

The Narborough Plantations, Public Limited Company

(Incorporated in England 1910 – Registration No. 109273)
(Registered as a Foreign Company in Malaysia – No. 991416-W)

Interim Financial Statements
31 March 2009

The Narborough Plantations, plc
(Incorporated in England 1910 – Registration No. 109273)
(Registered as a Foreign Company in Malaysia – No. 991416-W)

**INCOME STATEMENTS
FOR THE PERIOD ENDED 31 MARCH 2009**

(the figures have not been audited)

Continuing Operations

	3 months period / Cumulative period			
	ended 31.03.09		ended 31.03.08	
	RM	£	RM	£
Revenue	1,041,119	199,831	2,564,259	401,921
Cost of sales	<u>(337,292)</u>	<u>(64,739)</u>	<u>(468,833)</u>	<u>(73,485)</u>
Gross Profit	703,827	135,092	2,095,426	328,436
Other operating income	15,114	2,901	4,235	664
Administrative expenses	(161,083)	(30,918)	(161,276)	(25,278)
Exchange profit/(loss)	122,076	23,431	(133,518)	(20,928)
Operating Profit	<u>679,934</u>	<u>130,506</u>	<u>1,804,867</u>	<u>282,894</u>
Share of operating profit in associate after tax	98,870	18,977	234,704	36,903
Finance income	66,121	12,691	60,252	9,444
Finance cost	(4,897)	(938)	(6,017)	(946)
Profit before tax	840,028	161,236	2,093,806	328,295
Tax expense	<u>(199,998)</u>	<u>(38,387)</u>	<u>(521,000)</u>	<u>(81,661)</u>
Profit for the financial period	<u>640,030</u>	<u>122,849</u>	<u>1,572,806</u>	<u>246,634</u>
Earnings per share (sen / pence)	<u>4.81</u>	<u>0.92 p</u>	<u>11.81</u>	<u>1.85 p</u>

The income statements should be read in conjunction with the financial statements for the financial year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.

The Narborough Plantations, plc
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**STATEMENT OF TOTAL RECOGNISED INCOME AND EXPENSE
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2009**

(the figures have not been audited)

	31.03.2009		Year ended 31.12.2008 (Audited)	
	RM	£	RM	£
Profit for the financial period	640,030	122,849	3,981,728	673,396
Net surplus/(deficit) arising on translation of balance sheet items at beginning of period and results of the year to year-end exchange rate				
- revaluation reserve	-	(175,782)	-	1,087,004
- capital reserve	-	(22,189)	-	116,204
- foreign exchange reserve	-	(41,944)	-	242,407
- general reserve	-	(7,373)	-	29,358
- retained profits	-	(150,126)	-	751,659
Total recognised income and expense for the period	640,030	(274,565)	3,981,728	2,900,028

The statement of total recognised income and expense should be read in conjunction with the financial statements for the financial year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.

Narborough Plantations, plc
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BALANCE SHEET AS AT 31 MARCH 2009
(the figures have not been audited)

ASSETS	3 months to 31.03.09		Year ended 31.12.08 (Audited)	
	RM	£	RM	£
NON CURRENT ASSETS				
Property, plant and equipment	14,673,161	2,810,950	14,685,063	2,937,013
Biological assets	14,473,005	2,772,606	14,473,005	2,894,601
Prepaid lease payments	110,937	21,252	115,625	23,125
Investment in associate	8,319,227	1,593,722	8,220,357	1,644,072
	<u>37,576,330</u>	<u>7,198,530</u>	<u>37,494,050</u>	<u>7,498,811</u>
CURRENT ASSETS				
Inventories	54,700	10,479	7,144	1,429
Trade and other receivables	286,025	54,794	273,575	54,715
Short term deposits	9,479,725	1,816,039	9,262,572	1,852,514
Cash and bank balances	422,168	80,875	252,866	50,573
Tax recoverable	418,987	80,266	418,987	83,797
TOTAL CURRENT ASSETS	<u>10,661,605</u>	<u>2,042,453</u>	<u>10,215,144</u>	<u>2,043,028</u>
TOTAL ASSETS	<u>48,237,935</u>	<u>9,240,983</u>	<u>47,709,194</u>	<u>9,541,839</u>
LIABILITIES				
CURRENT LIABILITIES				
Trade and other payables	(391,016)	(74,907)	(502,305)	(100,461)
Current tax liabilities	-	-	-	-
	<u>(391,016)</u>	<u>(74,907)</u>	<u>(502,305)</u>	<u>(100,461)</u>
NON CURRENT LIABILITIES				
Provision for retirement benefits	(29,023)	(5,560)	(29,023)	(5,805)
Deferred tax liabilities	(58,397)	(11,187)	(58,397)	(11,679)
Cumulative preference shares	(84,163)	(19,024)	(84,163)	(19,024)
	<u>(171,583)</u>	<u>(35,771)</u>	<u>(171,583)</u>	<u>(36,508)</u>
TOTAL LIABILITIES	<u>(562,599)</u>	<u>(110,678)</u>	<u>(673,888)</u>	<u>(136,969)</u>
TOTAL NET ASSETS	<u>47,675,336</u>	<u>9,130,305</u>	<u>47,035,306</u>	<u>9,404,870</u>
CAPITAL & RESERVES ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY				
Share capital	4,891,969	1,331,659	4,891,969	1,331,659
Other reserves	24,361,268	4,269,509	24,361,268	4,516,797
Retained profits	18,422,099	3,529,137	17,782,069	3,556,414
	<u>47,675,336</u>	<u>9,130,305</u>	<u>47,035,306</u>	<u>9,404,870</u>
Net assets per share (RM / pence)	<u>3.58</u>	<u>68.56 p</u>	<u>3.53</u>	<u>70.63 p</u>

