

## TH PLANTATIONS BERHAD

(Incorporated in Malaysia)  
(Company No : 12696-M)

### QUARTERLY REPORT FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2010

The Directors have pleasure in announcing the unaudited consolidated results for the third quarter ended 30 September 2010.

#### CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	← UNAUDITED →			
	THIRD QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR 30.09.10 RM'000	PRECEDING YEAR 30.09.09 RM'000	CURRENT YEAR 30.09.10 RM'000	PRECEDING YEAR 30.09.09 RM'000
<b>Revenue</b>	84,225	72,129	237,441	217,001
Cost of sales	(44,968)	(53,075)	(148,130)	(157,192)
<b>Gross profit</b>	<u>39,257</u>	<u>19,054</u>	<u>89,311</u>	<u>59,809</u>
Other income	1,885	220	2,816	5,184
Administrative expenses	(2,917)	(1,214)	(7,861)	(8,449)
Other expenses *	(657)	(1,572)	(1,439)	(11,468)
Zakat expense	(317)	(769)	(1,328)	(1,170)
<b>Profit from operations</b>	<u>37,251</u>	<u>15,719</u>	<u>81,499</u>	<u>43,906</u>
Finance costs	(2,592)	(2,202)	(7,098)	(6,144)
<b>Profit before tax</b>	<u>34,659</u>	<u>13,517</u>	<u>74,401</u>	<u>37,762</u>
Tax expense**	(8,635)	(672)	(18,076)	(6,041)
<b>Profit after tax/ Total comprehensive income for the period</b>	<u><u>26,024</u></u>	<u><u>12,845</u></u>	<u><u>56,325</u></u>	<u><u>31,721</u></u>
<b>Attributable to:</b>				
Shareholders of the Company	21,531	12,845	46,930	31,265
Non-Controlling Interest	4,493	-	9,395	456
<b>Total comprehensive income for the period</b>	<u><u>26,024</u></u>	<u><u>12,845</u></u>	<u><u>56,325</u></u>	<u><u>31,721</u></u>
<b>Earnings per share (sen) :</b>				
Basic earnings per share (Note 28)	<u>4.41</u>	<u>2.63</u>	<u>9.62</u>	<u>6.41</u>
Diluted earnings per share	<u>4.41</u>	<u>2.63</u>	<u>9.62</u>	<u>6.41</u>

Notes:

\* Other expenses was higher during the same period last year due to the fair value adjustment of THP ESOS charged during that year in compliance with FRS 2, *Share Based Payment* requirements.

\*\* See note 20.

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	As at 30.9.10 RM'000 (unaudited)	As at 31.12.09 RM'000 (audited)
<b>Assets</b>		
Property, plant & equipment	659,609	640,800
Plantation development expenditure	226,002	201,918
Other investment	599	599
<b>Total non-current assets</b>	<u>886,210</u>	<u>843,317</u>
Inventories	19,133	27,347
Receivables, deposits and prepayments	87,065	52,176
Cash and cash equivalents	47,752	19,923
<b>Total current assets</b>	<u>153,950</u>	<u>99,446</u>
<b>Total assets</b>	<u>1,040,160</u>	<u>942,763</u>
<b>Equity</b>		
Share capital	243,898	243,893
Share premium	13,822	13,809
Share Option Reserve	7,963	7,965
Other reserves	26,126	26,126
Retained earnings	175,631	162,103
<b>Total equity attributable to equity holders of the Company</b>	<u>467,440</u>	<u>453,896</u>
<b>Non-controlling interest</b>	<u>162,036</u>	<u>152,641</u>
<b>Total equity</b>	<u>629,476</u>	<u>606,537</u>
<b>Liabilities</b>		
Deferred tax liabilities	113,780	116,273
Loans and borrowings	125,254	95,254
Payables and accruals	56,631	54,377
<b>Total non-current liabilities</b>	<u>295,665</u>	<u>265,904</u>
<b>Current liabilities</b>		
Payables and accruals *	106,699	60,192
Dividend payable	2,430	1,692
Loans and borrowings	202	1,979
Current tax liabilities	5,688	6,459
<b>Total current liabilities</b>	<u>115,019</u>	<u>70,322</u>
<b>Total liabilities</b>	<u>410,684</u>	<u>336,226</u>
<b>Total equity and liabilities</b>	<u>1,040,160</u>	<u>942,763</u>
<b>Net tangible assets per share (RM)</b>	<b>0.96</b>	<b>0.93</b>

