

## QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2000

The figures have not been audited

### CONSOLIDATED INCOME STATEMENT

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year	Preceding Year	Current Year To	Preceding Year
	Quarter	Corresponding Quarter	Date	Corresponding Period
	30/6/00	30/6/99	30/6/00	30/6/99
	RM '000	RM '000	RM '000	RM '000
1. (a) Turnover	11,456	19,732	22,877	32,655
(b) Investment income	-	-	-	-
(c) Other income including interest income	2,209	126	2,338	316
	<b>13,665</b>	<b>19,858</b>	<b>25,215</b>	<b>32,971</b>
2. (a) Operating profit before interest on borrowings, depreciation & amortisation, exceptional items, income tax, minority interests and extraordinary items	5,203	11,241	10,294	18,750
(b) Interest on borrowings	(817)	(158)	(1,059)	(379)
(c) Depreciation and amortisation	(843)	(711)	(1,713)	(1,450)
(d) Exceptional items	-	-	-	-
(e) Operating profit/(loss) after interest on borrowings, depreciation and amortisation and exceptional items but before income tax, minority interests and extraordinary items	3,543	10,372	7,522	16,921
(f) Share in the results of associated companies	-	-	-	-
(g) Profit/(loss) before taxation, minority interests and extraordinary items	3,543	10,372	7,522	16,921
(h) Taxation	(1,814)	-	(3,628)	-
(i) (i) Profit/(loss) after taxation before deducting minority interest	1,729	10,372	3,894	16,921
(ii) Add minority interests	13	-	19	-
(j) Profit/(loss) after taxation attributable to members of the Company	1,742	10,372	3,913	16,921
(k) (i) Extraordinary items	-	-	-	-
(ii) Less minority interest	-	-	-	-

(iii) Extraordinary items attributable to members of the company	-	-	-	-
(l) Profit/(loss) after taxation and extraordinary items attributable to members of the company	1,742	10,372	3,913	16,921
<b>3. (a) Earnings per share based on 2(j) above after deducting any provision for preference dividends, if any :-</b>				
(i) Basic (based on 2000: 56,000,000 (1999: 56,000,000) ordinary shares) - sen	3.11	18.52	6.99	30.22
(ii) Fully diluted (based on 2000: 56,000,000 (1999: 56,000,000) ordinary shares) – sen	-	-	-	-

## CONSOLIDATED BALANCE SHEET

	As at end of current Quarter 30/6/00 RM '000	As at Preceding financial year-end 31/12/99 RM '000
1. Fixed Assets	232,574	228,767
2. Investment in Associated Companies	30,162	30,162
Unquoted Investment	1,170	1,170
3. Long Term Investment	-	-
4. Intangible Assets	144	149
5. Goodwill on Consolidation	119	119
6. <b><u>Current Assets</u></b>		
Stocks	4,182	1,879
Trade Debtors	3,997	5,745
Short Term Investments	3,931	3,927
Cash	1,427	4,712
Other Debtors, Deposits and Prepayments	46,129	42,961
	59,666	59,224
7. <b><u>Current Liabilities</u></b>		
Bank Overdraft	16,478	10,772
Short Term Borrowings	2,500	5,000
Trade Creditors	3,243	2,489
Other Creditors	6,507	7,542
Provision for Taxation	1,646	5,596
Dividend Payable	-	4,032
	30,374	35,431
8. Net Current Assets	29,292	23,793
	<b>293,461</b>	<b>284,160</b>
9. <b>Shareholders' Funds</b>		
Share Capital	56,000	56,000
Reserves		

	Share Premium	934	934
	Reserves	59,526	59,352
	Retained Profit	135,513	127,771
10.	Minority Interests	17,328	17,347
11.	Long Term Borrowings	-	-
12.	Other Long Term Liabilities- Prov. For Replanting Reserves	24,160	22,756
		<b>293,461</b>	<b>284,160</b>
13.	Net tangible assets per share (sen)	4.50	4.36

## Notes:

### 10. Accounting Policies

The quarterly financial statement have been prepared based on accounting policies and methods of computation consistent with those adopted in the 31 December 1999 Audited Accounts.

### 11. Exceptional Items, Extraordinary Items and Pre-Acquisition Profits

There were no exceptional items, extraordinary items or pre-acquisition profits for the current financial period under review.

### 12. Taxation

	Individual Period		Cumulative Period	
	30/6/00	30/6/99	30/6/00	30/6/99
	RM '000	RM '000	RM '000	RM '000
Malaysian taxation				
Income tax				
-Current Year	1,814	-	3,628	-
-Prior Year	-	-	-	-
Deferred Tax	-	-	-	-
Share of Tax of Ass. Co	-	-	-	-
	<b>1,814</b>	<b>-</b>	<b>3,628</b>	<b>-</b>

There is no tax charge for the financial period of 1999 as the amount payable is waived in accordance with the Income Tax (Amendment) Bill 1999.

