

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2008

	Note	Current Year Quarter 31.12.2008 RM'000	Preceding Year Quarter 31.12.2007 RM'000 (Restated)	Current Year To Date 31.12.2008 RM'000	Preceding Year To Date 31.12.2007 RM'000 (Restated)
Continuing operations					
Revenue		123,603	123,231	475,602	417,973
Other operating income		157,893	42,720	212,296	77,682
Other operating expenses		(133,927)	(182,281)	(447,020)	(425,975)
Profit/(loss) from operations		147,569	(16,330)	240,878	69,680
Finance costs		(10,536)	(17,029)	(42,813)	(60,272)
Share of results of associates		17,866	6,943	34,394	18,494
Profit/(loss) before taxation		154,899	(26,416)	232,459	27,902
Taxation	B(5)	16,734	7,359	5,165	2,676
Profit/(loss) for the financial period/year from continuing operations		171,633	(19,057)	237,624	30,578
Discontinued operations					
Profit for the financial period/year from discontinued operations	A(12)	1,058	56,312	35,424	153,535
Gain/(loss) on disposal of discontinued operation		(1,082)	-	142,523	-
Profit for the financial period/year		171,609	37,255	415,571	184,113
Attributable to:					
Shareholders of the Company					
- from continuing operations		171,599	(7,107)	217,175	34,659
- from discontinued operations		(24)	(10,841)	152,499	20,582
		171,575	(17,948)	369,674	55,241
Minority interests		34	55,203	45,897	128,872
		171,609	37,255	415,571	184,113
Basic earnings/(loss) per share (sen)					
- from continuing operations		15.51	(0.70)	19.64	4.81
- from discontinued operations		-	(1.07)	13.79	2.85
		15.51	(1.77)	33.43	7.66
Fully diluted earnings/(loss) per share (sen)*					
- from continuing operations		15.51	(0.94)	19.41	4.38
- from discontinued operations		-	(1.07)	13.79	2.85
		15.51	(2.01)	33.20	7.23

* The comparatives have been restated to conform with current quarter's presentation

(The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2007)

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEETS AS AT 31 DECEMBER 2008

	(Unaudited) As at end of current quarter 31.12.2008 RM'000	(Audited) As at preceding financial year end 31.12.2007 RM'000 (Restated)
NON-CURRENT ASSETS		
Property, Plant and Equipment		
- Hotel Properties	1,219,099	1,239,140
- Others	192,246	99,640
Development Properties	572,684	108,747
Investment Properties	313,197	299,507
Prepaid Lease Payments For Land	118,107	113,722
Investment in Associates	84,357	74,680
Other Investments	20,123	43,696
Deferred Tax Assets	13,187	6,680
Goodwill on Consolidation	5,470	5,470
	<u>2,538,470</u>	<u>1,991,282</u>
CURRENT ASSETS		
Inventories	30,779	4,290
Land Held for Sale	206,161	206,161
Trade Receivables	78,254	73,755
Other Receivables	8,033	65,012
Tax Recoverable	8,423	21,610
Due from Associates	5,141	19,367
Cash and Bank Balances	164,413	196,585
	<u>501,204</u>	<u>586,780</u>
Assets of disposal group classified as held for sale	-	2,954,019
	<u>501,204</u>	<u>3,540,799</u>
TOTAL ASSETS	<u>3,039,674</u>	<u>5,532,081</u>
EQUITY		
Share Capital	1,106,032	1,106,022
Reserves	701,035	172,164
	<u>1,807,067</u>	<u>1,278,186</u>
Reserves in relation to the disposal Group	-	164,313
Equity Attributable to the Shareholders of the Company	1,807,067	1,442,499
Minority Interests	(17,505)	1,252,607
Total Equity	<u>1,789,562</u>	<u>2,695,106</u>
NON-CURRENT LIABILITIES		
Due to Associates	4,005	4,006
Deferred Tax Liabilities	143,834	88,580
Bonds and Long Term Borrowings	632,570	577,246
	<u>780,409</u>	<u>669,832</u>
CURRENT LIABILITIES		
Trade Payables	69,753	64,470
Other Payables	97,405	120,669
Short Term Borrowings	287,935	523,759
Current Tax Liabilities	14,610	19,117
	<u>469,703</u>	<u>728,015</u>
Liabilities of disposal group classified as held for sale	-	1,439,128
	<u>469,703</u>	<u>2,167,143</u>
TOTAL LIABILITIES	<u>1,250,112</u>	<u>2,836,975</u>
TOTAL EQUITY AND LIABILITIES	<u>3,039,674</u>	<u>5,532,081</u>
Net Assets Per Share* (RM)	<u>1.63</u>	<u>1.30</u>

*Net assets per share = Equity attributable to the shareholders of the Company/Total number of ordinary shares

(The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2007)



UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2008

	Attributable to the Shareholders of the Company						Minority Interests	Total Equity
	Share Capital RM'000	Other Reserves RM'000	Retained Profit/ (Accumulated Losses) RM'000	Sub-total RM'000	Reserves relating to disposal group RM'000	Sub-total RM'000		
Balance at 1 January 2008	1,106,022	500,574	(328,410)	1,278,186	164,313	1,442,499	1,252,607	2,695,106
Share of reserve in associate	-	42	-	42	-	42	-	42
Disposal of subsidiaries	-	-	-	-	(3,505)	(3,505)	(821,602)	(825,107)
Transfer from deferred tax	-	980	-	980	-	980	137	1,117
Exchange differences on translation	-	621	-	621	(3,245)	(2,624)	455	(2,169)
Net income / (expense) recognised directly in equity	-	1,643	-	1,643	(6,750)	(5,107)	(821,010)	(826,117)
Profit for the financial period	-	-	217,175	217,175	152,499	369,674	45,897	415,571
Total recognised income/(expense) for the period	-	1,643	217,175	218,818	145,749	364,567	(775,113)	(410,546)
Dividends paid to minority interests	-	-	-	-	-	-	(7)	(7)
Conversion of associate into subsidiary	-	-	-	-	-	-	17,181	17,181
Conversion of ICULS	10	(9)	-	1	-	1	-	1
Acquisition of subsidiaries	-	-	-	-	-	-	(6,506)	(6,506)
Acquisition of additional interest in a subsidiary	-	-	-	-	-	-	(505,667)	(505,667)
Transfer from / (to) disposal group	-	-	310,062	310,062	(310,062)	-	-	-
Balance at 31.12.2008	1,106,032	502,208	198,827	1,807,067	-	1,807,067	(17,505)	1,789,562
Balance at 1 January 2007	623,032	944,528	(356,668)	1,210,892	143,833	1,354,725	1,149,505	2,504,230
Reversal of impairment of Hotel Properties net of tax	-	19	-	19	-	19	-	19
Disposal of subsidiaries	-	-	-	-	7,131	7,131	(1,219)	5,912
Additional interest in an associate	-	1,382	-	1,382	-	1,382	-	1,382
Transfer from deferred tax	-	(12,523)	2,391	(10,132)	-	(10,132)	(287)	(10,419)
Exchange differences on translation	-	1,277	-	1,277	(7,233)	(5,956)	(1,757)	(7,713)
Net (expense)/income recognised directly in equity	-	(9,845)	2,391	(7,454)	(102)	(7,556)	(3,263)	(10,819)
Profit for the financial period	-	-	34,659	34,659	20,582	55,241	128,872	184,113
Total recognised income/(expense) for the period	-	(9,845)	37,050	27,205	20,480	47,685	125,609	173,294
Dividends paid to minority interests	-	-	-	-	-	-	(22,507)	(22,507)
Conversion of 2% ICULS 2005/2012	482,990	(434,109)	(8,792)	40,089	-	40,089	-	40,089
Balance at 31.12.2007	1,106,022	500,574	(328,410)	1,278,186	164,313	1,442,499	1,252,607	2,695,106

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2007)

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2008

	Current Year To Date 31.12.2008 RM'000	Preceding Year To Date 31.12.2007 RM'000 (Restated)
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before taxation		
Continuing operations	232,459	27,902
Discontinued operations	52,766	214,693
	<u>285,225</u>	<u>242,595</u>
Adjustments for:		
Non-cash items	(47,202)	200,859
Non-operating items	12,851	57,937
Operating profit before working capital changes	<u>250,874</u>	<u>501,391</u>
Net change in current assets	10,041	107,635
Net change in current liabilities	(319,649)	(59,025)
Interest and taxes paid	(71,993)	(140,528)
Net cash (used)/ generated from operating activities	<u>(130,727)</u>	<u>409,473</u>
CASH FLOW FROM INVESTING ACTIVITIES		
Equity investments (net of proceeds from disposal of other investments and capital repayment)	(552,065)	(68,398)
Proceeds from disposal of subsidiaries	718,451	17,488
Other investments	(42,878)	(136,516)
Net cash generated from/(used in) investing activities	<u>123,508</u>	<u>(187,426)</u>
CASH FLOW FROM FINANCING ACTIVITIES		
Borrowings	(160,482)	(113,449)
Other financing activities	(7,364)	(39,640)
Net cash used in financing activities	<u>(167,846)</u>	<u>(153,089)</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(175,065)	68,958
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	336,154	267,804
EXCHANGE EQUALISATION	60	(608)
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>161,149</u>	<u>336,154</u>
For purpose of cash flow statements, cash and cash equivalents comprised the follow:		
Continuing operations		
Deposits with licensed banks	116,128	154,154
Cash in hand and at bank	48,285	42,431
Bank overdrafts	(1,522)	(4,443)
Pledged deposits	(1,742)	19,245
	<u>161,149</u>	<u>211,387</u>
Discontinued operations		
Deposits with licensed banks	-	69,425
Cash in hand and at bank	-	76,425
Pledged deposits	-	(21,083)
	<u>-</u>	<u>124,767</u>
	<u>161,149</u>	<u>336,154</u>

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2007)

(A) NOTES TO THE INTERIM FINANCIAL REPORT

1. Basis of Preparation

The interim financial report is unaudited and has been prepared in accordance with FRS 134: Interim Financial Reporting and Chapter 9.22, part K of Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities").

The interim financial report should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2007.

2. Adoption of Revised Financial Reporting Standards

The accounting policies and methods of computation adopted for the interim financial report are consistent with those adopted by the Group in the audited financial statements for the year ended 31 December 2007 except for the adoption of the following new/revised Financial Reporting Standards ("FRSs") and new Interpretations ("IC") effective for the financial period beginning on or after 1 January 2008:

FRS 107	Cash Flow Statements
FRS 111	Construction Contracts
FRS 112	Income Taxes
FRS 118	Revenue
FRS 120	Accounting for Government Grants and Benefit Plans
Amendment to FRS 121	The Effects to Changes in Foreign Exchange Rates – Net investment in a Foreign Operation
FRS 134	Interim Financial Reporting
FRS 137	Provisions, Contingent Liabilities and Contingent Assets
IC Interpretation 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
IC Interpretation 2	Members' Shares in Co-operative Entities and Similar Instruments
IC Interpretation 5	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
IC Interpretation 6	Liabilities arising from Participating in a Specific Market - Waste Electrical and Electronic Equipment
IC Interpretation 7	Applying the Restatement Approach under FRS 129 ₂₀₀₄ - Financial Reporting in Hyperinflationary Economies
IC Interpretation 8	Scope of FRS 2

The Group will only adopt FRS 139 Financial Instruments: Recognition and Measurement on its effective implementation date on 1 January 2010.

