

CEPATWAWASAN GROUP BERHAD
(Company No. 536499-K)

Condensed Consolidated Income Statement for the period ended 31 December 2008

	Individual quarter		Cumulative quarter	
	3 months ended 31.12.2008 RM'000 (Unaudited)	3 months ended 31.12.2007 RM'000 (Unaudited)	12 months ended 31.12.2008 RM'000 (Unaudited)	12 months ended 31.12.2007 RM'000 (Audited)
Revenue	40,581	76,750	246,962	216,715
Cost of sales	(30,867)	(55,354)	(188,156)	(156,707)
Gross profit	9,714	21,396	58,806	60,008
Other income	205	803	6,534	1,807
Administrative expenses	(2,779)	(2,410)	(6,042)	(6,094)
Selling and marketing expenses	(1,134)	(967)	(3,792)	(3,364)
Finance costs	(240)	(469)	(1,125)	(1,400)
Profit before tax	5,766	18,353	54,381	50,957
Income tax expense	(1,500)	(3,216)	(11,692)	(11,527)
Profit for the period	4,266	15,137	42,689	39,430
Attributable to:				
Equity holders of the parent	4,218	14,662	41,079	38,138
Minority interests	48	475	1,610	1,292
	4,266	15,137	42,689	39,430
Earnings per share attributable to equity holders of the parent:				
Basic, for profit for the period (sen)	1.96	6.81	19.07	17.70

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)

Condensed Consolidated Balance Sheet as at 31 December 2008

	As at end of period ended 31.12.2008 RM'000 (Unaudited)	As at preceding period ended 31.12.2007 RM'000 (Audited)
ASSETS		
Non-current Assets		
Property, plant and equipment	62,030	59,053
Investment properties	20,279	-
Prepaid land lease payments	64,164	70,396
Biological assets	150,272	147,316
Intangible assets	93,266	93,266
Deferred tax assets	749	533
	<u>390,760</u>	<u>370,564</u>
Current assets		
Inventories	13,796	13,124
Trade and other receivables	10,543	13,911
Tax refundable	2,206	582
Deposits with licensed banks	24,629	33,402
Cash and bank balances	5,011	8,656
	<u>56,185</u>	<u>69,675</u>
TOTAL ASSETS	<u>446,945</u>	<u>440,239</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	215,457	215,457
Retained profits	119,597	83,861
	<u>335,054</u>	<u>299,318</u>
Minority interests	15,631	13,877
Total equity	<u>350,685</u>	<u>313,195</u>
Non-current liabilities		
Lease rental payable	267	267
Borrowings	23,876	30,265
Deferred tax liabilities	45,805	46,099
	<u>69,948</u>	<u>76,631</u>
Current liabilities		
Borrowings	13,052	22,543
Trade and other payables	12,223	23,054
Provision for taxation	1,037	4,816
	<u>26,312</u>	<u>50,413</u>
Total liabilities	<u>96,260</u>	<u>127,044</u>
TOTAL EQUITY AND LIABILITIES	<u>446,945</u>	<u>440,239</u>
Net assets per share attributable to ordinary equity holders of the parent (RM)	1.56	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 December 2008

	12 months ended 31.12.2008 RM'000 (Unaudited)	12 months ended 31.12.2007 RM'000 (Audited)
Net cash generated from operating activities	28,566	38,553
Net cash used in investing activities	(17,684)	(22,714)
Net cash (used in)/generated from financing activities	(23,300)	14,306
Net (decrease)/increase in cash and cash equivalents	<u>(12,418)</u>	<u>30,145</u>
Cash and cash equivalents at beginning of financial period	42,058	11,913
Cash and cash equivalents at end of financial period	<u>29,640</u>	<u>42,058</u>

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

	As at 31.12.2008 RM'000	As at 31.12.2007 RM'000
Deposits placed with licensed banks	24,629	33,402
Cash and bank balances	<u>5,011</u>	<u>8,656</u>
	<u>29,640</u>	<u>42,058</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.

CEPATWAWASAN GROUP BERHAD
(Company No. 536499-K)

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

	Attributable to Equity Holders of the parent			Minority	Total
	Share Capital	Retained Profits	Distributable Total	Interests	Equity
	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2007	215,457	39,019	254,476	-	254,476
Acquisition of subsidiaries	-	-	-	12,585	12,585
Profit for the period	-	38,138	38,138	1,292	39,430
At 31 December 2007	<u>215,457</u>	<u>77,157</u>	<u>292,614</u>	<u>13,877</u>	<u>306,491</u>
At 1 January 2008	215,457	83,861	299,318	13,877	313,195
Profit for the period	-	41,079	41,079	1,610	42,689
Issuance of share of subsidiaries to MI	-	-	-	144	144
Dividend	-	(5,343)	(5,343)	-	(5,343)
At 31 December 2008	<u>215,457</u>	<u>119,597</u>	<u>335,054</u>	<u>15,631</u>	<u>350,685</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.

CEPATWAWASAN GROUP BERHAD
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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.

In the current period, the Group has adopted the following applicable revised Financial Reporting Standards ("FRS") effective for financial period beginning 1 July 2007:

FRS 107 Cash Flow Statements
FRS 111 Construction Contracts
FRS 112 Income Taxes
FRS 118 Revenue
FRS 120 Accounting for Government Grants and Disclosure of Government Assistance
FRS 121 The Effect of Changes in Foreign Exchange Rates
FRS 134 Interim Financial Reporting
FRS 137 Provisions, Contingent Liabilities and Contingent Assets

The adoption of the above FRSs does not have significant impact on the financial statements of the Group.

