

**TSH Resources Berhad (49548-D)**  
(Incorporated in Malaysia)

**Condensed Consolidated Income Statements  
For The Second Quarter Ended 30 June 2008**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.06.2008 RM'000	Preceding Year Corresponding Quarter 30.06.2007 RM'000	Current Year Quarter 30.06.2008 RM'000	Preceding Year Corresponding Quarter 30.06.2007 RM'000
Revenue	338,857	211,057	622,993	379,870
Cost of sales	<u>(287,063)</u>	<u>(161,297)</u>	<u>(517,476)</u>	<u>(291,418)</u>
<b>Gross profit</b>	51,794	49,760	105,517	88,452
Other operating income	1,875	1,200	3,590	1,688
Other operating expenses	<u>(18,954)</u>	<u>(20,467)</u>	<u>(40,726)</u>	<u>(38,844)</u>
<b>Operating profit</b>	34,715	30,493	68,381	51,296
Finance costs	(2,815)	(2,926)	(5,941)	(5,487)
Interest income	453	526	716	640
Share of pre-tax profit of jointly controlled entities	<u>11,309</u>	<u>2,503</u>	<u>20,679</u>	<u>7,015</u>
<b>Profit before taxation</b>	43,662	30,596	83,835	53,464
Taxation	(7,852)	(3,661)	(11,597)	(4,945)
Share of taxation of jointly controlled entities	<u>(1,956)</u>	<u>425</u>	<u>(4,059)</u>	<u>(475)</u>
<b>Profit for the period</b>	<u><u>33,854</u></u>	<u><u>27,360</u></u>	<u><u>68,179</u></u>	<u><u>48,044</u></u>
Attributable to :				
Equity holders of the Company	29,538	23,081	60,300	40,772
Minority interests	<u>4,316</u>	<u>4,279</u>	<u>7,879</u>	<u>7,272</u>
	<u><u>33,854</u></u>	<u><u>27,360</u></u>	<u><u>68,179</u></u>	<u><u>48,044</u></u>
<b>Earnings per share attributable to equity holders of the Company</b>				
Basic (sen)	7.15	6.15	14.60	10.86
Diluted (sen)	7.11	6.04	14.52	10.66

**The Condensed Consolidated Income Statements should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2007**

**TSH Resources Berhad (49548-D)**  
(Incorporated in Malaysia)

**Condensed Consolidated Balance Sheets**  
**As at 30 June 2008**

	<b>As at 30.6.2008 RM'000</b>	<b>As at 31.12.2007 RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	386,410	345,971
Biological assets	229,365	204,502
Prepaid land lease payments	157,171	152,075
Investment in associate	48	48
Investments in jointly controlled entities	61,532	44,913
Other investments	10,150	10,150
Intangible assets	34,852	34,896
Deferred tax assets	1,992	2,471
	<u>881,520</u>	<u>795,026</u>
<b>Current assets</b>		
Inventories	252,862	178,750
Trade receivables	150,706	91,397
Other receivables	80,613	66,233
Tax recoverable	23,300	18,779
Marketable securities	160	160
Cash and bank balances	26,576	37,773
	<u>534,217</u>	<u>393,092</u>
<b>TOTAL ASSETS</b>	<u><u>1,415,737</u></u>	<u><u>1,188,118</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	206,609	206,419
Reserves	489,453	428,102
	<u>696,062</u>	<u>634,521</u>
<b>Minority interests</b>	94,285	86,327
<b>Total equity</b>	<u>790,347</u>	<u>720,848</u>
<b>Non-current liabilities</b>		
Borrowings	156,508	107,945
Deferred income	57,468	55,343
Deferred tax liabilities	66,143	62,841
	<u>280,119</u>	<u>226,129</u>
<b>Current liabilities</b>		
Borrowings	245,350	153,243
Trade payables	54,601	43,215
Other payables	34,176	39,076
Current tax payable	11,144	5,607
	<u>345,271</u>	<u>241,141</u>
<b>Total liabilities</b>	<u>625,390</u>	<u>467,270</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>1,415,737</u></u>	<u><u>1,188,118</u></u>

**The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2007**

**TSH Resources Berhad (49548-D)**  
(Incorporated in Malaysia)

**Condensed Consolidated Statement Of Changes In Equity  
For The Second Quarter Ended 30 June 2008**

	← Attributable to equity holders of the Company →					Minority Interests	Total Equity	
	← Non-distributable →		Distributable					
	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	Other Reserves RM'000	Retained Earnings RM'000	Total RM'000	RM'000	RM'000
<b>At 1 January 2007</b>	184,389	13,303	(166)	7,387	252,976	457,889	71,879	529,768
Issue of ordinary shares pursuant to ESOS	454	398			852	852		852
Share options granted under ESOS				231	231	231		231
Private Placement	18,450	79,335			97,785	97,785		97,785
Transaction costs		(1,253)			(1,253)	(1,253)		(1,253)
Foreign exchange difference				(214)	(91)	(305)	1,132	827
Profit for the year					40,772	40,772	7,272	48,044
Dividends paid to minority interests						-	(1,710)	(1,710)
<b>At 30 June 2007</b>	<u>203,293</u>	<u>91,783</u>	<u>(166)</u>	<u>7,404</u>	<u>293,657</u>	<u>595,971</u>	<u>78,573</u>	<u>674,544</u>
<b>At 1 January 2008</b>	206,419	92,529	(166)	8,504	327,235	634,521	86,327	720,848
Issue of ordinary shares pursuant to ESOS	190	331			521	521		521
Share options granted under ESOS				769	769	769		769
Purchase of treasury shares			(276)		(276)	(276)		(276)
Foreign exchange difference				322	(95)	227	79	306
Profit for the year					60,300	60,300	7,879	68,179
<b>At 30 June 2008</b>	<u>206,609</u>	<u>92,860</u>	<u>(442)</u>	<u>9,595</u>	<u>387,440</u>	<u>696,062</u>	<u>94,285</u>	<u>790,347</u>