The IC Interpretation 1,2,5,6,7 and FRS 120 are not relevant to the Group. The application of the above other standards and interpretation are not expected to have any material impact on the financial statements of the Group.

3. Comparatives

- (a) In 2007, the Group announced a non-renounceable offer for sale of its 53.02% equity interest in Tradewinds (M) Berhad ("TWM") to the shareholders of the Company on a rights basis ("Offer For Sale"). In line with the Group's plan to exit from the plantation business, the Group has put in action to dispose its remaining plantation investment, Solar Green Sdn. Bhd. ("SGSB"), a subsidiary ("Disposal"). As a result of the Offer For Sale and Disposal, the Group discontinued its operations in two major segments, namely the plantation and manufacturing segment. Also, the Group entered into a sale and purchase agreement to dispose its 100% equity interest of T.P.C. Development Ltd ("TPC"), to Berjaya Leisure (Cayman) Limited ("TPC Disposal"). In addition, the Group entered into a Settlement Agreement with Kumagai - Gumi Co. Ltd. ("KGML") to terminate the Natcon-Kumagai JV Agreement ("NKJV").

As such, in accordance with FRS 5: Non-current Assets Held for Sale and Discontinued Operations, TWM, SGSB, TPC and NKJV are Disposal Groups, accordingly, the Disposal Group was classified as discontinued operations. The comparatives of the Discontinued operations in the preceding year corresponding quarter have been reclassified and restated as follows:

	Year to date 31.12.2007		
	As previously stated RM'000	Reclassifi- cation RM'000	As restated RM'000
Condensed consolidated income statement			
Revenue	2,137,531	(1,719,558)	417,973
Other operating income	102,378	(24,696)	77,682
Other operating expenses	(1,884,378)	1,458,403	(425,975)
Profit from operations	355,531	(285,851)	69,680
Finance costs	(114,760)	54,488	(60,272)
Share of results of associates	18,502	(8)	18,494
Share of results of joint venture	(16,678)	16,678	-
Profit before taxation	242,595	(214,693)	27,902
Taxation	(58,482)	61,158	2,676
Profit for the year from continuing operations	184,113	(153,535)	30,578
Profit for the year from discontinued operations	-	153,535	153,535

	Preceding year quarter 31.12.2007		
	As previously stated RM'000	Reclassifi- cation RM'000	As restated RM'000
Condensed consolidated income statement			
Revenue	588,560	(465,329)	123,231
Other operating income	51,077	(8,357)	42,720
Other operating expenses	(551,002)	368,721	(182,281)
Profit/(loss) from operations	88,635	(104,965)	(16,330)
Finance costs	(32,394)	15,365	(17,029)
Share of results of associates	6,943	-	6,943
Share of results of joint venture	(11,473)	11,473	-
Profit/(loss) before taxation	51,711	(78,127)	(26,416)
Taxation	(14,456)	21,815	7,359
Profit/(loss) for the period from continuing operations	37,255	(56,312)	(19,057)
Profit for the period from discontinuing operations	-	56,312	56,312

(b) The following comparatives have been restated to conform with current year presentation.

	Preceding year ended 31.12.2007		
	As previously stated RM'000	Reclassification RM'000	As restated RM'000
Condensed consolidated balance sheets			
Property, Plant and Equipment			
- Others	84,640	15,000	99,640
Development Properties	123,747	(15,000)	108,747

4. Seasonal or Cyclical Factors

The Group's hotel operations are subject to the seasonal fluctuation in occupancy rates of certain resorts and hotels. The Group's other operations are generally not affected by any major seasonal or cyclical factors.

5. Unusual Significant Items

The following items occurred during the current quarter and financial year to date as reflected in the financial statements:

	Current Year Quarter RM'000	Current Year To-date RM'000
Gain on waiver of debt by minority shareholders	-	27,192
Negative goodwill from acquisition of minority shares	150,772	151,217
Impairment on goodwill	(19,736)	(19,736)
Impairment on hotel properties	(6,945)	(6,945)
	<u>124,091</u>	<u>151,728</u>

6. Changes in Estimates

There were no changes in estimates that have had material effect in the current quarter's results.

7. Changes in Debt and Equity Securities

During the current year under review, the Company increased its issued and fully paid up share capital from RM1,106,022,131 to RM1,106,031,931 by way of the issuance of 9,800 new ordinary shares of RM1.00 each arising from the conversion of 9,800 2% ICULS 2005/2012.

During the current year under review, the Company redeemed its RM100.0 million Redeemable Secured Bonds 2000/2008 together with interest thereon to the bondholders on 2 May 2008.

Other than disclosed above, there have been no issuances, repurchases, resale and repayments of debt and equity securities during the current quarter.

8. Dividend Paid

There was no dividend paid during the current quarter.

