

**Condensed Consolidated Income Statement
For The Quarter Ended 30 June 2012**

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE YEAR TO DATE	
	Current Year Quarter 30 Jun 2012	Preceding Year Corresponding Quarter 30 Jun 2011	Current Year 6 months ended 30 Jun 2012	Preceding Year Corresponding Period 30 Jun 2011
	RM'000	RM'000	RM'000	RM'000
Revenue	9,274	4,714	12,927	7,426
Cost of sales	(3,894)	(3,357)	(7,282)	(5,074)
Gross profit	<u>5,380</u>	<u>1,357</u>	<u>5,645</u>	<u>2,352</u>
Other operating income	304	601	763	1,216
Other operating expenses	(457)	(585)	(918)	(1,114)
Operating profit	<u>5,227</u>	<u>1,373</u>	<u>5,490</u>	<u>2,454</u>
Finance costs	-	-	-	-
Interest income	-	-	-	-
Profit before tax	<u>5,227</u>	<u>1,373</u>	<u>5,490</u>	<u>2,454</u>
Income tax expense	(1,289)	(238)	(1,289)	(397)
Profit for the year attributable to equity holders of the company	<u>3,938</u>	<u>1,135</u>	<u>4,201</u>	<u>2,057</u>
Earnings per share attributable to equity holders of the Company:	<u>Sen</u>	<u>Sen</u>	<u>Sen</u>	<u>Sen</u>
Basic	2.09	0.60	2.23	1.09
Diluted	2.06	0.59	2.19	1.07

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

INNOPRISE PLANTATIONS BERHAD (285072-M)

(Incorporated in Malaysia)

**Condensed Consolidated Statement of Comprehensive Income
For The Quarter Ended 30 June 2012**

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE YEAR TO DATE	
	Current Year Quarter 30 Jun 2012	Preceding Year Corresponding Quarter 30 Jun 2011	Current Year 6 months ended 30 Jun 2012	Preceding Year Corresponding Period 30 Jun 2011
	RM'000	RM'000	RM'000	RM'000
Profit for the period	3,938	1,135	4,201	2,057
Other comprehensive income / (loss)	-	-	-	-
Total comprehensive income for the period attributable to equity holders of the company	<u><u>3,938</u></u>	<u><u>1,135</u></u>	<u><u>4,201</u></u>	<u><u>2,057</u></u>

The condensed consolidated income statements of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

**Condensed Consolidated Balance Sheet
As at 30 June 2012**

	(Unaudited)	(Audited)
	End of Current Quarter 30 Jun 2012	Preceding Financial Year Ended 31 Dec 2011
	<u>RM'000</u>	<u>RM'000</u>
ASSETS		
Non-current assets		
Property, plant and equipment	62,068	51,903
Biological asset	134,236	118,384
	<u>196,304</u>	<u>170,287</u>
Current Assets		
Inventories	8,722	8,125
Trade receivables	5,209	741
Other receivables	1,329	1,393
Short term investment	30,703	55,958
Cash and bank balances	495	436
	<u>46,458</u>	<u>66,653</u>
TOTAL ASSETS	<u>242,762</u>	<u>236,940</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	188,611	188,611
Capital Reserves	958	841
Accumulated profits	23,818	19,617
Total equity	<u>213,387</u>	<u>209,069</u>
Non-current liabilities		
Deferred tax liabilities	<u>11,448</u>	<u>10,159</u>
Current liabilities		
Trade payables	10,571	14,027
Other payables	7,356	3,685
	<u>17,927</u>	<u>17,712</u>
Total liabilities	<u>29,375</u>	<u>27,871</u>
TOTAL EQUITY AND LIABILITIES	<u>242,762</u>	<u>236,940</u>

The Consolidated Balance Sheet should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

