

**BLD PLANTATION BHD.** (562199-A)

**Interim Financial Report**  
**31 December 2009**

**BLD PLANTATION BHD**

(Company No: 562199-A)

**Interim Financial Report for Twelve Months ended 31 December 2009**

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**BLD PLANTATION BHD**

(Company No: 562199-A)

**Condensed Consolidated Income Statements**

For the Period Ended 31 December 2009

		<b>Individual Quarter 3 months ended</b>		<b>Cumulative Quarter 12 months ended</b>	
		<b>31.12.2009</b>	<b>31.12.2008</b>	<b>31.12.2009</b>	<b>31.12.2008</b>
	<b>Note</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Revenue		244,046	243,249	823,032	518,172
Cost of sales		(229,822)	(239,490)	(751,294)	(429,984)
Gross profit		14,224	3,759	71,738	88,188
Other operating income		261	48	492	243
Selling expenses		(5,556)	(4,476)	(18,877)	(14,998)
Administrative expenses		(4,487)	(8,044)	(9,101)	(13,606)
Finance costs		(1,405)	(537)	(6,403)	(2,872)
Profit before taxation		3,037	(9,250)	37,849	56,955
Taxation	<b>17</b>	(285)	26,275	(10,184)	7,486
Profit for the period		2,752	17,025	27,665	64,441
		=====	=====	=====	=====
Attributable to:					
Shareholders of the Company		2,693	16,935	27,519	63,601
Minority interest		59	90	146	840
Profit for the period		2,752	17,025	27,665	64,441
		=====	=====	=====	=====
<b>Earnings per share (sen)</b>	<b>25</b>				
- Basic		3.17	19.92	32.38	74.82
- 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 2008 and the accompanying explanatory notes.

**BLD PLANTATION BHD**

(Company No: 562199-A)

**Condensed Consolidated Balance Sheets**

	<b>As At 31.12.2009 RM'000</b>	<b>As At 31.12.2008 RM'000</b>
<b>Non-current Assets</b>		
Property, plant and equipment	547,317	492,461
Prepaid land lease	145,208	144,663
Deferred tax asset	16,608	22,235
Goodwill on consolidation	82	72
	709,215	659,431
<b>Current Assets</b>		
Inventories	96,552	77,950
Receivables	63,576	20,590
Deposits, cash and bank balances	82,608	113,780
Tax refundable	9,704	7,844
	252,440	220,164
<b>Total assets</b>	961,655 =====	879,595 =====
<b>CAPITAL AND LIABILITIES</b>		
<b>Capital and reserves</b>		
Share capital	85,000	85,000
Reserves	367,443	346,936
	452,443	431,936
<b>Minority interest</b>	1,875	1,252
	454,318	433,188
<b>Non-current liabilities</b>		
Borrowings	157,707	111,356
Deferred tax liabilities	105,700	100,710
	263,407	212,066
<b>Current liabilities</b>		
Borrowings	164,971	163,922
Payables	78,959	70,419
	243,930	234,341
<b>Total liabilities</b>	507,337	446,407
<b>Total equity and liabilities</b>	961,655 =====	879,595 =====

**BLD PLANTATION BHD**

(Company No: 562199-A)

**Condensed Consolidated Balance Sheets**

<b>Net assets per share attributable to shareholders of the Company (RM)</b>	5.34	5.10
	===	===

The unaudited Condensed Consolidated Balance Sheets should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes.

**BLD PLANTATION BHD**

(Company No: 562199-A)

**Condensed Consolidated Statement of Changes in Equity**

For the Period Ended 31 December 2009

	Attributable to shareholders of the Company				Minority interest	Total Equity
	Share Capital RM'000	Retained Profit RM'000	Share Premium RM'000	Total RM'000	RM'000	RM'000
At 1 January 2009	85,000	324,832	22,104	431,936	1,252	433,188
Profit for the period	-	27,519	-	27,519	146	27,665
Final dividend	-	(7,012)	-	(7,012)	-	(7,012)
Acquisition of shares in subsidiaries	-	-	-	-	477	477
At 31 December 2009	85,000	345,339	22,104	452,443	1,875	454,318