9. Segmental Reporting

Segment analysis for the financial year ended 31 December 2008 is set out below:

	Continuing operations					Group RM'000	Discontinued operations ** RM'000	Total RM'000
	Hotel RM'000	Properties RM'000	& trading RM'000	Financial services RM'000	Others RM'000			
Revenue								
Total revenue	332,817	26,522	72,401	27,960	19,942	479,642	303,741	783,383
Inter-segment revenue	-	(1,334)	(419)	(1,173)	(1,114)	(4,040)	-	(4,040)
External	332,817	25,188	71,982	26,787	18,828	475,602	303,741	779,343
Results								
Segment results	99,373	(1,725)	3,108	15,660	12,503	128,919	73,121	202,040
Unallocated income								164,687
Unallocated expenses								(65,028)
Profit from operations								301,699

** Discontinued operations

	Manufacturing			Total RM'000
	Plantation RM'000	& trading RM'000	Others RM'000	
Revenue				
Total revenue	163,447	140,246	48	303,741
Inter-segment revenue	-	-	-	-
External	163,447	140,246	48	303,741
Results				
Segment results	64,465	10,119	(1,463)	73,121
Unallocated income				1,736
Unallocated expenses				(14,036)
Profit from operations				60,821

10. Valuation of Investment Properties, Development Properties and Property, Plant and Equipment

The valuation of hotel properties held by the Group as at the end of the current quarter has been brought forward, without amendment from the previous financial year end other than the write down of Mutiara Penang by RM6.94 mil due to impairment loss. The fair value of the investment properties have been assessed and there is no material deviation to the carrying value as at the balance sheet date other than RM2.5 million fair value gain. The Group did not revalue its development properties and other property, plant and equipment.

11. Material Subsequent Events

There was no other material events subsequent to the end of the current quarter.

12. Changes in the Composition of the Group

There were no changes in the composition of the Group during the current financial year except for the followings:

- (a) On 9 October 2007, the Group announced a non-renounceable offer for sale of 157,194,980 ordinary shares of RM1.00 each in TWM ("TWM Shares") representing 53.02% equity interest in TWM to the shareholders of the Company on a rights basis at an offer price of RM3.80 per TWM Share or RM597,340,924 in aggregate ("Offer For Sale"). The Offer for Sale was completed on 21 February 2008. Accordingly, TWM Group ceased to be the subsidiary of the Group.

The results of TWM Group were included in the disposal Group as disclosed in Note 13 below.

The effects of the cessation on the financial position of the Group are as follows:

	RM'000
Property, plant & equipment	460,277
Plantation development expenditure	886,130
Prepaid lease payments for land	589,254
Investment in associated companies	19,749
Other investments	8,466
Goodwill on consolidation	11,600
Deferred tax assets	13,549
Inventories	262,837
Trade and other receivables	419,607
Assets held for sale	805
Tax recoverable	11,045
Cash and bank balances	109,471
Trade and other payables	(168,288)
Amount due to associates	(19,404)
Borrowings	(981,994)
Tax payable	(4,914)
Deferred tax liabilities	(181,041)
	<hr/> 1,437,149
Minority interest	(821,602)
	<hr/> 615,547
Net assets disposed	615,547
Exchange differences realised	(7,780)
Loss on disposal	(10,428)
	<hr/> 597,339
Sales proceeds	597,339
Less: Cash and cash equivalents in subsidiary disposed	(109,471)
	<hr/> 487,868
Net proceed from disposal of subsidiary	<hr/> <hr/> 487,868

- (b) On 3 October 2007, Tradewinds Hotels & Resorts Sdn. Bhd. ("THRSB"), a subsidiary of the Company entered into a Share Sales Agreement with Dato' Syed Mustafa bin Syed Abdullah Shahabudin and Shamlan bin Mohamed Hashim ("The Vendors") to acquire the Vendors' stake in Benua Perdana Sdn. Bhd. ("BPSB") of 1,000,000 ordinary shares of RM1 each representing 100% of the issued and paid up share capital of BPSB for a cash consideration of RM1.0 million.

BPSB is developing 2 parcels of Malay reserved leasehold land in Pantai Kok, Langkawi as follows:

- (i) commercial centre commonly known as Telaga Harbour Park consisting of 7 blocks of retail and commercial shops which are partially tenanted; and
(ii) an international class 123 room 5 star boutique hotel.

On 31 March 2008, the Group completed its acquisition of 100% interest in BPSB.

The effects of the acquisition on the financial position of the Group determined provisionally are as follows:

	Fair value recognised on acquisition RM'000	Acquiree's carrying amount RM'000
Investment properties	11,112	11,112
Properties, plant and equipment	54,658	54,658
Prepaid lease payments for land	3,335	3,335
Trade and other receivables	282	282
Cash and bank balances	525	525
Trade and other payables	(90,469)	(90,469)
Hire purchase and lease creditors	(37)	(37)
	<u>(20,594)</u>	<u>(20,594)</u>
Goodwill on consolidation	15,088	
Minority interest	6,506	
Net assets acquired	<u>1,000</u>	
Purchase consideration	1,000	
Less: Cash and cash equivalents in subsidiary acquired	(525)	
Net cash outflow from acquisition of subsidiary	<u>475</u>	

The fair value of investment properties, properties, plant & equipment and prepaid lease payments for land and properties, plant and equipment were determined by independent professional valuers, Rahim & Co based on the open market value as at 31 December 2007.

