



CAB CAKARAN CORPORATION BERHAD
(Incorporated in Malaysia)

**UNAUDITED INTERIM FINANCIAL REPORT
FOR THE FIRST QUARTER ENDED
31 DECEMBER 2007**

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CAB CAKARAN CORPORATION BERHAD
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED INCOME STATEMENTS
(The figures have not been audited)

	Note	INDIVIDUAL QUARTER 3 months ended 31 December		CUMULATIVE QUARTER 3 months ended 31 December	
		2007 RM'000 (Unaudited)	2006 RM'000 (Unaudited)	2007 RM'000 (Unaudited)	2006 RM'000 (Unaudited)
Revenue	9	126,987	105,260	126,987	105,260
Profit from operations		4,178	92	4,178	92
Finance costs		(1,386)	(1,403)	(1,386)	(1,403)
Income from other investment		504	29	504	29
Profit/(Loss) before taxation	9	3,296	(1,282)	3,296	(1,282)
Taxation	19	(642)	(536)	(642)	(536)
Profit/(Loss) for the period		2,654	(1,818)	2,654	(1,818)
Profit/(Loss) attributable to equity holders of the parent		2,488	(1,701)	2,488	(1,701)
Minority interests		166	(117)	166	(117)
		2,654	(1,818)	2,654	(1,818)
Basic earnings/(loss) per ordinary share (sen)	27	1.89	(1.29)	1.89	(1.29)
Diluted earnings/(loss) per ordinary share (sen)	27	NA	NA	NA	NA

The condensed consolidated income statements should be read in conjunction with the audited financial statements of the Group for the financial year ended September 30, 2007 and the accompanying explanatory notes attached to the interim financial statements.

CAB CAKARAN CORPORATION BERHAD
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED BALANCE SHEETS
(The figures have not been audited)

		As at 31 December 2007	As at 30 September 2007
	Note	RM'000	RM'000
ASSETS			
Non-Current Assets			
Property, plant and equipment		109,270	110,388
Investment properties		19,920	19,920
Prepaid lease payments on leasehold land		6,444	6,476
Agricultural expenditure		177	177
Goodwill on consolidation		6,873	6,873
Total Non-Current Assets		142,684	143,834
Current Assets			
Inventories		22,809	20,538
Trade and other receivables		69,082	62,524
Other assets		5,231	4,972
Current tax assets		275	401
Short term deposits with a licensed bank		2,556	2,540
Cash and bank balances		2,641	3,589
Non-current assets classified as held for sale		1,159	1,247
Total Current Assets		103,753	95,811
TOTAL ASSETS		246,437	239,645
EQUITY AND LIABILITIES			
Capital & Reserves			
Share capital		65,890	65,890
Reserves		14,080	11,591
Equity attributable to equity holders of the parent		79,970	77,481
Minority interests		13,671	13,503
Total Equity		93,641	90,984
NON-CURRENT LIABILITIES			
Borrowings	23	15,569	16,909
Deferred tax liabilities		7,504	7,463
Total Non-Current Liabilities		23,073	24,372
CURRENT LIABILITIES			
Trade and other payables		46,412	40,808
Borrowings	23	82,664	82,972
Current tax liabilities		647	509
Total Current Liabilities		129,723	124,289
TOTAL EQUITY AND LIABILITIES		246,437	239,645
Net Assets per share of RM0.50 each attributable to ordinary equity holders of the parent (RM)		0.61	0.59

The condensed consolidated balance sheets should be read in conjunction with the audited financial statements of the Group for the financial year ended September 30, 2007 and the accompanying explanatory notes attached to the interim financial statements.