	Attributable to shareholders of the Company				Minority interest	Total Equity
	Share Capital RM'000	Retained Profit RM'000	Share Premium RM'000	Total RM'000	RM'000	RM'000
At 1 January 2008	85,000	268,150	22,104	375,254	382	375,636
Profit for the period	-	63,601	-	63,601	840	64,441
Final dividend	-	(6,919)	-	(6,919)	-	(6,919)
Issuance of shares to minority	-	-	-	-	30	30
At 31 December 2008	85,000	324,832	22,104	431,936	1,252	433,188

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 2008 and the accompanying explanatory notes.

**BLD PLANTATION BHD**

(Company No: 562199-A)

**Condensed Consolidated Cash Flow Statement**

For the Period Ended 31 December 2009

	<b>Cumulative 12 months ended 31.12.2009 RM'000</b>	<b>Cumulative 12 months ended 31.12.2008 RM'000</b>
<b>Cash flows from operating activities</b>		
Profit before taxation	37,849	56,955
Adjustments for:		
Depreciation of property, plant and equipment	11,100	9,158
Amortisation of lease rental	2,955	2,955
Gain on disposal of property, plant and equipment	(4)	(36)
Interest income	(1,432)	(271)
Negative goodwill on acquisition	(188)	-
Interest expense	6,403	2,872
Operating profit before changes in working capital	56,683	71,633
Net change in current assets	(61,506)	(66,636)
Net change in liabilities	3,482	47,408
Cash (used in)/generated from operations	(1,341)	52,405
Income tax paid net of refund	(2,095)	(13,393)
Interest received	1,432	271
Net cash (used in)/generated from operating activities	(2,004)	39,283
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(56,395)	(75,687)
Proceeds from disposal of property, plant and equipment	12	69
Additional investment in subsidiary company	(305)	-
Net cash outflow from acquisition of subsidiary	(2,589)	-
Net cash used in investing activities	(59,277)	(75,618)
<b>Cash flows from financing activities</b>		
Dividend paid	(7,012)	(6,919)
Interest paid	(10,273)	(8,804)
Net proceeds of term loan and revolving credit	43,009	143,107
Proceeds from issuance of shares to minority shareholders	-	30
Net cash generated from financing activities	25,724	127,414
<b>Net increase in cash and cash equivalents</b>	(35,557)	91,079
<b>Cash and cash equivalents at the beginning of the period</b>	106,408	15,329
<b>Cash and cash equivalents at the end of the period</b>	70,851	106,408

The unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the year ended 31 December 2008 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 2008.

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 2009 annual financial statements.

### **2. Auditors’ report on preceding annual financial statements**

The auditors’ report on the financial statements for the year ended 31 December 2008 was not qualified.

### **3. Comments about seasonal or cyclical factors**

The production of fresh fruit bunches is seasonal in nature and low during the first half of the year.

### **4. 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.

### **5. Changes in estimates**

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

### **6. Debt and equity securities**

There was no issuance, cancellations, repurchases, resale and repayments of debt and equity securities for the current period ended 31 December 2009.



## **BLD PLANTATION BHD**

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### **Notes to the Financial Information**

#### **7. Dividends Paid**

There was no dividend payment during the reporting quarter.

#### **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**

On 29 December 2009, the Group acquired 80% equity interest in Rela Aman Sdn Bhd, an unlisted company incorporated in Malaysia which is involved in letting of property. The acquisition was satisfied by cash.

The cost of acquisition comprised of the following:-

	<b>RM'000</b>
Purchase consideration satisfied by cash	2,880
Costs attributable to the acquisition, paid in cash	22
	-----
Total cost of acquisition	2,902
	=====

If the acquisition had occurred on 1 January 2009, the Group's revenue and profit for the period from 1 January 2009 to 31 December 2009 would have been RM822.870 million and RM27.518 million respectively.