Note

\* The significant increase in payables and accruals was due to higher fund being pooled from related companies

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2010**

	Attributable to equity holders of the Company							Total RM'000
	Share capital RM'000	Share premium RM'000	Other reserves RM'000	Share Option reserve RM'000	Distributable Retained earnings RM'000	Sub-total RM'000	Non-controlling Interests RM'000	
At 1 January 2009	121,911	135,548	-	-	142,033	399,492	156,914	556,406
Effect of adopting FRS 139	-	-	26,126	-	(6,307)	19,819	(5,623)	14,196
Issuance of bonus shares	121,911	(121,911)	-	-	-	-	-	-
Issuance of ordinary shares pursuant to ESOS	71	172	-	(29)	-	214	-	214
Share options granted under ESOS	-	-	-	7,994	-	7,994	-	7,994
Total comprehensive income for the period	-	-	-	-	53,807	53,807	3,257	57,064
Dividends to shareholders	-	-	-	-	(27,430)	(27,430)	(1,907)	(29,337)
At 31 December 2009 (audited)	<u>243,893</u>	<u>13,809</u>	<u>26,126</u>	<u>7,965</u>	<u>162,103</u>	<u>453,896</u>	<u>152,641</u>	<u>606,537</u>
At 1 January 2010	243,893	13,809	26,126	7,965	162,103	453,896	152,641	606,537
Issuance of ordinary shares pursuant to ESOS	5	13	-	(2)	-	16	-	16
Total comprehensive income for the period	-	-	-	-	46,930	46,930	9,395	56,325
Dividends to shareholders	-	-	-	-	(33,402)	(33,402)	-	(33,402)
At 30 September 2010 (unaudited)	<u>243,898</u>	<u>13,822</u>	<u>26,126</u>	<u>7,963</u>	<u>175,631</u>	<u>467,440</u>	<u>162,036</u>	<u>629,476</u>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2010**

	FOR THE THIRD QUARTER ENDED	
	30.9.10 RM'000 (unaudited)	30.9.09 RM'000 (unaudited)
<b>Cash Flows From Operating Activities</b>		
Profit Before Tax	74,401	37,762
Adjustment for Non-Cash Flow Items	33,794	41,504
Cash Flows Before Working Capital Changes	<u>108,195</u>	<u>79,266</u>
Working Capital Changes		
Net changes in working capital	28,413	(9,302)
Borrowing cost paid	(6,314)	(5,109)
Profit margin income from short term Islamic deposits received and inter-company receivables	605	459
Tax paid	(21,789)	(8,782)
Zakat paid *	(7,928)	-
<b>Net Cash Generated From Operating Activities</b>	<u>101,182</u>	<u>56,532</u>
<b>Cash Flows From Investing Activities</b>		
Acquisition of property, plant and equipment	(15,525)	(14,445)
Acquisition of subsidiaries, net cash acquired	-	(145)
Decrease in deposits pledged	153	152
Plantation development expenditure	(53,403)	(48,096)
<b>Net Cash Used In Investing Activities</b>	<u>(68,775)</u>	<u>(62,534)</u>
<b>Cash Flows From Financing Activities</b>		
Repayment of loans and borrowings	(1,777)	(1,393)
Dividends paid to shareholders of the Company	(32,664)	(27,720)
Proceeds from Murabahah Medium Term Notes drawdown	30,000	50,000
Proceeds from issuance of share capital	15	-
<b>Net Cash (Used In)/Generated From Financing Activities</b>	<u>(4,426)</u>	<u>20,887</u>
<b>Net Increase In Cash And Cash Equivalents</b>	27,981	14,885
<b>Cash And Cash Equivalents At Beginning Of The Year</b>	18,112	57,160
<b>Cash And Cash Equivalents At End Of The Period</b>	<u>46,093</u>	<u>72,045</u>
<b>Cash and Cash Equivalents comprise:</b>		
Deposits with licensed banks	15,158	45,622
Cash and Bank balances	32,594	28,279
	<u>47,752</u>	<u>73,901</u>
Less :		
Deposits pledged	(1,659)	(1,856)
	<u>46,093</u>	<u>72,045</u>

Note

\* Zakat paid was in respect of financial years 2006 until 2009.

**The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.**

**NOTES PART A: EXPLANATORY NOTES PURSUANT TO FRS 134****1 Basis Of Preparation**

The interim financial statements have been prepared under the historical cost convention, in accordance with the requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2009. These explanatory notes attached to the interim financial statements 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 year ended 31 December 2009.

