

# SANBUMI HOLDINGS BERHAD (8386-P)

## Quarterly Report for the 3rd financial quarter ended 30 September 2006

### UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT

for the quarter ended 30 September 2006

|   | INDIVIDUAL QUARTER |                    | CUMULATIVE PERIOD |                    |
|---|--------------------|--------------------|-------------------|--------------------|
|   | <u>Current</u>     | <u>Comparative</u> | <u>Current</u>    | <u>Comparative</u> |
|   | 3 months           | 3 months           | 9 months          | 9 months           |
|   | ended              | ended              | ended             | ended              |
|   | 30.09.2006         | 30.09.2005         | 30.09.2006        | 30.09.2005         |
|   | RM'000             | RM'000             | RM'000            | RM'000             |
| Revenue   | 20,156             | 36,104             | 85,060            | 103,429            |
| Cost of Sales   | (17,614)           | (34,626)           | (84,156)          | (96,883)           |
| <b>Gross Profit</b>   | <b>2,542</b>       | <b>1,478</b>       | <b>904</b>        | <b>6,546</b>       |
| Other Income  | 1,146              | 1,123              | 3,893             | 1,999              |
| Operating Expenses  | (3,052)            | (3,498)            | (9,747)           | (10,065)           |
| Finance Cost  | (2)                | (7)                | (7)               | (50)               |
| Share of Profit/(Loss) of Associate   | -                  | -                  | -                 | -                  |
| <b>Profit/(Loss) Before Tax</b>   | <b>634</b>         | <b>(904)</b>       | <b>(4,957)</b>    | <b>(1,570)</b>     |
| Tax Expense   | -                  | 14                 | -                 | (44)               |
| <b>Profit/(Loss) After Tax</b>  | <b>634</b>         | <b>(890)</b>       | <b>(4,957)</b>    | <b>(1,614)</b>     |
| Attributable to:  |                    |                    |                   |                    |
| Equity Holders of the Parent  | 637                | (856)              | (4,895)           | (1,490)            |
| Minority Interest   | 3                  | 34                 | 62                | 124                |
|   | <b>634</b>         | <b>(890)</b>       | <b>(4,957)</b>    | <b>(1,614)</b>     |
| Earnings/(Loss) Per Share (sen) attributable to equity holders of the parent: |                    |                    |                   |                    |
| i) Basic  | <b>0.34</b>        | <b>(0.45)</b>      | <b>(2.59)</b>     | <b>(0.79)</b>      |
| ii) Diluted   | -                  | -                  | -                 | -                  |

The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the year ended 31 December 2005

**SANBUMI HOLDINGS BERHAD** (8386-P)**Quarterly Report for the 3rd financial quarter ended 30 September 2006****CONDENSED CONSOLIDATED BALANCE SHEET**

as at 30 September 2006

|  | (Unaudited)<br>AS AT END<br>OF CURRENT<br>QUARTER<br><br>30.09.2006 | (Audited)<br>AS AT<br>PRECEDING<br>FINANCIAL<br>YEAR END<br><br>31.12.2005 |
|--|---|--|
|  | RM'000  | RM'000   |
| <b>ASSETS</b>  |   |  |
| <b>Non-Current Assets</b>                                  |   |  |
| Property, Plant and Equipment                              | 27,372  | 49,929   |
| Investment Properties                                      | 22,099  | 0  |
| Deferred tax assets  | 96  | 96   |
|  | <b>49,567</b>   | <b>50,025</b>  |
| <b>Current Assets</b>                                      |   |  |
| Inventories  | 24,657  | 17,866   |
| Trade & Other Receivables                                  | 87,491  | 90,560   |
| Deposits, cash and bank balances                           | 26,559  | 33,135   |
|  | <b>138,707</b>  | <b>141,561</b>   |
| <b>TOTAL ASSETS</b>  | <b>188,274</b>  | <b>191,586</b>   |
| <b>EQUITY AND LIABILITIES</b>                              |   |  |
| <b>Equity Attributable to Equity Holders of the Parent</b> |   |  |
| Share Capital  | 189,238   | 189,238  |
| Retained Profits   | 73,049  | 68,516   |
| Revaluation and Other Reserves                             | 22,727  | 31,088   |
| Treasury Shares  | (335)   | -  |
| Merger Deficit   | (109,629)   | (109,629)  |
|  | <b>175,050</b>  | <b>179,213</b>   |
| <b>Minority Interests</b>                                  | 441   | 503  |
| <b>Total Equity</b>  | <b>175,491</b>  | <b>179,716</b>   |
| <b>Non-current Liabilities</b>                             |   |  |
| Deferred payables  | 0   | 4  |
| Deferred taxation  | 1,948   | 1,533  |
|  | <b>1,948</b>  | <b>1,537</b>   |
| <b>Current Liabilities</b>                                 |   |  |
| Borrowings   | 0   | 0  |
| Trade & Other Payables                                     | 9,767   | 9,255  |
| Provision for tax  | 1,068   | 1,078  |
|  | <b>10,835</b>   | <b>10,333</b>  |
| <b>Total Liabilities</b>                                   | <b>12,783</b>   | <b>11,870</b>  |
| <b>TOTAL EQUITY AND LIABILITIES</b>                        | <b>188,274</b>  | <b>191,586</b>   |
| <b>Net Asset Per Share (RM)</b>                            | <b>0.93</b>   | <b>0.95</b>  |

The Condensed Consolidated Balance Sheet should be read in conjunction with the  
Annual Financial Report for the year ended 31 December 2005