- (c) On 7 November 2007, Tradewinds Resources Sdn. Bhd. ("TRSB"), a wholly-owned subsidiary of the Company, entered into a sale and purchase agreement ("SPA") to dispose 93,600,000 ordinary shares of HKD1.00 each in TPC representing 100% equity interest of TPC, to Berjaya Leisure (Cayman) Limited ("BLCL"), a wholly-owned subsidiary of Berjaya Land Berhad ("TPC Disposal"), for a total cash consideration of USD75,000,000 being payment for the equity interest for the amount of USD25,000,000 and the settlement of a shareholder's debt of USD50,000,000, being the aggregate debt owed by TPC to TRSB together with accrued interest (if any). The TPC Disposal was completed on 2 May 2008.

The results of TPC were included in the disposal Group as disclosed in Note 13 below.

The effects of the disposal of TPC on the financial position of the Group are as follows:

	RM'000
Investment in joint venture	(33,378)
Amount due by joint venture	127,629
Cash and bank balances	1
Other payables	(15,866)
	<hr/>
Net assets disposed	78,386
Exchange differences realised	4,275
Gain on disposal	148,540
	<hr/>
Net sale proceed	231,201
Less: Cash and cash equivalents in subsidiary disposed	(1)
	<hr/>
Net proceed from disposal of subsidiary	<u>231,200</u>

- (d) On 1 April 2008, the Company has subscribed for the renounceable rights issue of 1,050,000 new ordinary shares of RM1.00 each at an issue price of RM1.00 per share on the basis of one (1) new share for every three (3) existing shares held ("Rights Shares") and RM1,050,000 nominal value of 5-year 5.5% Redeemable Convertible Unsecured Loan Stock ("RCULS") on the basis of RM1.00 nominal amount of RCULS for every three (3) existing shares held in an associate, MCIS Safety Glass Sdn. Bhd. ("MCIS"), representing 5.44% equity interest in the enlarged issued and paid-up share capital of MCIS, for a total cash consideration of RM2,100,000 resulting in MCIS becoming a 51.04% subsidiary of the Company.

The effects of the acquisition on the financial position of the Group determined provisionally are as follows:

	Fair value recognised on acquisition RM'000	Acquiree's carrying amount RM'000
Properties, plant and equipment	33,781	33,781
Prepaid lease payments for land	2,060	2,060
Inventories	17,164	17,164
Trade and other receivables	15,206	15,206
Cash and bank balances	3,406	3,406
Bank overdrafts	(4,403)	(4,403)
Trade and other payables	(12,032)	(12,032)
Taxation	(24)	(24)
Hire purchase and lease creditors	(134)	(134)
Retirement gratuities	(3,779)	(3,779)
Borrowings	(11,855)	(11,855)
	<hr/>	<hr/>
	39,390	<u>39,390</u>
Negative goodwill on consolidation	(445)	
Carrying value previously carried as associate	(19,664)	
Minority interest	(17,181)	
	<hr/>	
Net assets acquired	<u>2,100</u>	
	<hr/>	
Purchase consideration	2,100	
Cash and cash equivalents in subsidiary acquired	997	
	<hr/>	
Net cash outflow from acquisition of subsidiary	<u>3,097</u>	

- (e) On 9 October 2007, the Company entered into a conditional share sale agreement to acquire 250,500 ordinary shares of RM1 each, representing 100% equity interest in Edisi Minda Sdn Bhd ("EMSB"), Erat Kilauan Sdn Bhd ("EKSB") and Simbol Arif Sdn Bhd ("SASB") respectively for cash consideration of RM145 million ("Acquisition"). EMSB, EKSB and SASB hold 8 pieces of adjacent freehold land totalling 907.243 acres in Bandar Nusajaya, Johor. The Acquisition was completed on 30 June 2008. As such, EMSB, EKSB and SASB have become wholly-owned subsidiaries of the Company.

The effects of the acquisition on the financial position of the Group determined provisionally are as follows:

	Fair value recognised on acquisition RM'000	Acquiree's carrying amount RM'000
Development properties	463,630	270,846
Cash and bank balances	1	1
Other payables	(270,000)	(270,000)
Deferred tax liabilities	(48,196)	-
Net assets acquired	145,435	847
Purchase consideration	145,435	
Less: Cash and cash equivalents in subsidiary acquired	(1)	
Net cash outflow from acquisition of subsidiaries	145,434	

- (f) On 17 March 2008, Tradewinds Resources Sdn Bhd ("TRSB") entered into a Share Sale Agreement with Pride Palm Oil Mill Sdn. Bhd. ("PPOM") to dispose its 100% equity interest in Solar Green Sdn Bhd ("SGSB") for a cash consideration of RM10 and the settlement of intercompany debt by SGSB ("Settlement of Intercompany Debt") ("Disposal"). The settlement of the intercompany debt is determined based on:

- (a) the net current liabilities of SGSB after adjusting for the crude palm oil and palm kernel inventories as at 31 December 2007 based on actual prices contracted by SGSB for such inventories or where such information is not available, based on an average of the prices contracted by SGSB in relation to its inventory of crude palm oil and palm kernel during an appropriate period on or about 31 December 2007;
- (b) TRSB advances to SGSB ("TRSB Advances"); and
- (c) long term borrowings of SGSB.

(hereinafter referred to as "Total Liabilities").

In the event the Total Liabilities is in excess of RM100 million, TRSB would waive TRSB Advances so as to reduce the Total Liabilities as at 31 December 2007 to RM100 million. A total of R68.52 million was waived by TRSB on its advances.

The Disposal was completed on 1 August 2008.

The results of SGSB were included in the disposal Group as disclosed in Note 13 below.

