

HARN LEN CORPORATION BHD (502606-H)

Financial Year End : 31 December 2009
 Quarter : Third Quarter

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE PERIOD
 ENDED 30 SEPTEMBER 2009**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current quarter 30/09/09	Preceding year corresponding quarter 30/09/08	Current year to date 30/09/09	Preceding year corresponding period 30/09/08
Revenue	26,062,031	36,326,799	72,267,656	116,088,148
Cost of sales	(15,680,824)	(22,266,517)	(52,044,693)	(60,639,952)
Gross profit	10,381,207	14,060,282	20,222,963	55,448,196
Other income	27,267	187,006	252,367	241,931
Distribution expenses	(517,657)	(1,469,959)	(1,705,298)	(5,588,494)
Administrative expenses	(3,883,866)	(3,504,177)	(11,954,130)	(10,616,138)
Other expenses	(52,549)	(2,112,963)	(157,647)	(13,077,168)
Profit/(loss) from operations	5,954,402	7,160,189	6,658,255	26,408,327
Finance costs	(1,520,074)	(1,486,516)	(4,392,994)	(4,408,770)
Interest income		8,421		8,421
Profit/(loss) before taxation	4,434,328	5,682,094	2,265,261	22,007,978
Income tax expense	(1,390,844)	(2,854,379)	(2,562,009)	(7,934,292)
Profit/(loss) for the period	3,043,484	2,827,715	(296,748)	14,073,686
Attributable to:				
Shareholders of the Company	3,435,564	3,154,117	1,008,642	14,304,857
Minority interests	(392,080)	(326,402)	(1,305,390)	(231,171)
Profit/(loss) for the period	3,043,484	2,827,715	(296,748)	14,073,686
Earnings/(loss) per share				
Basic earnings/(loss) per share(sen)	1.85	1.70	0.54	7.71
Diluted earnings/(loss) per share(sen)	N/A	N/A	N/A	N/A
	<u>Current quarter</u>	<u>Current quarter</u>	<u>Current year to date</u>	<u>Current year to date</u>
Weighted average number of shares	185,477,159	185,477,159	185,477,159	185,477,159

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.

Note: The Minority shareholders have a binding obligation to absorb the loss and have the ability to make good or absorb the losses incurred as provided in the Joint Venture Agreement.

HARN LEN CORPORATION BHD (502606-H)

INTERIM REPORT FOR THE PERIOD ENDED 30TH SEPTEMBER 2009

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30TH SEPTEMBER 2009

	<u>As at 30/9/09</u>	<u>As at 31/12/08</u> (Audited)
<u>Assets</u>		
Property, plant and equipment	RM 96,403,709	95,540,574
Biological assets	90,628,867	86,992,703
Investment property	11,850,927	11,850,277
Prepaid leases	134,314,635	135,899,061
Deferred tax assets	1,931,208	764,920
Goodwill	7,616,523	7,616,523
Total non-current assets	<u>342,745,869</u>	<u>338,664,058</u>
Inventories	2,713,676	3,864,839
Trade and other receivables	7,580,894	8,909,845
Tax recoverable	760,149	555,834
Cash and cash equivalents	5,623,525	4,333,964
Total current assets	<u>16,678,244</u>	<u>17,664,482</u>
Total assets	<u>359,424,113</u>	<u>356,328,540</u>
<u>Equity</u>		
Share capital	185,477,159	185,477,159
Reserves	42,423,221	41,414,579
Total equity attributable to shareholders of the company	<u>227,900,380</u>	<u>226,891,738</u>
Minority interests	(1,936,015)	(630,625)
Total equity	<u>225,964,365</u>	<u>226,261,113</u>
<u>Liabilities</u>		
Interest-bearing borrowings	44,878,000	57,099,000
Hire purchase creditors	2,061,755	2,096,454
Deferred tax liabilities	4,281,059	5,114,986
Provision for retirement benefits	507,447	507,447
Total non-current liabilities	<u>51,728,261</u>	<u>64,817,887</u>
Trade and other payables	36,330,321	34,083,992
Bank loans and overdraft	42,927,572	24,358,830
Hire purchase creditors	1,831,934	1,599,630
Taxation	624,001	1,497,545
Dividends payable	17,659	3,709,543
Total current liabilities	<u>81,731,487</u>	<u>65,249,540</u>
Total equity and liabilities	<u>359,424,113</u>	<u>356,328,540</u>
Net assets per share (sen)	121.83	121.99

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.