The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2007

**TSH Resources Berhad (49548-D)**  
(Incorporated in Malaysia)

**Condensed Consolidated Cash Flow Statements**  
**For The Second Quarter Ended 30 June 2008**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.06.2008 RM'000	Preceding Year Corresponding Quarter 30.06.2007 RM'000	Current Year Quarter 30.06.2008 RM'000	Preceding Year Corresponding Quarter 30.06.2007 RM'000
<b>Cash Flows from Operating Activities</b>				
Profit before taxation	43,662	30,596	83,835	53,464
Adjustments for non-cash flow:-				
Depreciation of property, plant and equipment	5,021	5,199	11,338	10,363
Property, plant and equipment written off	8	113	8	381
Amortisation of prepaid land lease payments	1,035	(321)	1,838	1,547
Government grant receivable	-	(38)	-	(12)
Loss on disposal of shares in subsidiary	-	125	-	125
Gain on disposal of property, plant and equipment	(90)	(231)	(183)	(195)
Amortisation of intangible assets	125	22	159	44
Provision for doubtful debts	-	-	110	-
Recognition of deferred income	2,938	(143)	2,125	(143)
Net unrealised loss on foreign exchange	252	47	61	-
Share of profit of jointly controlled entities	(11,309)	(2,503)	(20,679)	(7,015)
Share options granted under ESOS	446	(28)	769	231
Interest expense	2,815	2,926	5,941	5,487
Interest income	(454)	(527)	(717)	(641)
Operating profit before working capital changes	<u>44,449</u>	<u>35,237</u>	<u>84,605</u>	<u>63,636</u>
(Increase)/decrease in inventories	(51,676)	(852)	(73,207)	2,141
(Increase)/decrease in receivables	(35,243)	(5,544)	(67,526)	2,597
Increase/(decrease) in payables	<u>(96)</u>	<u>8,586</u>	<u>(1,605)</u>	<u>(14,779)</u>
Cash generated from/(used in) operations	(42,566)	37,427	(57,733)	53,595
Interest paid	(2,815)	(2,926)	(5,941)	(5,487)
Brand promotion grant received	-	466	-	660
Income tax paid	<u>(3,485)</u>	<u>(1,627)</u>	<u>(6,778)</u>	<u>(4,769)</u>
Net cash (used in) / generated from operating activities	<u>(48,866)</u>	<u>33,340</u>	<u>(70,452)</u>	<u>43,999</u>
<b>Cash Flows from Investing Activities</b>				
Net cash outflow arising on acquisition of subsidiaries	-	(56,391)	-	(56,391)
Acquisition of intangible assets	-	(144)	-	23
Purchase of treasury shares	-	-	(276)	-
Purchase of property, plant and equipment	(30,210)	(13,835)	(60,135)	(28,026)
Payment for oil palm planting expenditure	(12,024)	(6,003)	(18,702)	(9,065)
Payment of forest planting expenditure	(2,761)	(1,701)	(4,757)	(5,680)
Proceeds from disposal of property, plant and equipment	243	666	618	685
Interest received	<u>454</u>	<u>527</u>	<u>717</u>	<u>641</u>
Net cash used in investing activities	<u>(44,298)</u>	<u>(76,881)</u>	<u>(82,535)</u>	<u>(97,813)</u>
<b>Cash Flows from Financing Activities</b>				
Proceeds from issuance of ordinary shares	294	97,138	521	97,384
Drawdown of term loans	38,196	112,880	64,896	142,309
Repayment of term loans	(2,342)	(106,261)	(4,563)	(124,266)
Placement of fixed deposit with financial institution	-	(9,482)	-	(9,482)
Net movement in short term borrowings	49,072	(10,632)	80,389	(15,776)
Dividends paid to minority interest	-	(240)	-	(240)
Net cash generated from financing activities	<u>85,220</u>	<u>83,403</u>	<u>141,243</u>	<u>89,929</u>
Net increase / (decrease) in cash and cash equivalents	(7,944)	39,862	(11,744)	36,115
Cash and cash equivalents at beginning of period	25,229	11,923	31,396	15,266
Effect of foreign exchange rate changes	<u>965</u>	<u>(411)</u>	<u>(1,402)</u>	<u>(7)</u>
<b>Cash and cash equivalents at end of period</b>	<u><u>18,250</u></u>	<u><u>51,374</u></u>	<u><u>18,250</u></u>	<u><u>51,374</u></u>
<b>Cash and Cash Equivalents comprised:</b>				
Cash in hand and at banks	5,168	20,060	5,168	20,060
Deposits with licensed banks	21,408	35,560	21,408	35,560
Less : Bank overdraft	(8,252)	(4,246)	(8,252)	(4,246)
Less : Deposits pledged with security	<u>(74)</u>	<u>-</u>	<u>(74)</u>	<u>-</u>
Cash and bank balances	<u><u>18,250</u></u>	<u><u>51,374</u></u>	<u><u>18,250</u></u>	<u><u>51,374</u></u>

The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 December 2007