

Condensed Consolidated Income Statement for the period ended 31 March 2008

	First Quarter		Cumulative quarter	
	3 months ended 31.03.2008 RM' 000 (Unaudited)	3 months ended 31.03.2007 RM'000 (Unaudited)	3 months ended 31.03.2008 RM' 000 (Unaudited)	3 months ended 31.03.2007 RM' 000 (Unaudited)
Revenue	60,298	34,945	60,298	34,945
Cost of sales	(45,072)	(26,776)	(44,534)	(26,776)
Gross profit	15,226	8,169	15,764	8,169
Other income	5,712	74	5,712	74
Administrative expenses	(1,085)	(1,430)	(1,623)	(1,430)
Selling and marketing expenses	(654)	(923)	(654)	(923)
Finance costs	(330)	(325)	(330)	(325)
Profit before tax	18,869	5,565	18,869	5,565
Income tax expense	(3,549)	(1,564)	(3,549)	(1,564)
Profit for the period	15,320	4,001	15,320	4,001
Attributable to:				
Equity holders of the parent	14,742	4,001	14,742	4,001
Minority interests	578	-	578	-
	15,320	4,001	15,320	4,001
Earnings per share attributable to equity holders of the parent:				
Basic, for profit for the period (sen)	6.84	1.86	6.84	1.86

The condensed consolidated income statement should be read in conjunction with the audited financial statements for the period ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial report.

CEPATWAWASAN GROUP BERHAD
(Company No. 536499-K)

Amended

Condensed Consolidated Balance Sheet as at 31 March 2008

	As at end of period ended 31.03.2008 RM '000 (Unaudited)	As at preceding period ended 31.12.2007 RM '000 (Audited)
ASSETS		
Non-current Assets		
Property, plant and equipment	57,340	59,053
Prepaid land lease payments	66,017	70,396
Biological assets	148,253	147,316
Intangible assets	93,266	93,266
Deferred tax assets	800	533
	<u>365,676</u>	<u>370,564</u>
Current assets		
Inventories	16,992	13,124
Trade receivables	9,321	6,978
Other receivables	8,884	6,933
Tax refundable	621	582
Deposits with licensed bank	31,449	33,402
Cash and bank balances	5,770	8,656
	<u>73,037</u>	<u>69,675</u>
TOTAL ASSETS	<u>438,713</u>	<u>440,239</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	215,457	215,457
Retained profits	98,603	83,861
	<u>314,060</u>	<u>299,318</u>
Minority interests	14,455	13,877
Total equity	<u>328,515</u>	<u>313,195</u>
Non-current liabilities		
Lease rental payable	267	267
Borrowings	31,723	30,265
Deferred tax liabilities	46,695	46,099
	<u>78,685</u>	<u>76,631</u>
Current liabilities		
Borrowings	10,488	22,543
Trade payables	12,873	15,382
Other payables	3,841	7,672
Provision for taxation	4,311	4,816
	<u>31,513</u>	<u>50,413</u>
Total liabilities	<u>110,198</u>	<u>127,044</u>
TOTAL EQUITY AND LIABILITIES	<u>438,713</u>	<u>440,239</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	1.46	1.39

The condensed consolidated balance sheet should be read in conjunction with the audited financial statements for the period ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial report.

CEPATWAWASAN GROUP BERHAD

(Company No. 536499-K)

Condensed Consolidated Cash Flow Statement for the period ended 31 March 2008

	3 months ended 31.03.2008 RM' 000 (Unaudited)	3 months ended 31.03.2007 RM' 000 (Unaudited)
Net cash (used in)/generated from operating activities	(3,414)	6,381
Net cash generated from/(used in) investing activities	9,744	(16,146)
Net cash (used in)/generated from financing activities	(11,169)	2,212
Net decrease in cash and cash equivalents	<u>(4,839)</u>	<u>(7,553)</u>
Cash and cash equivalents at beginning of financial period	42,058	11,913
Cash and cash equivalents at end of financial period	<u>37,219</u>	<u>4,360</u>

Cash and cash equivalents at the end of the financial period comprise the following:

	As at 31.03.2008 RM' 000	As at 31.03.2007 RM' 000
Fixed deposits placed with licensed banks	31,449	4,190
Cash and bank balances	5,770	5,164
Bank overdraft	-	(4,994)
	<u>37,219</u>	<u>4,360</u>

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the period ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial report.