Condensed Consolidated Cash Flow Statement
For the Quarter ended 30 June 2012

	6 months ended 30 June 2012	12 months ended 31 December 2011
	<u>RM'000</u>	<u>RM'000</u>
Cash flows From operating activities		
Profit before taxation	5,490	4,387
<u>Adjustment for :-</u>		
Depreciation of property, plant and equipment	98	141
Property, plant and equipment scrapped	-	10
Dividend income	(63)	(240)
Share options granted under ESOS	117	269
Net fair value gain on held for trading investment securities	(682)	(2,091)
Total adjustments	<u>(530)</u>	<u>1,911</u>
Operating profit before working capital changes	4,960	2,476
<u>Changes in working capital:</u>		
(Increase) / decrease in inventories	(597)	1,767
(Increase) / decrease in receivables	(5,123)	28
Increase / (decrease) in payables	934	2,296
Total changes in working capital	<u>(4,786)</u>	<u>4,091</u>
Cash generated from operations	174	6,567
Income tax paid	-	-
Income tax refunded	-	-
Net cash generated from/(used in) operating activities	<u>174</u>	<u>6,567</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(10,263)	(18,091)
Payment for oil palm planting expenditure	(15,852)	(31,005)
Disposal / (purchase) of short term investments	25,937	42,760
Interest received	-	-
Dividend received	63	240
Net cash used in investing activities	<u>(115)</u>	<u>(6,096)</u>
Net increase / (decrease) in cash and cash equivalents	59	471
Cash and cash equivalents at beginning of year	436	(35)
Cash and cash equivalents at end of period	<u><u>495</u></u>	<u><u>436</u></u>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

**Condensed Consolidated Statement of Changes in Equity
For the Financial Quarter ended 30 June 2012**

	Share Capital	Capital Reserve	Accumulated (Losses) / Profits	Total
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
At 1 January 2012	188,611	841	19,617	209,069
Share options granted under ESOS				
- Recognised in income statement	-	98	-	98
- Included in investments in subsidiary	-	19	-	19
Total comprehensive (loss)/ income for the period	-	-	4,201	4,201
At 30 June 2012	<u>188,611</u>	<u>958</u>	<u>23,818</u>	<u>213,387</u>
At 1 January 2011	188,611	490	16,001	205,102
Share options granted under ESOS				
- Recognised in income statement		126	-	126
- Included in investments in subsidiary		64	-	64
Total comprehensive income for the period	-	-	2,057	2,057
At 30 June 2011	<u>188,611</u>	<u>680</u>	<u>18,058</u>	<u>207,349</u>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 30 JUNE 2012**
A. EXPLANATORY NOTES PURSUANT TO FRS 134
1. BASIS OF PREPARATION

The condensed consolidated interim financial statements have been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and Paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (“Bursa Securities”) and should be read in conjunction with the Group’s audited financial statement for the financial year ended 31 December 2011.

These explanatory notes attached to the condensed consolidated interim financial statements provide an explanation of events and transactions that significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2011.

2. CHANGES IN ACCOUNTING POLICIES

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2011.

On 1 January 2011, the Group adopted the following new and amended FRS and IC Interpretations mandatory for annual financial periods beginning on or after 1 January 2011.

	Effective for annual periods beginning on or after
IC Interpretation 19 Extinguishing Financial Liabilities with Equity Instruments	1 July 2011
Amendments to IC Interpretation 14: Prepayments of a Minimum Funding Requirement	1 July 2011
Amendments to FRS 7: Transfers of Financial Assets	1 January 2012
Amendments to FRS 112: Deferred Tax: Recovery of Underlying Assets	1 January 2012
FRS 124 Related Party Disclosures	1 January 2012

Adoption of the above standards and interpretations did not have any significant effect on the financial performance and position of the Group.

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 30 JUNE 2012**
2. CHANGES IN ACCOUNTING POLICIES (Cont'd)

The Group has not adopted the following standards and interpretations that have been issued but not yet effective:

	Effective for annual periods beginning on or after
Amendments to FRS 101: Presentation of Items of Other Comprehensive Income	1 July 2012
FRS 10 Consolidated Financial Statements	1 January 2013
FRS 11 Joint Arrangements	1 January 2013
FRS 12 Disclosure of interests in Other Entities	1 January 2013
FRS 13 Fair Value Measurement	1 January 2013
FRS 119 Employee Benefits	1 January 2013
FRS 127 Separate Financial Statements	1 January 2013
FRS 128 Investment in Associate and Joint Ventures	1 January 2013
IC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine	1 January 2013
Amendments to FRS 7: Disclosures-offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendments to FRS 132: Offsetting Financial Assets and Financial Liabilities	1 January 2014
FRS 9 Financial Instruments	1 January 2015

Amendments to FRS 101: Presentation of items of Other Comprehensive Income

The amendments to FRS 101 change the grouping of items presented in Other Comprehensive Income. Items that could be reclassified (or "recycled") to profit or loss at a future point in time (for example, upon derecognition or settlement) would be presented separately from items that will never be reclassified. The amendment affects presentation only and has no impact on the Group's financial position or performance.

FRS 9 Financial Instruments

FRS 9 reflects the first phase of work on the replacement of FRS 139 and applies to classification and measurement of financial assets and financial liabilities as defined in FRS 139. The adoption of this phase of FRS 9 will have an effect on the classification and measurement of the Group's financial assets but will potentially have no impact on classification and measurements of financial liabilities. The Group is in the process of making an assessment of the impact of adoption of FRS 9.

