



# ASIATIC DEVELOPMENT BERHAD

(Incorporated in Malaysia under Company No : 34993-X)  
 10th Floor, Wisma Genting, Jalan Sultan Ismail, 50250 Kuala Lumpur, Malaysia. P.O. Box 11224,  
 50740 Kuala Lumpur. Tel: 03-21782255/23332255 Fax: 03-21641032  
 Website: <http://www.asiatic.com.my> E-mail: [info@asiatic.com.my](mailto:info@asiatic.com.my)

## SECOND QUARTERLY REPORT

Quarterly report on consolidated results for the second quarter ended 30 June 2007. The figures have not been audited.

### CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2007

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 30/06/2007 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/06/2006 RM'000	CURRENT YEAR TO-DATE 30/06/2007 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/06/2006 RM'000
Revenue	192,444	130,362	341,720	260,840
Cost of sales	(86,294)	(79,593)	(159,709)	(152,112)
<b>Gross profit</b>	<b>106,150</b>	<b>50,769</b>	<b>182,011</b>	<b>108,728</b>
Other income	4,720	3,157	8,004	6,142
Other expenses	(18,000)	(14,893)	(33,601)	(28,365)
<b>Profit from operations</b>	<b>92,870</b>	<b>39,033</b>	<b>156,414</b>	<b>86,505</b>
Share of results in associates	724	265	1,439	605
<b>Profit before taxation</b>	<b>93,594</b>	<b>39,298</b>	<b>157,853</b>	<b>87,110</b>
Taxation	(17,906)	(9,509)	(35,081)	(20,352)
<b>Profit for the financial period</b>	<b>75,688</b>	<b>29,789</b>	<b>122,772</b>	<b>66,758</b>
Attributable to:				
Equity holders of the Company	75,008	29,477	121,454	66,018
Minority interests	680	312	1,318	740
	<u>75,688</u>	<u>29,789</u>	<u>122,772</u>	<u>66,758</u>
Basic earnings per share - sen	9.97	3.95	16.16	8.85
Diluted earnings per share - sen	9.91	3.91	16.06	8.77

*(The Condensed Consolidated Income Statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2006 and the accompanying explanatory notes attached to this interim financial report.)*



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## CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30 June 2007

	AS AT END OF CURRENT QUARTER 30/6/2007 RM'000	<i>Restated</i> AS AT PRECEDING FINANCIAL YEAR END 31/12/2006 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	371,213	367,644
Land held for property development	230,822	226,253
Investment properties	10,724	10,874
Plantation development*	452,310	445,512
Prepaid lease payments	247,749	249,226
Jointly controlled entity	171	-
Associates	12,064	12,961
Long term investments	32,705	32,653
Long term receivables	-	5,000
Deferred taxation	6,459	5,669
<b>Current assets</b>		
Property development costs	93,070	104,134
Inventories	124,888	114,926
Trade and other receivables	132,956	97,426
Amount due from associates	868	1,094
Short term investments	170,189	121,184
Bank balances and deposits	189,161	140,179
	<u>711,132</u>	<u>578,943</u>
<b>TOTAL ASSETS</b>	<u><b>2,075,349</b></u>	<u><b>1,934,735</b></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	376,436	375,211
Reserves	1,482,273	1,382,152
	<u>1,858,709</u>	<u>1,757,363</u>
<b>Minority interests</b>	10,841	11,392
<i>Total equity</i>	<u>1,869,550</u>	<u>1,768,755</u>
<b>Non-current liabilities</b>		
Other payables	15,592	17,220
Provision for directors' retirement gratuities	2,081	5,566
Deferred taxation	42,690	41,088
	<u>60,363</u>	<u>63,874</u>
<b>Current liabilities</b>		
Trade and other payables	103,438	94,922
Amount due to ultimate holding and other related companies	1,054	1,887
Taxation	17,587	5,297
Dividend	23,357	-
	<u>145,436</u>	<u>102,106</u>
<i>Total liabilities</i>	<u>205,799</u>	<u>165,980</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><b>2,075,349</b></u>	<u><b>1,934,735</b></u>
<b>NET ASSETS PER SHARE (RM)</b>	<b>2.47</b>	<b>2.34</b>

\* Previously termed as biological assets.