**2 Significant Accounting Policies**

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2009, except for the adoption of the following new Financial Reporting Standards (FRSs), Amendments to FRSs and Interpretations with effect from 1 January 2010.

On 1 January 2010, the Group adopted the following FRSs:

**FRSs, Amendments to FRSs and Interpretations**

FRS 7	Financial Instruments: Disclosures
FRS 8	Operating Segments
FRS 101	Presentation of Financial Statements (Revised 2009)
FRS 123	Borrowing Costs
FRS 139	Financial Instruments: Recognition and Measurement
Amendment to FRS 1	First Time Adoption of Financial Reporting Standards
Amendment to FRS 2	Share-based Payment-Vesting Conditions and Cancellations
Amendment to FRS 7	Financial Instruments: Disclosures
Amendment to FRS 8	Operating Segments
Amendment to FRS 107	Statement of Cash Flows
Amendment to FRS 108	Accounting Policies, Changes in Accounting Estimates and Errors
Amendment to FRS 110	Events after the Reporting Period
Amendment to FRS 116	Property, Plant and Equipment
Amendment to FRS 117	Leases
Amendment to FRS 118	Revenue
Amendment to FRS 119	Employee Benefits
Amendment to FRS 123	Borrowing Costs
Amendment to FRS 132	Financial Instruments: Presentation
Amendment to FRS 134	Interim Financial Reporting
Amendment to FRS 136	Impairment of Assets
Amendment to FRS 140	Investment Property
IC Interpretation 9	Reassessment of Embedded Derivatives
IC Interpretation 10	Interim Financial Reporting and Impairment
IC Interpretation 11	FRS 2- Group and Treasury Share Transactions

Other than for the application of FRS 8, FRS 101 and FRS 117, the application of the above FRSs, Amendments to FRSs and Interpretation did not result in any significant changes in the accounting policies and presentation of the financial results of the Group.

**a) FRS 8: Operating Segments**

FRS 8 requires the identification and reporting of operating segments based on internal reports that are regularly reviewed by the chief operating decision maker of the Group in order to allocate resources to the segment and to assess its performance. This standard does not have any impact on the financial position and results of the Group.

**b) FRS 101: Presentation of Financial Statements (Revised)**

Prior to the adoption of the revised FRS 101, the components of the financial statements presented consisted of a balance sheet, an income statement, a statement of changes in equity, a cash flow statement and notes to the financial statements. With the adoption of the revised FRS 101, the components of the financial statements presented will consist of a statement of financial position, a statement of comprehensive income, a statement of changes in equity, a statement of cash flows and notes to the financial statements.

The gains/(losses) that were recognised directly in equity in the preceding year/corresponding period are presented as components in other comprehensive income in the statement of comprehensive income. The total comprehensive income is presented separately in the statement of comprehensive income and allocation is made to show the amount attributable to owners of the parent and to non-controlling interests.

The total comprehensive income is presented as a one-line item in the statement of changes in equity and the comparative information has been re-presented in order to conform with the revised standard. This standard only affects the presentation aspects and will not have any impact on the earnings per share.

**c) Amendment to FRS 117: Leases**

The amendment clarifies the classification of lease of land and requires entities with existing leases of land and buildings to reassess the classification of land as finance or operating lease. Leasehold land which in substance is a finance lease will be reclassified to property, plant and equipment. The adoption of this amendment will result in a change in accounting policy which will be applied retrospectively in accordance with the transitional provisions. The reclassification of leasehold land from prepaid land lease payments to property, plant and equipment has been accounted for retrospectively and certain comparatives as at 31 December 2009 have been restated as follows :

	<b>Previously</b>		
	<b>stated</b>	<b>Adjustment</b>	<b>Restated</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Non-current assets</b>			
Property, plant & equipment	269,963	370,837	640,800
Prepaid lease payment	370,837	(370,837)	-

**3 Auditors' Report On Preceding Annual Financial Statements**

The auditors have expressed an unqualified opinion on the Company's statutory consolidated financial statements for the year ended 31 December 2009 in their report dated 22 February 2010.

**4 Seasonal Or Cyclical Factors**

The Group's plantation operations are affected by seasonal crop production, weather conditions and fluctuating commodity prices.

**5 Unusual Items Due To Their Nature, Size Or Incidence**

There were no unusual items affecting assets, liabilities, equity and net income.

**6 Changes In Estimated Amounts Reported In Prior Period Which Have Effect On The Current Period**

There were no estimated amounts reported in prior period.

