



Interim Report for the 1st Quarter Ended 30 September 2009

(The figures have not been audited)

Condensed Consolidated Income Statements

	Note	Individual Quarter 30 September		Cumulative Quarter to date 30 September	
		2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Revenue		51,611	70,240	51,611	70,240
Operating expenses		(44,470)	(61,274)	(44,470)	(61,274)
Profit from operations		7,141	8,966	7,141	8,966
Interest income		7	92	7	92
Other income		131	110	131	110
Finance costs		(1,160)	(1,040)	(1,160)	(1,040)
Profit before taxation		6,119	8,128	6,119	8,128
Taxation	B5	(1,652)	(1,933)	(1,652)	(1,933)
Profit for the period		4,467	6,195	4,467	6,195
Attributable to :					
Equity holders of the parent		4,474	6,195	4,474	6,195
Minority interest		(7)	-	(7)	-
		4,467	6,195	4,467	6,195
Basic earning per share attributable to equity holders of TECB (Sen)	B13	2.05	2.82	2.05	2.82

(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Statements for the year ended 30 June 2009 and the accompanying notes attached to these interim financial statements)



Interim Report for the 1st Quarter Ended 30 September 2009

(The figures have not been audited)

Condensed Consolidated Balance Sheets

		As at Current Quarter ended 30-9-09	As at Preceding Financial year 30-06-09
	Note	RM'000	RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		54,477	54,784
Prepaid lease payments		99,408	96,102
Biological assets		100,154	92,754
Investment properties		39,933	40,054
Goodwill on consolidation		32,187	26,875
Current assets			
Property Development Cost		4,638	-
Inventories		7,588	4,188
Receivables		20,201	25,238
Tax recoverable		207	599
Short term investment		1,250	250
Cash and bank balances		17,554	12,452
		51,438	42,727
TOTAL ASSETS		377,597	353,296
EQUITY AND LIABILITIES			
Equity attributable to equity holders of TECB			
Share capital		222,913	222,913
Reserves		3,935	(539)
		226,848	222,374
Minority interest		663	-
Non-current liabilities			
Borrowings	B9	70,111	61,225
Deferred taxation		31,281	30,788
		101,392	92,013
Current liabilities			
Payables		17,659	15,656
Overdraft & Short Term Borrowings	B9	31,035	22,928
Provision for taxation		-	325
		48,694	38,909
Total liabilities		150,086	130,922
TOTAL EQUITIES AND LIABILITIES		377,597	353,296
Net assets per share attributable to equity holders of TECB (RM)		1.04	1.01

(The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Statements for the year ended 30 June 2009 and the accompanying notes attached to these interim financial statements)



Interim Report for the 1st Quarter Ended 30 September 2009

(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 1st quarter ended 30 September 2009					
At 1 July 2009	222,913	(2,760)	17,950	(15,729)	222,374
Acquisition of treasury shares	-	-	-	-	-
Net profit for the period	-	-	-	4,474	4,474
At 30 September 2009	<u>222,913</u>	<u>(2,760)</u>	<u>17,950</u>	<u>(11,255)</u>	<u>226,848</u>
For the 1st quarter ended 30 September 2008					
At 1 July 2008	222,913	(1,991)	17,950	(32,652)	206,220
Acquisition of treasury shares	-	(28)	-	-	(28)
Net profit for the period	-	-	-	6,195	6,195
Dividend	-	-	-	-	-
At 30 September 2008	<u>222,913</u>	<u>(2,019)</u>	<u>17,950</u>	<u>(26,457)</u>	<u>212,387</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 2009 and the accompanying notes attached to these interim financial statements)



Interim Report for the 1st Quarter Ended 30 September 2009
(The figures have not been audited)

