

JAYA TIASA HOLDINGS BHD (3751-V)
QUARTERLY REPORT FOR THE FIRST FINANCIAL QUARTER ENDED 31 JULY 2011

Part A – Explanatory Notes Pursuant to FRS 134

1 Basis of preparation

The quarterly report is unaudited and has been prepared in accordance with the requirements of Financial Reporting Standard (“FRS”) 134: Interim Financial Reporting issued by Malaysian Accounting Standards Board (“MASB”) and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The quarterly report should be read in conjunction with the Group’s audited financial statements for the financial year ended 30 April 2011. These explanatory notes attached to the quarterly 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 30 April 2011.

The significant accounting policies adopted in the quarterly report are consistent with those adopted in the Group’s audited financial statements for the financial year ended 30 April 2011 except for the adoption of new FRSSs, amendments and IC interpretations which are relevant to the Group for the financial year beginning 1 May 2011:-

FRS 3	Business Combinations (revised)
FRS 127	Consolidated and Separate Financial Statement (revised)
Amendments to FRS 7	Improving Disclosures about Financial Instruments
Amendments to FRS 132	Financial Instruments: Presentation
Amendments to FRS 138	Intangible Assets
IC Interpretation 4	Determining Whether an Arrangement Contains a Lease
Amendments to FRSSs	Improvement to FRSSs (2010)

2 Auditors’ Report on Preceding Annual Financial Statements

The auditors’ report on the financial statements for the year ended 30 April 2011 was not qualified.

3 Seasonal and Cyclical Factors

Save for the weather conditions which may affect our operations, our principal business operations have not been significantly affected by any seasonal and cyclical factors.

4 Unusual items

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the current quarter and financial year-to-date.

5 Changes in estimates

There were no changes in estimates of amounts reported in prior quarters which have a material impact on the current quarterly report.

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6 Debt and Equity Securities

During the quarter, 1,000 shares of RM 1.00 each were purchased and retained as treasury shares. The monthly breakdown of shares bought back is as follows:

Month	No of shares purchased	Purchase price per share		Average price per share paid	Total consideration paid
		Lowest	Highest		
Jun 2011	1,000	RM 7.10	RM 7.10	RM 7.1527	RM 7,152.73

As at 31 July 2011, the number of shares retained as treasury shares amounted to 15,545,457.

Apart from the above, there were no other issuances and repayments of debt and equity securities for the current quarter.

7 Dividends Paid

There were no dividends paid during the current quarter and financial year-to-date.

8 Segmental Information

The segment information in respect of the Group’s business segments for the year-to-date ended 31 July 2011 is as follows:

	Revenue	Profit /(Loss) Before Taxation
	RM’000	RM’000
Logs	168,973	20,429
Wood Processing	141,456	9,048
Oil palm operations	129,622	49,160
Others & Admin expenses	1,633	(3,161)
	<u>441,684</u>	<u>75,476</u>
Consol adjustment	(181,691)	(178)
Consolidated total	<u><u>259,993</u></u>	<u><u>75,298</u></u>

9 Carrying Amount of Revalued Assets

The Group did not carry out any valuations on its property, plant and equipment during the current quarter and financial year-to-date. The carrying value of property, plant and equipment is based on the valuation incorporated in the annual financial statements for the year ended 30 April 2011.

10 Subsequent Events

No material events have arisen during the interval between the end of the current quarter and the date of this announcement that have not been reflected in the current quarterly report.

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Part A – Explanatory Notes Pursuant to FRS 134 (Continued)

11 Changes in Composition of the Group

There were no changes in the composition of the Group during the current quarter and financial year-to-date, which were previously not announced.

12 Contingent Liabilities and Contingent Assets

There are no significant changes in contingent liabilities or assets as at the end of the current quarter.

13 Capital Commitments

The amount of commitments for the purchase of property, plant and equipment not provided for in the quarterly report is as follows:

	As at 31/07/11 RM'000	As at 30/04/11 RM'000
Approved and contracted for	10,865	15,530
	<u>10,865</u>	<u>15,530</u>

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Part B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

14 Review of Performance

(a) Comparison of Results with Corresponding Quarter of the Previous Financial Year

For the quarter under review, the Group revenue of RM260.0 million represent an increase of 40 % as compared to RM185.5 million recorded in the corresponding quarter of previous financial year. Pre-tax profit improved significantly to RM75.3 million from RM30.1 million previously.

