

SANBUMI HOLDINGS BERHAD (8386-P)**Interim Financial Report for the 3rd financial quarter ended 30 September 2008****CONDENSED CONSOLIDATED INCOME STATEMENT**

for the quarter ended 30 September 2008 (Unaudited)

| | INDIVIDUAL QUARTER | | CUMULATIVE PERIOD | |
|--|--|--|---|---|
| | Current Quarter Ended 30.09.08 RM'000 | Comparative Quarter Ended 30.09.07 RM'000 | 9 months Ended 30.09.08 RM'000 | 9 months Ended 30.09.07 RM'000 |
| Revenue | 27,471 | 65,231 | 67,959 | 195,941 |
| Cost of Sales | (28,181) | (65,474) | (70,535) | (192,682) |
| Gross (Loss)/Profit | (710) | (243) | (2,576) | 3,259 |
| Other Income | 1,053 | 1,452 | 2,692 | 3,064 |
| Operating Expenses | (3,755) | (4,209) | (12,007) | (13,707) |
| Finance Cost | (26) | (19) | (77) | (69) |
| Loss Before Tax | (3,438) | (3,019) | (11,968) | (7,453) |
| Tax Expense | - | - | - | - |
| Loss After Tax | (3,438) | (3,019) | (11,968) | (7,453) |
| Attributable to: | | | | |
| Equity Holders of the Parent | (3,437) | (3,011) | (11,963) | (7,425) |
| Minority Interest | (1) | (8) | (5) | (28) |
| | (3,438) | (3,019) | (11,968) | (7,453) |
| Loss Per Share (sen) attributable to equity holders of the parent: | | | | |
| i) Basic | (1.97) | (1.73) | (6.87) | (4.26) |
| ii) Diluted | - | - | - | - |

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

SANBUMI HOLDINGS BERHAD (8386-P)**Interim Financial Report for the 3rd financial quarter ended 30 September 2008****CONDENSED CONSOLIDATED BALANCE SHEET**

as at 30 September 2008

| | AS AT 30.09.08 (Unaudited) | AS AT 31.12.07 (Audited) |
|---|---|--------------------------------|
| | RM'000 | RM'000 |
| ASSETS | | |
| Non-Current Assets | | |
| Property, Plant and Equipment | 33,655 | 30,145 |
| Prepaid land lease payment | 181 | 184 |
| Investment Properties | 21,299 | 21,299 |
| | 55,135 | 51,628 |
| Current Assets | | |
| Inventories | 26,157 | 29,774 |
| Trade & Other Receivables | 73,460 | 76,944 |
| Deposits, cash and bank balances | 6,834 | 16,787 |
| | 106,451 | 123,505 |
| TOTAL ASSETS | 161,586 | 175,133 |
| EQUITY AND LIABILITIES | | |
| Share Capital | 189,238 | 189,238 |
| Retained Profits | 55,909 | 67,872 |
| Revaluation and Other Reserves | 22,726 | 22,726 |
| Treasury Shares | (11,341) | (11,341) |
| Merger Deficit | (109,628) | (109,628) |
| Equity Attributable to Equity Holders of the Company | 146,904 | 158,867 |
| Minority Interests | 92 | 200 |
| Total Equity | 146,996 | 159,067 |
| Non-current Liabilities | | |
| Deferred paybles | 394 | 673 |
| Deferred taxation | 2,009 | 2,009 |
| | 2,403 | 2,682 |
| Current Liabilities | | |
| Trade & Other Payables | 11,091 | 12,289 |
| Provision for tax | 1,096 | 1,095 |
| | 12,187 | 13,384 |
| Total Liabilities | 14,590 | 16,066 |
| TOTAL EQUITY AND LIABILITIES | 161,586 | 175,133 |
| Net Asset Per Share (RM) | 0.84 | 0.91 |

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

SANBUMI HOLDINGS BERHAD (8386-P)

