



Interim Report for the 4th Quarter Ended 30 June 2008

(The figures have not been audited)

Condensed Consolidated Income Statements

	Note	Individual Quarter 30 June		Cumulative Quarter to date 30 June	
		2008 RM'000	2007 RM'000	2008 RM'000	2007 RM'000
Revenue		85,738	47,746	268,337	150,691
Operating expenses		(69,266)	(40,537)	(212,897)	(130,686)
Profit from operations		16,472	7,209	55,440	20,005
Interest income		70	14	267	40
Other income		124	626	506	1,094
Finance costs		(1,146)	(1,094)	(4,493)	(5,326)
Profit before taxation		15,520	6,755	51,720	15,813
Taxation	B5	(3,213)	(1,020)	(11,219)	(1,687)
Profit after taxation		12,307	5,735	40,501	14,126
Attributable to equity holders of TECB		12,307	5,735	40,501	14,126
Basic earning per share attributable to equity holders of TECB (Sen)	B13	5.59	2.57	18.40	6.52

(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Statements for the year ended 30 June 2007 and the accompanying notes attached to these interim financial statements)



Interim Report for the 4th Quarter Ended 30 June 2008

(The figures have not been audited)

Condensed Consolidated Balance Sheets

	Note	As at Current Quarter Quarter ended 30-06-08 RM'000	As at Preceding Financial year 30-06-07 (Restated) RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		55,349	47,934
Prepaid lease payments		93,311	86,053
Biological assets		88,783	81,620
Investment properties		24,399	17,243
Goodwill on consolidation		28,471	26,875
Current assets			
Inventories		13,463	3,147
Receivables		22,672	13,998
Tax recoverable		-	699
Short term investment		1,250	-
Cash and bank balances		16,317	11,236
		53,702	29,080
Non-current assets held for sale		6	4,186
TOTAL ASSETS		344,021	292,991
EQUITY AND LIABILITIES			
Equity attributable to equity holders of TECB			
Share capital		222,913	222,913
Reserves		(15,696)	(51,610)
		207,217	171,303
Non-current liabilities			
Borrowings	B9	65,800	63,104
Deferred taxation		29,721	25,975
		95,521	89,079
Current liabilities			
Payables		19,913	12,303
Overdraft & Short Term Borrowings	B9	20,388	20,116
Provision for taxation		982	190
		41,283	32,609
Total liabilities		136,804	121,688
TOTAL EQUITIES AND LIABILITIES		344,021	292,991
Net assets per share attributable to equity holders of TECB (RM)		0.94	0.77

(The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Statements for the year ended 30 June 2007 and the accompanying notes attached to these interim financial statements)



Interim Report for the 4th Quarter Ended 30 June 2008

(The figures have not been audited)

Condensed Consolidated Statement Of Changes In Equity

	Attributable to Equity Holders of TECB				Total Equity RM'000
	← Non-Distributable →		Distributable		
	Share capital RM'000	Treasury shares RM'000	Share premium RM'000	Accumulated losses RM'000	
For the 4th quarter ended 30 June 2008					
At 1 July 2007	222,913	(615)	17,950	(68,945)	171,303
Acquisition of treasury shares	-	(1,375)	-	-	(1,375)
Net profit for the year	-	-	-	40,501	40,501
Dividend	-	-	-	(3,212)	(3,212)
At 30 June 2008	<u>222,913</u>	<u>(1,990)</u>	<u>17,950</u>	<u>(31,656)</u>	<u>207,217</u>
For the 4th quarter ended 30 June 2007					
At 1 July 2006	211,085	(5)	12,049	(83,071)	140,058
Conversion of ICULS	11,828		5,901	-	17,729
Acquisition of treasury shares		(610)			(610)
Net profit for the year	-	-	-	14,126	14,126
At 30 June 2007	<u>222,913</u>	<u>(615)</u>	<u>17,950</u>	<u>(68,945)</u>	<u>171,303</u>

(The Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the Annual Financial Statements for the year ended 30 June 2007 and the accompanying notes attached to these interim financial statements)



Interim Report for the 4th Quarter Ended 30 June 2008

(The figures have not been audited)

