

TSH Resources Berhad (49548-D)

(Incorporated in Malaysia)

**Condensed Consolidated Income Statements
For The Third Quarter Ended 30 September 2008**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.09.2008 RM'000	Preceding Year Corresponding Quarter 30.09.2007 RM'000	Current Year Quarter 30.09.2008 RM'000	Preceding Year Corresponding Quarter 30.09.2007 RM'000
Revenue	322,035	238,410	945,028	618,280
Cost of sales	<u>(268,708)</u>	<u>(189,173)</u>	<u>(786,184)</u>	<u>(480,591)</u>
Gross profit	53,327	49,237	158,844	137,689
Other operating income	3,082	467	6,672	2,156
Other operating expenses	<u>(24,887)</u>	<u>(19,060)</u>	<u>(65,613)</u>	<u>(57,905)</u>
Operating profit	31,522	30,644	99,903	81,940
Finance costs	(3,226)	(2,277)	(9,167)	(7,764)
Interest income	272	697	988	1,337
Share of profit of an associate	290	-	290	-
Share of pre-tax profit of jointly controlled entities	<u>5,559</u>	<u>3,950</u>	<u>26,238</u>	<u>10,965</u>
Profit before taxation	34,417	33,014	118,252	86,478
Taxation	(6,464)	(4,516)	(18,061)	(9,461)
Share of taxation of jointly controlled entities	<u>(2,290)</u>	<u>1,278</u>	<u>(6,349)</u>	<u>803</u>
Profit for the period	<u>25,663</u>	<u>29,776</u>	<u>93,842</u>	<u>77,820</u>
Attributable to :				
Equity holders of the Company	24,604	25,603	84,903	66,375
Minority interests	<u>1,059</u>	<u>4,173</u>	<u>8,939</u>	<u>11,445</u>
	<u>25,663</u>	<u>29,776</u>	<u>93,842</u>	<u>77,820</u>
Earnings per share attributable to equity holders of the Company				
Basic (sen)	5.96	6.60	20.56	17.12
Diluted (sen)	5.93	6.57	20.45	17.04

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 September 2008**

	As at 30.09.2008 RM'000	As at 31.12.2007 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	402,645	345,971
Biological assets	251,880	204,502
Prepaid land lease payments	160,347	152,075
Investment in associate	22,838	48
Investments in jointly controlled entities	64,801	44,913
Other investments	150	10,150
Intangible assets	34,830	34,896
Deferred tax assets	1,993	2,471
	<u>939,484</u>	<u>795,026</u>
Current assets		
Inventories	240,032	178,750
Trade receivables	119,702	91,397
Other receivables	103,358	66,233
Tax recoverable	25,514	18,779
Marketable securities	160	160
Cash and bank balances	28,896	37,773
	<u>517,662</u>	<u>393,092</u>
TOTAL ASSETS	<u><u>1,457,146</u></u>	<u><u>1,188,118</u></u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	206,767	206,419
Reserves	486,666	428,102
	<u>693,433</u>	<u>634,521</u>
Minority interests	94,043	86,327
Total equity	<u>787,476</u>	<u>720,848</u>
Non-current liabilities		
Borrowings	180,738	107,945
Deferred income	57,824	55,343
Deferred tax liabilities	66,652	62,841
	<u>305,214</u>	<u>226,129</u>
Current liabilities		
Borrowings	257,285	153,243
Trade payables	36,038	43,215
Other payables	57,014	39,076
Current tax payable	14,119	5,607
	<u>364,456</u>	<u>241,141</u>
Total liabilities	<u>669,670</u>	<u>467,270</u>
TOTAL EQUITY AND LIABILITIES	<u><u>1,457,146</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 Third Quarter Ended 30 September 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
At 1 January 2007 (restated)	184,389	13,303	(166)	7,387	252,976	457,889	71,879	529,768
Issue of ordinary shares pursuant to ESOS	3,445	795				4,240		4,240
Share options granted under ESOS				885		885		885
Private Placement	18,450	79,335				97,785		97,785
Transaction costs		(1,253)				(1,253)		(1,253)
Foreign exchange difference				(1,814)	(298)	(2,112)	1,139	(973)
Profit for the year					66,375	66,375	11,445	77,820
Dividends paid to minority interests						-	(1,710)	(1,710)
Dividends paid					(20,622)	(20,622)		(20,622)
At 30 September 2007	<u>206,284</u>	<u>92,180</u>	<u>(166)</u>	<u>6,458</u>	<u>298,431</u>	<u>603,187</u>	<u>82,753</u>	<u>685,940</u>
At 1 January 2008	206,419	92,529	(166)	8,504	327,235	634,521	86,327	720,848
Issue of ordinary shares pursuant to ESOS	348	591				939		939
Share options granted under ESOS				1,155		1,155		1,155
Purchase of treasury shares			(278)			(278)		(278)
Foreign exchange difference				(869)	(95)	(964)	1,857	893
Profit for the year					84,904	84,904	8,938	93,842
Dividends paid to minority interests						-	(3,079)	(3,079)
Dividend paid					(26,844)	(26,844)		(26,844)
At 30 September 2008	<u>206,767</u>	<u>93,120</u>	<u>(444)</u>	<u>8,790</u>	<u>385,200</u>	<u>693,433</u>	<u>94,043</u>	<u>787,476</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 Third Quarter Ended 30 September 2008

