

BLD PLANTATION BHD. (562199-A)

Interim Financial Report
31 March 2007

BLD PLANTATION BHD
(Company No: 562199-A)

Interim Financial Report for Three Months ended 31 March 2007

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BLD PLANTATION BHD

(Company No: 562199-A)

Condensed Consolidated Income Statements

For the Period Ended 31 March 2007

		First Quarter	
		3 months ended	
		31.03.2007	31.03.2006
	Note	RM'000	RM'000
Revenue		25,495	29,853
Cost of sales		(15,177)	(21,720)
Gross profit		10,318	8,133
Other operating income		28	25
Selling expenses		(1,491)	(1,062)
Administrative expenses		(916)	(733)
Finance costs		(272)	(170)
Profit before taxation		7,667	6,193
Taxation	18	(2,128)	(1,844)
Profit for the period		5,539	4,349
		=====	=====
Attributable to:			
Shareholders of the Company		5,586	4,401
Minority interest		(47)	(52)
		5,539	4,349
		=====	=====
Earnings per share (sen)	26		
- Basic		6.57	5.18
- Diluted		N/A	N/A
		=====	=====

The unaudited Condensed Consolidated Income Statements should be read in conjunction with the audited financial statements for the year ended 31 December 2006 and the accompanying explanatory notes.

BLD PLANTATION BHD

(Company No: 562199-A)

Condensed Consolidated Balance Sheets

	As At 31.03.2007 RM'000	As At 31.12.2006 RM'000
Non-current Assets		
Property, plant and equipment	360,111	343,240
Prepaid lease payments	150,541	150,199
Goodwill on consolidation	72	72
	510,724	493,511
Current Assets		
Inventories	8,022	8,038
Receivables	33,401	31,323
Deposits, cash and bank balances	15,476	3,746
	56,899	43,107
Total assets	567,623	536,618
	=====	=====
CAPITAL AND LIABILITIES		
Capital and reserves		
Share capital	85,000	85,000
Reserves	264,544	258,958
	349,544	343,958
Total equity attributable to shareholders of the Company	349,544	343,958
Minority interest	23	70
	349,567	344,028
Total equity	349,567	344,028
	-----	-----
Non-current liabilities		
Borrowings	71,550	48,650
Deferred tax liabilities	90,740	88,612
	162,290	137,262
Current liabilities		
Borrowings	32,832	39,335
Payables	22,934	15,993
	55,766	55,328
Total liabilities	218,056	192,590
	-----	-----
Total equity and liabilities	567,623	536,618
	=====	=====

BLD PLANTATION BHD

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Condensed Consolidated Balance Sheets

Net assets per share attributable to shareholders of the Company (RM)	4.11	4.05
	===	===

The unaudited Condensed Consolidated Balance Sheets should be read in conjunction with the audited financial statements for the year ended 31 December 2006 and the accompanying explanatory notes.

BLD PLANTATION BHD

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Condensed Consolidated Statement of Changes in Equity

For the Period Ended 31 March 2007

	Attributable to shareholders of the Company				Minority interest	Total Equity
	Share Capital	Retained Profit	Share Premium	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2007	85,000	236,854	22,104	343,958	70	344,028
Profit for the period	-	5,586	-	5,586	(47)	5,539
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 March 2007	85,000	242,440	22,104	349,544	23	349,567
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

	Attributable to shareholders of the Company				Minority interest	Total Equity
	Share Capital	Retained Profit	Share Premium	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2006	85,000	61,190	22,104	168,294	199	168,493
Effect of adopting FRS 3	-	165,373	-	165,373	-	165,373
Profit for the period	-	4,401	-	4,401	(52)	4,349
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
At 31 March 2006	85,000	230,964	22,104	338,068	147	338,215
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>

The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2006 and the accompanying explanatory notes.

