



## IJM PLANTATIONS BERHAD (133399-A)

### Part A1 : Quarterly Report

**Quarterly report for the financial period ended:** 30/06/2007  
**Quarter:** 1<sup>st</sup> Qtr  
**Financial Year End:** 31/03/2008  
**The figures:** Have not been Audited  
  
**Full Quarterly Report:** Refer attached

### Part A2 : Summary of Key Financial Information for the financial period 30/06/2007

	Individual Quarter		Cumulative Period	
	Current year quarter 30/06/2007 RM'000	Preceding year quarter 30/06/2006 RM'000	Current year to date 30/06/2007 RM'000	Preceding year to date 30/06/2006 RM'000
1 Revenue	92,413	56,085	92,413	56,085
2 Profit before tax	17,227	7,593	17,227	7,593
3 Profit for the period	12,492	5,254	12,492	5,254
4 Profit/(loss) attributable to ordinary equity holders of the Company	12,488	5,249	12,488	5,249
5 Basic earnings/(loss) per share (sen)	2.21	1.02	2.21	1.02
6 Proposed/Declared dividend per share (sen)	-	-	-	-
	<b>As at end of current quarter 30/06/2007</b>		<b>As at preceding financial year end</b>	
7 Net assets per share attributable to ordinary equity holders of the Company (RM)		1.10		1.10

# IJM PLANTATIONS BERHAD (133399-A)

## CONDENSED CONSOLIDATED INCOME STATEMENTS

	INDIVIDUAL QUARTER 3 MONTHS ENDED 30 JUNE		CUMULATIVE 3 MONTHS ENDED 30 JUNE	
	2007 RM'000 (unaudited)	2006 RM'000 (unaudited)	2007 RM'000 (unaudited)	2006 RM'000 (unaudited)
Revenue	92,413	56,085	92,413	56,085
Operating Expenses	(74,865)	(46,621)	(74,865)	(46,621)
Other Income	639	487	639	487
Profit from Operations	18,187	9,951	18,187	9,951
Finance Costs	(1,604)	(2,615)	(1,604)	(2,615)
Share of results of Associates	649	257	649	257
Share of results of Jointly Controlled Entity	(5)	-	(5)	-
Profit Before Taxation	17,227	7,593	17,227	7,593
Taxation	(4,735)	(2,339)	(4,735)	(2,339)
Profit for the Period	12,492	5,254	12,492	5,254
Profit for the Period attributable to :				
- Equity holders of the Company	12,488	5,249	12,488	5,249
- Minority Interests	4	5	4	5
	12,492	5,254	12,492	5,254
Earnings per share attributable to equity holders of the Company (sen):				
(a) Basic:				
- [Note B13]	2.21 sen	1.02 sen	2.21 sen	1.02 sen
(b) Fully diluted:				
- [Note B13]	2.03 sen	0.94 sen	2.03 sen	0.94 sen

# IJM PLANTATIONS BERHAD (133399-A)

## CONDENSED CONSOLIDATED BALANCE SHEETS AS AT 30 JUNE 2007

	<b>30 June 2007 RM'000 (Unaudited)</b>	<b>31 March 2007 RM'000 (Restated)</b>
<b>ASSETS</b>		
<b>Non-Current Assets:</b>		
Property, Plant and Equipment	196,152	196,955
Leasehold land	119,348	119,828
Plantation Expenditure	410,555	408,500
Investments in Associates	9,530	8,881
Investment in Jointly Controlled Entity	1,495	1,500
Other Receivables	11,858	9,914
Deferred Tax Assets	4,762	3,951
	753,700	749,529
<b>Current Assets:</b>		
Inventories	16,449	19,414
Trade and Other Receivables	34,894	25,152
Tax recoverable	3,035	3,745
Cash and Bank Balances	76,670	53,804
	131,048	102,115
<b>TOTAL ASSETS</b>	884,748	851,644
 <b>EQUITY AND LIABILITIES</b>		
Share Capital	288,103	273,586
Reserves	343,321	328,701
Equity attributable to equity holders of the Company	631,424	602,287
Minority Interests	508	504
<b>Total Equity</b>	631,932	602,791
<b>Non-Current Liabilities:</b>		
Borrowings	97,933	108,635
Deferred Tax Liabilities	84,184	81,234
	182,117	189,869
<b>Current Liabilities:</b>		
Trade and Other Payables	34,137	23,252
Borrowings	34,952	34,924
Tax payables	1,610	808
	70,699	58,984
<b>Total Liabilities</b>	252,816	248,853
<b>TOTAL EQUITY AND LIABILITIES</b>	884,748	851,644
 <b>Net Assets Per Share (RM)</b>	<b>1.10</b>	<b>1.10</b>

