

ASTRAL ASIA BHD (374600-X)

Part A1 : Quarterly Report

Quarterly report for the financial period ended : 30.09.2010
 Quarter : 3rd Quarter
 Financial Year End : 31.12.2010
 The Figures : Have not been audited

Part A2 : Summary of Key Financial Information for the financial period ended 30/09/2010

	Individual Quarter		Cumulative Period	
	Current year quarter 30.09.2010 RM'000	Preceding year quarter 30.09.2009 RM'000	Current year to date 30.09.2010 RM'000	Preceding year to date 30.09.2009 RM'000
1 Revenue	8,154	12,190	27,222	33,916
2 Profit/(Loss) before tax	3,458	(3,845)	10,464	(2,513)
3 Profit/(Loss) for the period	2,245	(4,771)	7,134	(5,120)
4 Profit /(Loss) attributable to ordinary equity holders of the parent	999	(5,865)	3,936	(6,750)
5 Basic earning per shares (sen)	0.83	(4.89)	3.28	(5.63)
6 Proposed /Declared dividend per share (sen)	-	-	2.00	3.50
	As at end of current quarter 30.09.2010		As at preceding financial year end	
7 Net assets per share attributable to ordinary equity holders of the company (RM)		0.9874		0.9546

Part A3 : Additional Information

	Individual Quarter		Cumulative Period	
	Current year quarter 30.09.2010 RM'000	Preceding year quarter 30.09.2009 RM'000	Current year to date 30.09.2010 RM'000	Preceding year to date 30.09.2009 RM'000
1 Gross interest income	62	59	232	259
2 Gross interest expenses	5	18	22	55

ASTRAL ASIA BHD (374600-X)

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR
THE THIRD QUARTER ENDED 30 SEPTEMBER 2010

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Individual Quarter		Cumulative Quarter	
		Current Year 3rd Quarter 30-Sep-10 RM'000	Preceding Year 30-Sep-09 RM'000 (Restated)	Current Year 30-Sep-10 RM'000	Preceding Year 30-Sep-09 RM'000 (Restated)
<u>Continuing Operations</u>					
Revenue		8,154	12,190	27,222	33,916
Cost of sales		(4,073)	(12,209)	(14,704)	(31,616)
Gross profit		4,081	(19)	12,518	2,300
Other income		326	502	816	1,124
Administrative expenses		(921)	(4,319)	(2,824)	(5,883)
Finance costs		(28)	(10)	(43)	(55)
Other expenses		-	-	(3)	-
Share of profit / (loss) in associate		-	1	-	1
Profit before tax		3,458	(3,845)	10,464	(2,513)
Taxation	17	(1,213)	(926)	(3,330)	(2,607)
Profit/(loss) after tax		2,245	(4,771)	7,134	(5,120)
Other Comprehensive income/(loss), net of tax		-	-	119	-
Total comprehensive income/(loss) for the period		2,245	(4,771)	7,253	(5,120)
Profit/(loss) attributable to:					
Owners of the parent		999	(5,865)	3,817	(6,750)
Minority Interest		1,246	1,094	3,317	1,630
Profit/(loss) for the period		2,245	(4,771)	7,134	(5,120)
Total comprehensive income attributable to:					
Owners of the parent		999	(5,865)	3,936	(6,750)
Minority Interest		1,246	1,094	3,317	1,630
Total comprehensive income/(loss) for the period		2,245	(4,771)	7,253	(5,120)
Earning Per Share attributable to owners of the parent:					
Earning/(loss) per share (Sen):-	25	0.83	(4.89)	3.28	(5.63)

(The Condensed consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31st December 2009)

ASTRAL ASIA BHD (374600-X)

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR
THE THIRD QUARTER ENDED 30 SEPTEMBER 2010

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	(UNAUDITED) CURRENT QUARTER END 30-Sep-10 RM'000	(AUDITED) PRECEDING YEAR END 31-Dec-09 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	5,709	6,173
Prepaid and lease payments	85,283	86,050
Biological assets	88,741	88,741
Investment Property	1,830	1,830
Investment in associated company	1,551	1,551
	<u>183,114</u>	<u>184,345</u>
Current assets		
Inventories	686	171
Amount due from customers	4,782	3,817
Trade receivables	4,032	7,666
Other receivables	495	1,003
Fixed Deposits	16,193	12,674
Cash and bank balances	6,236	6,177
Tax Recoverable	150	154
	<u>32,574</u>	<u>31,662</u>
TOTAL ASSETS	<u><u>215,688</u></u>	<u><u>216,007</u></u>
EQUITY AND LIABILITIES		
Equity Attributable To Owners of the parent		
Share Capital	119,997	119,997
Share Premium	1,333	1,333
Revaluation Reserve	57,894	57,775
Accumulated losses	(60,737)	(64,554)
Total equity attributable to owners of the parent	<u>118,487</u>	<u>114,551</u>
Minority Interests	50,529	48,787
TOTAL EQUITY	<u>169,016</u>	<u>163,338</u>
Non-current liabilities		
Hire purchase creditors	211	318
Deferred taxation	31,719	31,719
	<u>31,930</u>	<u>32,037</u>
Current liabilities		
Trade payables	6,755	10,624
Amount due to customers	-	85
Other payables	5,716	7,739
Dividend payable	8	17
Amount due from associate company	565	565
Provision for Taxation	1,698	1,602
	<u>14,742</u>	<u>20,632</u>
TOTAL LIABILITIES	<u>46,672</u>	<u>52,669</u>
TOTAL EQUITY AND LIABILITIES	<u><u>215,688</u></u>	<u><u>216,007</u></u>