Condensed Consolidated Statement of Changes in Equity for the period ended 31 March 2008

	Attributable to Equity Holders of the parent			Minority Interests	Total Equity
	Distributable		Total		
	Share Capital	Retained Profits			
RM' 000	RM' 000	RM' 000	RM' 000	RM' 000	
At 1 January 2007	215,457	39,019	254,476	-	254,476
Profit for the period	-	4,001	4,001	-	4,001
At 31 March 2007	215,457	43,020	258,477	-	258,477
At 1 January 2008	215,457	83,861	299,318	13,877	313,195
Profit for the period	-	14,742	14,742	578	15,320
At 31 March 2008	215,457	98,603	314,060	14,455	328,515

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the period ended 31 December 2007 and the accompanying explanatory notes attached to the interim financial report.

Notes to the Interim Financial Report

1. Basis of preparation

The interim financial report has been prepared in accordance with the requirements of FRS 134 "Interim Financial Reporting" and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad and it should be read in conjunction with the audited financial statements for the period ended 31 December 2007.

The accounting policies used in the preparation of interim financial report are consistent with those previously adopted in the audited financial statements of the Group for the period ended 31 December 2007. These 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 period ended 31 December 2007.

2. Changes in accounting policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the period ended 31 December 2007.

3. Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the period ended 31 December 2007 was not qualified.

4. Segmental information

	Current Quarter		Cumulative Quarter	
	3 months ended 31.03.2008 RM'000	3 months ended 31.03.2007 RM'000	3 months ended 31.03.2008 RM'000	3 months ended 31.03.2007 RM'000
Segment revenue				
Revenue from continuing operations:				
Mill and plantations	70,110	42,290	70,110	42,290
Quarries	801	897	801	897
Others	545	542	545	542
Total revenue including inter-segment sales	71,456	43,729	71,456	43,729
Elimination of inter-segment sales	(11,158)	(8,784)	(11,158)	(8,784)
Total revenue from continuing operations	60,298	34,945	60,298	34,945
Segment profit before tax				
Results from continuing operations:				
Mill and plantations	13,376	5,780	13,376	5,780
Quarries	69	9	69	9
Others	5,424	(224)	5,424	(224)
Total profit before tax from continuing operations	18,869	5,565	18,869	5,565

5. Unusual items due to their nature, size or incidence

There were no other unusual items except for a gain of approximately **RM5.4 million** included in other income arising from the disposal of a vacant land in a subsidiary, affecting assets, liabilities, equity, net income or cash flows during the financial period ended 31 March 2008.

6. Changes in estimates

There was no estimation of amount used in the preceding reporting quarter having a material impact in the current reporting quarter.

7. Comments about seasonal or cyclical factors

In line with the trend of Fresh Fruit Bunches (FFB) production in the oil palm industry, the Group expects 'low' crop in the beginning of the calendar year and 'high' crop towards the second half of the calendar year.

8. Dividend paid

There were no dividends paid during the current financial year-to-date.

9. Carrying amount of revalued assets

The valuations of property, plant and equipment have been brought forward without amendment from the audited financial statements for the period ended 31 December 2007.

10. Debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities.

11. Changes in composition of the group

There were no changes in the composition of the Group during the current interim period.

12. Capital commitments

The amount of commitments not provided for in the interim financial report as at 31 March 2008 is as follows:

	RM'000
Approved and contracted for	<u>1,629</u>

13. Changes in contingent liabilities and contingent assets

There were no changes in other contingent liabilities or contingent assets since the last annual balance sheet as at 31 December 2007.

14. Subsequent events

There were no material events subsequent to the end of the current quarter.

Information required by BMSB Listing Requirements

1. Review of performance

For the first quarter under review, the Group recorded revenue of RM60.3 million, which is a significant increase of RM25.4 million as compared to the preceding year's corresponding quarter mainly due to higher CPO and PK prices despite a decrease in CPO sales volume of 14.6% due to seasonal factors.

The Group reported a profit before tax of RM23.0 million for the first quarter ended 31 March 2008, which is an increase of 313.9% from the preceding year's corresponding quarter mainly due to higher CPO and PK prices, increase in FFB production and a gain of approximately **RM5.4 million** arising from the disposal of jungle land in a subsidiary. The increase in FFB production was partly contributed by the newly acquired subsidiaries in the last financial period.

2. Comment on material change in profit before tax against immediate preceding quarter

Profit before tax increased from RM18.4 million in the immediate preceding quarter to RM23.0 million in the current quarter due to higher CPO and PK prices and a gain of approximately **RM5.4 million** arising from the disposal of jungle land in a subsidiary.