**7 Changes In Debt And Equity Securities**

There were no issuances, cancellations, repurchases, resale of debt and equity securities in the current quarter except for the issuance of 10,000 new ordinary shares of RM0.50 each being shares exercised by eligible employees pursuant to THP Employee Share Option Scheme ("THP ESOS") as follows:

Exercise price per share (RM)	1.52
No. of shares issued ('000)	10

**8 Dividends Paid**

There were no dividends paid during the third quarter ended 30 September 2010.

## 9 Segmental Reporting

Business units (Quarter ended 30 September 2010 vs. 30 September 2009)

	Plantation RM'000	Management Services RM'000	Elimination RM'000	Consolidated RM'000
<b>RESULTS FOR 3 MONTHS ENDED 30 SEPTEMBER 2010</b>				
External operating revenue	78,757	5,467	-	84,224
Inter-segment revenue	3,993	2,600	(6,592)	1
Total operating revenue	82,750	8,067	(6,592)	84,225
Other income	4,365	-	(2,480)	1,885
Operating expenses	87,115	8,067	(9,072)	86,110
Segment results	(40,993)	(5,661)	1,686	(44,968)
Other expenses	46,122	2,406	(7,386)	41,142
Finance costs	(4,892)	(1,088)	2,089	(3,891)
Profit before tax	(2,974)	-	382	(2,592)
Profit before tax	38,256	1,318	(4,915)	34,659
<b>RESULTS FOR 3 MONTHS ENDED 30 SEPTEMBER 2009</b>				
External operating revenue	68,094	4,035	-	72,129
Inter-segment revenue	2,988	2,134	(5,122)	-
Total operating revenue	71,082	6,169	(5,122)	72,129
Other income	2,211	-	(1,991)	220
Operating expenses	73,293	6,169	(7,113)	72,349
Segment results	(50,097)	(4,125)	1,147	(53,075)
Other expenses	23,196	2,044	(5,966)	19,274
Finance costs	(4,112)	(1,224)	1,781	(3,555)
Profit before tax	(1,629)	-	(573)	(2,202)
Profit before tax	17,455	820	(4,758)	13,517
<b>RESULTS FOR 9 MONTHS ENDED 30 SEPTEMBER 2010</b>				
External operating revenue	221,899	15,542	-	237,441
Inter-segment revenue	10,621	6,892	(17,513)	-
Total operating revenue	232,520	22,434	(17,513)	237,441
Other income	8,809	1	(5,994)	2,816
Operating expenses	241,329	22,435	(23,507)	240,257
Segment results	(136,265)	(16,632)	4,767	(148,130)
Other expenses	105,064	5,803	(18,740)	92,127
Finance costs	(13,024)	(3,110)	5,506	(10,628)
Profit before tax	(7,978)	-	880	(7,098)
Profit before tax	84,062	2,693	(12,354)	74,401
<b>RESULTS FOR 9 MONTHS ENDED 30 SEPTEMBER 2009</b>				
External operating revenue	203,957	13,044	-	217,001
Inter-segment revenue	8,014	4,607	(12,621)	-
Total operating revenue	211,971	17,651	(12,621)	217,001
Other income	10,197	-	(5,013)	5,184
Operating expenses	222,168	17,651	(17,634)	222,185
Segment results	(147,873)	(8,880)	(439)	(157,192)
Other expenses	74,295	8,771	(18,073)	64,993
Finance costs	(24,654)	(1,230)	4,797	(21,087)
Profit before tax	(3,972)	-	(2,172)	(6,144)
Profit before tax	45,669	7,541	(15,448)	37,762

	( 8 )			
	Plantation	Management	Elimination	Consolidated
	RM'000	Services	RM'000	RM'000
<b>ASSETS AND LIABILITIES</b>				
<b>AS AT 30 SEPTEMBER 2010</b>				
Assets that belong to the Group	1,252,806	31,337	(243,983)	1,040,160
<b>Total assets</b>	<b>1,252,806</b>	<b>31,337</b>	<b>(243,983)</b>	<b>1,040,160</b>
Liabilities that belong to the Group	557,229	28,507	(175,052)	410,684
<b>Total liabilities</b>	<b>557,229</b>	<b>28,507</b>	<b>(175,052)</b>	<b>410,684</b>
<b>ASSETS AND LIABILITIES</b>				
<b>AS AT 31 DECEMBER 2009</b>				
Assets that belong to the Group	1,105,761	28,606	(191,604)	942,763
<b>Total assets</b>	<b>1,105,761</b>	<b>28,606</b>	<b>(191,604)</b>	<b>942,763</b>
Liabilities that belong to the Group	441,834	27,488	(133,096)	336,226
<b>Total liabilities</b>	<b>441,834</b>	<b>27,488</b>	<b>(133,096)</b>	<b>336,226</b>

#### 10 Valuation of Property, Plant And Equipment

There was no valuation of the property, plant and equipment in the current quarter under review. The valuation of property, plant and equipment has been brought forward without amendments from the financial statements for the financial year ended 31 December 2009.