## IJM PLANTATIONS BERHAD (133399-A)

### CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2007

	Attributable to Equity Holders of the Company					Minority Interests	Total Equity
	Non distributable Reserve			Distributable Reserve			
	Share Capital	Share Premium	Other Reserves	Retained Profits	Total		
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
<b>At 1 April 2007</b>	273,586	52,544	55,386	220,771	602,287	504	602,791
Realisation of revaluation reserve recognised directly in equity	-	-	(47)	47	-	-	-
Profit for the period	-	-	-	12,488	12,488	4	12,492
Total income and expense recognised for the period	-	-	(47)	12,535	12,488	4	12,492
Issue of ordinary shares pursuant to exercise of ESOS	3,417	2,370	-	-	5,787	-	5,787
Issue of ordinary shares pursuant to conversion of RCULS	11,100	377	(615)	-	10,862	-	10,862
<b>At 30 June 2007 (Unaudited)</b>	288,103	55,291	54,724	233,306	631,424	508	631,932

## IJM PLANTATIONS BERHAD (133399-A)

### CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 JUNE 2006

	Attributable to Equity Holders of the Company					Minority Interests	Total Equity
	Non distributable Reserve			Distributable Reserve			
	Share Capital	Share Premium	Other Reserves	Retained Profits	Total		
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
<b>At 1 April 2006</b>							
As previously stated	254,850	46,531	54,339	187,600	543,320	487	543,807
Effect of adopting FRS 3	-	-	-	2,092	2,092	-	2,092
<b>At 1 April 2006 (Restated)</b>	254,850	46,531	54,339	189,692	545,412	487	545,899
Realisation of Revaluation Reserve Recognised directly in equity	-	-	(43)	43	-	-	-
Profit for the period	-	-	-	5,249	5,249	5	5,254
Total income and expense recognised for the period	-	-	(43)	5,292	5,249	5	5,254
Dividend - Year ended 31 March 2006	-	-	-	(12,994)	(12,994)	-	(12,994)
Issue of ordinary shares pursuant to exercise of ESOS	2,974	2,079	-	-	5,053	-	5,053
<b>At 30 June 2006 (Unaudited)</b>	257,824	48,610	54,296	181,990	542,720	492	543,212

# IJM PLANTATIONS BERHAD (133399-A)

## CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

	<b>3 MONTHS ENDED 30 JUNE 2007 RM'000 (unaudited)</b>	<b>3 MONTHS ENDED 30 JUNE 2006 RM'000 (unaudited)</b>
<b>OPERATING ACTIVITIES</b>		
Receipts from customers	92,944	63,703
Payments to contractors, suppliers and employees	(61,575)	(43,144)
Interest paid	(4,655)	(6,333)
Income tax paid	(1,084)	(1,582)
<i>Net cash flows from operating activities</i>	25,630	12,644
<b>INVESTING ACTIVITIES</b>		
Advances to an Associate	(17)	(15)
Additions to property, plant, equipment, leasehold land and plantation expenditure	(6,987)	(7,308)
Interest received	407	312
<i>Net cash flows used in investing activities</i>	(6,597)	(7,011)
<b>FINANCING ACTIVITIES</b>		
Issuance of ordinary shares	5,787	5,053
Advances to jointly controlled entity	(1,954)	-
<i>Net cash flows from financing activities</i>	3,833	5,053
<b>Net Change in Cash and Cash Equivalents</b>	22,866	10,686
<b>Cash &amp; Cash Equivalent at beginning of year</b>	53,804	42,677
<b>Cash &amp; Cash Equivalent at end of period</b>	76,670	53,363
 <b>Notes:</b>		
	<b>AS AT 30 JUNE 2007 RM'000</b>	<b>AS AT 30 JUNE 2006 RM'000</b>
Cash and cash equivalents represents the following:		
Cash and bank balances	5,145	4,927
Deposits with licensed banks	71,525	48,436
	76,670	53,363

## IJM PLANTATIONS BERHAD (133399-A)

### A NOTES TO THE QUARTERLY RESULTS

#### A1. Basis of Preparation

The unaudited financial report has been prepared in accordance with *FRS 134: Interim Financial Reporting* and *Chapter 9 Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad*.

The unaudited financial report should be read in conjunction with the audited financial statements for the year ended 31 March 2007 which are available at <http://www.ijm.com>. The explanatory notes attached to the unaudited 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 year ended 31 March 2007.

#### A2. Changes in Accounting Policy

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 March 2007 except for the adoption of the Financial Reporting Standard (“FRS”) 117 Leases, which is effective for financial year beginning on 1 April 2007.

