

ATURMAJU RESOURCES BERHAD
(Company No: 448934-V)

**INTERIM FINANCIAL REPORT ON CONSOLIDATED RESULTS
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2005**

ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS

B1. Review of Performance

The comparison of the quarterly results is tabulated below:

	Current quarter ended 30 September 2005 (RM'000)	Immediate quarter ended 30 June 2005 (RM'000)	Difference (%)
Revenue	16,683	16,555	0.8
Profit before tax	945	1,405	(32.7)

The major revenue of the Group is contributed by Aturmaju (Sabah) Holding Sdn. Bhd which is the principal subsidiary of ARB and is principally involved in the operation of an integrated wood processing complex producing veneer, plywood, blockboard and sawn timber. Although the Group is maintaining the sales of its timber products, the operating cost has increased due to the continuing increase of diesel price. This has resulted in lower profit being generated.

For the current financial year-to-date, the Group has generated lower revenue and recorded a significant drop in profit before tax as compared with preceding year corresponding period due to lower demand from the market and also impacted by high diesel prices.

B2. Variation of Results Compared to Preceding Quarter

The lower profit before tax for the quarter under review as compared to the immediate preceding quarter is due to additional interest income from ICPS recognised in accordance with FRS 132, Financial Instruments: Disclosure and Presentation in the immediate preceding quarter.

B3. Prospect for Current Financial Year

The impact of the world's oil price which had constantly escalated during this financial year had hindered the Group's performance in terms of profit as overall operating cost had increased. In view of the impact of the soaring world's oil price, the directors of the Group anticipated that this financial year would be a challenging year. However, barring any unforeseen circumstances, the directors anticipate that the timber business will continue to contribute favourably to the results of the Group in this financial year due to the wide varieties and high quality timber based products produced by the Group.

B4. Profit Forecast and Profit Guarantee

The disclosure requirements for this matter are not applicable.

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B5. Taxation

Taxation comprises the following:-

	3 months ended 30.09.2005 RM'000	9 months ended 30.09.2005 RM'000
Current taxation	72	255
Deferred taxation	-	-
	72	255
	72	255

Taxation is computed after taking into consideration the capital allowances available to set-off against taxable profit and the tax-exempt income on certain products where pioneer status had been granted. Hence, the effective tax rate of the current quarter and financial year to-date was lower than the statutory tax rate.

B6. Unquoted Investments and Properties

There was no sale of unquoted investments and/ or properties for the current quarter and financial year to-date.

B7. Quoted Securities

There was no purchase or disposal of quoted securities for the current quarter and financial year to-date.

B8. Corporate Proposals

(i) Status of Corporate Proposals

There was no corporate proposal announced but not completed during the quarter under review.

(ii) Status of Utilisation of Proceeds

The gross proceeds of the Public Issues amounting to RM10.2 million have been utilised for the following purposes to-date:-

	Proposed Amount RM'000	Utilised Amount RM'000
a) Repayment of bank borrowings	5,000	5,000
b) Working capital	3,600	3,500
c) Listing expenses	1,600	1,700
Total	10,200	10,200
	10,200	10,200

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B9. Group Borrowings and Debts Securities

Total group borrowings as at 30 September 2005 are as follows:

(a) Long Term Borrowing

	Secured (Total) RM'000
Term Loan	18,447
Hire Purchases	-
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	18,447

(b) Short Term Borrowing

	Secured(Total) RM'000
Revolving Credit	
Trade Finance Facilities	4,079
Term Loan	3,525
Bank Overdrafts	1,467
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	9,071
Hire Purchases	1,284
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	10,355

All the above borrowings are denominated in Ringgit Malaysia.

B10. Off Balance Sheet Financial Instruments

The Group does not have any off balance sheet financial instruments as at the date of this report.

B11. Material Litigations

The Company is not involved in any material litigation as at the date of this interim financial report, which has a material effect on the financial position of the Group.

B12. Dividend

No dividend has been recommended by the Board of Directors for the current financial period.

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B13. Earnings Per Share

The calculation of basic earnings per share is based on the consolidated net profit after taxation and weighted average number of ordinary shares.

	3 months ended 30.09.2005 RM'000	9 months ended 30.09.2005 RM'000
Net profit for the period	873	3,397
Weighted average number of ordinary shares in issue	54,997	53,597

For the purpose of calculating diluted earnings per share, the net profit for the period and the weighted average number of ordinary shares in issue during the period have been adjusted for the dilutive effects of all potential ordinary shares, i.e. Irredeemable Convertible Preference Shares ("ICPS").

	3 months ended 30.09.2005 RM'000	9 months ended 30.09.2005 RM'000
Net profit for the period	873	3,397
Weighted average number of ordinary shares in issue	54,997	53,597
Effect of dilution: ICPS	6,081	6,081
Adjusted weighted average number of ordinary shares in issue and issuable	61,078	59,678

By Order of the Board,

Yeo Gee Kuan
Director

29 November 2005