FRS 10 Consolidated financial statements

FRS 10 replaces the portion of FRS 127 Consolidated and Separate Financial Statements that addresses the accounting for consolidated financial statements. FRS 10 establishes a single control model that applies to all entities including special purpose entities. The changes introduced by FRS 10 will require management to exercise significant judgement to determine which entities are controlled, and therefore, are required to be consolidated by a parent, compared with the requirements that were in FRS 127.

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 30 JUNE 2012****2. CHANGES IN ACCOUNTING POLICIES (Cont'd)**FRS 12 Disclosure of Interests in Other Entities

FRS 12 includes all disclosure requirements for interests in subsidiaries, joint arrangements, associates and structured entities. A number of new disclosures are required. This standard affects disclosures only and has no impact on the Group's financial position or performance.

FRS 127 Separate Financial Statements

As a consequence of the new FRS 10 and FRS 12, FRS 127 is limited to accounting for subsidiaries, jointly controlled entities and associates in separate financial statements.

Malaysian Financial Reporting Standards (MFRS Framework)

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (MFRS Framework).

The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer (herein called 'Transitioning Entities').

Transitioning Entities will be allowed to defer adoption of the new MFRS Framework for an additional one year. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2013.

The Group falls within the scope definition of Transitioning Entities and accordingly, will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 December 2013. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

At the date of these financial statements, the Group has not completed its quantification of the financial effects of the differences between Financial Reporting Standards and accounting standards under the MFRS Framework due to the ongoing assessment by the project team. Accordingly, the consolidated financial performance and financial position as disclosed in these financial statements for the year ended 31 December 2011 could be different if prepared under the MFRS Framework.

The Group expects to be in a position to fully comply with the requirements of the MFRS Framework for the financial year ending 31 December 2013.

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 30 JUNE 2012**
3. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements for the year ended 31 December 2011 was not qualified.

4. SEGMENTAL INFORMATION

Business segments

	Cumulative Quarter ended 30 June 2012		
	Timber	Plantations	Consolidated
	RM'000	RM'000	RM'000
Segment Revenue	<u>5,178</u>	<u>7,749</u>	<u>12,927</u>
Segment Results	<u>4,112</u>	<u>1,025</u>	5,137
Other income			763
Unallocated expenses			<u>(410)</u>
Profit before taxation			5,490
Income tax			<u>(1,289)</u>
Cumulative profit up to 30 Jun 2012			<u>4,201</u>
OTHER INFORMATION			
Segments Assets	<u>3,244</u>	<u>208,320</u>	211,564
Unallocated assets			<u>31,198</u>
Consolidated Assets			<u>242,762</u>
Segments Liabilities	<u>-</u>	<u>17,927</u>	17,927
Unallocated liabilities			<u>11,448</u>
Consolidated Liabilities			<u>29,375</u>

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 financial period ended 30 June 2012.

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 30 JUNE 2012**

6. CHANGES IN ESTIMATES

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

7. SEASONAL OR CYCLICAL FACTORS

The Group's operations were not materially affected by any seasonal or cyclical factors.

8. DIVIDENDS PAID

No dividends were paid out during the current quarter.

9. CARRYING AMOUNT OF PROPERTY, PLANT AND EQUIPMENT

There were no brought forward valuations of property, plant and equipment from the financial year ended 31 December 2011 and there were no valuations of property, plant and equipment carried out during the financial period ended 30 June 2012.

10. DEBT AND EQUITY SECURITIES

There were no issuances, cancellations, repurchases, resale, and repayments of debt and equity securities during the financial period ended 30 June 2012.

11. CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the current financial quarter.

12. DISCONTINUED OPERATION

There were no discontinued operations for the Group during the current financial quarter.

13. CAPITAL COMMITMENTS

The commitments for the oil palm plantation development not provided for in the interim financial statements as at 30 June 2012 are as follows:

	<u>RM'000</u>
Approved and contracted for oil palm plantation development	7,178
Approved and contracted for construction of palm oil mill	13,244
Approved but not contracted for oil palm plantation development and construction of palm oil mill	60,751
	<u>81,173</u>

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 30 JUNE 2012**
14. CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS

As at 31st December 2011, there is a contingent asset of RM3,689,129.40 arising from a shortfall in guaranteed volume of log production under a Logging Sub-Contract between Serijaya Industri Sdn Bhd (SJI), a wholly owned subsidiary of the Company and Asiatic Lumber Industries Sdn Bhd (ALISB).

