

**CEPATWAWASAN GROUP BERHAD**  
(Company No. 536499-K)

**Condensed consolidated statement of comprehensive income**  
**For the third quarter and nine months ended 30 September 2011**

	Individual quarter		Cumulative quarter	
	3 months ended 30.09.2011 RM'000 (Unaudited)	3 months ended 30.09.2010 RM'000 (Unaudited)	9 months ended 30.09.2011 RM'000 (Unaudited)	9 months ended 30.09.2010 RM'000 (Unaudited)
Revenue	79,024	55,980	218,857	154,851
Cost of sales	(57,718)	(41,942)	(163,845)	(123,842)
<b>Gross profit</b>	21,306	14,038	55,012	31,009
Other income	288	908	1,487	1,451
Distribution expenses	(1,586)	(1,018)	(3,475)	(3,314)
Administrative expenses	(1,694)	(1,776)	(4,543)	(5,383)
<b>Results from operating activities</b>	18,314	12,152	48,481	23,763
Finance income	214	139	556	381
Finance costs	(163)	(243)	(407)	(730)
<b>Net finance costs</b>	51	(104)	149	(349)
<b>Profit before tax</b>	18,365	12,048	48,630	23,414
Income tax expense	(4,706)	(3,032)	(12,005)	(6,065)
<b>Profit/total comprehensive income for the period</b>	13,659	9,016	36,625	17,349
<b>Profit attributable to:</b>				
Owners of the parent	12,976	8,627	34,683	16,598
Minority interests	683	389	1,942	751
<b>Profit/total comprehensive income for the period</b>	13,659	9,016	36,625	17,349
<b>Earnings per share attributable to owners of the parent (sen per share)</b>				
Basic EPS	6.25	4.08	16.62	7.85

The above condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

**CEPATWAWASAN GROUP BERHAD**  
(Company No. 536499-K)

**Condensed consolidated statement of financial position as at 30 September 2011**

	<b>30.09.2011</b>	<b>31.12.2010</b>
	<b>RM'000</b>	<b>RM'000</b>
	<b>(Unaudited)</b>	<b>(Audited)</b>
<b>ASSETS</b>		
Property, plant and equipment	155,003	137,415
Biological assets	151,673	151,021
Investment properties	20,279	20,279
Intangible assets	92,088	92,088
Land use rights	2,116	2,134
Deferred tax assets	2,189	2,312
Other receivables	9,038	2,705
<b>Total non-current assets</b>	<b>432,386</b>	<b>407,954</b>
Inventories	13,872	9,245
Trade and other receivables	17,666	14,806
Tax recoverable	62	257
Short term investments	9,062	6,259
Deposits placed with licensed banks	51,757	33,096
Cash and bank balances	9,544	4,133
<b>Total current assets</b>	<b>101,963</b>	<b>67,796</b>
<b>TOTAL ASSETS</b>	<b>534,349</b>	<b>475,750</b>
<b>EQUITY</b>		
<b>Equity attributable to owners of the parent</b>		
Share capital	215,457	215,457
Treasury shares	(8,884)	(4,109)
Retained earnings	181,682	151,149
<b>Total equity attributable to owners of the parent</b>	<b>388,255</b>	<b>362,497</b>
<b>Minority interests</b>	<b>17,767</b>	<b>16,425</b>
<b>Total equity</b>	<b>406,022</b>	<b>378,922</b>
<b>LIABILITIES</b>		
Lease rental payable	267	267
Borrowings	35,440	21,496
Deferred tax liabilities	45,572	45,585
<b>Total non-current liabilities</b>	<b>81,279</b>	<b>67,348</b>
Borrowings	19,233	2,946
Trade and other payables	23,033	24,297
Income tax payables	4,782	2,237
<b>Total current liabilities</b>	<b>47,048</b>	<b>29,480</b>
<b>Total liabilities</b>	<b>128,327</b>	<b>96,828</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>534,349</b>	<b>475,750</b>
<b>Net assets per share attributable to owners of the parent (RM)</b>	<b>1.87</b>	<b>1.71</b>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

**CEPATWAWASAN GROUP BERHAD**

(Company No. 536499-K)

**Condensed Consolidated Cash Flow Statement for the period ended 30 September 2011**

	<b>9 months ended 30.09.2011 RM'000 (Unaudited)</b>	<b>9 months ended 30.09.2010 RM'000 (Unaudited)</b>
Net cash generated from operating activities	28,537	27,088
Net cash used in investing activities	(20,510)	(9,672)
Net cash generated from /(used in) financing activities	18,847	(8,087)
Net increase in cash and cash equivalents	<u>26,874</u>	<u>9,329</u>
Cash and cash equivalents at beginning of financial period	43,489	21,883
Cash and cash equivalents at end of financial period	<u><u>70,363</u></u>	<u><u>31,212</u></u>