The effects of the disposal of SGSB on the financial position of the Group are as follows:

Property, plant & equipment	29,586
Plantation development expenditure	38,685
Prepaid lease payments for land	17,981
Deferred tax assets	3,652
Inventories	5,643
Trade and other receivables	954
Cash and bank balances	617
Trade and other payables	(73,650)
Borrowings	(27,879)
Net assets disposed	(4,411)
Gain on disposal	4,411
Net sale proceed	-
Less: Cash and cash equivalents in subsidiary disposed	(617)
Net cash outflow from disposal of subsidiary	(617)

- (g) On 15 September 2008, THR Hotels & Resorts Sdn Bhd, a subsidiary of the Company completed the acquisition of the remaining equity interest in THR Hotel (KL) Sdn Bhd and the minority shareholder advances of RM34.44 million for RM7.25 million cash.
- (h) On 8 May 2008, the Company has entered into a Sale and Purchase Agreement ("SPA") with Khazanah Nasional Berhad to acquire 261,285,043 ordinary shares of RM1.00 each and 371,641,345 irredeemable convertible unsecured loan stocks in THRSB ("Sale ICULS") for a total purchase consideration of RM400 million to be wholly satisfied in cash. The acquisition was completed on 18 November 2008.
- (i) On 28 August 2008, Creative Franchise Concepts Sdn Bhd ("CFC"), a wholly-owned subsidiary of TRSB has entered into a Sale and Purchase Agreement ("SPA") with Amtek Holding Berhad ("AHB") to acquire 2,500,000 ordinary shares of RM1 each in Amtek International Sdn Bhd ("AISB") representing 100% equity interest of AISB for a cash consideration of RM3,000,000. ("Aquisition"). The acquisition was completed on 4 December 2008. As such, AISB has become a wholly-owned subsidiary of the Company.

The effects of the acquisition on the financial position of the Group determined provisionally are as follows:

	Fair value recognised on acquisition RM'000	Acquiree's carrying amount RM'000
Property, plant & equipment	678	678
Inventories	3,596	3,596
Trade and other receivables	572	572
Cash and bank balances	1,089	1,089
Bank overdraft	(268)	(268)
Trade and other payables	(7,088)	(7,088)
Borrowings	(218)	(218)
	<u>(1,639)</u>	<u>(1,639)</u>
Goodwill on consolidation	4,648	
Net assets acquired	<u>3,009</u>	
Purchase consideration	3,009	
Less: Cash and cash equivalents in subsidiary acquired	(821)	
Net cash outflow from acquisition of subsidiaries	<u>2,188</u>	

13. Discontinued operations

- (a) As mentioned in Note 3 to the Interim Financial Report above, TWM Group, SGSB, TPC and NKJV are part of the disposal group. On 21 February 2008, 2 May 2008 and 1 August 2008, the Group completed the non-renounceable offer for sale of TWM's shares, the disposal of TPC and SGSB respectively, hence, they ceased to be the subsidiaries of the Group ("Disposal Group").

In accordance with FRS 5: Non-current Assets Held for Sale and Discontinued Operations, the results of the Disposal Group was classified as "Discontinued Operations" in the Income Statement and was classified as "Disposal Group Held for Sale" in the Balance Sheet.

The revenue and results of the Disposal Group are as follows:

	Current Year Quarter 31.12.2008 RM'000	Preceding Year Quarter 31.12.2007 RM'000	Current Year To Date 31.12.2008 RM'000	Preceding Year To Date 31.12.2007 RM'000
Revenue	2,409	465,329	303,741	1,719,558
Other operating income	-	8,357	5,591	24,696
Other operating expenses	(1,209)	(346,591)	(241,211)	(1,436,273)
Impairment on goodwill	-	(22,130)	(7,300)	(22,130)
Profit from operations	1,200	104,965	60,821	285,851
Finance costs	(143)	(15,365)	(8,055)	(54,488)
Share of results of joint venture	-	(11,473)	-	(16,678)
Share of results of associates	-	-	-	8
Profit before taxation	1,057	78,127	52,766	214,693
Taxation	1	(21,815)	(17,342)	(61,158)
Net gain on disposal of subsidiaries	(1,082)	-	142,523	-
Profit for the period	(24)	56,312	177,947	153,535

The cash flows attributable to the discontinued operations are as follows:

	Current Year To Date 31.12.2008 RM'000	Preceding Year To Date 31.12.2007 RM'000
Operating cash flows	28,977	332,903
Investing cash flows	(35,348)	(141,896)
Financing cash flows	(24,130)	(235,915)
	(30,501)	(44,908)

14. Changes in Contingent Liabilities or Contingent Assets

The Group has pledged certain portion of its land held for sale to security trustees for certain private debt securities of RM173.0 million (31.12.07: RM209.3 million) issued by its joint venture partners, Hartaplus Realty Sdn Bhd and Oxbridge Height Sdn Bhd pursuant to the terms of the joint venture arrangements. The Group is entitled to guaranteed payments amounting to RM431,778,900 from the sale of its land.

Other than the above, there were no changes in contingent liabilities or assets of the Group since 31 December 2007.