Better results in revenue and pre-tax profit were mainly due to:

- higher profit margin from logs sales with 37 % increase in average selling price;
- more than 59% increase in fresh fruit bunches (FFB) sales volume with 30 % improvement in average selling price; and
- more than double increase in crude palm oil (CPO) sales volume with 38% increase in average selling price.

(b) Comparison of Year-to-date with Previous Year-to-date

Comparison of cumulative results is not presented as this is the first quarter for the financial year ended 30 April 2012.

15 Comparison of Results with Preceding Quarter

The Group's revenue for the quarter under review improved marginally to RM260.0 million from RM255.5 million reported in the immediate preceding quarter. Pre-tax profit strengthened by 3 % to RM75.3 million from RM72.8 million reported in the preceding quarter.

The improvement in revenue was mainly attributable to 60 % and 34 % increased in both FFB and CPO sales volume respectively. Whereas higher pre-tax profit was due to higher average selling prices of plywood and increase in the sales volume of FFB.

16 Commentary on Prospects

For timber division, selling price is expected to remain firm in view of the tight log supply condition and demand from emerging economies.

For the oil palm division, higher fresh fruit bunches and CPO production volumes are expected to contribute significantly to the Group's profitability.

Barring any unforeseen circumstances, the Board believes that the performance for the current financial year will continue to be satisfactory.

17 Profit Forecast or Profit Guarantee

The disclosure requirements for explanatory notes on the variation of actual profit after tax and minority interest, and shortfall in profit guarantee are not applicable.

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18 Taxation

Taxation comprise:-

	Current Quarter RM'000	Cumulative Year-to-date RM'000
Current taxation	9,002	9,002
Deferred taxation	9,754	9,754
	<u>18,756</u>	<u>18,756</u>

The effective tax rate for the Group for the current quarter is same as the statutory tax rate.

19 Sales of Unquoted Investments and Properties

There were no profits or losses from sale of unquoted investments and properties for the current quarter and financial year-to-date.

20 Quoted Securities

There was no purchase or disposal of quoted securities during the current quarter and financial year-to-date.

21 Corporate Proposals

There were no corporate proposals announced or pending completion as at the date of this quarterly report.

22 Borrowings and Debt Securities

	As at 31/07/11 RM'000	As at 30/04/11 RM'000
Secured borrowings:		
Short term	22,753	17,694
Long term	36,396	28,162
	<u>59,149</u>	<u>45,856</u>
Unsecured borrowings:		
Short term	195,205	225,787
Long term	546,120	497,658
	<u>741,325</u>	<u>723,445</u>
	<u>800,474</u>	<u>769,301</u>

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22 Borrowings and Debt Securities (Continued)

Borrowings denominated in foreign currency:

	As at 31/07/11 USD'000	As at 30/04/11 RM'000 Equivalent
United States Dollars	22,940	67,685
	<u> </u>	<u> </u>

23 Off balance sheet financial instruments

There were no financial instruments with off balance sheet risk as at the date of this report.

24 Material litigation

There is no pending material litigation as at the date of this announcement.

25 Disclosure of Realised and Unrealised Profits or Losses

	As at 31/07/11 RM'000	As at 30/04/11 RM'000
Total retained profits of Jaya Tiasa Holdings Bhd and its subsidiaries		
- Realised	978,826	895,185
- Unrealised	<u>(60,668)</u>	<u>(45,543)</u>
	918,158	849,642
Less: Consolidation adjustments	(137,455)	(124,858)
Total group retained profits as per consolidated accounts	<u>780,703</u>	<u>724,784</u>

26 Dividend Payable

(a) No interim dividend has been declared by the Board of Directors for the current quarter (previous corresponding period: Nil).

(b) Total dividends – Not applicable.

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27 Earnings per share (EPS)

(a) Basic EPS

Basic earnings per share is calculated by dividing the net profit of the period over the weighted average number of ordinary shares in issue during the period excluding treasury shares held by the Company.

	Current Quarter	Cumulative Year-to-date
Net profit attributable to the equity holders of the Company (RM'000)	55,919	55,919
Weighted average number of Ordinary shares in issue ('000)	266,984	266,984
Basic earnings per share (Sen)	20.94	20.94

(b) Diluted EPS

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28 Authorization for issue

The Board of Directors in accordance with a resolution of the directors has authorized the quarterly report for issue on 29 of September 2011.