HARN LEN CORPORATION BHD (502606-H)

INTERIM REPORT FOR THE PERIOD ENDED 30TH SEPTEMBER 2009
 UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	<u>30/09/09</u>	<u>30/09/08</u>
<u>Cash flow from operating activities</u>		
Profit/ (loss) before tax	RM 2,265,261	22,007,978
Adjustments for:-		
Depreciation	8,583,025	6,999,383
Finance expenses	4,392,994	4,408,770
Gains from sale of fixed assets	38,424	(127,651)
Interest received		(8,421)
Operating profit before working capital changes	<u>15,279,704</u>	<u>33,280,059</u>
<u>(Increase)/ Decrease in working capital</u>		
Inventories	1,151,163	(133,037)
Trade debtors and other receivables	1,328,951	(119,434)
Trade creditors and other payables	2,246,329	(849,431)
Cash generated from operations	<u>20,006,147</u>	<u>32,178,157</u>
Income tax paid	(5,640,083)	(6,984,966)
Net cash generated from operating activities	<u>14,366,064</u>	<u>25,193,191</u>
<u>Investing activities</u>		
Purchase of property, plant and equipment	(4,210,244)	(2,997,390)
Purchase of investment property	(650)	(34,310)
Purchase of biological assets	(5,626,676)	(6,636,032)
Proceeds from sale of fixed assets	-	176,000
Interest received		8,421
Net cash generated from/(used in) investing activities	<u>(9,837,570)</u>	<u>(9,483,311)</u>
<u>Financing activities</u>		
Finance expenses paid	(4,429,196)	(4,704,284)
Repayment of term loan	(10,221,000)	(8,221,000)
Hire purchase instalments paid	(1,465,594)	(1,113,391)
Dividend paid to shareholders	(3,691,884)	-
Net cash generated from/(used in) financing activities	<u>(19,807,674)</u>	<u>(14,038,675)</u>
Net increase/(decrease) in cash and cash equivalents	<u>(15,279,180)</u>	<u>1,671,205</u>
Cash and cash equivalents at beginning of period	1,354,323	(3,390,187)
Cash and cash equivalents at end of period	<u>(13,924,857)</u>	<u>(1,718,982)</u>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.

INTERIM REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2009

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share Capital RM	Share Premium RM	Capital Reserves RM	Retained Profit/(loss) RM	Total RM	Minority interests RM	Total Equity RM
As at 1 January 2009	185,477,159	6,634,854	6,268,000	28,511,725	226,891,738	(630,625)	226,261,113
Net profit/(loss) for the period				1,008,642	1,008,642	(1,305,390)	(296,748)
As at 30 September 2009	<u>185,477,159</u>	<u>6,634,854</u>	<u>6,268,000</u>	<u>29,520,367</u>	<u>227,900,380</u>	<u>(1,936,015)</u>	<u>225,964,365</u>
As at 1 January 2008	185,477,159	6,634,854	6,268,000	11,244,114	209,624,127	(18,066)	209,606,061
Net profit for the period				14,304,857	14,304,857	(231,171)	14,073,686
As at 30 September 2008	<u>185,477,159</u>	<u>6,634,854</u>	<u>6,268,000</u>	<u>25,548,971</u>	<u>223,928,984</u>	<u>(249,237)</u>	<u>223,679,747</u>

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying notes attached to the interim financial statements.