(The Condensed Consolidated Balance Sheet should be read in conjunction with the audited financial statements for the financial year ended 31 December 2006 and the accompanying explanatory notes attached to this interim financial report.)



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## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2007

<----- Attributable to equity holders of the Company ----->

	Share Capital RM'000	Share Premium RM'000	Re- valuation Reserve RM'000	Reserve on Exchange Differences RM'000	Option Reserve RM'000	Retained Earnings RM'000	Total RM'000	Minority Interests RM'000	Total Equity RM'000
<b>Balance at 1 January 2007</b>	<b>375,211</b>	<b>32,948</b>	<b>18,075</b>	<b>(355)</b>	<b>379</b>	<b>1,331,105</b>	<b>1,757,363</b>	<b>11,392</b>	<b>1,768,755</b>
Revaluation surplus realised from sale of land	-	-	(12)	-	-	12	-	-	-
Foreign exchange differences recognised directly in equity	-	-	-	(630)	-	-	(630)	-	(630)
Net income/(expense) recognised directly in equity	-	-	(12)	(630)	-	12	(630)	-	(630)
Profit for the financial period	-	-	-	-	-	121,454	121,454	1,318	122,772
Total recognised income and expense for the financial period	-	-	(12)	(630)	-	121,466	120,824	1,318	122,142
Minority interests' share of dividend paid	-	-	-	-	-	-	-	(1,869)	(1,869)
Asiatic Executive Share Option Scheme									
- Shares issued [see Note I(e)]	1,225	2,505	-	-	-	-	3,730	-	3,730
- Fair value of employees' services	-	-	-	-	149	-	149	-	149
Appropriation:									
- Final dividend payable for the financial year ended 31 December 2006 (4.25 sen less 27% tax)	-	-	-	-	-	(23,357)	(23,357)	-	(23,357)
<b>Balance at 30 June 2007</b>	<b>376,436</b>	<b>35,453</b>	<b>18,063</b>	<b>(985)</b>	<b>528</b>	<b>1,429,214</b>	<b>1,858,709</b>	<b>10,841</b>	<b>1,869,550</b>
<b>Balance at 1 January 2006</b>									
As previously stated	372,779	28,269	18,115	288	-	1,210,444	1,629,895	10,634	1,640,529
Prior year adjustments	-	-	-	-	-	(15,556)	(15,556)	-	(15,556)
Restated balances	372,779	28,269	18,115	288	-	1,194,888	1,614,339	10,634	1,624,973
Foreign exchange differences recognised directly in equity	-	-	-	(9)	-	-	(9)	-	(9)
Profit for the financial period	-	-	-	-	-	66,018	66,018	740	66,758
Minority interests' share of dividend paid	-	-	-	-	-	-	-	(1,382)	(1,382)
Asiatic Executive Share Option Scheme									
- Shares issued	631	1,119	-	-	-	-	1,750	-	1,750
- Fair value of employees' services	-	-	-	-	197	-	197	-	197
Appropriation:									
- Final dividend payable for the financial year ended 31 December 2005 (3.75 sen less 28% tax)	-	-	-	-	-	(20,164)	(20,164)	-	(20,164)
<b>Balance at 30 June 2006</b>	<b>373,410</b>	<b>29,388</b>	<b>18,115</b>	<b>279</b>	<b>197</b>	<b>1,240,742</b>	<b>1,662,131</b>	<b>9,992</b>	<b>1,672,123</b>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2006 and the accompanying explanatory notes attached to this interim financial report.)