CAB CAKARAN CORPORATION BERHAD
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CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(The figure have not been audited)

Three (3) Months Ended December 31, 2007

	< ----- Attributable to the equity holders of the parent ----- >							Minority Interest	Total Equity
	Share Capital	Share Premium	<----- Non-distributable ----->		Retained Profit	Total	RM'000		
			Revaluation Reserve	Translation Reserve					
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
As at October 1, 2007	65,890	71	5,748	9	5,763	77,481	13,503	90,984	
Transfer of revaluation reserve	-	-	(40)	-	40	-	-	-	
Currency translation differences	-	-	-	1	-	1	2	3	
Net income and expenses recognized directly in equity	-	-	(40)	1	40	1	2	3	
Profit for the financial period	-	-	-	-	2,488	2,488	166	2,654	
Balance as at December 31, 2007	65,890	71	5,708	10	8,291	79,970	13,671	93,641	

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Three (3) Months Ended December 31, 2006

	< ----- Attributable to the equity holders of the parent ----- >							Minority Interest	Total Equity
	<----- Non-distributable ----->				Distributable		Total		
	Share Capital	Share Premium	Reserve on Consolidation	Translation Reserve	Retained Profit				
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
As at October 1, 2006	65,876	71	3,171	(20)	247	69,345	12,576	81,921	
Effects of adopting:									
FRS3	-	-	(3,171)	-	3,171	-	-	-	
FRS140	-	-	-	-	54	54	14	68	
	65,876	71	-	(20)	3,472	69,399	12,590	81,989	
Exercise of share option of 7,700 ordinary shares	4	-	-	-	-	4	-	4	
Currency translation differences	-	-	-	8	-	8	14	22	
Net income and expenses recognized directly in equity		-	-	8	-	8	14	22	
Loss for the financial period	-	-	-	-	(1,701)	(1,701)	(117)	(1,818)	
Balance as at December 31, 2006	65,880	71	-	(12)	1,771	67,710	12,487	80,197	

The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements of the Group for the financial year ended September 30, 2007 and the accompanying explanatory notes attached to the interim financial statements.

CAB CAKARAN CORPORATION BERHAD
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CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
(The figure have not been audited)

	12 months ended December 31, 2007 RM'000	12 months ended December 31, 2006 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) for the period	2,654	(1,818)
Adjustments for:		
Non-cash items	2,068	2,012
Non-operating items	1,156	1,245
Tax expense recognized in profit or loss	642	536
Operating profit before working capital changes	6,520	1,975
Net change in current assets	(9,177)	6,191
Net change in current liabilities	5,581	(2,874)
Effect of exchange rates changes on working capital	2	29
Cash generated from operations	2,926	5,321
Interests paid	(1,224)	(1,262)
Income tax paid	(336)	(176)
Net cash generated from operating activities	1,366	3,883
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from disposal of property, plant and equipment	300	41
Proceeds from disposal of quoted investment	-	15
Dividend received	-	3
Interest received	36	25
Purchase of property, plant and equipment	(872)	(2,317)
Net cash used in investing activities	(536)	(2,233)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares for share option exercised	-	4
Net change in long-term loans	(1,381)	(950)
Net change in short-term borrowings	(1,627)	44
Net change in hire-purchase	(223)	455
Advance from directors	22	34
Short term deposit pledged as security	(16)	-
Net cash used in financing activities	(3,225)	(413)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(2,395)	(1,237)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	(6,249)	(6,619)
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	(8,644)	(5,382)
REPRESENTED BY:-		
Bank overdrafts	(11,285)	(10,942)
Deposits with licensed financial institution	2,556	3,081
Cash and Bank Balances	2,641	2,479
	(6,088)	(5,382)
Less: Security pledged as security	(2,556)	-
	(8,644)	(5,382)

The condensed consolidated cash flow statements should be read in conjunction with the audited financial statements of the Group for the financial year ended September 30, 2007 and the accompanying explanatory notes attached to the interim financial statements.

CAB CAKARAN CORPORATION BERHAD
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NOTES TO THE INTERIM FINANCIAL REPORT

PART A : EXPLANATORY NOTES AS PER FRS 134 - INTERIM FINANCIAL REPORTING

1. Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with FRS134, Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended September 30, 2007. The explanatory notes attached to the interim financial report provide an explanation of 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 September 30, 2007.

2. Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended September 30, 2007 except for the adoption of the following new/ revised Financial Reporting Standards ("FRS") effective for the financial period beginning October 1, 2007:

FRS 107	Cash Flow Statements
FRS 112	Income Taxes
FRS 118	Revenue
FRS 121	Amendment to FRS 121 The Effects of Changes in Foreign Exchange Rates – Net Investment in a Foreign Operation
FRS 134	Interim Financial Reporting
FRS 137	Provisions, Contingent Liabilities and Contingent Assets
FRS 139	Financial Instruments: Recognition and Measurement (Its effective date has been deferred)
IC Interpretation 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
IC Interpretation 8	Scope of FRS 2

The impact of FRS 139 on the financial statements upon its initial application is not disclosed by virtue of the exemption given by this FRS. FRS 107, FRS 112, Amendment to Financial Reporting Standard FRS 121, FRS118, FRS 134 and FRS 137, and IC Interpretations 1 & 8 are expected to have no significant financial impact on the Group and of the Company upon their initial application.

3. Audit opinion

The auditors' report on the audited financial statements of the Group for the financial year ended September 30, 2007 was not subject to any audit qualifications.

4. Seasonal or cyclical factors

The Group's financial performance in the current quarter was not significantly affected by any seasonal or cyclical factors.

5. Unusual items

There were no unusual nature and amount of items affecting assets, liabilities, equity, net income or cash flows of the Group in the current quarter ended December 31, 2007.

6. Material change in estimates

There were no material changes in estimates of amounts reported in the prior quarter and/ or financial year that have a material effect on the Group in the current quarter ended December 31, 2007.

7. Changes in debt and equity securities

There were no issuance, cancellations, repurchases, resale and repayments of debt and equity securities by the Company for the current quarter ended December 31, 2007.

8. Dividends paid

There was no dividend paid for the current year to date.

9. Segment information

The analysis of contribution by business activities of the Group is as follows:-

	Three (3) Months ended December 31, 2007		Three (3) Months ended December 31, 2006	
	Revenue RM'000	Profit/ (Loss) Before Taxation RM'000	Revenue RM'000	Profit/ (Loss) Before Taxation RM'000
By Business Activities				
Investment holding	-	(6)	-	1
Integrated poultry farming and processing	108,013	3,598	94,243	1,086
Marine products manufacturing	12,845	179	6,709	(1,508)
Restaurants and franchising	895	(123)	869	(609)
Value-added food products manufacturing and trading	5,234	(352)	3,439	(252)
Consolidated	<u>126,987</u>	<u>3,296</u>	<u>105,260</u>	<u>(1,282)</u>

The analysis of contribution by geographical locations of the Group is as follows:-

	Three (3) Months Ended December 31, 2007		Three(3)Months Ended December 31, 2006	
	RM'000	%	RM'000	%
Revenue				
By Geographical Locations				
Malaysia	114,456	90.1%	98,742	93.8%
European Countries	929	0.7%	3,273	3.1%
United States of America	5,793	4.6%	2,312	2.2%
Others	5,809	4.6%	933	0.9%
Consolidated	<u>126,987</u>	<u>100.0%</u>	<u>105,260</u>	<u>100.0%</u>

The Directors are of the opinion that all inter-segment transfers have been entered into in the normal course of business and have been established on terms and conditions that are not materially different from that obtainable in transactions with unrelated parties. Those transfers are eliminated on consolidation.

10. Carrying amount of revalued assets

The valuations of property, plant and equipment of the Group have been carried out at the end of this quarter and the effect of revaluation was stated as per the condensed consolidated statement of changes in equity as at September 30, 2007 and the explanation in note 2(b) above.

11. Material events subsequent to the end of the interim period

There were no material events which occurred subsequent to the end of current quarter ended December 31, 2007 until the date of the interim financial statements save as disclosed below.

- (i) A subsidiary, CAB Cakaran Sdn Bhd entered into three sale and purchase agreements for the purchase of certain parcel of land and building for a total purchase consideration of RM1,480,000.00.
- (ii) A subsidiary, Jimat Jaya Sdn Bhd, entered into two sale and purchase agreements for the disposal of certain land and buildings for a total sales consideration of RM2,080,000.00.