Prior to 1 April 2007, the Group’s leasehold land held for own use was classified as property, plant and equipment and was stated at cost/valuation less accumulated depreciation and impairment losses. The adoption of the revised FRS 117 resulted in a retrospective change in the accounting policy relating to the classification of leasehold land and land deposit separately from Property, plant and equipment. The upfront payments for leasehold land represent prepaid lease payments and are amortised on a straight-line basis over the lease term. As allowed by the transitional provisions of FRS 117, the unamortised revalued amount of leasehold land is retained as the surrogate carrying amount of prepaid lease payments.

The reclassifications of leasehold land and land deposit have been accounted for retrospectively and the following comparative amounts as at 31 March 2007 have been restated:

<b>Consolidated Balance Sheets</b>	<b>As previously reported RM’000</b>	<b>Effect RM’000</b>	<b>As restated RM’000</b>
Property, plant and equipment	323,613	(126,658)	196,955
Leasehold land	-	119,828	119,828
Other Receivables	3,084	6,830	9,914

## **IJM PLANTATIONS BERHAD (133399-A)**

### **A3. Disclosure of Audit Report Qualification and Status of Matters Raised**

The audit report for the financial year ended 31 March 2007 was not subject to any qualifications.

### **A4. Seasonality or Cyclicity of Operations**

As the cropping pattern of oil palm normally declines to a trough in the first half of a calendar year before rising to a peak in a second half, the Group's performance can be affected accordingly.

### **A5. Unusual Significant Items**

There were no items affecting assets, liabilities, equity, net income, or cash flows that are unusual in nature, size or incidence during the financial period under review.

### **A6. Material Changes in Estimates**

There were no major changes in estimates that have had material effect in the current quarter.

### **A7. Debt and Equity Securities**

- (a) For the financial period ended 30 June 2007, the paid-up share capital of the Company was increased by RM14,517,087 by way of allotment and issue of 29,034,174 ordinary shares of RM0.50 each. This is as a result of the exercise of the Employee Share Option Scheme ("ESOS") and the partial conversion of Redeemable Convertible Unsecured Loan Stocks ("RCULS") increasing the issued and paid-up capital to RM288,103,005.
- (b) Except for the above, there were no other cancellations, repurchases, resale and repayments of debt and equity securities for the current quarter.

## IJM PLANTATIONS BERHAD (133399-A)

### A8. Dividend Paid

There was no dividend paid during the current quarter.

### A9. Segmental Information

There is no segmental reporting as the Group's predominant activities are oil palm cultivation and milling in Malaysia.

### A10. Valuations of Property, Plant and Equipment

There was no revaluation of property, plant and equipment for the current quarter.

### A11. Material Subsequent Events

There was no material event subsequent to the end of the current quarter that has not been reflected in the unaudited financial statements.

### A12. Changes in the Composition of the Group

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

### A13. Contingent Liabilities or Contingent Assets

There were no contingent liabilities or contingent assets since 31 March 2007.

### A14. Capital Commitments

Capital commitments not provided for in the unaudited financial statements as at 30 June 2007 are as follows:

	<b>2007</b>
	<b>RM'000</b>
Property, plant, equipment and Plantation development expenditure	
Approved and contracted for	14,805
Approved but not contracted for	57,163
	<u>71,968</u>
Share of capital commitments of jointly controlled entity	
Approved and contracted for	31,201
Approved but not contracted for	16,775
	<u>47,976</u>
	<u>119,944</u>

## IJM PLANTATIONS BERHAD (133399-A)

### B Bursa Securities Listing Requirements (Part A of Appendix 9B)

#### B1. Review of Performance

The Group revenue of RM92.4 million was higher than the corresponding quarter of the preceding year by 64.8%. The average CPO selling price improved by 48.6% from RM1,377 per tonne to RM2,046 per tonne. The average price of PKO increased by 49.1% from RM1,779 to RM2,652 per tonne.

Fresh fruit bunches (“FFB”) production for the current quarter grew 7.5% compared to the corresponding quarter of the preceding year. The growth was from increasing areas reaching prime age in the Sugut plantations.

As a result, profit before taxation of RM17.2 million for the current quarter was 126.9% higher than the corresponding quarter of the preceding year.