3. Commentary on prospects

Barring any unforeseen circumstances, the Board is confident that the Group's prospects remain bright in view of the favourable prevailing prices of CPO and PK.

4. Profit forecast or profit guarantee

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

5. Income tax expense

	Current quarter		Cumulative quarter	
	3 months ended 31.03.2008	3 months ended 31.03.2007	3 months ended 31.03.2008	3 months ended 31.03.2007
	RM'000	RM'000	RM'000	RM'000
Current tax	3,221	1,614	3,221	1,614
Deferred tax	328	(50)	328	(50)
Total income tax expense	3,549	1,564	3,549	1,564

The effective tax rate for the current quarter was in line with the statutory tax rate as reported. Income tax is calculated at statutory tax rate of 26% (31 March 2007 : 26%) on the estimated assessable profit for the period.

6. Sale of unquoted investments and properties

There were no other sales of unquoted investments and properties other than the disposal of land in a subsidiary during the reporting quarter.

7. Quoted securities

There were no purchases and disposals of quoted securities for the current quarter under review.

8. Corporate proposals

The Company had on 17 March 2008 announced that the disposal of land by Minelink Sdn Bhd ("MSB"), a wholly-owned subsidiary of Libarran Island Resort Sdn Bhd, which in turn is a wholly-owned subsidiary of the Group has been completed.

On 5 March 2008, MSB had entered into two Sale and Purchase Agreements with the following vendors:

- (a) to acquire from KL Khoo Dan Gabongan Sdn Bhd, a piece of land held under HS(D) 32304, No. PT 809, Mukim Kuala Lumpur, Daerah Wilayah Persekutuan, Negeri Wilayah Persekutuan, measuring 19,110 square feet in area at RM6,115,200; and
- (b) to acquire from Khoo Kim Hoey @ Khoo Poh Kiew, a piece of land held under HS(D) 32305, No. PT 810, Mukim Kuala Lumpur, Daerah Wilayah Persekutuan, Negeri Wilayah Persekutuan, measuring 19,109 square feet in area at RM6,114,880.

The acquisition is not expected to contribute to the earnings of the CGB Group but it is expected to have positive effect on the net tangible assets of the CGB Group for the financial year ending 31 December 2008.

9. Borrowings

	As at 31.03.2008 RM'000	As at 31.12.2007 RM'000
Secured		
Short term borrowings	10,488	22,543
Long term borrowings	31,723	30,265
	<u>42,211</u>	<u>52,808</u>

10. Off balance sheet financial instruments

There were no off balance sheet financial instruments as at the date of this report.

11. Changes in material litigation

Kuala Lumpur High Court Civil Suit No. D3-22-1168-2004
Cepatwawasan Group Berhad and Prolific Yield Sdn Bhd v Tengku Dato' Kamal Ibni Sultan Sir Abu Bakar and 17 others for the recovery of RM16 million wrongfully and fraudulently paid out by the former directors who were removed on 6 August 2004.

- the hearing of the 3rd Defendant's and 4th Defendant's application for stay of execution of the Attachment Before Judgment Order before the Court of Appeal is adjourned to a date to be announced later;
- the case management of this matter is adjourned to 7 July 2008 pending the disposal of the Plaintiff's appeal to the Court of Appeal with regard to the High Court's decision in striking out the Plaintiffs' Statement of Claim against the 14th - 17th Defendants; and
- the hearing of the 7th Defendant's application to extract items from the safe deposit is also adjourned to 7 July 2008 as the 7th Defendant's counsel was unavailable on the 22 April 2008 hearing.

12. Dividend payable

No interim ordinary dividend has been declared for the financial period ended 31 March 2008 (31 March 2007 : Nil).

13. Earnings per share

(a) Basic

	Current quarter		Cumulative quarter	
	3 months ended 31.03.2008 RM'000	3 months ended 31.03.2007 RM'000	3 months ended 31.03.2008 RM'000	3 months ended 31.03.2007 RM'000
Profit attributable to ordinary equity holders of the parent	<u>14,742</u>	4,001	<u>14,742</u>	4,001
Weighted average number of Ordinary shares in issue ('000)	<u>215,457</u>	215,457	<u>215,457</u>	215,457
Basic earnings per share (sen) for: Profit for the period	<u>6.84</u>	1.86	<u>6.84</u>	1.86

14. 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 14 May 2008.