12. Changes in the composition of the Group

There were no changes in the composition of the Group during the current quarter ended December 31, 2007 save as disclosed below:

(i) On October 10, 2007, the company announced that a 55% owned subsidiary of Jaya Gading Farm Sdn Bhd, ("JGFSB"), CAB Cakaran (Timur) Sdn Bhd ("CABT") had increased its authorized capital of RM500,000.00 consisting of 500,000 ordinary shares of RM1 each to RM1,000,000.00 consisting of 1,000,000 ordinary shares of RM1 each. Its issued and paid up capital of RM200,000.00 comprising 200,000 ordinary shares of RM1 each has also be increased to RM700,000.00 comprising 700,000 ordinary shares of RM1 each. In consequence thereof, CABT remains a 55% owned subsidiary of JGFSB as JGFSB subscribed for the entire additional 500,000 ordinary shares of RM1 each in CABT for a total cash consideration of RM500,000.00.

(ii) On February 22, 2008, the company announced that its wholly owned subsidiary, CAB Cakaran Sdn Bhd ("CABC"), had subscribed for additional 2,377,998 ordinary shares of RM1 each in Bukit Perak GPS Farm Sdn Bhd ("BPGPS"). In consequence thereof, BPGPS became a 67.9% subsidiary of CABC.

13. Changes in contingent liabilities and assets

As at December 31, 2007, the Company has issued corporate guarantees amounting to RM141.304 million (December 31 2006 : RM134.515 million) as security to financial institutions and suppliers for banking facilities and/ or credit terms respectively granted to its subsidiary companies. Additionally, there is also potential claims from a subsidiary company arising from dispute over acquisition of certain landed properties amounting to RM68,000.00.

14. Capital commitments

The capital commitments of the Group as at December 31, 2007 are as follows:-

	RM'000
Property, plant and equipment:	
Authorised but not contracted for	-
Approved and contracted for in the financial statements	8,627
Total	<u><u>8,627</u></u>

NOTES TO THE INTERIM FINANCIAL STATEMENTS

PART B : ADDITIONAL INFORMATION AS REQUIRED BY APPENDIX 9B OF BURSA SECURITIES LISTING REQUIREMENTS

15. Review of performance

For the first quarter ended December 31, 2007, the Group recorded a revenue of RM126.987 million, representing an increase of 20.64% over the prior year corresponding quarter's revenue of RM105.260 million. The higher revenue in the current quarter as compared to the revenue of the prior year corresponding quarter was mainly due to higher sales and selling prices recorded in all divisions.

In tandem with the Group's higher revenue in the current quarter ended December 31, 2007, the Group also recorded a profit before taxation of RM3.296 million as compared to loss before taxation of RM1.282 million incurred in the prior year corresponding quarter. This was due to improved and higher selling prices.

16. Comment on material change in profit before taxation

The comparison of the Group revenue and profit before taxation for the current quarter and preceding quarter is summarised as follows:-

	2008 Quarter1 RM'000	2007 Quarter4 RM'000	Variance RM'000	%
Revenue	126,987	129,203	(2,216)	(1.72%)
Profit/(Loss) Before Taxation	3,296	5,033	(1,737)	(34.51%)

For the current quarter ended December 31 2007, the Group recorded lower revenue relative to the revenue recorded in the preceding quarter mainly due to lower sales in all divisions except poultry division. The Group profit had also decreased in the current quarter due to higher and rising feed and raw material costs.

17. Commentary on prospects

It is anticipated that the overall business environment especially the industries in which the Group is involved still remain challenging in the remaining quarters of this financial year due to increasing and rising feed and raw material costs. Nevertheless, the management is optimistic that its overall performance will be satisfactory. The Group marine product's division continue to face some challenges even though it has shown an improved profits in the current quarter. The management is confident that it will continue to improve its performance with additional trading activities and implementation of certain cost cutting measures and streamlining of its operations. As for its value added products manufacturing and trading division, it has anticipated that it will generate higher sales and better profit margins as it has received more overseas orders. Barring any unforeseen circumstances, it is hoped that the group overall performance will be satisfactory in the coming financial year.

18. Variance of actual profit from profit forecast

Not applicable as no profit forecast was published.