Condensed Consolidated Cash Flow Statement

	Note	Cumulative Quarter to date 30 September	
		2009 RM'000	2008 RM'000
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation		6,119	8,128
Adjustment for non-cash item :			
Depreciation		2,009	2,285
Operating profit before working capital changes		8,128	10,413
Working capital changes :			
Decrease/(increase) in debtors		5,037	(597)
Increase/(decrease) in creditors		2,003	(4,598)
(Increase)/decrease in stocks		(8,038)	2,359
Cash generated from operations		7,130	7,577
Tax paid		(1,092)	(2,036)
Tax refunded		-	420
Net cash generated from operating activities		6,038	5,961
CASH FLOW FROM INVESTING ACTIVITIES			
Acquisition of a subsidiary	A11	(6,222)	-
Acquisition of treasury shares		-	(28)
Purchase of Non Current Assets		(10,714)	(5,787)
Net cash used in investing activities		(16,936)	(5,815)
CASH FLOW FROM FINANCING ACTIVITIES			
Drawdown/(Repayment) on bank borrowings		17,827	(2,418)
Net cash generated from/(used in) financing activities		17,827	(2,418)
Net increase/(decrease) in cash and cash equivalents		6,929	(2,272)
Cash and cash equivalents as at beginning of the year		11,870	16,780
Cash and cash equivalents as at end of the year		18,799	14,508
Cash and cash equivalents comprise:			
Cash and bank balances		18,804	14,724
Bank overdraft		-	(211)
Fixed deposits pledged to bank		(5)	(5)
		18,799	14,508

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Statements for the year ended 30 June 2009 and the accompanying notes attached to these interim financial statements)



Notes To The Quarterly Report - 30 September 2009

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 2009.

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 2009.

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, Resales and Repayments of Debt and Equity Securities

There were no issuances, cancellations, repurchases, resales or repayments of debt and equity securities during the financial period.

A7. Dividends paid

There were no dividends paid during the current quarter.



Notes To The Quarterly Report - 30 September 2009

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
3 months ended 30 September 2009			
REVENUE			
External sales/Total Revenue	44,543	7,068	51,611
RESULTS			
Segment results	6,937	204	7,141
Interest Income			7
Other income			131
Finance costs			(1,160)
Profit before taxation			6,119
Taxation			(1,652)
Profit after taxation			4,467
Minority interest			7
Net profit for the period			4,474
	Plantation RM'000	Others RM'000	Consolidated RM'000
3 months ended 30 September 2008			
REVENUE			
External sales/Total Revenue	66,180	4,060	70,240
RESULTS			
Segment results	9,714	(748)	8,966
Interest Income			92
Other income			110
Finance costs			(1,040)
Profit before taxation			8,128
Taxation			(1,933)
Profit after taxation			6,195

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 current financial statements.



Notes To The Quarterly Report - 30 September 2009

A11. Changes in the composition of the Group

On 7 August 2009, TECB had completed the acquisition of 5.355 million new ordinary shares of RM1.00 each in Ikatan Hasrat Sdn Bhd ("IHSB"), representing 85% of the enlarge issued and paid up share capital of IHSB for a total consideration of RM5,576,280.

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

	RM'000
Minority interest	(669)
Property, plant and equipment	65
Land held for development	4,622
Current assets	459
Current liabilities	<u>(3,352)</u>
Fair value of total assets	1,125
Goodwill on consolidation	<u>5,312</u>
	<u>6,437</u>
Purchase consideration	5,576
Cost attributable to acquisition, paid in cash	<u>861</u>
Total cash outflow of the Company	6,437
Cash and cash equivalents of subsidiary acquired	<u>(215)</u>
Net cash outflow of the Group	<u>6,222</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	320
Capital expenditure approved but not yet contracted	<u>20,853</u>
	<u>21,173</u>

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

B1. Review of Performance

The Group recorded a lower profit after tax of RM4.5 million for the year ended 30 September 2009 compared to a profit after tax of RM6.2 million in the last corresponding year mainly due to poor palm oil market performance.

The Group's revenue decreased to RM51.6 million for the current financial period from RM70.2 million for the last corresponding financial period mainly due to lower CPO prices realised. In the current financial year, average CPO price declined by 20% to RM2,217 per Mt as compared to the last financial period.

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

The profit before tax of the Group increased by 3% to RM6.1 million for the current quarter as compared to that of the immediate preceding quarter. The increase in profit before tax for the current quarter was mainly due to lower operating expenditure.