The balance sheet should be read in conjunction with the financial statements for the financial year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.

Narborough Plantations, plc
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**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2009**

(the figures have not been audited)

(in Ringgit Malaysia)

	Share capital RM	Revaluation reserve net of attributable deferred tax RM	Capital reserve RM	General reserve RM	Retained profits RM	Total RM
At 1 January 2008	4,891,969	22,313,966	2,385,440	602,660	13,721,716	43,915,751
Additional interest in an associate	-	-	246,964	272,038	-	519,002
Realisation of surplus on disposal of property, plant and equipment	-	(1,459,800)	-	-	1,459,800	-
Total recognised income and expense for the year	-	-	-	-	3,981,728	3,981,728
Dividends	-	-	-	-	(1,381,175)	(1,381,175)
At 31 December 2008	4,891,969	20,854,166	2,632,404	874,698	17,782,069	47,035,306
Additional interest in an associate	-	-	-	-	-	-
Total recognised income and expense for the year	-	-	-	-	640,030	640,030
Dividends	-	-	-	-	-	-
At 31 March 2009	4,891,969	20,854,166	2,632,404	874,698	18,422,099	47,675,336

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**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2009**

(the figures have not been audited)

(in Pound Sterling)

	Share capital £	Revaluation reserve net of attributable deferred tax £	Capital reserve £	Foreign exchange reserve £	General reserve £	Retained profits £	Total £
At 1 January 2008	1,331,659	3,375,789	360,884	(597,864)	91,174	2,075,902	6,637,544
Additional interest in an associate	-	-	49,393	-	54,408	-	103,801
Revaluation gains from revaluation of plant and equipment	-	(291,960)	-	-	-	291,960	-
Total recognised income and expense for the year	-	1,087,004	116,204	242,407	29,358	1,425,055	2,900,028
Dividends	-	-	-	-	-	(236,503)	(236,503)
At 31 December 2008	1,331,659	4,170,833	526,481	(355,457)	174,940	3,556,414	9,404,870
Additional interest in an associate	-	-	-	-	-	-	-
Total recognised income and expense for the year	-	(175,782)	(22,189)	(41,944)	(7,373)	(27,277)	(274,565)
Dividends	-	-	-	-	-	-	-
At 31 March 2009	1,331,659	3,995,051	504,292	(397,401)	167,567	3,529,137	9,130,305

The statement of changes in equity should be read in conjunction with the financial statements for the financial year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.

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CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31 MARCH 2009
(the figures have not been audited)