(The Condensed Consolidated Statement of Financial Position should read in conjunction with the Annual Financial Report for the year ended 31st December 2009)

ASTRAL ASIA BHD (374600-X)

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2010

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	← Non- distributable →			Attributable to		Minority interest	Total equity
	Share Capital	Share Premium	Revaluation Reserve	Accumulated losses	owners of the parent		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
As at 1 January 2010	119,997	1,333	57,775	(64,554)	114,551	48,787	163,338
Total Comprehensive income for the period			119	3,817	3,936	3,317	7,253
Dividend paid to Monority Interest						(1,575)	(1,575)
As at 30 Sept 2010	119,997	1,333	57,894	(60,737)	118,487	50,529	169,016
As 1 January 2009	119,997	1,333	57,775	(55,428)	123,677	48,650	172,327
Net profit for the quarter				(6,750)	(6,750)	1,630	(5,120)
Dividend				(3,150)	(3,150)	-	(3,150)
Dividend paid to Monority Interest						(1,575)	(1,575)
At at 30 Sept 2009	119,997	1,333	57,775	(65,328)	113,777	50,280	162,482

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Report for the year ended 31st December 2009)

ASTRAL ASIA BHD (374600-X)

INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS FOR THE
THIRD QUARTER ENDED 30 SEPTEMBER 2010

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	9 MONTHS ENDED 30-Sep-10 RM'000	9 MONTHS ENDED 30-Sep-09 RM'000 (Restated)
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>		
Profit before taxation	10,464	(2,513)
<i>Adjustments for:-</i>		
Non-cash items/non-operating items	1,245	1,376
<i>Operating profit before working capital changes</i>	11,709	(1,137)
<i>Changes in working capital:-</i>		
Net Change In Current Assets	8,264	7,236
Net Change In Current Liabilities	(4,654)	(1,915)
	15,319	4,184
Interest Paid	(4)	(55)
Tax refund/(paid)	(2,625)	(2,262)
Interest received	232	259
Dividend Paid to Minority Interest	(3,150)	(1,575)
Dividend Paid	(5,850)	(3,150)
<i>Net cash (Used In)/ generated from operating activities</i>	3,922	(2,599)
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>		
Proceeds from disposal of property, plant and equipment	-	140
Purchase of property, plant and equipment	(37)	(793)
<i>Net cash used in investing activities</i>	(37)	(653)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>		
Payment of hire purchase creditors	(307)	(216)
Repayment of term loan	-	-
<i>Net cash used in financing activities</i>	(307)	(216)
NET CHANGE IN CASH AND CASH EQUIVALENTS	3,578	(3,468)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR	18,851	18,500
CASH AND CASH EQUIVALENTS AT END OF THE FIANACIAL PERIOD	22,429	15,032
CASH AND CASH EQUIVALENTS COMPRISE THE FOLLOWING:		
Cash and bank balances	6,236	3,364
Fixed Deposit placed with licensed banks	16,193	11,668
	22,429	15,032

(The Condensed Consolidated Statement of Cash Flows should be read conjunction with the Annual Financial Report for the year ended 31st December 2009)

1 Basis of preparation

The unaudited interim financial report has been prepared in accordance with FRS 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The unaudited interim financial report should be read in conjunction with the audited financial statements for the year ended 31 December 2009. The explanatory notes attached to the unaudited interim financial report provide an explanation of the events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2009.