B3. Prospects

Barring any unforeseen circumstances, the performance of the Group for current next financial year will be satisfactory in view of the current market situation.



Notes To The Quarterly Report - 30 September 2009

B4. Variance of actual profit from forecast profit

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

B5. Taxation

	Individual Quarter 30 September		Cumulative Quarter to date 30 September	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Income tax :				
Current taxation - Malaysia	1,159	1,447	1,159	1,447
Deferred tax :				
Relating to origination of temporary differences	493	486	493	486
	<u>1,652</u>	<u>1,933</u>	<u>1,652</u>	<u>1,933</u>

B6. Unquoted Investments and Properties

There were no sales of unquoted investments and/or properties in the current quarter and the 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.

B8. Status of Corporate Proposals Announced

On 28 September 2009 the Company announced that it has entered into a conditional Shares Sale Agreement (“SSA”) to acquire 255,000 ordinary shares of RM1.00 each (“Shares”) in FPSB, representing 51% of the issued and paid-up share capital of FPSB (“Sale Shares”) from Dato’ Haji Mohd Mukhtar bin Ismail, Datuk Chee Hong Leong, Lai Kam Beng (collectively referred to as the “Individual Vendors”) and Lembah Juita Sdn Bhd (the “Corporate Vendor”), for a purchase consideration of RM23,523,745.50, to be satisfied by RM5,523,745.50 in cash and 18,000,000 new Shares in Tanamas (“Consideration Shares”).

The Company has on the same date entered into an option agreement with the Individual Vendors in respect of the remaining 49% of the equity in FPSB, represented by 245,000 Shares in FPSB (“Option Shares”) (“Option Agreement”). Pursuant to the Option Agreement, Tanamas has the right to acquire from the Individual Vendors the Option Shares for a total purchase consideration of RM22,601,250 for a period of twelve (12) months from the date of execution of the Option Agreement (“Call Option”) (“Call Option Period”). The Individual Vendors have, for a period of seven (7) days commencing after the expiry of the Call Option Period, the right to require Tanamas to acquire the Option Shares from them for the same purchase consideration (“Put Option”) (“Put Option Period”).

The Proposed Acquisitions are conditional upon approvals being obtained from the following:-

- (a) Bursa Malaysia Securities Berhad;
- (b) The shareholders of the Company at an Extraordinary General Meeting to be convened; and
- (c) Any other relevant authorities, if required.

There are no other corporate proposals announced but not completed as at 18 November 2009.



Notes To The Quarterly Report - 30 September 2009

B9. Group Borrowings

The total Group borrowings as at 30 September 2009 were as follows:-

	Secured RM'000
Long term bank borrowings	70,111
Overdraft	-
Short term bank borrowings	31,035
	<u>101,146</u>

B10. Off-Balance Sheet Financial Instruments

The Group does not have any financial instruments with off-balance sheet risk as at 18 November 2009.

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 Honourable 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.

Save as disclosed above, the Group does not have other pending material litigation as at 18 November 2009.

B12. Dividend

The Board did not recommend the payment of dividend for the financial period ended 30 September 2009.

B13. Earning per Share

	Individual Quarter		Cumulative Quarter to date	
	30 September		30 September	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Basic earning per share				
Profit for the year	4,474	6,195	4,474	6,195
Weighted average number of shares in issue	218,699	219,951	218,699	219,951
Basic earning per share (SEN)	<u>2.05</u>	<u>2.82</u>	<u>2.05</u>	<u>2.82</u>



Notes To The Quarterly Report - 30 September 2009

B14. Related Party Transactions

	Individual Quarter		Cumulative Quarter to date	
	30 September		30 September	
	2009	2008	2009	2008
	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	33,000	28,800	33,000	28,800
- Purchase of fresh fruit bunches	33,966	47,767	33,966	47,767
- Purchase of gravel	-	23,408	-	23,408
Lambang Positif Sdn. Bhd.				
- Lease of land	4,500	4,500	4,500	4,500

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 18 November 2009.

Voo Yin Ling
Chin Woon Sian
Secretaries

Kuala Lumpur
18 November 2009