	3 months to 31.3.2009		3 months to 31.3.2008	
	RM	£	RM	£
Operating Activities				
Profit before taxation	840,028	161,236	2,093,806	328,295
Adjustments for:				
Amortisation of prepaid lease payment	4,688	900	4,687	735
Depreciation of property, plant and equipment	13,102	2,515	18,538	2,905
Provision/(write back) of retirement benefits	-	-	-	-
Gain on disposal of property, plant & equipment	-	-	-	-
Share of profit of associate after tax	(98,870)	(18,977)	(234,704)	(36,903)
Finance income	(66,121)	(12,691)	(60,252)	(9,444)
Finance cost	4,897	938	6,017	946
Operating cash flow before changes in working capital and provisions	697,724	133,921	1,828,092	286,534
Decrease/(Increase) in inventories	(47,556)	(9,110)	(19,480)	(3,063)
Decrease/(Increase) in trade and other receivables	(12,450)	(2,385)	(53,673)	(8,439)
(Decrease)/Increase in trade and other payables	(120,766)	(23,135)	(29,973)	(4,713)
Cash generated from operations	516,952	99,291	1,724,966	270,319
Tax paid	(199,998)	(38,387)	(296,748)	(46,512)
Net cash flow from operating activities	316,954	60,904	1,428,218	223,807
Investing activities				
Repayment from / (advances to) affiliated company	4,580	877	2,681	422
Interest received	66,121	12,691	60,252	9,444
Proceeds from disposal of property, plant & equipment	-	-	-	-
Purchase of property, plant & equipment	(1,200)	(230)	(27,600)	(4,340)
Net cash flow from investing activities	69,501	13,338	35,333	5,526
Financing activities				
Dividends paid on equity shares	-	-	(1,413,643)	(213,864)
Dividends paid on preference shares	-	-	-	-
Net cash flow used in financing activities	-	-	(1,413,643)	(213,864)
Increase in cash and cash equivalents	386,455	74,242	49,908	15,469
Effects of exchange rate changes	-	(80,415)	-	40,502
Cash and cash equivalents at beginning of the period	9,515,438	1,903,087	8,092,424	1,224,270
Cash and cash equivalents at end of the period	9,901,893	1,896,914	8,142,332	1,280,241
Comprising:				
Cash and bank balances	422,168	80,875	3,542,332	556,970
Short term deposits	9,479,725	1,816,039	4,600,000	723,271
	9,901,893	1,896,914	8,142,332	1,280,241

The cash flow statement should be read in conjunction with the financial statements for the financial year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.

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Notes to the interim financial statements

A1. Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with International Financial Reporting Standards (IFRS and IFRIC) issued by the International Accounting Standards Board (IASB) as adopted by the EU and with those parts of the Companies Act, 1985 applicable to companies preparing their accounts under IFRS.

The interim financial statements should be read in conjunction with the audited financial statements of the Company for the year ended 31 December 2008. There was no qualification in the audited financial statements for the year ended 31 December 2008.

The accounting policies and methods of computation adopted by the Company in the interim financial statements are consistent with those adopted in the financial statements for the year ended 31 December 2008 except for the adoption of the following new/revised International Financial Reporting Standards (“IFRS”) effective for the financial period beginning 1 January 2009.

IFRS 8 Operating Segments

IAS 23 Borrowing Costs (revised)

*IFRIC 15 Agreements for the Construction of Real Estate**

*IFRIC 17 Distributions of Non-cash Assets to Owners**

*Revised IFRS 1 First time Adoption of International Financial Reporting Standards**

*Revised IFRS 3 Business Combination and complementary Amendments to IAS 27 ‘Consolidated and separate financial statements’**

Amendment to IFRS 2 Share-based payments: vesting conditions and cancellations

IAS 1 Presentation of Financial Statements (Amendment)

*IAS 1 Presentation of Financial Statements - Puttable Financial Instruments and Obligations Arising on Liquidation (Amendment)**

*IAS 32 Financial Instruments: Presentation (Amendment)**

*Amendment to IAS 39 - Eligible Hedged Items**

IFRIC 18 Transfers of Assets from Customers

* Not endorsed by the EU as at the date of approval of these financial statement.

The directors do not anticipate that the adoption of the above standards and interpretations will have a material impact on the Company’s financial statements, other than increasing disclosure, in the period of initial adoption and subsequent periods.

A2. Seasonal or cyclical factors

The production of fresh fruits bunches of oil palms (“FFB”) is dependent on weather conditions; hence is seasonal in nature. The turnover is also dependent on price fluctuations of Crude Palm Oil (“CPO”)

A3. Items affecting assets, liabilities, equity, net income or cash flows

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence.

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Notes to the interim financial statements - cont'd

A4. Change in estimates

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

A5. Debt and equity securities

There were no issuance, cancellations, repurchase, resale and repayments of debt and equity securities in the current quarter.

A6. Dividend paid

There was no dividend paid during the quarter under review.

A7. Segment information

Segmental information is not presented as the principal activity of the Company is the cultivation of oil palm wholly carried out within Malaysia.

A8. Valuation of property, plant and equipment

The valuations of property, plant and equipment have been brought forward without amendment from the previous annual financial statements.

A9. Capital commitments

There are no material capital commitments as at 31 March 2009.

A10. Events subsequent to the balance sheet date

There were no material events subsequent to the end of the current quarter that have not been reflected in the interim financial statements under review.

A11. Changes in composition

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

A12. Changes in contingent liabilities and contingent assets

There were no contingent liabilities or contingent assets as at the last annual balance sheet date and the latest practicable date.