Condensed Consolidated Cash Flow Statement

	Note	Cumulative Quarter to date 30 June	
		2008 RM'000	2007 RM'000
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation		51,720	15,813
Adjustments for non-cash items :			
Depreciation		8,816	7,794
Operating profit before working capital changes		60,536	23,607
Working capital changes :			
(Increase)/decrease in debtors		(8,674)	707
Increase/(decrease) in creditors		7,610	(775)
Increase in stocks		(10,316)	(705)
Cash generated from operations		49,156	22,834
Tax paid		(5,982)	(1,032)
Tax refunded		-	466
Net cash generated from operating activities		43,174	22,268
CASH FLOW FROM INVESTING ACTIVITIES			
Acquisition of subsidiary	A11	(9,362)	-
Acquisition of treasury shares		(1,375)	(623)
Purchase of Non Current Assets		(25,862)	(12,859)
Net cash used in investing activities		(36,599)	(13,482)
CASH FLOW FROM FINANCING ACTIVITIES			
Dividend paid		(3,212)	-
Drawdown on bank borrowings		4,352	(442)
Net cash generated from financing activities		1,140	(442)
Net increase in cash and cash equivalents		7,715	8,344
Cash and cash equivalents as at beginning of the year		9,066	722
Cash and cash equivalents as at end of the year		16,781	9,066
Cash and cash equivalents comprise:			
Cash and bank balances		17,567	11,236
Bank overdraft		(781)	(2,165)
Fixed deposits pledged to bank		(5)	(5)
		16,781	9,066

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Statements for the year ended 30 June 2007 and the accompanying notes attached to these interim financial statements)



Notes To The Quarterly Report - 30 June 2008

A. MASB 26 - Paragraph 16

A1. Accounting Policies

The interim financial statements were unaudited and have been prepared in accordance with FRS 134 - Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad. The report should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 Jun 2007.

The explanatory notes attached to the interim financial statements 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 30 June 2007.

Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 30 June 2007 except for the adoption of the following applicable new/revised Financial Reporting Standards ("FRS") effective 1 October 2006:

FRS 117 Leases

FRS 124 Related Party Disclosures

The above new/revised FRSs do not have significant financial impact on the Group for these interim financial statements except for FRS 117 and the principal effects of the changes in accounting policies resulting from its adoption are discussed below:-

FRS 117: Leases

Prior to 1 July 2007, the Group's leasehold land held for own use was classified as Property, Plant and Equipment and was stated at cost/valuation less accumulated depreciation and impairment losses. The adoption of the revised FRS 117 resulted in a retrospective change in the accounting policy relating to the classification of leasehold land separately from Property, Plant and Equipment. The upfront payments for leasehold land represent prepaid lease payments and are amortised on a straight-line basis over the lease terms. As allowed by the transitional provisions of FRS 117, the unamortised revalued amount of leasehold land is retained as the surrogate carrying amount of prepaid lease payments.

Prior to 1 July 2007, plantation infrastructure development expenditure incurred on long leasehold lands was not amortised as the Directors are of the opinion that the non-amortisation of the plantation infrastructure development expenditure has no material effect on the financial statements. Consequent to the adoption of the revised FRS 117 on 1 July 2007, the Group commenced amortisation of the plantation infrastructure development expenditure incurred on long leasehold lands on a straight-line basis over the remaining terms of the leases.

The reclassifications of leasehold land have been accounted for retrospectively and the following comparative amounts as at 30 June 2007 have been restated:

	As previously reported	Effect of adoption of new/revised FRS 117	As restated
	RM'000	RM'000	RM'000
Property, plant and equipment	133,987	(86,053)	47,934
Prepaid lease payments	-	86,053	86,053



Notes To The Quarterly Report - 30 June 2008

A2. Disclosure of audit report qualification and status of matters raised

There was no qualification in the audit report of the preceding financial year.

A3. Seasonal or Cyclical Phases

The production of fresh fruit bunches is seasonal in nature as the yield rises to a peak in the second half of the calendar year.

A4. Unusual items affecting assets, liabilities, equity, net income, or cash flow

There were no items affecting assets, liabilities, equity, net income, or cash flow that were unusual in nature, size, or incidence during the financial period under review.

A5. Material changes in estimates

There were no changes in estimates of amounts reported in prior financial years, which have a material effect on the current interim period.