Under the Logging Sub-Contractor, ALISB has undertaken to extract a minimum of 120,000m³ of logs per year. However the actual production for 2011 was 36,156.15m³ resulting in a shortfall of 83,843.85m³. The amount of RM3,689,129.40 was computed on the loss of profit from the production shortfall and disclosed as a contingent asset as the sub-contractor has yet to agree to the compensation.

Based on written legal opinion, SJI has the rights to claim for loss of profit and damages. While the sub-contractor had earlier claimed that due to changes in government procedures, it was impossible to fulfill the obligations, they have since agreed to honour their obligation at the Board Meeting held on 28th May 2012. Hence the contingent asset had been recognised in current quarter accounts.

15. MATERIAL RELATED PARTY TRANSACTIONS

Group	2012 <u>RM'000</u>
Trade transactions	
Transaction with a related party:	
Log extraction contract fee from Rakyat Berjaya Sdn. Bhd.	1,489
Rental paid to TSH Resources Bhd., a company in which a director of the Company has an interest.	36
Sale of oil palm fresh fruit bunches to Regional Harvest Sdn. Bhd.	1,225
Sale of oil palm fresh fruit bunches to Sabah Softwoods Berhad	532
Sale of oil palm fresh fruit bunches to TSH Plantation Management Sdn. Bhd.	1,570
Log extraction contract fee to Asiatic Lumber Industries Sdn. Bhd., a company in which a director of the Company has an interest.	743

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2012**

15. MATERIAL RELATED PARTY TRANSACTIONS (Cont'd)

Company

Trade transaction

Management fees charged to subsidiary
- Serijaya Industri Sdn. Bhd.

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16. MATERIAL EVENTS SUBSEQUENT TO THE END OF PERIOD REPORTED

There were no material events subsequent to the end of the period that have not been reflected in the financial statements for the period.

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 30 JUNE 2012**

**B. EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING
REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

1. PERFORMANCE REVIEW

The Group registered a turnover of RM9.274 million for the current quarter ended 30 June 2012 representing an increase of 97% as compared to RM4.714 million for the preceding financial year corresponding quarter. The increase is due to higher FFB crop and recognition of contingent assets arising from a shortfall in guaranteed volume of log production in 2011 amounting RM3.689 million.

Profit before tax for the current year quarter ended 30 June 2012 was RM5.227 million as compared to profit of RM1.373 million in the preceding financial year corresponding quarter. The increase is due to higher FFB crop and recognition of contingent assets.

Turnover for the current year six-months ended 30 June 2012 was RM12.927 million representing an increase of 74% as compared to turnover of RM7.426 million in the preceding financial year corresponding period. The increase is principally due to higher FFB crop production in line with more areas is under harvesting and recognition of contingent assets.

Profit before tax for the current year six-months ended 30 June 2012 was RM5.490 million representing an increase of 124% as compared to profit of before tax of RM2.454 million in the preceding financial year corresponding period. The increase is due to realization of contingent assets.

2. MATERIAL CHANGES IN PROFIT BEFORE TAXATION

The Group registered a turnover of RM9.274 million for current quarter representing an increase of 154% as compared to RM3.653 million in the immediate preceding quarter. FFB sales contributed RM7.749 million to turnover as compared to RM2.684 million in the preceding quarter.

Profit before tax for the current quarter was RM3.938 million as compared to profit before tax of RM0.263 million in the immediate preceding quarter. This is again due to higher FFB crop and recognition of contingent assets.

3. PROSPECT FOR 2012

The Board of Directors is confident of achieving reasonable profitability with logging activities continuing to be a profit contributor. Oil palm segment is expected to contribute positively in subsequent quarters as higher FFB yield will reduce unit cost of production.

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 30 JUNE 2012**
4. PROFIT FORECAST OR PROFIT GUARANTEE

There were no profit forecasts or profit guarantees released to the public.

5. INCOME TAX EXPENSE

	INDIVIDUAL QUARTER		CUMULATIVE YEAR TO DATE	
	Current Year Quarter 30 Jun 2012	Preceding Year Corresponding Quarter 30 Jun 2011	Current Year 6 months ended 30 Jun 2012	Preceding Year Corresponding Period 30 Jun 2011
	RM'000	RM'000	RM'000	RM'000
Current year tax:				
Malaysian income tax	-	-	-	-
Deferred tax	1,289	238	1,289	397
	<u>1,289</u>	<u>238</u>	<u>1,289</u>	<u>397</u>
(Over)/underprovided in prior years:				
Malaysian income tax	-	-	-	-
Deferred tax	-	-	-	-
Total	<u>1,289</u>	<u>238</u>	<u>1,289</u>	<u>397</u>

6. SALE OF UNQUOTED INVESTMENTS AND/OR PROPERTIES

There were no sales/disposals of unquoted investments and properties during the current financial quarter and period ended 30 June 2012.