19. Taxation

	3 months ended		3 months ended	
	31.12.07 RM'000	31.12.06 RM'000	31.12.07 RM'000	31.12.06 RM'000
Current taxation				
- Current	785	416	785	416
- Prior years	1	-	1	-
	<u>786</u>	<u>416</u>	<u>786</u>	<u>416</u>
Deferred taxation	(144)	120	(144)	120
	<u>642</u>	<u>536</u>	<u>642</u>	<u>536</u>

The tax paid is lower than the statutory rate as the Group is able to utilize its unabsorbed business losses of certain of its subsidiaries for income tax purpose.

20. Unquoted investments and/ or properties

There were no material purchases or disposals of unquoted investments and/ or properties in the current quarter ended December 31, 2007.

21. Quoted investments

There were no purchases or disposals of quoted investments during the current quarter ended December 31, 2007.

22. Corporate proposals

There were no corporate proposals announced but not completed in the current quarter ended December 31, 2007 and up to the date of this interim report.

23. Group borrowings and debt securities

The Group's total bank borrowings as at December 31, 2007 are as follows:-

	Secured RM'000	Unsecured RM'000	Total RM'000
Short-term borrowings:			
Bank overdrafts	8,354	2,931	11,285
Bankers' acceptances and export credit refinancing	36,702	27,556	64,258
Hire purchase	1,839	-	1,839
Term loan	4,427	855	5,282
Sub-total	<u>51,322</u>	<u>31,342</u>	<u>82,664</u>
Long-term borrowings:			
Hire purchase	3,799	-	3,799
Term loan	11,290	480	11,770
Sub-total	<u>15,089</u>	<u>480</u>	<u>15,569</u>
Total borrowings	<u>66,411</u>	<u>31,822</u>	<u>98,233</u>

The above borrowings are denominated in Ringgit Malaysia.

24. Off balance sheet financial instruments

There were no financial instruments with off balance sheet risk as at the date of issue of this Interim Financial Report save for foreign currency forward contracts. Foreign currency forward contracts are entered into by the Group in currencies other than their functional currency to manage exposure to fluctuations in foreign currency exchange rates on specific transactions. In general, the Group's policy is to hedge as far as possible all amounts of receivables in foreign currency.

The contracted amount and fair value of financial instruments not recognised in the balance sheet date and up to the date of this interim financial report are as follows:-

	Fair Value RM'000	Contracted Amount RM'000
Foreign currency forward contracts	3,275	3,250

The fair value of foreign currency forward contracts are calculated by reference to the current rate of contracts with similar maturity profiles.

25. Changes in material litigation

There were no material litigations as at the date of the interim financial statements.

26. Proposed Dividend

No interim dividend has been declared for the current quarter ended December 31, 2007.

27. Earnings per share

The basic earnings per ordinary share and diluted earnings per ordinary share are calculated based on the Group's net profit attributable to ordinary shareholders over the weighted average number of ordinary shares in issue as follows:-.

	Current Year Quarter December 31, 2007	Prior Year Quarter December 31, 2006	Current Year To Date December 31, 2007	Preceding Year Corresponding Period December 31, 2006
Net profit/ (loss) attributable to shareholders (RM'000)	2,488	(1,701)	2,488	(1,701)
Weighted average number of Shares				
a) Basic				
Weighted average number of ordinary Shares in issue ('000)	131,779	131,757	131,779	131,757
b) Diluted				
Weighted average number of ordinary Shares in issue ('000)	131,779	131,757	131,779	131,757
Adjustment for assumed exercised of ESOS ('000)	(995)	64	(995)	64
Adjusted weighted average number of ordinary shares ('000)	130,784	131,821	130,784	131,821
Basic earnings/ (loss) per ordinary share (sen)	1.89	(1.29)	1.89	(1.29)
Diluted earnings/ (loss) per ordinary share (sen)	NA	NA	NA	N/A

The diluted loss per ordinary share is not shown for current and prior year quarter as well as for the preceding year and preceding year corresponding period as the effect of the conversion of employees share options to ordinary shares would be anti-dilutive.

28. Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 26th February 2008