A6. Issuances, Cancellations, Repurchases, Resale and Repayments of Debt and Equity Securities

There were no issuances, cancellations, repurchases, resales or repayments of debt and equity securities during the financial year, except as disclosed below:

During the current financial year, the Company repurchased 1,989,700 of its issued ordinary shares from the open market at an average price of RM0.69 per share. The repurchase transaction was financed by internally generated funds. The shares repurchased are being held as treasury shares and treated in accordance with the requirement of Section 67A of the Companies Act 1965. None of the treasury shares has been resold or distributed as share dividends during the current financial year.

A7. Dividends paid

A first and final dividend of 2% less 27% income tax amounting to RM3,211,775 for the financial year ended 30 June 2007 was paid on 28 January 2008.

A8. Segment Information

Segment information is presented in respect of the Group's business segments as follows:

	Plantation RM'000	Others RM'000	Consolidated RM'000
12 months ended 30 June 2008			
REVENUE			
External sales/Total Revenue	262,433	5,904	268,337
RESULTS			
Segment results	57,502	(2,062)	55,440
Interest Income			267
Other income			506
Finance costs			(4,493)
Profit before taxation			51,720
Taxation			(11,219)
Profit after taxation			40,501



Notes To The Quarterly Report - 30 June 2008

	Plantation RM'000	Others RM'000	Consolidated RM'000
12 months ended 30 June 2007			
REVENUE			
External sales/Total Revenue	147,763	2,928	150,691
RESULTS			
Segment results	24,196	(4,191)	20,005
Interest Income			40
Other income			1,094
Finance costs			(5,326)
Profit before taxation			15,813
Taxation			(1,687)
Profit after taxation			14,126

A9. Valuation of Property, Plant or Equipment

There were no amendments in the valuation of property, plant or equipment brought forward from the previous annual financial statements.

A10. Material events subsequent to the end of the interim period

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

A11. Changes in the composition of the Group

On 4 December 2007, Tanah Emas Telupid Sdn. Bhd., a wholly owned subsidiary of TECB, acquired the entire issued and paid up share capital in Everlite Force Sdn. Bhd. ("EFSB") comprising 2 Ordinary Shares of RM1.00 each for a total consideration of RM2.00. EFSB has not commenced operations since the date of incorporation and is intended for future use.

On 8 October 2007, the Company entered into a Shares Sale Agreement with Ms. Choo Siow Wei and Mr. Choo Chew Boon for the acquisition of 4 million ordinary shares of RM1 each representing 100% shares in Sparkle Selections Sdn. Bhd. for a total consideration of RM9.3 million. The shares were transferred in the name of the Company on 18 February 2008.

The assets and liabilities arising from the acquisition of Sparkle Selections Sdn. Bhd. were as follows :

	RM'000
Prepaid lease payments	7,894
Other creditors	128
	<u>7,766</u>
Goodwill arising on acquisition	1,596
Cash outflow on acquisition of Sparkle Selections Sdn. Bhd.	<u>9,362</u>

A12. Changes in contingent liabilities or contingent assets

There were no material contingent liabilities or contingent assets as at the end of the current interim period.

A13 Capital Commitments

	RM'000
Capital expenditure approved and contracted for	5,376
Capital expenditure approved but not yet contracted	14,132
	<u>19,508</u>



Notes To The Quarterly Report - 30 June 2008

B. BMSB Listing Requirements (Part A of Appendix 9B)

B1. Review of Performance

The Group recorded a markedly higher profit after tax of RM40.5 million for the year ended 30 June 2008 as compared to a profit after tax of RM14.1 million for the previous financial year mainly due to better palm oil market performance.

The Group's revenue increased by 78% to RM268.3 million for the current year from RM150.7 million for the previous financial year as a result of higher CPO prices. Average CPO prices realised in the current financial year has increased by 67% to RM3,045 per Mt as compared to RM1,819 per Mt realised in the previous financial year.

B2. Material changes in profit before taxation for the quarter as compared with the immediate preceding quarter

The profit before tax of the Group has increased by 14% to RM17.6 million for the current quarter as compared to the immediate preceding quarter. The increase in profit before tax for the current quarter was due to higher CPO prices and increase in the FFB production. Average CPO prices realised in the 4th quarter has increased by 3% to RM3,502 per Mt as compared to the immediate preceding quarter. However, CPO and PK sales volume had increased by 36% and 16% respectively as FFB production moved out of the low crop season. The FFB production increased by 23% to 33,180mts in the current quarter.