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## CONDENSED CONSOLIDATED CASH FLOW STATEMENT FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2007

	2007 RM'000	<i>Restated</i> 2006 RM'000
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	157,853	87,110
Adjustments for:		
Depreciation of property, plant and equipment	9,162	8,164
Depreciation of investment property	196	309
Amortisation of prepaid lease payments	1,440	1,187
Interest income	(5,037)	(3,139)
Share of results in associates	(1,439)	(605)
Other adjustments	738	178
	<u>5,060</u>	<u>6,094</u>
<b>Operating profit before changes in working capital</b>	<b>162,913</b>	<b>93,204</b>
Changes in working capital:		
Net change in current assets	(7,424)	(4,994)
Net change in current liabilities	(13,939)	2,981
	<u>(21,363)</u>	<u>(2,013)</u>
<b>Cash generated from operations</b>	<b>141,550</b>	<b>91,191</b>
Tax paid ( <i>net of tax refund</i> )	(25,288)	(20,677)
<b>NET CASH GENERATED FROM OPERATING ACTIVITIES</b>	<b>116,262</b>	<b>70,514</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(17,976)	(14,175)
Purchase of investment properties	(46)	(461)
Plantation development	(6,345)	(4,820)
Investment in jointly controlled entity	(171)	-
Repayment of long term receivables from an associate	-	1,977
Other investing activities	4,402	8,592
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	<b>(20,136)</b>	<b>(8,887)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of shares [ <i>see Note I(e)</i> ]	3,730	1,750
Dividend paid to minority shareholders	(1,869)	(1,382)
<b>NET CASH GENERATED FROM FINANCING ACTIVITIES</b>	<b>1,861</b>	<b>368</b>
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>97,987</b>	<b>61,995</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL YEAR</b>	<b>261,363</b>	<b>179,603</b>
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD</b>	<b>359,350</b>	<b>241,598</b>
<b>ANALYSIS OF CASH AND CASH EQUIVALENTS</b>		
Short term investments	170,189	185,937
Bank balances and deposits	189,161	55,661
<b>Cash and cash equivalents at end of financial period</b>	<b>359,350</b>	<b>241,598</b>

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the financial year ended 31 December 2006 and the accompanying explanatory notes attached to this interim financial report.)



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## ASIATIC DEVELOPMENT BERHAD NOTES TO THE INTERIM FINANCIAL REPORT - SECOND QUARTER ENDED 30 JUNE 2007

### I) Compliance with Financial Reporting Standard (“FRS”) 134

#### a) Accounting Policies and Methods of Computation

The interim financial report is unaudited and has been prepared in accordance with Financial Reporting Standard (“FRS”) 134: “Interim Financial Reporting” and paragraph 9.22 of the Bursa Malaysia Securities Berhad (“Bursa Securities”) Listing Requirements. The financial information of the Company and its material subsidiaries for the 6 months period ended 30 June 2007 have been reviewed by the Company’s auditor in accordance with the International Standards on Review Engagements (“ISRE”) 2410 – Review of Interim Financial Information by the Independent Auditor of the Entity.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 December 2006. The accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the annual audited financial statements for the financial year ended 31 December 2006.

In the current period, the Group adopted the following revised FRSs which are applicable to financial statements for annual periods beginning on or after 1 October 2006 and are relevant to its operations:-

FRS 117 Leases

FRS 124 Related Party Disclosures (The disclosure requirements under FRS 124 will be presented in the annual financial statements for the financial year ending 31 December 2007)

The principal effects of the changes in accounting policies resulting from the adoption of the revised FRS 117 are set out below :-

i) Prior to the adoption of the revised FRS 117, leasehold land was classified as property, plant and equipment and was stated at cost or valuation less accumulated depreciation and impairment losses. Under the revised FRS 117, leasehold land is an operating lease unless title passes to the lessee at the end of the lease term. With the adoption of the revised FRS 117, the unamortised carrying amounts of leasehold land are now classified as prepaid lease payments and amortised over the period of its remaining lease term, as allowed by the transitional provisions of the revised FRS 117. The reclassification of leasehold land as prepaid lease payments has been accounted for retrospectively and the comparatives in the balance sheet have been restated.

ii) The effects on the comparatives to the Group on adoption of FRS 117 are as follows:

RM’000	As previously reported	Effects on adoption of FRS 117	As restated
<b>Group</b>			
<b>At 1 January 2007</b>			
Decrease in property, plant and equipment	616,870	(249,226)	367,644
Increase in prepaid lease payments	-	249,226	249,226

However, the impact from the adoption of FRS 117 on the income statement is immaterial and is not separately disclosed.