#### 11 Material Event Subsequent To The End of Current Period

There were no material events which occurred subsequent to the end of current period until the date of this announcement.

#### 12 Changes In The Composition Of The Group

There were no changes in the composition of the Group for the current quarter under review.

#### 13 Contingent Liabilities

The Directors are of the opinion that the Group has no contingent liabilities which upon crystallisation would have material impact on the financial position and business of the Group as at 1 November 2010.

#### 14 Capital Commitments Outstanding Not Provided For In The Interim Financial Report

	<b>As at</b>
	<b>30.9.2010</b>
	<b>RM'000</b>
Approved and contracted for	<b>30,920</b>
Approved but not contracted for	<b>70,565</b>
	<b><u>101,485</u></b>

**15 Material Related Party Transactions**

For the third  
quarter  
ended  
30.9.2010

**Transactions with THP**

<b>Transacting Parties</b>	<b>Relationship</b>	<b>Nature of transaction</b>	<b>RM'000</b>
Lembaga Tabung Haji	Holding Company	Lease of land	<b>1,650</b>
Lembaga Tabung Haji	Holding Company	Rental of office	<b>1,255</b>
CCM Fertilizer Sdn Bhd	Related Company	Purchase of fertilizers	<b>3,036</b>
Sistem Komunikasi Gelombang Sdn Bhd	Related Company	Telecommunication service provider	<b>1,087</b>
TH Travel Services Sdn Bhd	Related Company	Purchase of flight tickets	<b>699</b>

**Transactions with THP Agro Management Sdn Bhd (wholly owned subsidiary of THP)**

<b>Transacting Parties</b>	<b>Relationship</b>	<b>Nature of transaction</b>	<b>RM'000</b>
TH Pelita Gedong Sdn Bhd <i>(formerly known as DD Pelita Gedong Plantation Sdn Bhd)</i>	Related Company	Provision of management services	<b>2,347</b>
TH Pelita Sadong Sdn Bhd <i>(formerly known as DD Pelita Sadong Plantation Sdn Bhd)</i>	Related Company	Provision of management services	<b>509</b>
Ladang Jati Keningau Sdn Bhd	Related Company	Provision of management services	<b>57</b>
TH-Usia Jatimas Sdn Bhd	Related Company	Provision of management services	<b>97</b>
TH Bonggaya Sdn Bhd	Related Company	Provision of management services	<b>176</b>
PT. TH Indo Plantations	Related Company	Provision of management services	<b>11,784</b>
TH Bakti Sdn Bhd	Related Company	Provision of management services	<b>92</b>
TH Pelita Meludam Sdn Bhd	Related Company	Provision of management services	<b>401</b>
TH Pelita Beladin Sdn Bhd	Related Company	Provision of management services	<b>61</b>

**NOTES PART B: EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**16 Review Of Performance for Current Quarter and Period Todate**

**Current quarter**

For the current quarter ended 30 September 2010, the Group recorded an increase of 17% in revenue to RM84.22 million from RM72.13 million for the same quarter last year. It was mainly due to higher commodity prices for CPO and PK as compared to the preceding quarter despite lower sales volumes.

Profit before tax for the current quarter ended 30 September 2010 was higher by 156% to RM34.66 million as compared to RM13.52 million for the same quarter last year mainly due to higher revenue by 17%, lower cost of sales by 15% and higher gross profit margin by 21%.

**Period todate**

For the nine month period ended 30 September 2010, the Group recorded an increase of 9% in revenue to RM237.44 million from RM217.00 million for the same period last year. It was mainly contributed by higher commodity prices for CPO and PK despite lower sales volumes.

Profit before tax for the nine months period ended 30 September 2010 was RM74.40 million as compared to RM37.76 million for the same period last year. This was mainly due to higher commodity prices, lower cost of sales and lower other operating expenses.