Contribution to the State Government and Malaysian Palm Oil Board (“MPOB”) in the form of Sabah sales tax and cesses are as follows:

	Current year quarter RM'000	Preceding year quarter RM'000
Sabah sales tax	6,537	3,274
MPOB Cesses:		
-Palm Oil Price Stabilisation Fund Order 2001	158	154
-Research & Development, Licensing, Enforcement and Marketing Cess Order 2002	433	424
-Oil Palm Fruit Cess Order 2007 (Supply and Cooking Oil Price Stabilisation Scheme)	861	NIL

#### B2. Material Changes in the Quarterly Results Compared to the Results of Immediate Preceding Quarter

Average CPO selling price improved by 21.6% from RM1,682 per tonne to RM 2,046 per tonne while average PKO selling price increased by 25.2% from RM2,118 to RM2,652 per tonne. Due to the increased volume of crop processed, CPO and PKO sales volumes were higher by 30.2% and 16.0% respectively.

FFB production increased by 18.2% to 115,803 tonnes as production moved out of the low crop season. Similarly, outside fruits purchase increased by 5.1% to 37,226 tonnes.

Revenue and profit before taxation for the current quarter were 50.5% and 175.1% higher respectively.

#### B3. Prospects for the Current Financial Year

For the current financial year, the Group expects higher crop production, and assuming the current palm product prices sustain, the Group is expecting a higher level of profitability, barring unforeseen circumstances.

#### B4. Variance of Actual Profit from Forecast Profit

Not applicable as no profit forecast was published.

## IJM PLANTATIONS BERHAD (133399-A)

### B5. Taxation

The taxation of the group for the financial year under review is as follows:

	INDIVIDUAL QUARTER 3 MONTHS ENDED 30 JUNE		CUMULATIVE QUARTER 3 MONTHS ENDED 30 JUNE	
	2007 RM'000	2006 RM'000	2007 RM'000	2006 RM'000
Malaysian Income Tax	2,596	1,837	2,596	1,837
Deferred Tax	2,139	502	2,139	502
	4,735	2,339	4,735	2,339

The Group's effective rate of 27.5% is higher than the statutory rate of 26% for the current quarter mainly due to non deductibility of certain expenses for tax purpose.

### B6. Unquoted Investments and/or Properties

There were no sales of unquoted investment and/or properties for the current quarter.

### B7. Quoted Investment

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

### B8. Status of Corporate Proposals

There were no corporate proposals announced but pending completion for the current quarter except for the following:

- (a) On 21 November 2006, a wholly owned subsidiary, Minat Teguh Sdn Bhd entered into a Conditional Sale and Purchase Agreement to acquire 95 shares of Rupiah 1 million each (or 95% equity interest) in PT Primabahagia Permai ("PBP") for a total cash consideration of Rupiah 95 million (approximately RM37,000). The company is currently in the process of obtaining approval from the Indonesia Investment Coordinating Board for the conversion of PBP to a foreign capital investment company and change in shareholding and to execute the deed of sale and purchase for transfer of title in PBP shares.
- (b) On 4 April 2007, a wholly owned subsidiary, Gunaria Sdn. Bhd. entered into a Conditional Sale and Purchase Agreement to acquire 2,850 shares of Rupiah 1 million each, representing 95% equity interest in PT Zarhasih Kaltim Perkasa ("ZKP"), a company incorporated in Indonesia, for a total cash consideration of Rupiah 2,850 million (approximately RM1,056,000). The company is currently in the process of obtaining approval from the Indonesia Investment Coordinating Board for the conversion of ZKP to a foreign capital investment company.
- (c) On 11 June 2007, a wholly owned subsidiary, Gunaria Sdn. Bhd. entered into a Conditional Sale and Purchase Agreement to acquire 190 shares of Rupiah 1 million each, representing 95% equity interest in PT Sinergi Agro Industri ("SAI"), a company incorporated in Indonesia, for a total cash consideration of Rupiah 190 million (approximately RM72,000). The company is currently in the process of obtaining approval from the Indonesia Investment Coordinating Board for the conversion of SAI to a foreign capital investment company.

## IJM PLANTATIONS BERHAD (133399-A)

### B9. Group Borrowings

Particulars of the Group's borrowings as at 30 June 2007 are as follows:

<b>UNSECURED:</b>	<b>RM'000</b>
<b>Long term borrowings</b>	
Redeemable Convertible Unsecured Loan Stocks ("RCULS") – Nominal Value	
At beginning of year	39,750
Less: Conversion during the period	(11,100)
Less: Unamortised discount	(450)
At end of period	<u>28,200</u>
Liability Component at the date of issue	
Nominal value of RCULS	50,000
Equity Component, net of deferred tax	(2,694)
Deferred tax liability	(1,047)
	<u>46,259</u>
Interest expense recognised in Income Statements:	
At beginning of year	11,688
Recognised during the period	528
At end of period	<u>12,216</u>
Interest paid:	
At beginning of year	(9,104)
Paid during the period	(404)
At end of period	<u>(9,508)</u>
Movement during the period:	
At beginning of year	(9,905)
Conversion during the period	(11,100)
Equity component, net of deferred tax	238
At end of period	<u>(20,767)</u>
Liability Component - At end of period	<u>28,200</u>
Bond	70,000
Less: Discount on issuance	
At beginning of year	303
Amortisation for the period	(36)
	<u>267</u>
At end of period	<u>69,733</u>
Total Long term borrowings	<u>97,933</u>

