										Total Equity	
	Share Capital RM' 000	Share Premium RM' 000	Non-distributable			Distributable			Total	Minority Interest RM' 000		Total Equity RM' 000
			Capital Reserve RM' 000	Revaluation Reserve RM' 000	Capital Reserve RM' 000	Retained Profits RM' 000						
As at 1 Jan 2008	84,233	8,213	5,737	557	5,198	80,963	184,901	1,404	186,305			
Profit for the year	-	-	-	-	-	20,741	20,741	60	20,801			
Dividends	-	-	-	-	-	(2,493)	(2,493)	-	(2,493)			
Dividend paid to minority shareholders of a subsidiary company	-	-	-	-	-	-	-	(24)	(24)			
As at 30 September 2008	84,233	8,213	5,737	557	5,198	99,211	203,149	1,440	204,589			
As at 1 Jan 2009	84,233	8,213	5,737	557	5,198	100,730	204,668	1,458	206,126			
Profit for the period	-	-	-	-	-	8,774	8,774	58	8,832			
Dividends	-	-	-	-	-	(1,895)	(1,895)	-	(1,895)			
Dividend paid to minority shareholders of a subsidiary company	-	-	-	-	-	-	-	(16)	(16)			
As at 30 September 2009	84,233	8,213	5,737	557	5,198	107,609	211,547	1,500	213,047			

The interim financial report should be read in conjunction with the audited financial statements for the year ended 31 Dec 2008.

**MHC Plantations Bhd. (4060-V)**  
**Notes to the Interim Financial Report**

1. Basis of preparation

The interim report has been prepared in compliance with FRS 134 *Interim Financial Reporting* and Listing Requirements of Bursa Securities and it should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2008.

The accounting policies used in the preparation of interim financial report are consistent with those previously adopted in the audited financial statements of the Group for the year ended 31 December 2008. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2008.

The accounting policies and methods of computation adopted by the Group in these interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2008.

2. Auditors' report

The auditor's report on the preceding annual financial statements was not qualified.

3. Seasonal and cyclical factors

The business of the Group is cyclical in nature and the third quarter is normally the peak production season.

4. Unusual items

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period ended 30 September 2009.

5. Changes in estimates

There were no changes in estimates that have had a material effect in the current quarter results.

6. Equity and debt securities

There were no issuance, cancellation, resale, repurchase and repayment of equity or debt securities during the financial period ended 30 September 2009.

7. Dividend paid

Dividends paid on 29 May 2009 were declared on 29 April 2009, in respect of the year ended 31 December 2008 being a final dividend of 3% less 25% taxation on 84,233,130 ordinary shares, amounting to RM1,895,243.

No dividend was paid out during the current quarter ended 30 September 2009.

8. Segment information

Segment information is not presented as the Group operates solely in Malaysia and the combined revenues, operating results and assets employed of business segments other than the plantation segment represent less than 10% of the Group's revenues, operating results and assets employed respectively.

9. Property, plant and equipment  
The valuations of land and buildings have been brought forward and without amendment from the previous annual report.
10. Subsequent event  
There was no material event subsequent to the end of the reporting quarter.
11. Changes in the composition of the Group  
There were no changes in the composition of the Group since the end of the reporting quarter.
12. There was no outstanding contingent liability as at end of this quarter and as at the date of this report.
13. Capital commitments

	RM'000
Capital expenditure	
Approved and contracted for	100
Approved and but not contracted for	<u>-</u>
	<u>100</u>

## MHC Plantations Bhd. (4060-V)

### Information required by BMSB Listing Requirements

#### 1. Review of performance

The Group's revenue for the current quarter ended 30 September 2009 and the cumulative quarter ended 30 September 2009 are lower than the preceding year quarter ended 30 September 2008 and the preceding year cumulative quarter ended 30 September 2008 mainly due to the decrease in prices of Fresh Fruit Bunches ("FFB") by 24% in the current quarter and 35% in the current cumulative quarter despite an increase in FFB production.

Profit before tax for the current quarter and the current cumulative quarter are lower than the preceding year quarter and the preceding year cumulative quarter mainly due to lower FFB prices and contribution from the associated companies.

#### 2. Variation of results against preceding quarter

The profitability for the current quarter is lower than the immediate preceding quarter mainly due to lower FFB prices and contribution from the associated companies.

#### 3. Current year prospects

Barring any unforeseen circumstances, the Board is confident that the Group's prospects do remain satisfactory in view of the increasing yield trend from the maturing palms and favourable palm oil prices.

#### 4. Profit forecast

Not applicable as there was no profit forecast published.

#### 5. Income tax expense

Taxation is provided at the prevailing statutory rate based on the operating profit for the quarter as follows.

	Preceding Year		Preceding Year	
	Current Year	Corresponding	Current Year	Corresponding
	Quarter	Quarter	To Date	Period
	30.9.2009	30.9.2008	30.9.2009	30.9.2008
	RM' 000	RM'000	RM' 000	RM' 000
Current tax:				
Malaysian income tax	648	800	1,751	2,920
Deferred tax	(43)	13	(66)	67
	605	813	1,685	2,987
Under/(Over) provision of Malaysian income tax in prior year	30	81	30	81
	635	894	1,715	3,068

The effective tax rate for the current quarter and the cumulative quarter ended 30 September 2009 was higher than the statutory tax rate principally due to certain expenses were disallowed for tax purposes.

6. Sale of unquoted investments and properties

There were no sales of unquoted investments and properties for the current quarter and financial year to date.

7. Quoted securities

- a) There was no acquisition or disposal of quoted securities during the reporting quarter.
- b) Investment in quoted securities as at end of reporting quarter.

At cost	RM <u>233,981</u>
At carrying value	RM <u>173,981</u>
Market value	RM <u>232,371</u>

8. Corporate proposal

There is no corporate proposal announced since the end of the previous reporting quarter and as at the date of this report.

9. Borrowings

The total borrowings incurred by the Group and outstanding as at end of the current quarter are as follows

<u>Current - Secured</u>	<u>RM'000</u>
Revolving credit	14,800
Term loan	550
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	<u>15,350</u>
 <u>Non-current - Secured</u>	 <u>RM'000</u>
Term loan	<u>19,450</u>
 Total borrowings	 <u>34,800</u>

10. Off balance sheet financial instruments

As at the date of this report, the Group did not enter into any contract involving off balance sheet financial instruments.

11. Changes in material litigation

There was no pending material litigation as at end of this quarter and as at the date of this report.

12. Dividend payable

No interim ordinary dividend has been declared for the financial period ended 30 September 2009 (30 September 2008: Nil).

13. Basic earnings per share

Basic earnings per share amounts are calculated by dividing profit for the period attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares in issue during the period.

14. Authorisation for issue

The interim financial statements were authorized for issue by the Board of Directors in accordance with a resolution of the directors on 5 November 2009.