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

	<b>As at 30.09.2011 RM'000</b>	<b>As at 30.09.2010 RM'000</b>
Short term investments	9,062	5,233
Deposits placed with licensed banks	51,757	22,669
Cash and bank balances	<u>9,544</u>	<u>3,310</u>
	<u><u>70,363</u></u>	<u><u>31,212</u></u>

The above condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

**CEPATWAWASAN GROUP BERHAD**

(Company No. 536499-K)

**Condensed consolidated statement of changes in equity for the period ended 30 September 2011**

	← Attributable to owners of the parent →			Total	Minority Interests	Total Equity
	← Non-distributable →	→ Distributable				
	Share Capital	Treasury Shares	Retained Earnings			
	RM'000	RM'000	RM'000	RM'000	RM'000	
At 1 January 2010	215,457	(4,109)	130,496	341,844	15,840	357,684
Profit for the period	-	-	16,598	16,598	751	17,349
Dividend paid to Minority Interests	-	-	-	-	(400)	(400)
Dividend	-	-	(2,115)	(2,115)	-	(2,115)
At 30 September 2010	<u>215,457</u>	<u>(4,109)</u>	<u>144,979</u>	<u>356,327</u>	<u>16,191</u>	<u>372,518</u>
At 1 January 2011	215,457	(4,109)	151,149	362,497	16,425	378,922
Profit for the period	-	-	34,683	34,683	1,942	36,625
Purchase of treasury shares	-	(4,775)	-	(4,775)	-	(4,775)
Dividend paid to Minority Interests	-	-	-	-	(600)	(600)
Dividend	-	-	(4,150)	(4,150)	-	(4,150)
At 30 September 2011	<u>215,457</u>	<u>(8,884)</u>	<u>181,682</u>	<u>388,255</u>	<u>17,767</u>	<u>406,022</u>

The above condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

**CEPATWAWASAN GROUP BERHAD**  
(Company No. 536499-K)

**Notes to the condensed consolidated interim financial statements**

1. Basis of preparation

These condensed consolidated interim financial statements have been prepared in accordance with the requirements of FRS 134 “Interim Financial Reporting” and paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad and it should be read in conjunction with the audited financial statements of the Group as at and for the year ended 31 December 2010.

The accounting policies used in the preparation of interim financial statements are consistent with those previously adopted in the audited financial statements of the Group for the year ended 31 December 2010. These explanatory notes attached to the interim financial statement 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 31 December 2010.

2. Changes in accounting policies

The accounting policies applied by the Group in these condensed consolidated interim financial statements are the same as those applied by the Group in its consolidated financial statements for the year ended 31 December 2010, except for the adoption of the following:

Effective for financial periods beginning on or after 1 March 2010:

Amendments to FRS 132: Financial Instruments: Presentation (paragraphs 11, 16 and 97E relating to classification of Right Issues)

Effective for financial periods beginning on or after 1 July 2010:

FRS 1: First-time Adoption of Financial Reporting Standards

FRS 3: Business Combinations (revised)

Amendments to FRS 2: Share-based Payment

Amendments to FRS 5: Non-current Assets Held for Sale and Discontinued Operations

Amendments to FRS 127: Consolidated and Separate Financial Statements

Amendments to FRS 138: Intangible Assets

Amendments to IC Interpretation 9: Reassessment of Embedded Derivatives

IC Interpretation 12: Service Concession Arrangements

IC Interpretation 16: Hedges of a Net Investment in a Foreign Operation

IC Interpretation 17: Distributions of Non-cash Assets to Owners

Effective for financial periods beginning on or after 31 August 2010:

Amendments to IC Interpretation 15: Agreements for the Construction of Real Estate

Effective for financial periods beginning on or after 1 January 2011:

Amendments to FRS 1: Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters

Amendments to FRS 1: Additional Exemptions for First-time Adopters

Amendments to FRS 2: Group Cash - Settled Share-based Payment Transactions

Amendments to FRS 7: Improving Disclosures about Financial Instruments

IC Interpretation 4 : Determining whether an Arrangement Contains a Lease

IC Interpretation 18: Transfer of Assets from Customers

Technical Release 3: Guidance on Disclosures of Transition to IRFSs

## 2. Changes in accounting policies (Contd.)

The Malaysian Accounting Standards Board also issued “Improvements to FRSs (2010)” which contain amendments to eleven FRSs and are effective for financial periods beginning on or after 1 January 2011.