BLD PLANTATION BHD

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Condensed Consolidated Cash Flow Statement

For the Period Ended 31 March 2007

	Cumulative 3 months ended 31.03.2007 RM'000	Cumulative 3 months ended 31.03.2006 RM'000
Cash flows from operating activities		
Profit before taxation	7,667	6,193
Adjustments for:		
Depreciation of property, plant and equipment	1,029	987
Amortisation of prepaid lease payments	763	736
Interest income	(20)	(23)
Interest expense	272	170
Operating profit before changes in working capital	9,711	8,063
Net change in current assets	(1,931)	(840)
Net change in liabilities	6,943	(33)
Cash generated from operations	14,723	7,190
Income tax paid net of refund	(131)	(936)
Interest received	20	23
Net cash generated from operating activities	14,612	6,277
Cash flows from investing activities		
Purchase of property, plant and equipment	(16,667)	(8,297)
Prepaid lease payment	(1,062)	-
Net cash used in investing activities	(17,729)	(8,297)
Cash flows from financing activities		
Interest paid	(1,549)	(328)
Net proceeds from term loan	22,650	1,938
Net cash generated from financing activities	21,101	1,610
Net increase/(decrease) in cash and cash equivalents	17,984	(410)
Cash and cash equivalents at the beginning of the period	(8,952)	3,740
Cash and cash equivalents at the end of the period	9,032	3,330

The unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the year ended 31 December 2006 and the accompanying explanatory notes.

Notes to the Financial Information

1. Basis of preparation

The interim financial statements are unaudited and have been principally prepared in accordance with Financial Reporting Standards (“FRS”) 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2006.

The accounting policies and methods of computation applied in the preparation of the interim financial statements are consistent with those used in the preparation of the most recent annual financial statements except for the accounting policy changes that are expected to be reflected in the 2007 annual financial statements.

Details of these changes in accounting policies are set out in Note 2.

2. Change in accounting policy

The adoption of FRS 117 has resulted in a retrospective change in the accounting policy relating to the classification of leasehold land. The up-front payments made for leasehold land represents prepaid lease payments and amortised on a straight line basis over the lease term. Prior to 1 January 2007, leasehold land was classified as property, plant and equipment.

The unamortized amount of leasehold land is retained as the surrogate carrying amount of prepaid lease in accordance with transitional provisions of FRS 117.

Effect on the Balance Sheet as at 31 December 2006

<u>Description of change</u>	<u>Increase/(decrease)</u>
Property, plant and equipment	(150,199)
Prepaid lease payments	150,199

3. Auditors’ report on preceding annual financial statements

The auditors’ report on the financial statements for the year ended 31 December 2006 was not qualified.

4. Comments about seasonal or cyclical factors

Save as expected with the consistent and usually low FFB production period during the first half of the year, the performance of the Group’s operation was not materially affected by any other seasonal and cyclical factors.

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Notes to the Financial Information

5. Unusual items due to their nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the reporting quarter.

6. Changes in estimates

There was no significant change in estimates of amounts reported which have a material impact on the reporting quarter.

7. Debt and equity securities

There was no issuance, cancellations, repurchases, resale and repayments of debt and equity securities for the current period ended 31 March 2007.

8. Dividends Paid

There was no dividend payment during the reporting quarter.

9. Segmental information

No segmental analysis is presented as the Group is principally engaged in the oil palm industry in Malaysia

10. Carrying amount of revalued assets

As at the end of this reporting quarter, the Group does not have any revalued assets.

11. Subsequent events

There is no other material event subsequent to this reporting quarter as at the date of this announcement.

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Notes to the Financial Information

12. Changes in the composition of the Group

There was no change in composition of the Group for this reporting quarter.

13. Changes in contingent liabilities and contingent assets

	RM'000
Guarantee relating to bonding requirement	2,071
	=====

14. Capital commitments

The amount of commitments not provided for in the interim financial statements as at 31 March 2007 is as follows:

	RM'000
Approved and contracted for	38,852
Approved but not contracted for	61,203

	100,055
	=====

15. Review of Performance

The Group recorded a profit before tax of RM7.667 million compared to profit before tax of RM6.193 million for the preceding corresponding year.

16. Comparison with Preceding Quarter's Results

The revenue and profit before tax for the reporting quarter are RM25.495 million and RM7.667 million respectively as compared to RM34.398 million and RM10.073 million respectively for the immediate preceding quarter.

17. Commentary on prospects

The Group's financial performance is mainly dependent on the demand for CPO and PK in world edible oil market and their corresponding prices. Barring any unforeseen circumstances, the Directors are of the opinion that the Group's performance is expected to be satisfactory for the current year.

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Notes to the Financial Information**18. Taxation**

	First Quarter	
	3 months ended	
	31.03.2007	31.03.2006
	RM'000	RM'000
Tax expense for the period:		
Deferred taxation	2,128	1,844
	=====	=====

19. Sale of unquoted investments and properties

There were no sales of unquoted investments and properties during the current quarter.