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.09.2008 RM'000	Preceding Year Corresponding Quarter 30.09.2007 RM'000	Current Year Quarter 30.09.2008 RM'000	Preceding Year Corresponding Quarter 30.09.2007 RM'000
Cash Flows from Operating Activities				
Profit before taxation	34,417	33,014	118,252	86,478
Adjustments for non-cash flow:-				
Depreciation of property, plant and equipment	6,912	5,511	18,250	15,874
Property, plant and equipment written off	6	5	14	386
Amortisation of prepaid land lease payments	1,061	545	2,898	2,092
Government grant receivable	-	33	-	21
(Gain)/loss on disposal of shares in subsidiary	-	(113)	-	12
(Gain)/loss on disposal of property, plant and equipment	502	(300)	319	(495)
Amortisation of intangible assets	24	44	183	88
Bad debts written off	-	(4)	-	(4)
Provision for doubtful debts	280	(20)	391	(20)
Recognition of deferred income	(437)	143	1,688	-
Net unrealised gain exchange (gains)/loss	2,502	(128)	2,563	(128)
Share of (profit)/loss of jointly controlled entities	(5,559)	(3,950)	(26,238)	(10,965)
Share of profit of an associate	(290)	-	(290)	-
Share options granted under ESOS	387	655	1,155	886
Interest expense	3,226	2,277	9,167	7,764
Interest income	(272)	(697)	(988)	(1,337)
Operating profit before working capital changes	<u>42,759</u>	<u>37,015</u>	<u>127,364</u>	<u>100,652</u>
(Increase)/decrease in inventories	12,377	(24,600)	(60,830)	(22,459)
(Increase)/decrease in receivables	6,564	(7,704)	(60,963)	(5,107)
Increase/(decrease) in payables	<u>5,164</u>	<u>10,418</u>	<u>3,559</u>	<u>(4,361)</u>
Cash generated from operations	66,864	15,129	9,130	68,725
Interest paid	(3,226)	(2,277)	(9,167)	(7,764)
Brand promotion grant received	-	41	-	701
Income tax paid	<u>(6,498)</u>	<u>(2,821)</u>	<u>(13,276)</u>	<u>(7,590)</u>
Net cash generated from/(used in) operating activities	<u>57,140</u>	<u>10,072</u>	<u>(13,313)</u>	<u>54,072</u>
Cash Flows from Investing Activities				
Net cash outflow arising on acquisition of subsidiaries	-	511	-	(55,880)
Purchase of share in an associate company	(12,500)	-	(12,500)	-
Acquisition of intangible assets	-	(23)	-	-
Purchase of treasury shares	(3)	-	(279)	-
Withdrawal of pledged deposits	-	-	37	-
Purchase of property, plant and equipment	(21,832)	(23,707)	(81,967)	(51,733)
Payment for oil palm planting expenditure	(15,939)	(7,297)	(34,641)	(16,362)
Payment of forest planting expenditure	(2,285)	(2,571)	(7,042)	(8,250)
Purchase of prepaid land lease payments	(3,790)	-	(3,790)	-
Proceeds from disposal of property, plant and equipment	5,364	2,689	5,982	3,374
Interest received	272	697	988	1,337
Net cash used in investing activities	<u>(50,713)</u>	<u>(29,701)</u>	<u>(133,212)</u>	<u>(127,514)</u>
Cash Flows from Financing Activities				
Proceeds from issuance of ordinary shares	419	3,388	940	100,772
Drawdown of term loans	40,476	14,489	105,372	156,798
Repayment of term loans	(17,403)	(18,011)	(21,966)	(142,277)
Placement of fixed deposit with financial institution	-	8,776	-	(706)
Net movement in short term borrowings	5,757	13,281	86,110	(2,495)
Acquisition of treasury shares	-	-	-	-
Drawdown of discounted bills	-	-	-	-
Dividends paid to minority interest	(3,079)	(1,470)	(3,079)	(1,710)
Dividends paid	<u>(26,844)</u>	<u>(20,622)</u>	<u>(26,844)</u>	<u>(20,622)</u>
Net cash generated from financing activities	<u>(674)</u>	<u>(169)</u>	<u>140,533</u>	<u>89,760</u>
Net increase in cash and cash equivalents	5,753	(19,798)	(5,992)	16,318
Cash and cash equivalents at beginning of period	18,250	51,375	31,397	15,266
Effect of foreign exchange rate changes	<u>(2,391)</u>	<u>(1,305)</u>	<u>(3,793)</u>	<u>(1,312)</u>
Cash and cash equivalents at end of period	<u>21,612</u>	<u>30,272</u>	<u>21,612</u>	<u>30,272</u>
Cash and Cash Equivalents comprised:				
Cash in hand and at banks	22,200	20,060	22,200	35,225
Deposits with licensed banks	6,696	14,458	6,696	9,003
Less : Bank overdraft	(7,212)	(4,246)	(7,212)	(13,956)
Less : Deposits pledged with security	<u>(72)</u>	<u>-</u>	<u>(72)</u>	<u>-</u>
Cash and bank balances	<u>21,612</u>	<u>30,272</u>	<u>21,612</u>	<u>30,272</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