Unless otherwise described below, the above pronouncements are expected to have no significant impact to the financial statements of the Group and the Company upon their initial application:

### Revised FRS 3 *Business Combinations* and Amendments to FRS 127 *Consolidated and Separate Financial Statements*

The revised standards are effective for annual periods beginning on or after 1 July 2010. The revised FRS 3 introduces a number of changes in the accounting for business combinations occurring after 1 July 2010. These changes will impact the amount of goodwill recognised, the reported results in the period that an acquisition occurs, and future reported results. The Amendments to FRS 127 require that a change in the ownership interest of a subsidiary (without loss of control) is accounted for as an equity transaction. Therefore, such transactions will no longer give rise to goodwill, nor will they give rise to a gain or loss. Furthermore, the amended standard changes the accounting for losses incurred by the subsidiary as well as the loss of control of a subsidiary. Other consequential amendments have been made to FRS 107 *Statement of Cash Flows*, FRS 112 *Income Taxes*, FRS 121 *The Effects of Changes in Foreign Exchange Rates*, FRS 128 *Investments in Associates* and FRS 131 *Interests in Joint Ventures*. The changes from revised FRS 3 and Amendments to FRS 127 will affect future acquisitions or loss of control and transactions with minority interests. The standards may be early adopted. However, the Group does not intend to early adopt.

## 3. Auditors’ report on preceding annual financial statements

The auditors’ report on the financial statements of the Group for the year ended 31 December 2010 was not qualified.

## 4. Segmental information

The Group has two reportable segments, as described below, which are the Group’s strategic business units. The strategic business units offer different products and are managed separately because they require different technology and marketing strategies. The following summary describes the operations in each of the Group’s reportable segments:

- a. Plantation - Cultivation of oil palm
- b. Oil Mill - Milling and sales of oil palm products

## Information about reportable segments

	For the nine months ended 30 September					
	Plantation		Oil Mill		Total	
	2011	2010	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>External revenue</b>	26,489	11,928	190,256	141,424	216,745	153,352
<b>Inter-segment revenue</b>	45,496	36,618	-	-	45,496	36,618
<b>Segment profit</b>	45,916	23,349	3,328	2,032	49,244	25,381
<b>Segment assets</b>	278,427	270,013	84,574	46,167	363,001	316,180
<b>Segment liabilities</b>	7,194	6,656	18,103	14,692	25,297	21,348

<b>Reconciliation of reportable segment profit</b>	<b>2011</b>	<b>2010</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Total profit for reportable segments</b>	49,244	25,381
<b>Other non-reportable segments</b>	658	141
<b>Elimination of inter-segment profits</b>	(387)	(829)
<b>Other corporate expenses</b>	(885)	(1,279)
<b>Consolidated profit before tax</b>	<u>48,630</u>	<u>23,414</u>

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

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the financial period under review.

### 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 year and 'high' crop towards the second half of the year.

### 8. Dividend paid

The single tier final dividend of 2% declared on 27 April 2011, on 207,478,615 ordinary shares (excluding 7,978,300 treasury shares) amounting to RM4,149,572 in respect of the financial year ended 31 December 2010 was paid on 25 May 2011.

No interim dividend has been paid during the current quarter ended 30 September 2011.

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 year ended 31 December 2010.

10. Debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities, except as disclosed below.

During the financial period ended 30 September 2011, the Company repurchased 3,977,300 of its issued ordinary shares from the open market at an average price of RM1.20 per share. The total consideration paid for the purchase including transaction costs was RM4,774,913. The repurchase transaction was financed by internally generated funds. The repurchased share 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 financial period ended 30 September 2011.

11. Changes in composition of the Group

There were no changes in the composition of the Group during the current quarter ended 30 September 2011.

12. Capital commitments

The amount of capital commitments not provided for in the unaudited interim financial statements as at 30 September 2011 is as follows:

	<b>RM'000</b>
Approved and contracted for	65,571
Approved but not contracted for	26,882
	<u>92,453</u>

13. Changes in contingent liabilities and contingent assets

There were no changes in other contingent liabilities or contingent assets since the last annual statement of financial position as at 31 December 2010.

14. Subsequent event

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



**Information required by BMSB Listing Requirements**

1. Review of performance

For this quarter under review, the Group recorded a revenue of RM 79.02 million, which is an increase of RM 23.04 million as compared to the preceding year corresponding quarter due to higher CPO and PK prices by 18% and 12% respectively and a 22% increase in CPO sales volume.