A13. Related party transactions

There were no significant related party transactions of the Company for the current quarter.

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Additional information

B1. Review of performance

The Company registered revenue of RM1,041,119 (£199,831) for the current financial period, a decrease of 59.40% as compared to the preceding year corresponding quarter.

This is mainly due to the decreased in yield of fresh fruit bunches (FFB) for the current quarter of 25.52% from 3,476 MT to 2,589 MT as compared to the preceding year corresponding quarter. Average price of FFB for the current quarter has also decreased by 50.65% from RM737.65 to RM364.05 as compared to the preceding year corresponding quarter.

B2. Variation of results against preceding year corresponding quarter

The current quarter recorded a pre-tax profit in the financial quarter of RM840,028 (£161,236) against pre-tax profit of RM2,093,806 (£328,295) in the preceding year corresponding quarter.

The lower pre-tax profit in the current quarter is mainly attributed by the decrease in yield of FFB and the lower average CPO market price.

B3. Current year prospects

Barring any unforeseen circumstances, the directors expect the performance of the Company for the current financial year to be satisfactory.

B4. Profit forecast

Not applicable as no profit forecast was published.

B5. Tax expense

	3 months ended		3 months ended	
	31.03.2009	31.03.2008	31.03.2009	31.03.2008
	RM'000	RM'000	£'000	£'000
Current tax expense of the company	200	521	38	82

The tax residence of the Company is in Malaysia.

A reconciliation of the Malaysian income tax rate to the effective tax rate of the Company is as follows:-

	% of Profit Before Taxation	
	31.03.2009	31.03.2008
Malaysian income tax rate	25.0	26.0
(Decrease)/Increase resulting from:		
Non deductible expenses	6.8	2.4
Non taxable income	(7.6)	(3.6)
Effective tax rate	24.2	24.8

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Additional information – cont'd

B6. Unquoted investments and properties

There were no purchase or sales of unquoted investments or properties for the current financial year to date.

B7. Quoted investments

There were no purchases of quoted securities for the current financial period.

B8. Status of corporate proposal announced

There were no corporate proposals announced and not completed as at the latest practicable date.

B9. Borrowing and debt securities

There were no borrowings and debt securities as at the end of the current quarter.

B10. Off balance sheet financial instruments

There were no financial instruments with off balance sheet risk as at the latest practicable date.

B11. Changes in material litigation

There was no pending material litigation as at the latest practicable date.

B12. Dividends

The directors do not recommend any payment of dividend for the current financial period to date.

B13. Earnings per share

Basic earnings per share

The earnings per share is calculated by dividing the net profit for the period attributable to equity holders of the Company by the weighted average number of shares of the Company in issue during the period.

	Individual period		Cumulative period	
	Current year quarter	Preceding year corresponding quarter	Current year to date	Preceding year corresponding period
	31.03.2009	31.03.2008	31.03.2009	31.03.2008
Net profit attributable to ordinary shareholders (RM)	640,030	1,572,806	640,030	1,572,806
Basic earnings per share				
Weighted average number of ordinary shares of 10 p each	13,316,590	13,316,590	13,316,590	13,316,590
Basic earnings per ordinary share of 10 p each (sen)	4.81	11.81	4.81	11.81

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Additional information – cont'd

B13. Earnings per share (cont'd)

	Individual period		Cumulative period	
	Current year quarter	Preceding year corresponding quarter	Current year to date	Preceding year corresponding period
	31.03.2009	31.03.2008	31.03.2009	31.03.2008
Net profit attributable to ordinary shareholders (£)	122,849	246,634	122,849	246,634
Basic earnings per share				
Weighted average number of ordinary shares of 10 p each	13,316,590	13,316,590	13,316,590	13,316,590
Basic earnings per ordinary share of 10 p each (pence)	0.92 p	1.85 p	0.92 p	1.85 p

Diluted earnings per shares

Not applicable.

The financial statements are measured in Ringgit Malaysia (RM), which is the functional currency, being the currency of the primary economic environment in which the Company operates. The financial statements are presented in both RM and Pound Sterling. The balance sheet is translated to Pound Sterling for presentation purpose at an exchange rate of RM1 = 19.16p (2008: RM1 = 15.72p) whereas the income statement is translated at an average exchange rate of RM1 = 19.19p (2008: RM1 = 15.67p).

By Order of the Board

Adrian Tsen Keng Yam
Executive Director

Dated : 28 April 2009

Ipoh

The Unaudited Results of The Narborough Plantations, plc for the first quarter ended 31 March 2009 are also available on the Company's website at www.narboroughplantations.com.