

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

The figures have not been audited

CONSOLIDATED INCOME STATEMENT

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30/9/00 RM '000	Preceding Year Corresponding Quarter 30/9/99 RM '000	Current Year To Date 30/9/00 RM '000	Preceding Year Corresponding Period 30/9/99 RM '000
1. (a) Turnover	11,035	17,391	33,912	50,046
(b) Investment income	-	-	-	-
(c) Other income including interest income	1,174	356	3,512	672
	12,209	17,747	37,424	50,718
2. (a) Operating profit before interest on borrowings, depreciation & amortisation, exceptional items, income tax, minority interests and extraordinary items	4,701	8,193	14,994	26,943
(b) Interest on borrowings	(567)	(940)	(1,625)	(1,319)
(c) Depreciation and amortisation	(534)	(728)	(2,247)	(2,178)
(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	3,600	6,525	11,122	23,446
(f) Share in the results of associated companies	485	1,820	468	1,344
(g) Profit/(loss) before taxation, minority interests and extraordinary items	4,085	8,345	11,590	24,790
(h) Taxation	(919)	-	(4,618)	-
(i) (i) Profit/(loss) after taxation before deducting minority interest	3,166	8,345	6,972	24,790
(ii) Add minority interests	7	98	25	98
(j) Profit/(loss) after taxation attributable to members of the Company	3,173	8,443	6,997	24,888
(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	3,173	8,443	6,997	24,888
3.	(a) Earnings per share based on 2(j) above after deducting any provision for preference dividends, if any :-				
	(i) Basic (based on 2000: 56,000,000 (1999: 56,000,000) ordinary shares) - sen	5.67	15.08	12.49	44.44
	(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 30/9/00 RM '000	As at Preceding financial year-end 31/12/99 RM '000
1. Fixed Assets	233,887	228,767
2. Breeding Stock	415	331
3. Investment in Associated Companies	30,162	30,162
Unquoted Investment	1,170	1,170
4. Long Term Investment	-	-
5. Intangible Assets	142	149
6. Goodwill on Consolidation	119	119
7. <u>Current Assets</u>		
Stocks	3,216	1,548
Trade Debtors	4,748	5,745
Short Term Investments	3,918	3,927
Cash	1,252	4,712
Other Debtors, Deposits and Prepayments	44,063	42,961
	<hr/> 57,197	<hr/> 58,893
8. <u>Current Liabilities</u>		
Bank Overdraft	16,386	10,772
Short Term Borrowings	3,250	5,000
Trade Creditors	3,119	2,489
Other Creditors	3,171	7,542
Provision for Taxation	270	5,596
Dividend Payable	-	4,032
	<hr/> 26,196	<hr/> 35,431
9. Net Current Assets	<hr/> 31,001	<hr/> 23,462
	<hr/> 296,896	<hr/> 284,160
10. Shareholders' Funds		
Share Capital	56,000	56,000
Reserves		

	Share Premium	934	934
	Reserves	59,438	59,352
	Retained Profit	138,340	127,771
11.	Minority Interests	17,321	17,347
12.	Long Term Borrowings	-	-
13.	Other Long Term Liabilities- Prov. For Replanting Reserves	24,863	22,756
		296,896	284,160
14.	Net tangible assets per share (RM)	4.55	4.36

Notes:

1. Accounting Policies

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

2. Exceptional Items

There were no exceptional items for the current financial period under review.

3. Extraordinary Item

There were no extraordinary items for the current financial period under review.

4. Taxation

	Individual Period		Cumulative Period	
	30/9/00	30/9/99	30/9/00	30/9/99
	RM '000	RM '000	RM '000	RM '000
Income tax				
-Current Year	806	-	4,434	-
-Prior Year	-	-	-	-
Deferred Tax				
Share of Tax of Ass. Co	113	-	184	-
	919	-	4,618	-

There is no tax charge for the financial period of 1999 as the amount is waived in accordance with the Income Tax (Amendment) Bill 1999. The provision for taxation for year 2000 is based on the estimated profits of the company in line with the current year tax assessment.

5. Pre-Acquisition Profits

There were no pre-acquisition profits for the current financial period under review.

6. Sale of Investment and/or Properties

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

7. Quoted Securities

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

8. Changes in the Composition of the Group

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

9. Corporate Developments

9.1 The company has entered into a Deed of Settlement between Perbadanan Kemajuan Negeri Pahang (“PKNP”) and Pascorp Holdings Sdn. Bhd (“PASCORP”) on the 18th October 2000 in order to settle any and all claims and demands in respect of:

- (i) PASCORP Debt amounting to RM19,742,538-00 together with interest at the rate of 10% per annum calculated from the various dates of payment and
- (ii) PKNP Debt amounting to RM12,500,000-00 together with interest at the rate of 10% per annum calculated from the various dates of payments.

An extension of time commencing on 27 July 2000 and expiring on 31 December 2000 has been granted to PASCORP and PKNP to make payment of the above debts.

9.2 The Company has entered into a Sale & Purchase Agreement with Perbadanan Kemajuan Negeri Pahang on 18 October 2000 for the proposed acquisition of 874.4 hectares of agriculture land located at Sungai Batu, Mukim Ulu Kuantan,

Pahang for a purchase consideration of RM6,480,000-00 by way of cash.

10. 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 – Sept) commodity price of RM1,073 in 2000 as compared to average price (Jan '99 – Sept '99) of RM1,541 has resulted in lower profits before tax by 53% (RM13.20 million) as compared to the same period of 1999.

11. 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.

12. Group Borrowings and Debt Securities

The Group borrowings consist of the followings:

	As at end of current Quarter 30/9/00 RM '000	As at Preceding financial year- end 31/12/99 RM '000	Secured/Unsecured
Bank Overdraft	16,386	10,772	Negative Pledge
Short Term Loan (i)	1,250	5,000	Secured Against Plantation Land
Short Term Loan(ii)	2,000	-	Negative Pledge
	19,636	15,772	

13. Contingent Liabilities

There were no contingent liabilities pending at the date of this report.

14. Off Balance Sheet Financial Instruments

There were no off-balance sheet financial instruments for the current financial period to date.

15. Material Litigation

There were no material litigation at the date of this report.

16. Segmental Reporting

No segmental reporting has been prepared as the group activities predominantly in plantation activity which is mainly carried out in Malaysia.

17. Review of Performance

The Group's profit before tax decreased by 53% (from RM24.79 million to RM11.59 million) as compared to the same period of 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 RM1,073 per mt compared to RM1,541 achieved in the same period of 1999. The crop production for the period under review decreased by 3% that is 183,621mt as compared to 187,807 mt in 1999. Lower crop production is due to replanting done in the estates.

18. 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.

19. Dividend

No dividend declared for the period under review

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

MOHD LIZAH HASHIM.,AMCCS
Company Secretary LS 00177

Date: 28/11/2000