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

	Individual Quarter		Cumulative Quarter	
	3 months ended 31.12.2008	3 months ended 31.12.2007	12 months ended 31.12.2008	12 months ended 31.12.2007
	RM'000	RM'000	RM'000	RM'000
Segment revenue				
Revenue from continuing operations:				
Mill and plantations	47,565	91,443	294,532	260,605
Quarries	890	1,120	3,885	7,453
Others	557	567	2,220	2,209
Total revenue including inter-segment sales	49,012	93,130	300,637	270,267
Elimination of inter-segment sales	(8,431)	(16,380)	(53,675)	(53,552)
Total revenue from continuing operations	40,581	76,750	246,962	216,715
Segment profit before tax				
Results from continuing operations:				
Mill and plantations	5,720	18,170	48,330	49,545
Quarries	186	307	688	1,772
Others	(140)	(124)	5,363	(360)
Total profit before tax from continuing operations	5,766	18,353	54,381	50,957

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 year ended 31 December 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

The single tier interim dividend of 1% declared on 27 November 2008, on 215,456,915 ordinary shares amounting to RM2,154,569 in respect of the financial year ended 31 December 2008 was paid on 24 December 2008.

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 capital commitments not provided for in the unaudit interim financial report as at 31 December 2008 is as follows:

	RM'000
Approved and contracted for	1,845
Approved but not contracted for	<u>2,531</u>
	<u>4,376</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.

CEPATWAWASAN GROUP BERHAD
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Information required by BMSB Listing Requirements

1. Review of performance

For this fourth quarter under review, the Group recorded a revenue of RM40.58 million, a significant decrease of RM36.17 million as compared to the preceding year's corresponding quarter due to lower CPO and PK prices.

The Group reported a profit before tax of RM5.77 million for the fourth quarter ended 31 December 2008, a decrease of 69% from the preceding year's corresponding quarter due to lower quarry sales and CPO and PK prices.

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

Profit before tax in the current quarter is lower at RM5.77 million as compared to RM13.70 million in the immediate preceding quarter due to lower CPO and PK prices.

3. Commentary on prospects

Barring any unforeseen circumstances, the Board is confident that the Group's prospects remain bright in view that CPO and PK prices has recently stabilised at around RM 1,800 to RM 1,900 per metric tonne.

4. Profit forecast or profit guarantee

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

5. Income tax expense

	Individual quarter		Cumulative quarter	
	3 months ended 31.12.2008	3 months ended 31.12.2007	12 months ended 31.12.2008	12 months ended 31.12.2007
	RM'000	RM'000	RM'000	RM'000
Current tax	1,671	3,829	13,552	12,736
Deferred tax	(171)	(613)	(1,860)	(1,209)
Total income tax expense	1,500	3,216	11,692	11,527

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 December 2007 : 26%) on the estimated assessable profit for the period.

6. Sale of unquoted investments and properties

There were no sales of unquoted investments and properties 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

On 30 December 2008, Minelink Sdn. Bhd., a wholly-owned subsidiary of Libarran Island Resort Sdn. Bhd. had completed its acquisition of a piece of land held under HS(D) 32033, No. PT 808, Mukim Kuala Lumpur, Daerah Wilayah Persekutuan, Negeri Wilayah Persekutuan, measuring 19,133 square feet in area together with a double-storey house detached erected thereon for RM7,400,000 from Premnath a/l R S Maniam.

9. Borrowings

	As at 31.12.2008 RM'000	As at 31.12.2007 RM'000
Secured		
Short term borrowings	13,052	22,543
Long term borrowings	23,876	30,265
	<u>36,928</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 1st to 4th Defendant's application for stay of execution of Attachment Before Judgment Order before the Court of Appeal is adjourned to 22 June 2009;
- the case management of this matter is adjourned to 13 July 2009 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;
- the court has allowed the 7th Defendant's application to deal with her personal assets including the withdrawal of monies from her bank accounts subject to the 7th Defendant producing original documents to the court to verify its existences. The matter is fixed for mention on 24 March 2009 for the purpose of verification; and
- Case management is scheduled on 13 July 2009.

12. Dividend paid

The single tier interim dividend of 1% declared on 27 November 2008 on 215,456,915 ordinary shares amounting to RM2,154,569 in respect of the financial year ended 31 December 2008 was paid on 24 December 2008 (2007: 2%).

The total dividend paid in 2008 is 3%.

13. Earnings per share

(a) Basic

Basic earnings per share amounts are calculated by dividing the Group's profit for the period attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares in issue during the financial period.

	Individual quarter		Cumulative quarter	
	3 months ended 31.12.2008	3 months ended 31.12.2007	12 months ended 31.12.2008	12 months ended 31.12.2007
	RM'000	RM'000	RM'000	RM'000
Profit attributable to ordinary equity holders of the parent	4,218	14,662	41,079	38,138
Weighted average number of Ordinary shares in issue ('000)	215,457	215,457	215,457	215,457
Basic earnings per share (sen) for: Profit for the period	1.96	6.81	19.07	17.70

(b) Diluted

The Group has no potential ordinary shares in issue as at balance sheet and therefore, diluted earnings per share has not been presented.

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 25 February 2009.