

BLD PLANTATION BHD. (562199-A)

Interim Financial Report
31 December 2008

BLD PLANTATION BHD

(Company No: 562199-A)

Interim Financial Report for Twelve Months ended 31 December 2008

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BLD PLANTATION BHD

(Company No: 562199-A)

Condensed Consolidated Income Statements

For the Year Ended 31 December 2008

		Individual Quarter		Cumulative Quarter	
		3 months ended		12 months ended	
		31.12.2008	31.12.2007	31.12.2008	31.12.2007
	Note	RM'000	RM'000	RM'000	RM'000
Revenue		243,212	49,396	518,135	152,034
Cost of sales		(236,588)	(28,494)	(427,082)	(86,331)
Gross profit		6,624	20,902	91,053	65,703
Other operating income		48	4	243	206
Selling expenses		(4,446)	(2,445)	(14,968)	(8,121)
Administrative expenses		(10,223)	(5,281)	(15,785)	(9,152)
Finance costs		(485)	(798)	(2,820)	(1,564)
Profit before taxation		(8,482)	12,382	57,723	47,072
Taxation	18	20,229	259	1,440	(9,259)
Profit for the period		11,747	12,641	59,163	37,813
Attributable to:					
Shareholders of the Company		11,697	12,813	58,363	37,501
Minority interest		50	(172)	800	312
Profit for the period		11,747	12,641	59,163	37,813
Earnings per share (sen)	25				
- Basic		13.76	15.07	68.66	44.12
- Diluted		N/A	N/A	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 2007 and the accompanying explanatory notes.

BLD PLANTATION BHD

(Company No: 562199-A)

Condensed Consolidated Balance Sheets

	As At 31.12.2008 RM'000	As At 31.12.2007 RM'000
Non-current Assets		
Property, plant and equipment	492,300	420,034
Prepaid lease payments	144,730	147,618
Deferred tax asset	17,000	-
Goodwill on consolidation	72	72
	654,102	567,724
Current Assets		
Inventories	78,857	14,656
Receivables	27,628	21,762
Deposits, cash and bank balances	113,780	17,251
	220,265	53,669
Total assets	874,367 =====	621,393 =====
CAPITAL AND LIABILITIES		
Capital and reserves		
Share capital	85,000	85,000
Reserves	341,698	290,254
	426,698	375,254
Total equity attributable to shareholders of the Company		
Minority interest	1,212	382
	427,910	375,636
Total equity		
Non-current liabilities		
Borrowings	112,632	97,537
Deferred tax liabilities	100,758	96,025
	213,390	193,562
Current liabilities		
Borrowings	162,622	29,185
Payables	70,445	23,010
	233,067	52,195
Total liabilities	446,457	245,757
Total equity and liabilities	874,367 =====	621,393 =====

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Condensed Consolidated Balance Sheets

Net assets per share attributable to shareholders of the Company (RM)	5.03	4.42
	===	===

The unaudited Condensed Consolidated Balance Sheets should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes.

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Condensed Consolidated Statement of Changes in Equity

For the Period Ended 31 December 2008

	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 2008,	85,000	268,150	22,104	375,254	382	375,636
Profit for the year	-	58,363	-	58,363	830	59,193
Final dividend	-	(6,919)	-	(6,919)	-	(6,919)
	<u>85,000</u>	<u>319,594</u>	<u>22,104</u>	<u>426,698</u>	<u>1,212</u>	<u>427,910</u>
At 31 December 2008	=====	=====	=====	=====	=====	=====

	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 year	-	37,501	-	37,501	312	37,813
Final dividend	-	(6,205)	-	(6,205)	-	(6,205)
	<u>85,000</u>	<u>268,150</u>	<u>22,104</u>	<u>375,254</u>	<u>382</u>	<u>375,636</u>
At 31 December 2007	=====	=====	=====	=====	=====	=====

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 2007 and the accompanying explanatory notes.

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Condensed Consolidated Cash Flow Statement

For the Year Ended 31 December 2008

	Cumulative 12 months ended 31.12.2008 RM'000	Cumulative 12 months ended 31.12.2007 RM'000
Cash flows from operating activities		
Profit before taxation	57,723	47,071
Adjustments for:		
Depreciation of property, plant and equipment	9,144	4,762
Amortisation of lease rental	2,955	2,955
Gain on disposal of property, plant and equipment	(36)	(80)
Interest income	(220)	(109)
Interest expense	2,820	1,564
Provision for doubtful debts	-	28
Operating profit before changes in working capital	72,386	56,191
Net change in current assets	(67,501)	(780)
Net change in liabilities	47,434	7,018
Cash generated from operations	52,319	62,429
Income tax paid net of refund	(13,393)	1,850
Interest received	220	109
Net cash generated from operating activities	39,146	64,388
Cash flows from investing activities		
Purchase of property, plant and equipment	(75,551)	(76,334)
Proceeds from disposal of property, plant and equipment	69	237
Prepaid land lease made	-	(450)
Net cash used in investing activities	(75,482)	(76,547)
Cash flows from financing activities		
Dividend paid	(6,919)	(6,205)
Interest paid	(8,780)	(6,867)
Net proceeds of term loan, revolving credit and bankers acceptance	143,084	49,512
Proceeds from issuance of share capital	30	-
Net cash generated from financing activities	127,415	36,440
Net increase in cash and cash equivalents	91,079	24,281
Cash and cash equivalents at the beginning of the year	15,329	(8,952)
Cash and cash equivalents at the end of the year	106,408	15,329

The unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the year ended 31 December 2007 and the accompanying explanatory notes.