**SANBUMI HOLDINGS BERHAD** (8386-P)

**Quarterly Report for the 3rd financial quarter ended 30 September 2006**

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

for the period ended 30 September 2006

|   | <u>Share capital</u>        | <u>Non- distributable</u> |                 |                                | <u>Distributable</u> |                | <u>Minority Interest</u> | <u>Total Equity</u> |
|---|-----------------------------|---------------------------|-----------------|--------------------------------|----------------------|----------------|--------------------------|---------------------|
|   | Ordinary shares of RM1 each | Merger Deficit            | Treasury Shares | Revaluation and other reserves | Retained profits     | Total          |                          |                     |
|   | RM'000                      | RM'000                    | RM'000          | RM'000                         | RM'000               | RM'000         | RM'000                   | RM'000              |
| <b><u>Cumulative Current Period</u></b>       |                             |                           |                 |                                |                      |                |                          |                     |
| At 1.1.2006 - as previously stated            | 189,238                     | (109,629)                 | -               | 31,088                         | 68,516               | 179,213        | 503                      | 179,716             |
| Effects of adopting FRS 140                   | -                           | -                         | -               | (8,361)                        | 9,428                | 1,067          | -                        | 1,067               |
| At 1.1.2006 (restated)                        | 189,238                     | (109,629)                 | -               | 22,727                         | 77,944               | 180,280        | 503                      | 180,783             |
| Recognised income and expense for the period: |                             |                           |                 |                                |                      |                |                          |                     |
| Loss for the period                           | -                           | -                         | -               | -                              | (4,895)              | (4,895)        | (62)                     | (4,957)             |
| Purchase of treasury shares                   | -                           | -                         | (335)           | -                              | -                    | (335)          | -                        | (335)               |
| <b>At 30.09.2006</b>                          | <b>189,238</b>              | <b>(109,629)</b>          | <b>(335)</b>    | <b>22,727</b>                  | <b>73,049</b>        | <b>175,050</b> | <b>441</b>               | <b>175,491</b>      |
| <b><u>Cumulative Preceding Period</u></b>     |                             |                           |                 |                                |                      |                |                          |                     |
| At 1.1.2005                                   | 189,238                     | (109,629)                 | -               | 31,088                         | 64,149               | 174,846        | 480                      | 175,326             |
| Recognised income and expense for the period: |                             |                           |                 |                                |                      |                |                          |                     |
| Loss for the period                           | -                           | -                         | -               | -                              | (1,490)              | (1,490)        | (124)                    | (1,614)             |
| At 30.09.2005                                 | 189,238                     | (109,629)                 | -               | 31,088                         | 62,659               | 173,356        | 356                      | 173,712             |

**The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2005**

**SANBUMI HOLDINGS BERHAD** (8386-P)**Quarterly Report for the 3rd financial quarter ended 30 September 2006****UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

for the period ended 30 September 2006

|  | <b>Cumulative Period<br/>To Date</b> |                   |
|--|--------------------------------------|-------------------|
|  | <b>30.09.2006</b>                    | <b>30.09.2005</b> |
|  | <b>RM'000</b>                        | <b>RM'000</b>     |
| <b>CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES:</b>   |                                      |                   |
| <b>Loss before taxation</b>  | <b>(4,957)</b>                       | (1,570)           |
| Adjustments for:   |                                      |                   |
| Non-cash items   | <b>3,748</b>                         | 3,160             |
| Non-operating in nature items  | <b>(356)</b>                         | (298)             |
| Operating (loss)/profit before working capital changes   | <b>(1,565)</b>                       | 1,292             |
| (Increase)/Decrease in current assets  | <b>(3,722)</b>                       | 9,687             |
| Increase/(Decrease) in current liabilities   | <b>512</b>                           | (2,971)           |
| <b>Cash from/(for) operations</b>  | <b>(4,775)</b>                       | <b>8,008</b>      |
| Taxation paid  | <b>(1,712)</b>                       | (2,822)           |
| Interest paid  | <b>0</b>                             | 0                 |
| Interest received  | <b>358</b>                           | 336               |
| <b>Net cash flows from/(for) operating activities</b>  | <b>(6,129)</b>                       | <b>5,522</b>      |
| <b>CASH FLOWS FROM/(FOR) INVESTING ACTIVITIES:</b>   |                                      |                   |
| Equity investments   | <b>0</b>                             | 0                 |
| Property, plant and equipment  | <b>(445)</b>                         | (137)             |
| <b>Net cash flows from/(for) investing activities</b>  | <b>(445)</b>                         | <b>(137)</b>      |
| <b>CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES:</b>   |                                      |                   |
| Issuance of shares   | <b>0</b>                             | 0                 |
| Bank borrowings  | <b>0</b>                             | (2,000)           |
| Interest received  | <b>0</b>                             | 0                 |
| Interest paid  | <b>(2)</b>                           | (38)              |
| <b>Net cash flows from/(for) financing activities</b>  | <b>(2)</b>                           | <b>(2,038)</b>    |
| <b>Net increase/(decrease) in<br/>cash &amp; cash equivalents</b>                              | <b>(6,576)</b>                       | <b>3,347</b>      |
| Cash & cash equivalents at beginning of period   | <b>33,135</b>                        | 15,010            |
| <b>Cash &amp; cash equivalents at end of period</b>  | <b>26,559</b>                        | <b>18,357</b>     |
| For the purpose of cash flow statements, cash & cash equivalents<br>at end of period comprise: |                                      |                   |
|  | <b>RM'000</b>                        | <b>RM'000</b>     |
| Deposits, cash and bank balances   | <b>26,559</b>                        | 18,390            |
| Bank overdrafts  | <b>0</b>                             | (33)              |
|  | <b>26,559</b>                        | <b>18,357</b>     |

**The Condensed Consolidated Cash Flow Statement should be read in conjunction with  
the Annual Financial Report for the year ended 31 December 2005**