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 2009, except for the adoption of the following Financial Reporting Standards (FRSs), Amendments to FRSs and Interpretations:

Effective for financial periods beginning on or after 1 July 2009:

FRS 8 Operating Segments

Effective for financial periods beginning on or after 1 January 2010:

FRS 4	Insurance Contracts
FRS 7	Financial Instruments: Disclosures
FRS 101	Presentation of Financial Statements (Revised)
FRS 123	Borrowing Costs
FRS 139	Financial Instruments: Recognition and Measurement
Amendment to FRS 1	First Time Adoption of Financial Reporting Standards
Amendment to FRS 2	Share-based Payment-Vesting Conditions and Cancellations
Amendment to FRS 7	Financial Instruments: Disclosures
Amendment to FRS 8	Operating Segments
Amendment to FRS 107	Statement of Cash Flows
Amendment to FRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
Amendment to FRS 110	Events after the Reporting Period
Amendment to FRS 116	Property, Plant and Equipment
Amendment to FRS 117	Leases
Amendment to FRS 132	Financial Instruments: Presentation
Amendment to FRS 134	Interim Financial Reporting
Amendment to FRS 136	Impairment of Assets
Amendment to FRS 140	Investment Property
IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 10	Interim Financial Reporting and Impairment
IC Interpretation 11	FRS 2- Group and Treasury Share Transactions

Other than for the implications as discussed below, the application of the above FRSs, Amendments to FRSs and Interpretation did not result in any significant changes in the accounting policies and presentation of the financial results of the Group.

(i) FRS 8: Operating Segment

FRS 8 requires a 'management approach', under which segment information is presented on the same basis as that used for internal reporting purposes. As a result, the Group's segmental reporting had been presented based on that used for internal reporting to the chief operating decision maker who makes decisions on the allocation of resources and assesses the performance of the reportable segments. This standard does not have any impact on the financial position and results of the Group.

(ii) FRS 101: Presentation of Financial Statements (revised)

The revised FRS 101 has introduced changes in terminology used, format and contents of financial statements. Amongst others, components of interim financial statements presented now consist of a statement of financial position, a statement of comprehensive income, a statement of changes in equity, a statement of cash flows and notes to the financial statements. This standard separates owner and non-owner changes in equity. Therefore, the statement of changes in equity only includes details of transactions with owners. All non-owner changes in equity are presented as a single line labeled as total comprehensive income. The Standard also introduces the statement of comprehensive income: presenting all items of income and expense recognized in the income statement, together with all other items of recognized income and expense, either in one single statement, or in two linked statements. The revised FRS does not have any impact on the financial position and results of the Group.

3 Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the year ended 31 December 2009 was not qualified.

4 Seasonal or cyclical factors

The business of the Group was not affected by any significant seasonal or cyclical factors in the current quarter.

5 Unusual items affecting the assets, liabilities, equity, net income, or cash flows

There were no unusual items affecting the assets, liabilities, equity, net income or cash flow of the Group for the current quarter and financial year-to-date.

6 Material changes in estimates

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

7 Issuances, cancellations, repurchases, resale and repayments of debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the current financial year-to-date.

8 Dividend paid

On 8th July 2010, the Company paid the first and final dividend of 2.0 sen per share in respect of the financial year ended 31 December 2009.

9 Segmental reporting

Segmental information for the Group is presented as follows:

9 months financial period					
ended 30 Sept 2010					
Segment Revenue	Plantation	Construction	Investment	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000
External revenue	23,954	3,267	-	-	27,221
Inter-segment revenue	-	-	2,925	(2,925)	-
Total revenue	23,954	3,267	2,925	(2,925)	27,221

Segment Results					
Operating results	12,671	(2,347)	182	-	10,506
Finance cost	(33)	(10)	-	-	(43)
Profit/(loss) before tax	12,638	(2,357)	182	0	10,463
Income tax expense	(3,159)	(170)	-	-	(3,329)
	9,479	(2,527)	182	0	7,134

9 months financial period					
ended 30 Sept 2009					
Segment Revenue	Plantation	Construction	Investment	Elimination	Consolidated
	RM'000	RM'000	RM'000	RM'000	RM'000
External revenue	21,900	12,016	-	-	33,916
Inter-segment revenue	-	-	-	-	-
Total revenue	21,900	12,016	-	-	33,916

Segment Results					
Operating results	9,714	(11,989)	(183)	-	(2,458)
Finance cost	(34)	(21)	-	-	(55)
Profit/(loss) before tax	9,680	(12,010)	(183)	-	(2,513)
Income tax expense	(2,522)	(85)	-	-	(2,607)
	7,158	(12,095)	(183)	-	(5,120)

The Group principally operates within Malaysia.

10 Valuation of Property, Plant & Equipment

There were no changes to the valuation of property, plant & equipment brought forward from the previous annual financial statements.

11 **Material event subsequent to the end of the period not reflected in the current financial period.**

There were no material events subsequent to the end of the period that have not been reflected in this quarterly report.

12 **Changes in the composition of the Group**

There were no changes in the composition of the Group for the current quarter and year-to-date.