### 10. Sale of Investment and/or Properties

There were no sale of investment and/or properties during the quarterly period under review.

**11. Quoted Investments**

There were no purchases or sales of quoted securities for the current financial period to date.

**12. Changes in the Composition of the Group**

There were no changes in the composition of the Group during the quarterly report under review.

**13. Corporate Developments**

13.2 The Company has entered into a Supplemental Novation Agreement with Perbadanan Kemajuan Negeri Pahang and PT Berkat Sawit Sentosa on 12<sup>th</sup> June, 2000 which provides, inter-alia; that the Novation Agreement dated 26 January, 1999 shall be conditional upon the ratification of the shareholders of Far East Holdings Berhad in general meeting.

13.3 The Company has entered into a Sale & Purchase Agreement with Lembaga Kemajuan Perusahaan Pertanian Negeri Pahang on the 7<sup>th</sup> of July 2000 to purchase a piece of land held under H.S.(D) 1971 PT. No. 2230 Mukim Lepar Daerah Pekan, Pahang covering 291.68 acres. The detailed announcement on this matter was made to Kuala Lumpur Stock Exchange on the 7<sup>th</sup> August 2000.

13.4 The Company has granted an extension of three (3) months from 27<sup>th</sup> July 2000 to PKNP and Pascorp for the refund of the relevant deposits paid under the call option agreements dated 6<sup>th</sup> November 1998 and 3<sup>rd</sup> February 1999 amounting to RM32,242,538 (Ringgit Malaysia: Thirty Two Million Two Hundred Forty Two Thousand Five Hundred And Thirty Eight Only) together with 10% (ten percent) interest per annum calculated from the various dates of payment of the deposits until the date of full refund. The detailed announcement on this

matter was made to Kuala Lumpur Stock Exchange on the 7<sup>th</sup> August 2000.

#### 14. Seasonal or Cyclical Factors

The profitability of the business operations of the Group is driven to a large extent by CPO (Crude Palm Oil) prices. CPO prices are governed by the forces of world supply and demand for the commodity. Determinants of supply and demand such as abnormal weather patterns, changes in import/export policies of major producing and importing countries, trade sanctions imposed, threat from major substitute oils are not always predictable.

Lower average (Jan – June) commodity price of RM1,122 in 2000 as compared to average price (Jan '99 – June '99) of RM1,718 has resulted in lower profits before tax by 56% (RM9.40 million) as compared to the same period of 1999.

#### 15. Changes in the Share Capital

There were no issuance and repayment of equity securities nor any movement in share capital for the current financial period to date.

#### 10. Group Borrowings and Debt Securities

The Group borrowings consist of the followings:

	As at end of current Quarter 30/6/00 RM '000	As at Preceding financial year- end 30/6/99 RM '000	Secured/Unsecured
<b>Short</b>			
<b>Borrowings:</b>			
Bank Overdraft	16,478	11,532	Not Secured
Short Term Loan	2,500	5,000	Secured Against Plantation Land
	<b>18,978</b>	<b>16,532</b>	

#### 10. Contingent Liabilities and Litigation

There were no contingent liabilities nor material litigation pending at the date of this report.

**11. Off Balance Sheet Financial Instruments**

No off balance sheet financial instruments were utilised for the current financial period to date.

**12. Segment Reporting**

No segmental analysis is prepared as the Group is primarily engaged in the oil palm plantations.

**13. Review of Performance**

The Group's profit before tax decreased by 56% (from RM16.92 million to RM7.52 million) as compared to the same period of 1999. The crop production for the period under review increased by 3% that is 113,809mt as compared to 110,596 mt in 1999. The decrease in the profit is mainly due to lower commodity prices during the period with the average price of crude palm oil recorded at RM1,122 per mt compared to RM1,718 achieved in the same period of 1999.

**14. Current Year Performance**

Plantation profit for 2000 is expected to be lower than 1999 in anticipation of lower average commodity price and also due to replanting programmes expected to be done in year 2000.

**16. Dividend**

No dividend declared for the period under review. (1999 : Interim dividend of 5% less 28% Malaysian Income Tax was declared).

**BY ORDER OF THE BOARD  
FAR EAST HOLDINGS BERHAD**

**MOHD LIZAH HASHIM.,AMCCS**  
Company Secretary LS 00177

**Date:** 7<sup>th</sup> August 2000