20. Quoted securities

There were no purchases or sales of quoted securities during the current quarter.

21. Corporate proposals

(i) The Company ("BLDP") had on 12 July 2006 entered into the following:-

- (a) a conditional Share Sale Agreement for the proposed acquisition by BLDP of a total of 27,300,000 ordinary shares of RM1.00 each in Wawasan Sedar Sdn Bhd ("WS") (representing 39.00% of the existing issued and paid-up share capital of WS) for a total indicative purchase consideration of approximately RM167.90 million ("Proposed Acquisition") and
- (b) a conditional Share Subscription Agreement with WS for the proposed subscription by BLDP of 15,229,500 new ordinary shares of RM1.00 each in WS (representing 17.87% of the enlarged paid-up share capital of WS) at an issue price of RM6.15 per share or a total subscription value of approximately RM93.66 million ("Proposed Subscription").

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Notes to the Financial Information

21. Corporate proposals (con't)

- (ii) Securities Commission ("SC") had vide its letter dated 29 November 2006, given its approval for the application for
- (a) a waiver for BLDP and parties acting in concert ("PAC") from the obligation to make a mandatory offer ("MO") for the remaining ordinary shares in WS not already held by them after the Proposed Acquisition and the Proposed Subscription under Practice Note 2.9.6 of the Malaysian Code of Take-Over and Mergers, 1988 (Code) ("Proposed Waiver for PN 2.9.6").
 - (b) Application for a waiver for KTS Holdings Sdn Bhd and PACs from the obligation to undertake a MO under Practice Note 2.9.1 of the the Code for the remaining shares in BLDP not already owned by them arising from the issuance of the consideration shares to Hwa Siang Holdings Sdn Bhd and Kuching Lumber Holdings Bhd pursuant to the proposed acquisition of equity interest in Wawasan by BLDP ("Proposed Waiver for PN2.9.1")

The approval of the SC on the Proposed Waiver for PN 2.9.1 is subject to:

- (a) KTS and PACs fulfilling the following requirements:
 - (i) Approval being obtained from the independent holders of voting shares of BLDP, on a poll in a general meeting in which the interested parties are to abstain from voting. The result of the poll has to be confirmed by an independent auditor;
 - (ii) Provision is made for the shareholders of BLDP for competent independent advice regarding the Proposed Waiver for PN 2.9.1. The appointment of the independent adviser and the independent adviser's circular to the shareholders are to be first approved and consented by the SC; and
 - (iii) KTS and PACs are to submit a declaration (to be furnished after the general meeting) addressed to the SC, attesting that KTS and PACs have not purchased shares in BLDP in the 6 months prior to the posting of the circular in relation to the proposal to the holders of voting shares, but subsequent to the discussion in relation to the Proposed Acquisition (the date of the discussion must be disclosed by KTS and PACs), whichever is the shorter period, and until the granting of the proposed exemption by the SC (if so decided).
 - (iii) Robert Lau Hui Yew and Lau Swee Nguong @ Lau Sui Guang confirming that their siblings/children do not have interests/beneficial interests in the Proposed Acquisition, and providing the names of the siblings/children in the said confirmations.

The details were as disclosed in the said announcements.

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Notes to the Financial Information**22. Borrowings and debt securities**

	RM'000
Short term borrowings	
Secured	32,832
Long term borrowings	
Secured	71,550

	104,382
	=====

The above borrowings are denominated in Ringgit Malaysia.

23. Off balance sheet financial instruments

The Group does not have any financial instruments with off balance sheet risk as at the end of the current quarter to the date of this announcement.

24. Changes in material litigation

There are no material litigations pending since the last annual balance sheet date to the date of this announcement.

25. Profit Forecast or Profit Guarantee

The Group did not issue any profit forecast and profit guarantee.

26. Dividend

No dividend has been proposed for the current reporting quarter.

Notes to the Financial Information

27. Earnings per share

	First Quarter 3 months ended	
	31.03.2007	31.03.2006
	RM'000	RM'000
Profit for the period	5,539	4,349
Amount attributable by minority interest	47	52
	-----	-----
Profit for the year attributable to shareholders of the Company	5,586	4,401
	=====	=====
Weighted average number of ordinary shares in issue ('000)	85,000	85,000
	=====	=====
Basic earnings per share (sen)	6.57	5.18
	=====	=====