## IJM PLANTATIONS BERHAD (133399-A)

### B9. Group Borrowings (cont'd)

<b>UNSECURED:</b>	<b>RM'000</b>
<b>Short term borrowings</b>	
Bond	35,000
Less: Discount on issuance	
At beginning of year	76
Amortisation for the period	(28)
	48
At end of period	34,952
Total Borrowings	132,885

There were no borrowings denominated in foreign currency.

### B10. Off Balance Sheet Risk Financial Instruments

As detailed in note 28 of the audited financial statements for the year ended 31 March 2007, the Company issued RM150 million bonds under the Islamic Financing concept of AL-Bai' Bithaman Ajil. Arising from this, on 18 February 2004, the Company entered into the following rate swap contracts:

Rate Swap	Notional Amount	Effective Period
(a) 4 years Ringgit Fixed rate @ 6.4% to floating rate @ 6 months Klibor (in arrear) + 2.05%	RM35,000,000.00	18 February 2004 to 15 December 2007
(b) 5 years Ringgit Fixed rate @ 6.65% to floating rate @ 6 months Klibor (in arrear) + 1.90%	RM35,000,000.00	18 February 2004 to 15 December 2008

Any differential to be paid or received on the rate swap contracts is recognised as a component of related expense over the period of the contracts. Gains or losses on early termination of swap contracts or on repayment of the borrowings are taken to the income statements.

There is minimal credit risk as the rate swap contracts were entered into with a reputable financial institution.

### B11. Changes in Material Litigation

There was no material litigation since 31 March 2007.

### B12. Dividend

The Directors do not recommend any interim dividend for the current quarter.

## IJM PLANTATIONS BERHAD (133399-A)

### B13. Earnings per Share

#### Basic and diluted earnings per ordinary share

Basic earnings per share is calculated by dividing the profit for the period attributable to ordinary equity shareholders of the Company by the weighted average number of ordinary shares in issue during the financial period.

For the purpose of calculating diluted earnings per share, the profit for the period attributable to ordinary equity holder of the Company and the weighted average number of ordinary shares in issue during the financial period have been adjusted for the dilutive effects of all potential ordinary shares from conversion of the 5% RCULS and the exercise of ESOS. The amount of profit for the period attributable to ordinary equity holder of the Company is adjusted by the after-tax effects of interest expense recognised during the period which would have been saved on conversion of the outstanding RCULS into ordinary shares. The adjusted weighted average number of ordinary shares is the weighted average number of ordinary shares in issue during the financial period plus the weighted average number of ordinary shares which would be issued on the conversion of the outstanding RCULS and upon exercise of the ESOS into ordinary shares. The RCULS and ESOS are deemed to have been converted into ordinary shares at the beginning of the financial period.

	INDIVIDUAL QUARTER 3 MONTHS ENDED 30 JUNE		CUMULATIVE QUARTER 3 MONTHS ENDED 30 JUNE	
	2007 RM'000	2006 RM'000	2007 RM'000	2006 RM'000
<u>Basic Earnings per share</u>				
(a) Profit for the period attributable to equity holders of the Company	12,488	5,249	12,488	5,249
(b) Weighted average number of ordinary shares ('000')	564,799	512,798	564,799	512,798
<b>Basic Earnings per share (sen)</b>	<b>2.21</b>	<b>1.02</b>	<b>2.21</b>	<b>1.02</b>
<u>Diluted Earnings per share</u>				
(a) Adjusted Profit for the period attributable to equity holders of the Company	12,874	5,830	12,874	5,830
(b) Weighted average number of ordinary shares ('000')	564,799	512,798	564,799	512,798
Effect of dilution				
-RCULS	64,375	100,000	64,375	100,000
-ESOS	4,637	10,640	4,637	10,640
Adjusted weighted average number of ordinary shares in issue and issuable ('000')	633,811	623,438	633,811	623,438
<b>Diluted Earnings per share (sen)</b>	<b>2.03</b>	<b>0.94</b>	<b>2.03</b>	<b>0.94</b>

### B14. Comparative Figures

Comparative figures, where applicable, have been modified to conform with the current quarter's presentation.