**b) Seasonal or Cyclical Factors**

Fresh fruit bunches (“FFB”) crop production are seasonal in nature. Based on the Group’s past experiences, production of FFB normally peaks in the second half of the year but this cropping pattern can be affected by changes in weather conditions.

**c) Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flow**

There were no unusual items affecting the assets, liabilities, equity, net income or cash flow for the half-year ended 30 June 2007.

**d) Material Changes in Estimates**

There were no significant changes made in estimates of amounts reported in prior financial years.

**e) Changes in Debt and Equity Securities**

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity during the half-year ended 30 June 2007 other than the issuance of 2,449,000 new ordinary shares of 50 sen each, for cash, arising from the exercise of options granted under the Asiatic Executive Share Option Scheme at exercise prices of 92 sen, 145 sen and 165 sen per ordinary share.

**f) Dividend Paid**

No dividend was paid during the current quarter.

**g) Segment Information**

Segment analysis for the half-year ended 30 June 2007 is set out below:

	Plantation RM'000	Property RM'000	Others RM'000	Total RM'000
<b>Revenue – external</b>	<b>307,976</b>	<b>33,744</b>	<b>-</b>	<b>341,720</b>
Segment profit	<b>144,797</b>	<b>6,003</b>	<b>577</b>	<b>151,377</b>
Interest income				<b>5,037</b>
Share of results in associates				<b>1,439</b>
<b>Profit before taxation</b>				<b>157,853</b>
Taxation				<b>(35,081)</b>
<b>Profit for the current financial period</b>				<b>122,772</b>

**h) Valuation of Property, Plant and Equipment**

There were no changes to valuation of property, plant and equipment brought forward from the previous financial year.

**i) Material Events Subsequent to the End of Financial Year**

There were no material events subsequent to the end of the half-year ended 30 June 2007 that have not been reflected in this interim financial report.

**j) Changes in the Composition of the Group**

There were no material changes in the composition of the Group for the half-year ended 30 June 2007.

**k) Changes in Contingent Liabilities or Contingent Assets**

There were no significant changes in contingent liabilities or contingent assets since the last financial year ended 31 December 2006.

**l) Capital Commitments**

Authorised capital commitments not provided for in the interim financial statements as at 30 June 2007 are as follows:

	<b>Contracted RM'000</b>	<b>Not Contracted RM'000</b>	<b>Total RM'000</b>
Property, plant and equipment	<b>27,421</b>	<b>61,120</b>	<b>88,541</b>
Investment properties	<b>224</b>	<b>111</b>	<b>335</b>
Plantation development	<b>14,957</b>	<b>15,651</b>	<b>30,608</b>
Investments	<b>1,119</b>	<b>-</b>	<b>1,119</b>
	<b>----- 43,721 =====</b>	<b>----- 76,882 =====</b>	<b>----- 120,603 =====</b>



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## ADDITIONAL INFORMATION REQUIRED BY BURSA SECURITIES – SECOND QUARTER ENDED 30 JUNE 2007

### II) Compliance with Appendix 9(B) of Bursa Securities Listing Requirements

#### 1) Review of Performance

The results of the Group are tabulated below:

RM' Million	CURRENT QUARTER		%	PRECEDING QUARTER		FINANCIAL YEAR-TO-DATE		%
	2007	2006		1Q 2007	1H 2007	1H 2006		
			+/-		+/-			+/-
<b>Revenue</b>								
Plantation	<b>179.0</b>	107.4	+67	<b>129.0</b>	+39	<b>308.0</b>	<b>211.4</b>	+46
Property	<b>13.4</b>	22.9	-41	<b>20.3</b>	-34	<b>33.7</b>	<b>49.4</b>	-32
	<b>192.4</b>	130.3	+48	<b>149.3</b>	+29	<b>341.7</b>	<b>260.8</b>	+31
<b>Profit before tax</b>								
o Plantation	<b>89.0</b>	34.8	>100	<b>55.8</b>	+59	<b>144.8</b>	<b>76.7</b>	+89
o Property	<b>0.8</b>	2.2	-64	<b>5.2</b>	-85	<b>6.0</b>	<b>5.9</b>	+2
o Others	<b>3.8</b>	2.3	+65	<b>3.3</b>	+15	<b>7.1</b>	<b>4.5</b>	+58
	<b>93.6</b>	39.3	>100	<b>64.3</b>	+46	<b>157.9</b>	<b>87.1</b>	+81

The Group's revenue and pre-tax profit for the current quarter and half year ended 30 June 2007 were markedly higher than previous year's corresponding periods due to higher palm products selling prices, underpinned by the continued strong performance of the commodities market.

Sustained demand for crude palm oil saw the Group registering an average selling price of RM2,408/mt for the current quarter or 71% higher as compared to RM1,411/mt in 2Q 2006. For 1H 2007, the Group achieved an average selling price of RM2,181/mt representing 54% improvement from 1H 2006 of RM1,418/mt.

The Group also registered a higher average palm kernel selling price of RM1,342/mt in 2Q 2007 against RM869/mt in 2Q 2006 under tight supply conditions for lauric oils. For 1H 2007, an average selling price of RM1,212/mt was achieved or 31% higher against 1H 2006 of RM925/mt.

#### 2) Material Changes in Profit Before Taxation for the Current Quarter as Compared with the Immediate Preceding Quarter

Profit before tax for the current quarter was higher than the preceding quarter mainly due to higher FFB production and higher achieved palm products selling prices which more than offset the effect of lower contribution from the property segment.

#### 3) Prospects

Based on the prevailing buoyant palm products market and barring any unforeseen circumstances, the performance of the Group for the current financial year is expected to be better than last year.

#### 4) Variance of Actual Profit from Forecast Profit

The Group did not issue any profit forecast or profit guarantee for the financial year.



## 5) *Taxation*

Tax charge for the current quarter and financial year-to-date are set out below:

	<b>Current Quarter</b> RM'000	<b>Current Financial Year- To-Date</b> RM'000
Current taxation:		
- Malaysian income tax charge	<b>17,840</b>	<b>34,460</b>
- Deferred tax charge	<b>258</b>	<b>813</b>
	<b>-----</b>	<b>-----</b>
	<b>18,098</b>	<b>35,273</b>
Prior year's taxes:		
- Income tax over provided	<b>(192)</b>	<b>(192)</b>
	<b>-----</b>	<b>-----</b>
	<b>17,906</b>	<b>35,081</b>
	<b>=====</b>	<b>=====</b>

The effective tax rate for the current quarter and financial year-to-date is lower than the statutory tax rate mainly due to utilisation of agriculture allowances and tax incentives which are subject to agreement of the relevant authorities.

## 6) *Profit on Sale of Unquoted Investments and/or Properties*

The results for the current quarter do not include any profit or loss on sale of unquoted investments and properties which are not in the ordinary course of business of the Group.

## 7) *Quoted Securities Other than Securities in Existing Subsidiaries and Associates*

There were no dealings in quoted securities for the current quarter ended 30 June 2007.

## 8) *Status of Corporate Proposals Announced*

### a) *Proposed Joint Venture in Oil Palm Cultivation*

On 8 June 2005, the Company announced that 5 of its subsidiaries had entered into 5 separate Joint Venture Agreements for the cultivation of oil palm on approximately 98,300 hectares of land in Kabupaten Ketapang, Provinsi Kalimantan Barat, Indonesia ("the Land") ("the Proposed Joint Venture"). The Proposed Joint Venture is subject to the following conditions being fulfilled within 12 months from the date of the Joint Venture Agreements or such period as may be mutually extended by parties to the said agreements:

- i) the letter of confirmation from the local government of Kabupaten Ketapang on the Proposed Joint Venture;
- ii) the approval of Badan Koordinasi Penanaman Modal ("BKPM") or Investment Coordinating Board in Indonesia;
- iii) the issuance of the Hak Guna Usaha certificates or Right/Title to Cultivate the Land;
- iv) due diligence study on the Land and the Joint Venture Companies; and
- v) any other approvals, licenses and permits required for the Proposed Joint Venture.