The Group reported a profit before tax of RM 18.37 million for this quarter under review, which is an increase of 52% from the preceding year corresponding quarter mainly due to higher CPO and PK prices by 18% and 12% respectively and a 13% increase in FFB production.

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

Profit before tax in this quarter under review is lower at RM 18.37 million as compared to RM 19.24 million in the immediate preceding quarter due to a lower CPO and PK prices by 8% and 26% respectively despite a 5% increase in FFB production.

3. Commentary on prospects

Barring any unforeseen circumstances, the Board is confident that the Group's prospects will remain bright in view that CPO and PK prices has recently stabilised around RM2,800 and RM1,400 per metric tonne respectively.

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 30.09.2011 RM'000	3 months ended 30.09.2010 RM'000	9 months ended 30.09.2011 RM'000	9 months ended 30.09.2010 RM'000
Current tax	4,612	2,154	11,895	6,250
Deferred tax	94	878	110	(185)
Total income tax expense	4,706	3,032	12,005	6,065

The effective tax rate for the current quarter and the cumulative quarter ended 30 September 2011 was in line with the statutory tax rate as reported. Income tax is calculated at statutory tax rate of 25% (2010: 25%) 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

- a) On 12 July 2011, the Company proposes to undertake a bonus issue of up to 107,728,458 new CGB Shares of RM 1 each to be credited as fully paid-up on the basis of one (1) Bonus Share for every two (2) existing CGB Shares held on an entitlement date to be determined later.

On 28 September 2011, the Company has obtained the approvals from the shareholders of the Company for the Proposed Bonus Issue at the Extraordinary General Meeting.

Barring any unforeseen circumstances, the Board expects the Proposed Bonus Issue to be completed not later than the first quarter of 2012.

- b) On 7 September 2011, Magnum Kapital Sdn. Bhd. ("MKSB"), a subsidiary of the Company had entered into a conditional Sale and Purchase of Shares Agreement with three Indonesian citizens, the Promoter and the Sellers to purchase the entire 500 shares of PT Mukti Sejahtera Abadi ("PT MSA") representing 100% equity of PT MSA for a cash consideration of Rp.125.000.000 equivalent to approximately RM46,125.

PT MSA is currently in the palm oil plantation business and a holder of Location Permit No. 525.26/K.547/HK/VIII/2011 dated 23 August 2011 issued by the relevant authority, for plot of land located in Batu Ampar District, East Kutai Regency, Province of East Kalimantan, Indonesia, covering an area of 5,290 hectare ("Land").

The services of the Promoter would be engaged to assist PT MSA in procuring the relevant licenses, permits and registrations under the name of PT MSA relating to the Land and legally owned 100% by the Sellers.

## 9. Borrowings

	<b>As at 30.09.2011 RM'000</b>	<b>As at 31.12.2010 RM'000</b>
<b>Secured</b>		
Short term borrowings	19,233	2,946
Long term borrowings	35,440	21,496
	<u>54,673</u>	<u>24,442</u>

## 10. Disclosure of derivatives

There were no outstanding derivatives (including financial instruments designated as hedging instruments) as at 30 September 2011.

## 11. Retained Earnings

	<b>As at 30.09.2011 RM'000</b>	<b>As at 31.12.2010 RM'000</b>
Realised	241,773	209,131
Unrealised	(11,543)	(11,483)
	<hr/> 230,230	<hr/> 197,648
Consolidation adjustments	(48,548)	(46,499)
<b>Total Group retained earnings as per consolidated accounts</b>	<hr/> <hr/> 181,682	<hr/> <hr/> 151,149

## 12. Dividend payable

No interim dividend has been declared during the current quarter ended 30 September 2011.

The total dividend paid in 2011 is 2%.

## 13. Earnings per share

### (a) Basic

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

	<b>Individual quarter</b>		<b>Cumulative quarter</b>	
	<b>3 months ended 30.09.2011 RM'000</b>	<b>3 months ended 30.09.2010 RM'000</b>	<b>9 months ended 30.09.2011 RM'000</b>	<b>9 months ended 30.09.2010 RM'000</b>
Profit attributable to owners of the parent	<hr/> 12,976	<hr/> 8,627	<hr/> 34,683	<hr/> 16,598
Weighted average number of Ordinary shares in issue ('000)	<hr/> 207,479	<hr/> 211,456	<hr/> 208,652	<hr/> 211,456
Basic earnings per share (sen) for: Profit for the period	<hr/> 6.25	<hr/> 4.08	<hr/> 16.62	<hr/> 7.85

### (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 October 2011.