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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 2007.

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 adoption of the following new and revised FRS:-

The new standards and amendments that are effective for the Group’s current interim financial period and applicable to the Group are as follows:

- **FRS 107: Cash Flow Statements**
The amendment to this standard provides for the option of voluntary disclosure for reconciliation of cash flows from operations with net profit or loss for the period for an entity using the direct method.
- **FRS 118: Revenue**
The amendments to this standard provide for additional guidance on the definition of probable “probable”
- **FRS 134: Interim Financial Reporting**
The amendments to this standard provide additional disclosure on:
 - i. audit qualification and current status of matters giving rise to the qualification and current status of preceding financial statements that were qualified;and
 - ii. the fact that valuation of property, plant and equipment have been brought forward without any amendment from the previous annual financial statements.
- **FRS 137: Provisions, Contingent Liabilities and Contingent Assets**
The amendments to this standard remove the editorial differences with IAS 37
- **IC Interpretation 8: Scope of FRS 2, Share-based Payment**
This interpretation clarifies that FRS 2, Share-based Payment, applies even in the absence of specifically identifiable goods and services.

The adoption of the above standards and amendments does not have an impact on the Group’s financial statements.

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Notes to the Financial Information

2. 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.

3. 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.

4. Changes in estimates

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

5. Debt and equity securities

There was no issuance, cancellations, repurchases, resale and repayments of debt and equity securities for the current year ended 31 December 2008.

Notes to the Financial Information

6. Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the year ended 31 December 2007 was not qualified.

7. Dividends Paid

A final dividend of 11 sen per share less tax at 26% for the financial year ended 31 December 2007 totalling RM6.919 million was paid on 29 August 2008.

8. Segmental information

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

9. Carrying amount of revalued assets

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

10. Subsequent events

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

11. Changes in the composition of the Group

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

12. Changes in contingent liabilities and contingent assets

	RM'000
Guarantee relating to bonding requirement	2,655
	=====

13. Capital commitments

The amount of commitments not provided for in the interim financial statements as at 31 December 2008 is as follows:

	RM'000
Approved and contracted for	-
Approved but not contracted for	4,000

	4,000
	=====

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Notes to the Financial Information**14. Review of Performance**

The Group recorded a profit before tax of RM57.723 million compared to profit before tax of RM47.072 million for the preceding corresponding year.

15. Comparison with Preceding Quarter's Results

The revenue and loss before tax for the reporting quarter are RM243.212 million and RM8.432 million respectively as compared to revenue of RM142.087 million and profit before tax RM15.993 million respectively for the immediate preceding quarter.

16. Commentary on prospects

The Group's financial performance is mainly dependent on the demand for palm oil products 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.

17. Taxation

	Individual Quarter		Cumulative Quarter	
	3 months ended		12 months ended	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
	RM'000	RM'000	RM'000	RM'000
Tax expense for the period:				
Deferred taxation	(4,284)	(2,073)	4,734	7,413
Defer tax assets	(17,000)	-	(17,000)	-
Current period provision	(2,872)	1,863	6,899	1,846
Back duty tax	4,000	-	4,000	-
Over provision in prior years	(73)	(49)	(73)	-
	-----	-----	-----	-----
	20,229	(259)	(1,440)	9,259
	=====	=====	=====	=====

18. Sale of unquoted investments and properties

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

19. Quoted securities

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

Notes to the Financial Information

20. Borrowings and debt securities

	RM'000
Short term borrowings	
Secured	162,622
Long term borrowings	
Secured	112,632

	275,254
	=====

The above borrowings are denominated in Ringgit Malaysia.

21. 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.

22. Changes in material litigation

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

23. Profit Forecast or Profit Guarantee

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

24. Dividend

No dividend has been proposed for the current reporting quarter.

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Notes to the Financial Information**25. Earnings per share**

	Individual Quarter 3 months ended		Cumulative Quarter 12 months ended	
	31.12.2008	31.12.2007	31.12.2008	31.12.2007
	RM'000	RM'000	RM'000	RM'000
Profit for the period/year	11,747	12,641	59,163	37,813
Amount attributable to minority interest	(50)	172	(800)	(312)
	-----	-----	-----	-----
Profit for the year attributable to shareholders of the Company	11,697	12,813	58,363	37,501
	=====	=====	=====	=====
Weighted average number of ordinary shares in issue ('000)	85,000	85,000	85,000	85,000
	=====	=====	=====	=====
Basic earnings per share (sen)	13.76	15.07	68.66	44.12
	=====	=====	=====	=====