The period for the fulfilment of the above conditions has since been extended up to and including 8 June 2009.

There have been no changes to the status of the Proposed Joint Venture as at 16 August 2007.

**b) Proposed Share Buy-Back**

The shareholders of the Company had on 20 June 2007, renewed the mandate for the Company to buy back up to 75,238,500 ordinary shares of 50 sen each representing ten percent (10%) of the issued and paid-up share capital of the Company as at 3 May 2007.

**9) Group Borrowings and Debt Securities**

The Group does not have any borrowings or debt securities as at 30 June 2007.

**10) Off Balance Sheet Financial Instruments**

There are no off balance sheet financial instruments as at 16 August 2007.

**11) Changes in Material Litigation**

There have been no changes to the status of the legal suit with regards to the Native Customary Rights over the agricultural land or part thereof held under title number CL095330724 measuring approximately 8,830 hectares situated at Sungai Tongod, District of Kinabatangan, Sandakan, Sabah as at 16 August 2007.

**12) Dividend Proposed or Declared**

- a) i) An interim dividend for the half year ended 30 June 2007 has been declared by the Directors.
- ii) The interim dividend for the half year ended 30 June 2007 is 3.25 sen per ordinary share of 50 sen each, less 27% tax.
- iii) The interim dividend declared and paid for the previous year's corresponding period was 2.75 sen per ordinary share of 50 sen each, less 28% tax.
- iv) The interim dividend shall be payable on 18 October 2007.
- v) Entitlement to the interim dividend :-
- A Depositor shall qualify for entitlement to the interim dividend only in respect of:
- o Shares transferred into the Depositor's Securities Account before 4.00 p.m. on 28 September 2007 in respect of ordinary transfers; and
  - o Shares bought on the Bursa Malaysia on a cum entitlement basis according to the rules of the Bursa Malaysia.
- b) The total dividend payable for the half year ended 30 June 2007 is 3.25 sen per ordinary share of 50 sen each, less 27% tax.

13) *Earnings per Share*

	<b>Current Quarter 2Q 2007</b>	<b>Current Financial Year-To- Date</b>
<b>a) Basic earnings per share</b>		
Profit for the financial period attributable to equity holders of the Company ( <i>RM'000</i> )	<b>75,008</b>	<b>121,454</b>
	=====	=====
Weighted number of ordinary shares in issue ( <i>'000</i> )	<b>752,293</b>	<b>751,747</b>
	=====	=====
Basic earnings per share ( <i>sen</i> )	<b>9.97</b>	<b>16.16</b>
	=====	=====
<b>b) Diluted earnings per share</b>		
Profit for the financial period attributable to equity holders of the Company ( <i>RM'000</i> )	<b>75,008</b>	<b>121,454</b>
	=====	=====
<i>Adjusted weighted number of ordinary shares in issue ('000)</i>		
Weighted number of ordinary shares in issue	<b>752,293</b>	<b>751,747</b>
Adjustment for share options granted under the Asiatic Executive Share Option Scheme	<b>4,890</b>	<b>4,449</b>
	<b>757,183</b>	<b>756,196</b>
	=====	=====
Diluted earnings per share ( <i>sen</i> )	<b>9.91</b>	<b>16.06</b>
	=====	=====

14) *Disclosure of Audit Report Qualification and Status of Matters Raised*

The audit report of the Group's annual financial statements for the financial year ended 31 December 2006 did not contain any qualification.

**TAN SRI MOHD AMIN BIN OSMAN**  
**Chairman**  
Asiatic Development Berhad  
23 August 2007