15. Capital Commitments

	As at 31.12.2008 RM'000
Continuing operations	
Authorised capital expenditure	
- Hotel Properties	59,463
- Property, plant and equipment	12,156
- Investment Properties	5,160
Total	76,779

**(B) ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF
BURSA SECURITIES (PARAGRAPH 9.22 AND APPENDIX 9B)**

1. Review of Performance

As explained in Note 13 of Part A, in accordance with FRS 5: Non-current Assets Held for Sale and Discontinued operations, TWM, TPC, SGSB and Natcon-Kumagai J.V. is form part of the disposal group held for sale and accordingly was classified as Discontinued operations.

a. Continuing operations

For the current quarter under review, the Group recorded revenue and profit before tax of RM123.6 million and RM154.9 million compared to revenue and loss before tax of RM123.2 million and RM26.4 million respectively in the corresponding quarter last year. The improvement in revenue was mainly contributed by the Hotel Division and the inclusion of MCIS's revenue since becoming a subsidiary on 1 April 2008. The improvement in profit before tax was mainly due to better performance from the Hotel Division and negative goodwill arising from the acquisition of additional Tradewinds Hotels & Resorts Sdn Bhd shares from Khazanah Nasional Berhad.

For the financial year ended 31 December 2008, the Group recorded revenue and profit before tax of RM475.6 million and RM232.4 million respectively, compared to RM418.0 million and RM27.9 million recorded last year. Higher revenue was contributed by the Hotel Division's improved performance and the inclusion of MCIS's revenue since becoming a subsidiary. The improvement in profit before tax for the current financial year under review was mainly due to the exceptional gain arising from the negative goodwill from the acquisition of Tradewinds Hotels & Resorts Sdn Bhd shares and also better performance from the Hotel Division.

b. Discontinued operations

The Discontinued Operations of the Group are in respect of the contribution from Disposal Group, the details of which are disclosed in Note 13 of Part A above.

For the current quarter under review, the Disposal Group recorded revenue and profit before tax of RM2.4 million and RM1.0 million respectively, compared to RM465.3 million and RM78.1 million recorded in the corresponding quarter last year. The decline in both revenue and profit before tax was mainly due to non-consolidation of TWM group results since its disposal on 21 February 2008.

For the financial year ended 31 December 2008, The Disposal Group recorded revenue and profit before tax of RM303.7 million and RM52.8 million respectively, compared to RM1,719.6 million and RM214.7 million recorded last year. The decrease in revenue and profit before tax was mainly due to non-consolidation of TWM group revenue since its disposal during the financial year.

Overall, the Group achieved a profit before tax of RM285.2 million from the continuing and discontinued operations as compared to RM242.6 million achieved during the preceding year.

2. Material Changes in the Profit Before Taxation for the Quarter Reported on as Compared to the Immediate Preceding Quarter

	Quarter Reported On RM'000	Immediate Preceding Quarter RM'000	Increase/ (Decrease) RM'000
Profit before taxation			
- from continuing operations	154,899	49,198	105,701
- from discontinued operations	1,057	-	1,057
	<u>155,956</u>	<u>49,198</u>	<u>106,758</u>

Group profit before taxation for the current quarter of RM156.0 million (contributed by Continuing Operations and Discontinued Operations) was higher than the preceding quarter of RM49.2 million mainly due to better performance by the Hotel Division and negative goodwill arising from the acquisition of Tradewinds Hotels & Resorts Sdn Bhd shares from Khazanah Nasional Berhad.

3. Prospects

The performance of the Hotel Division is expected to be under pressure for year 2009 due to the expected slowdown in both leisure and business travel activities resulting from the global economic and financial crisis. The investment properties are expected to maintain the current performance for the near term in view of its long term tenancies. Concept and design plans for the property development division are ongoing although timing for execution will have to take into consideration prevailing market conditions. Hence, no contribution from property development activities is expected in the financial year 2009. In view of the above, the Directors expect the results for year 2009 to be adversely affected.

4. Variance on Profit / Profit Guarantee

The Group has not provided any profit forecast or profit guarantee in a public document during the current financial year.

5. Taxation

Taxation for continuing operations comprises:

	Current Year Quarter RM'000	Current Year To-date RM'000
Current period charge	6,506	20,447
Deferred taxation	(9,308)	(15,325)
	<u>(2,802)</u>	<u>5,122</u>
Over provision in prior financial years	(6,101)	(3,262)
	<u>(8,903)</u>	<u>1,860</u>
Real property gain tax (net of reversal)	(7,831)	(7,025)
	<u>(16,734)</u>	<u>(5,165)</u>

The effective tax rate for the current quarter and year to date is lower than the statutory tax rate due to certain income which are not subject to tax, utilisation of unrecognised tax losses and the reversal of over provision of taxation in prior years.

6. Profits/(Losses) on Sale of Unquoted Investments and/or Properties

- (a) There was no sale of unquoted investments during the current quarter.
- (b) There was a disposal of a property during the current quarter and this disposal has resulted in a gain on disposal as follows:

	Current Year Quarter RM'000	Current Year To-date RM'000
Gain on disposal of property	<u>861</u>	<u>861</u>

7. Quoted Securities other than Securities in Existing Subsidiaries and Associates

- (a) There was no purchase and disposal of quoted securities during the current quarter.
- (b) Investment in quoted securities of the Group as at the reporting period are as follows:

	RM'000
At cost	57,537
At carrying value	17,833
At market value	<u>17,833</u>

8. Corporate Proposals

Status of Corporate Proposals

The status of corporate proposals announced but not completed as at 20 February 2009 (being the latest practical date) are as follows:

- i. On 12 February 2009, Ambang Budi Sdn Bhd ("ABSB"), a wholly-owned subsidiary of Tradewinds Corporation Berhad ("TCB") has entered into a tripartite Sale and Purchase Agreement ("SPA") with Hartaplus Realty Sdn Bhd ("Hartaplus") and Extreme Consolidated Sdn Bhd ("ECSB"), a wholly-owned subsidiary of United Malayan Land Berhad ("UML") to dispose the ABSB land ("the Land") presently registered under ABSB to ECSB ("Proposed Disposal") for RM233 million cash ("Disposal Price") whereupon a portion of the Disposal Price to be received by ABSB pursuant to the SPA shall be treated as amount received for the settlement of RM84.13 million due from Hartaplus ("Proposed Settlement"). The proposed settlement is expected to complete by the fourth quarter of 2010.
- ii. On 12 February 2009, Tradewinds Johor Sdn Bhd ("TJSB"), a wholly-owned subsidiary of Tradewinds Resources Sdn Bhd has entered into Subscription and Joint Venture Agreement with United Malayan Land Berhad ("UML") in respect of ECSB which will be 51% owned by UML and 49% owned by TJSB. The subscription of shares in ECSB was yet to be completed.
- iii. On 12 February 2009, TJSB has entered into Call Option Agreement ("COA") with UML. The call option will grant UML an irrevocable call option to purchase from TJSB its 49% equity interest in ECSB ("Option Shares") exercisable in the manner hereinafter provided at the total purchase price, which is calculated on the basis of the number of Option Shares multiplied by RM1 par value each ("Purchase Price"). The option is exercisable over a period of 2 years from the date of execution of the COA.

9. Group Borrowings and Debt Securities

Group borrowings as at the end of the reporting period are as follows:

Continuing Operation

<u>Short Term Borrowings</u>	RM'000
Secured:	
Revolving credit	16,000
Overdraft	973
Term loan	188
	<u>17,161</u>
Unsecured:	
Revolving credits	233,914
Overdraft	549
Current portion of long term borrowings	36,251
Hire purchase and lease creditors	60
	<u>287,935</u>
<u>Long Term Borrowings</u>	
Secured:	
Term loans	570,058
Unsecured:	
Advances from minority shareholders of subsidiaries	
- Interest bearing	868
- Non-interest bearing	97,802
	<u>98,670</u>
Less: Repayment due within 12 Months	<u>(36,251)</u>
	632,477
Hire purchase and lease creditors	93
	<u>632,570</u>

10. Off Balance Sheet Financial Instruments

There were no financial instruments with off balance sheet risk as at 31 December 2008.

11. Material Litigation

As at 20 February 2009, being a date not earlier than 7 days from the date of issue of this quarterly report, there were no changes in material litigation since the last annual balance sheet date.

12. Dividend

The Board of Directors does not recommend any dividend for the year ended 31 December 2008.

13. Earnings/(Loss) Per Share

(a) Basic earnings/(loss) per share

The basic earnings/(loss) per share is calculated by dividing the profit/(loss) for the period attributable to shareholders of the Company by the weighted average number of ordinary shares in issue during the period / year.

	Current Year Quarter	Current Year To-date
Profits attributable to shareholders of the Company (RM'000)		
- from continuing operations	171,599	217,175
- from discontinued operations	(24)	152,499
	<u>171,575</u>	<u>369,674</u>
Weighted average number of ordinary shares in issue ('000)	<u>1,106,031</u>	<u>1,106,029</u>
Basic earnings per share (sen)		
- from continuing operations	15.51	19.64
- from discontinued operations	-	13.79
	<u>15.51</u>	<u>33.43</u>

(b) Fully diluted earnings/(loss) per share

The fully diluted earnings per share is calculated after taking into consideration of the subsidiaries' potential ordinary shares in issue that are convertible into ordinary shares of the subsidiaries and the Company's ICULS in issue. The subsidiaries' potential ordinary shares comprise Tradewinds Hotels & Resorts Sdn Bhd's ("THR") 371,641,345 ICULS and 153,447,612 RCULS in issue since 2004. In determining whether potential ordinary shares are dilutive or anti-dilutive, each issue or series of potential ordinary shares is considered separately and in sequence from the most to the least dilutive.

The profits attributable to the shareholders of the Company and the weighted average number of ordinary shares in issue during the period/year to date in computing fully diluted earnings per share is computed as follows :-

	Current Year Quarter	Current Year To-date
Profits attributable to shareholders of the Company (RM'000)		
- from continuing operations	171,599	217,175
Effect on conversion of the following:		
THR's ICULS*	-	(2,474)
Profits from continuing operation attributable to equity shareholders assuming conversions of THR ICULS	<u>171,599</u>	<u>214,701</u>
Profits attributable to shareholders of the Company		
- from discontinued operations	(24)	152,499
Profit from discontinued operation attributable to equity shareholders assuming conversions of ICULS	<u>(24)</u>	<u>152,499</u>

	Current Year Quarter	Current Year To-date
Weighted average number of ordinary shares in issue ('000)	1,106,031	1,106,029
Assumed conversion of the Company's ICULS ('000)	0	0
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	<u>1,106,031</u>	<u>1,106,029</u>
Diluted earnings per share (sen)		
- from continuing operations	15.51	19.41
- from discontinued operations	-	13.79
	<u>15.51</u>	<u>33.20</u>

* The conversion of THR's ICULS will not have any effect on the weighted average number of ordinary shares in issue by the Company. The assumed conversion of THR ICULS during the current year quarter would result in an increase in the profit from continuing operation attributable to equity shareholders. Hence, it is anti-dilutive and the anti-dilutive effect is ignored.

14. Audit Report of the Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 December 2007 was unqualified.

BY ORDER OF THE BOARD

SAKINAH BT ABDUL KADIR (MAICSA 7000087)

Company Secretary

Kuala Lumpur

27 February 2009