7. QUOTED SECURITIES

- a) There was no purchase and sale of quoted securities for the current financial quarter ended 30 June 2012.
- b) There was no investment in quoted shares as at 30 June 2012.

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 30 JUNE 2012**
8. STATUS OF CORPORATE PROPOSALS

There were no corporate proposals for the current financial quarter ended 30 June 2012.

9. UTILISATION OF PROCEEDS

Part of the proceed raised from Right Issue Exercise have been utilized in the following manner;

	Fund utilized		As per Prospectus RM
	Quarter RM	Cumulative Todate RM	
Plantation and Development Expenses (direct and indirect)	6,048	72,357	80,000
Property, plant and equipment	3,915	29,877	42,904
Expenses for the corporate exercise	-	712	600
Working capital purposes	-	3,175	8,857
	9,963	106,121	132,361

10. BORROWINGS

There were no borrowings for the current financial quarter ended 30 June 2012.

11. OFF BALANCE SHEET FINANCIAL INSTRUMENTS

There were no off balance sheet financial instruments as at 30 June 2012.

12. CHANGES IN MATERIAL LITIGATION

There were no changes in material litigation since the last annual balance sheet date of 31 December 2011.

13. DIVIDEND PAYABLE

No interim ordinary dividend has been declared for the financial period ended 30 June 2012 (30 June 2011 : Nil).

14. EARNINGS PER SHARE
(a) Basic earning per share

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

	INDIVIDUAL QUARTER		CUMULATIVE YEAR TO DATE	
	Current Year Quarter 30 Jun 2012	Preceding Year Corresponding Quarter 30 Jun 2011	Current Year 6 months ended 30 Jun 2012	Preceding Year Corresponding Period 30 Jun 2011
	RM'000	RM'000	RM'000	RM'000
Profit attributable to ordinary equity holders of the parent	3,938	1,135	4,201	2,057
Weighted average number of ordinary shares in issue ('000)	188,611	188,611	188,611	188,611
	<u>Sen</u>	<u>Sen</u>	<u>Sen</u>	<u>Sen</u>
Basic earnings per share	2.09	0.60	2.23	1.09

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 30 JUNE 2012**
14. EARNINGS PER SHARE (Cont'd)
(b) Diluted earning per share

	INDIVIDUAL QUARTER		CUMULATIVE YEAR TO DATE	
	Current Year Quarter 30 Jun 2012	Preceding Year Corresponding Quarter 30 Jun 2011	Current Year 6 months ended 30 Jun 2012	Preceding Year Corresponding Period 30 Jun 2011
	RM'000	RM'000	RM'000	RM'000
Profit attributable to ordinary equity holders of the parent	3,938	1,135	4,201	2,057
Weighted average number of ordinary shares in issue ('000)	188,611	188,611	188,611	188,611
Effect of ESOS ('000)	2,866	3,320	2,866	3,205
Weighted average number of ordinary shares in issue ('000)	191,477	191,931	191,477	191,816
	<u>Sen</u>	<u>Sen</u>	<u>Sen</u>	<u>Sen</u>
Diluted earnings per share	2.06	0.59	2.19	1.07

The diluted earning per share is calculated by dividing the net profit for the period by the weighted average number of ordinary shares in issue during the period.

The share options was calculated based on the number of shares which would have been acquired at the market price (average annual share price of the company's share) based on the monetary value of the subscription rights attached to the outstanding share options. No adjustment is made to the net profit attributable to shareholders for the share options calculations.

15. 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 29 August 2012.

INNOPRISE PLANTATIONS BERHAD (285072-M)

(Incorporated in Malaysia)

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE SECOND QUARTER ENDED 30 JUNE 2012**
C. DISCLOSURE OF REALISED AND UNREALISED PROFITS OR LOSSES.

Total unappropriated profit as at 30 June 2012 and 31 December 2011 is analysed as follows:

	As at end of current quarter 30 Jun 2012 RM'000	As at end of preceding quarter 30 Jun 2011 RM'000
Total unappropriated profit of the Company and its subsidiary		
- Realised	32,783	27,795
- Unrealised	(6,985)	(6,378)
	25,798	21,417
Consolidation adjustments	(1,980)	(1,800)
Total Group accumulated profits as per consolidated accounts	23,818	19,617