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**Notes to the Financial Information****11. Changes in the composition of the Group (con't)**

The assets and liabilities arising from the acquisition are as follows:-  
are as follows:-

	Fair value RM'000	Acquiree's carrying amount RM'000
Property, plant and equipment	5,700	3,709
Prepaid land lease	3,500	2,965
Receivables	81	82
Cash and cash equivalent	313	313
Payables	(5,063)	(5,063)
Deferred tax	(668)	(37)
Minority interest	(773)	-
	-----	-----
Share of assets	3,090	1,969
Negative goodwill on acquisition	(188)	
	-----	
	2,902	
	=====	

The cash outflow from acquisition is as follows:

Purchase consideration satisfied by cash	2,880
Cost attributable to the acquisition, paid in cash	22
	-----
Total cash outflow of the Company	2,902
Cash and cash equivalents of subsidiary acquired	(313)
	-----
	2,589
	=====

**12. Changes in contingent liabilities and contingent assets**

	<b>RM'000</b>
Guarantee relating to bonding requirement	2,537
	=====

**BLD PLANTATION BHD**

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**Notes to the Financial Information****13. Capital commitments**

The amount of commitments not provided for in the interim financial statements as at 31 December 2009 is as follows:

	<b>RM'000</b>
Approved and contracted for	1,060
Approved but not contracted for	-
	<u>1,060</u>
	=====

**14. Review of Performance**

The Group recorded a profit before tax of RM37.849 million compared to profit before tax of RM56.955 million for the preceding year corresponding quarter. The Group recorded revenue of RM244.046 million compared to RM243.249 million for the preceding year corresponding quarter.

**15. Comparison with Preceding Quarter's Results**

The Group recorded profit before tax of RM3.037 million compared to a profit before tax of RM11.544 million compared to 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 next financial year.

**17. Taxation**

	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>3 months ended</b>		<b>12 months ended</b>	
	<b>31.12.2009</b>	<b>31.12.2008</b>	<b>31.12.2009</b>	<b>31.12.2008</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Tax expense for the period:				
Deferred taxation	1,050	(26,568)	9,949	(17,550)
Current period provision	(781)	293	99	10,064
Under provision in prior years	16	-	136	-
	-----	-----	-----	-----
	285	(26,275)	10,184	(7,486)
	=====	=====	=====	=====

**BLD PLANTATION BHD**

(Company No: 562199-A)

**Notes to the Financial Information****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.

**20. Borrowings and debt securities**

	<b>RM'000</b>
<b>Short term borrowings</b>	
Secured	164,971
<b>Long term borrowings</b>	
Secured	157,707
	-----
	322,678
	=====

The above borrowings are denominated in Ringgit Malaysia.

**21. Off balance sheet financial instruments**

The forward foreign exchange contracts entered into by the Group as at 19 February 2009 (being a date not earlier than 7 days from the date of this report) were as follows:

	Currency	Contract Amount	Equivalent Amount	Mature Within One Year
		'000	RM'000	RM'000
Forward foreign exchange contract used to hedge anticipated sales	USD	43,012	140,970	43,012

There is minimal credit risk as the contracts were entered into with reputable banks.

**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.

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**Notes to the Financial Information****24. Dividend**

No dividend has been proposed for the current reporting quarter

**25. Earnings per share**

	<b>Individual Quarter 3 months ended</b>		<b>Cumulative Quarter 12 months ended</b>	
	<b>31.12.2009</b>	<b>31.12.2008</b>	<b>31.12.2009</b>	<b>31.12.2008</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Profit for the period	2,752	17,025	27,665	64,441
Amount attributable to minority interest	(59)	(90)	(146)	(840)
	-----	-----	-----	-----
Profit for the year attributable to shareholders of the Company	2,693	16,935	27,519	63,601
	=====	=====	=====	=====
Weighted average number of ordinary shares in issue ('000)	85,000	85,000	85,000	85,000
	=====	=====	=====	=====
Basic earnings per share (sen)	3.17	19.92	32.38	74.82
	=====	=====	=====	=====