**17 Material Changes In The Quarterly Results Compared To The Preceding Quarter**

The comparison of the Group revenue and profit before tax for the current and preceding quarter is as follows:

	<b>2010 Quarter 3 RM'000</b>	<b>2010 Quarter 2 RM'000</b>	<b>Variance RM'000</b>	<b>%</b>
Revenue	<b>84,225</b>	<b>76,001</b>	<b>8,224</b>	<b>10.8</b>
Profit before tax	<b>34,659</b>	<b>12,545</b>	<b>22,114</b>	<b>176.3</b>

Revenue was higher by 11% mainly due to higher sales for CPO, PK and higher management fees during the quarter as compared to the preceding quarter. Meanwhile, profit before tax was higher as compared to preceding quarter due to higher gross profit margin by 23% and higher other income by 342%.

**18 Current Year Prospects**

**(a) Commentary on Prospects**

Notwithstanding the volatility of commodity prices, the Group is able to record an improved performance.

**(b) Projection of Targets Previously Announced**

On 17 March 2010, the Group announced that its target was to achieve 12.0% return on equity ("ROE"), 21.60 mt/ha FFB yield per mature hectare and to distribute approximately 50% of Group's annual net profit after tax as dividend.

As at 30 September 2010, the Group had achieved a 13.58% annualised ROE and the distribution of annual net profit after tax will be done after finalization of financial year 2010 audited financial statements.

However, the Group will endeavour to achieve its full year targeted yield per hectare despite the cyclical nature of plantation industry and unforeseen circumstances surrounding the remaining period of the year.

**19 Variance Of Actual Profit From Forecast Profit**

The Group did not issue any profit forecast for the current quarter and for the year.

**20 Taxation**

	Third Quarter		Cumulative Quarter	
	Current	Preceding	Current	Preceding
	Year	Year	Year	Year
	RM'000	RM'000	RM'000	RM'000
Current	9,449	1,239	20,569	9,460
Deferred	(814)	(567)	(2,493)	(3,419)
	<u>8,635</u>	<u>672</u>	<u>18,076</u>	<u>6,041</u>

Tax expense for the current quarter ended 30 September 2010 is derived based on the management's best estimate of the tax rate for the year. The effective tax rate of the Group for the year is lower than the statutory rate as a result of higher capital allowances available in the current quarter under review. Effective tax rate last year was very much lower than statutory tax rate due to utilisation of tax losses and capital allowances by one of the Group's wholly owned subsidiary company.

**21 Unquoted Investments And/Or Properties**

There were no purchases or disposals of unquoted investments for the current quarter under review.

**22 Quoted Investments**

There were no purchases or disposals of quoted investments for the current quarter under review.

**23 Status Of Corporate Proposals**

There are no other corporate proposals announced but not completed as at end of the current period under review.

**24 Group Borrowings**

As at 30 September 2010, the total secured borrowings, which are denominated in Ringgit Malaysia, are as follows:

	As at 30.9.2010 RM'000	As at 31.12.2009 RM'000
<b>Loans and borrowings</b>		
<b>Non current</b>		
Secured :		
Term loan	15,254	15,254
Unsecured:		
Murabahah Medium Term Notes ("MMTNs")	110,000	80,000
<b>Current</b>		
Secured :		
Term loan	202	1,979
	<u>125,456</u>	<u>97,233</u>

**25 Off Balance Sheet Financial Instruments**

The Group does not have any financial instruments with off balance sheet risk as at the date of this announcement.

**26 Material Litigation**

Since the last audited financial statements for the year ended 31 December 2009, neither the Group nor its subsidiary companies is a party to any material litigation or arbitration, either as plaintiff or defendant.

**27 Dividend**

No dividend has been proposed for the current quarter under review.

**28 Earnings Per Share**

		← Unaudited →			
		Third Quarter		Cumulative Quarter	
		Current Year	Preceding Year	Current Year	Preceding Year
<i>Basic earnings per share</i>					
Profit attributable to shareholders	RM'000	<u>21,531</u>	<u>12,845</u>	<u>46,930</u>	<u>31,265</u>
Weighted average number of ordinary shares in issue	'000	<u>487,795</u>	<u>487,706</u>	<u>487,795</u>	<u>487,706</u>
Basic earnings per share	sen	<u>4.41</u>	<u>2.63</u>	<u>9.62</u>	<u>6.41</u>

**29 Authorisation For Issue**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors dated 1 November 2010.

**By Order of the Board**  
**Aliatun binti Mahmud**  
**LS0008841**  
**Secretary**

**Kuala Lumpur**  
**1 November 2010**