13 **Contingent liabilities or assets**

There were no material contingent liabilities or contingent assets to be disclosed as at the date of this report.

14 **Review of performance**

The Group recorded a pre-tax profit of RM 10.5 million on a revenue of RM 27.2 million for the 9 months under review compared to a pre-tax loss of RM 2.5 million on a revenue of RM 33.9 million for the corresponding period in 2009.

The 9.3% increase in the revenue of the Plantation Division to RM 23.9 million for the 9 months under review was due to the higher CPO prices realised compared to the corresponding period last year. The average CPO prices realised had increased by 14.6% to RM 2,579 per M/T (2009 : RM 2,250 per M/T). The total Group's FFB harvested during the first 9 months under review had decreased by 7.4% to 40,036 M/T (2009: 43,223 M/T) compared to the corresponding period in 2009.

The 72.8% decrease in the construction revenue to RM 3.2 million for the 9 months under review compared to the corresponding period in the previous year as most of the current projects were at the final stages of completion. The construction division's loss before tax of RM 2.3 million was mainly due to the administration cost to oversee the contracts work.

15 **Comparison with the immediate preceding quarter's results**

There was no material change in the profit before tax of RM 3.4 million recorded for the current quarter as compared to a profit before tax of RM 3.1 million in the immediate preceding quarter.

16 **Commentary on prospects**

The Group anticipates the plantation division to maintain satisfactory performance for the financial year 2010 in view of the more stable CPO prices.

The construction division had fully provided the foreseeable losses on all current projects which have reached the final stages of construction. The Group does not anticipate further losses on these projects.

17 **Profit forecast**

Not applicable as there was no profit forecast published.

18 **Taxation**

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<u>3 months ended</u>		<u>9 months ended</u>	
	30.09.2010	30.09.2009	30.09.2010	30.09.2009
	RM'000	RM'000	RM'000	RM'000
Current Taxation	1,213	926	3,330	2,607
Under/(Over) provision of tax in prior year	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
	1,213	926	3,330	2,607
Deferred Tax	-	-	-	-
Share of taxation of subsidiary	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total income tax expense	1,213	926	3,330	2,607

The provision for income tax for the Group is mainly due to the chargeable income from the Plantation Division and interest income.

19 **Unquoted investments and properties**

There were no disposals of unquoted investments or properties during the current quarter.

20 Purchase or disposal of quoted securities

a. Sale proceeds and purchase consideration

There were no disposals and purchase of quoted investment or properties for the current quarter and financial year-to-date except as disclosed in Note 20 below.

b. Investment in quoted securities as at end of the reporting period

There were no quoted securities as at end of the current quarter.

20 Status of uncompleted corporate proposals

Proposed "Kuantan Hi - Tech Park"

As announced on 25.09.2007, the Group has planned to develop its own oil palm estate measuring 1,873 acres ("subject land") into a mixed property development to be named as "Kuantan Hi -Tech Park". The proposed Kuantan Hi -Tech Park would take approximately 10 - 15 years to complete. The proposed Hi-Tech Park would enhance the value of the subject land and is expected to yield good return to the Group in the long term. Further to the announcement made on 8 September 2010, Syarikat Ladang LKPP Sdn Bhd had entered into a conditional sale and purchase agreement to acquire a major part of the subject land, measuring 1,481 acres, from LKPP for a cash consideration of RM4,249,475.99. This acquisition would enable SLLKPP to lease the subject land directly from the State Government for the development of Kuantan Hi-Tech Park. The conditional Sale and Purchase Agreement dated 5th December 2008 (refer to announcement made on 5th December 2008) had been revoked.

21 Borrowings and debts securities

There were no borrowings and debts securities as at the end of the current quarter.

22 Off balance sheet financial instruments

During the quarter under review, the Group did not enter into any contracts involving off balance sheet financial instruments.

23 Changes in material litigation

There were no material changes with regard to material litigation since the date of the last report.

24 Dividend

On 8th July 2010, the Company paid the first and final dividend of 2.0 sen per share in respect of the financial year ended 31 December 2009.

25 Earnings per share

	Individual Quarter 3 months ended		Cumulative Quarter 6 months ended	
	30.09.2010	30.09.2009	30.09.2010	30.09.2009
Profit attributable to ordinary equity holders of the parent (RM'000)	999	(5,865)	3,936	(6,750)
Weighted average number of ordinary share in issue ('000)	119,997	119,997	119,997	119,997
Basic earning per share (sen)	0.83	(4.89)	3.28	(5.63)

There is no diluted earning per share as the Group has no dilutive potential ordinary share.

26 Capital Expenditure not provided for in the Financial Statements

As at 30.09.2010, the Group's outstanding commitment on the acquisition of a long leasehold land (see Note.20) amounted to RM 4.8 million.