B3. Prospects

Based on current palm products prices and barring any unforeseen circumstances, the performance of the Group for the next financial year will be satisfactory.

B4. Variance of actual profit from forecast profit

Not applicable as no profit forecast or profit guarantee was published.

B5. Taxation

	Individual Quarter		Cumulative Quarter to date	
	30 June		30 June	
	2008	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
Income tax :				
Current taxation - Malaysia	2,447	746	7,473	2,170
Deferred tax :				
Relating to origination/(reversal) of temporary differences	766	274	3,746	(483)
	<u>3,213</u>	<u>1,020</u>	<u>11,219</u>	<u>1,687</u>

B6. Unquoted Investments and Properties

There were no sales of unquoted investments and/or properties in the current quarter and financial year-to-date.

B7. Quoted Investments

There were no purchases or disposals of quoted securities in the current quarter and financial year-to-date.



Notes To The Quarterly Report - 30 June 2008

B8. Status of Corporate Proposals Announced

There are no corporate proposals announced but not completed as at 28 August 2008.

B9. Group Borrowings

The total Group borrowings as at 30 June 2008 were as follows:-

	Secured RM'000
Long term bank borrowings	65,800
Overdraft	781
Short term bank borrowings	19,607
	<u>86,188</u>

B10. Off-Balance Sheet Financial Instruments

The Group does not have any financial instruments with off-balance sheet risk as at 28 August 2008.

B11. Material Litigation

Tanah Emas Bio-Tech (M) Sdn Bhd ("TEBT") commenced action on 11 October 2006 by way of writ of summons against Shirley Koh Gek Ngo ("1st defendant") and Dr. Koh Hang Yong ("2nd defendant") for the recovery of RM6,440,000 together with interest at 8.0 % per annum basing on the quantum to be granted by the High Court pursuant to a specific performance compelling the two (2) defendants to purchase the plaintiff's 6,000,000 ordinary shares of RM1.00 each in Hoest (S.E.A.) Sdn Bhd.

The hearing date for the above suit has yet to be fixed by the Court. The Solicitors are of the view that TEBT stands a fair chance of success against the Defendants.

B12. Dividend

The Board is pleased to propose a final single tier dividend of 5 sen per share amounting to RM10,998,213 for the financial year ended 30 June 2008. The proposed final dividend is subject to the shareholders' approval in the forthcoming Annual General Meeting.

B13. Earning per Share

	Individual Quarter 30 June		Cumulative Quarter to date 30 June	
	2008	2007	2008	2007
	RM'000	RM'000	RM'000	RM'000
Basic earning per share				
Profit for the period	12,307	5,735	40,501	14,126
Weighted average number of shares in issue	219,978	222,767	220,143	216,816
Basic earning per share (SEN)	<u>5.59</u>	<u>2.57</u>	<u>18.40</u>	<u>6.52</u>



Notes To The Quarterly Report - 30 June 2008

B14. Related Party Transactions

	Individual Quarter		Cumulative Quarter to date	
	30 June		30 June	
	2008	2007	2008	2007
	RM	RM	RM	RM
Transactions with companies in which a Director of the Company, Yap Phing Cern has financial interest :				
Riwagu Property Sdn. Bhd.				
- Rental of office premises	28,800	28,200	115,200	112,800
- Purchase of fresh fruit bunches	59,560	36,345	215,942	115,567
- Purchase of gravel	34,888	14,168	53,424	25,058
- Management fees	-	(756)	(2,268)	(3,024)
Promisal Sdn. Bhd.				
- Management fees	-	(9,284)	(27,852)	(9,284)
Lambang Positif Sdn. Bhd.				
- Lease of land	4,500	4,500	18,000	18,000

The Directors are of the opinion that all the transactions above have been entered into in a normal course of business and have been established on terms and conditions mutually agreed between the relevant parties.

B15. Authorisation for issue of interim financial statements

The current interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 28 August 2008.

Voo Yin Ling
Chin Woon Sian
Secretaries

Kuala Lumpur
28 August 2008