Interim Financial Report for the 3rd financial quarter ended 30 September 2008

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the period ended 30 September 2008 (Unaudited)

| | <u>Share capital</u> | <u>Non- distributable</u> | | | <u>Distributable</u> | <u>Total</u> | <u>Minority Interest</u> | <u>Total Equity</u> |
|---|---------------------------------------|---------------------------|---------------------------|--|----------------------------|----------------|--------------------------|---------------------|
| | Ordinary shares of RM1 each RM'000 | Merger Deficit RM'000 | Treasury Shares RM'000 | Revaluation and other reserves RM'000 | Retained profits RM'000 | | | |
| <u>Cumulative Current Period</u> | | | | | | | | |
| At 1.1.2008 | 189,238 | (109,628) | (11,341) | 22,726 | 67,872 | 158,867 | 200 | 159,067 |
| Recognised income and expense for the period: | | | | | | | | |
| Loss for the period | - | - | - | - | (11,963) | (11,963) | (5) | (11,968) |
| Purchase of treasury shares | - | - | - | - | - | - | - | - |
| Adjustment for changes in structure | - | - | - | - | - | - | (103) | 103.00 |
| At 30.09.2008 | 189,238 | (109,628) | (11,341) | 22,726 | 55,909 | 146,904 | 92 | 146,996 |
| <u>Cumulative Preceding Period</u> | | | | | | | | |
| At 1.1.2007 | 189,238 | (109,628) | (3,483) | 22,726 | 75,478 | 174,331 | 301 | 174,632 |
| Recognised income and expense for the period: | | | | | | | | |
| Loss for the period | - | - | - | - | (7,425) | (7,425) | (28) | (7,453) |
| Purchase of treasury shares | - | - | (7,858) | - | - | (7,858) | - | (7,858) |
| At 30.09.2007 | 189,238 | (109,628) | (11,341) | 22,726 | 68,053 | 159,048 | 273 | 159,321 |

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

SANBUMI HOLDINGS BERHAD (8386-P)**Interim Financial Report for the 3rd financial quarter ended 30 September 2008****CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

for the period ended 30 September 2008 (Unaudited)

| | Cumulative Period Ended | |
|--|------------------------------------|-----------------|
| | 30.09.08 | 30.09.07 |
| | RM'000 | RM'000 |
| CASH FLOWS FROM/(FOR) OPERATING ACTIVITIES: | | |
| Loss before taxation | (11,968) | (7,453) |
| Adjustments for: | | |
| Non-cash items | 2,333 | 4,592 |
| Non-operating items | (187) | (168) |
| Operating loss before changes in working capital | (9,822) | (3,029) |
| (Increase)/Decrease in current assets | 7,101 | 5,611 |
| Increase/(Decrease) in current liabilities | (1,477) | 4,964 |
| Cash flows from/(for) operations | (4,198) | 7,546 |
| Taxation paid | 0 | (4) |
| Interest received | 90 | 213 |
| Net cash flows from/(for) operating activities | (4,108) | 7,755 |
| CASH FLOWS FROM/(FOR) INVESTING ACTIVITIES: | | |
| Equity investments | (99) | 0 |
| Property, plant and equipment | (5,843) | (4,804) |
| Insurance recovery | 171 | 0 |
| Investment properties | 0 | 850 |
| Net cash flows from/(for) investing activities | (5,771) | (3,954) |
| CASH FLOWS FROM/(FOR) FINANCING ACTIVITIES: | | |
| Issuance of shares | 0 | 0 |
| Bank borrowings | 0 | 0 |
| Interest paid | (74) | (45) |
| Treasury shares acquired | 0 | (7,858) |
| Net cash flows from/(for) financing activities | (74) | (7,903) |
| Net increase/(decrease) in cash & cash equivalent | (9,953) | (4,102) |
| Cash & cash equivalent at beginning of period | 16,787 | 25,524 |
| Cash & cash equivalent at end of period | 6,834 | 21,422 |
| Cash & cash equivalent consists of: | | |
| | RM'000 | RM'000 |
| Deposits, cash and bank balances | 6,834 | 21,422 |
| Bank overdrafts | 0 | 0 |
| | 6,834 | 21,422 |

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