



# 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: 03-21613733/2023733 Fax: 03-21616149 Telex: ADSB MA 31250

Website: <http://www.asiatic.com.my> E-mail: info@asiatic.com.my

## QUARTERLY REPORT

25 May 2000

The Board of Directors hereby wishes to announce that the unaudited consolidated results for the first quarter ended 31 March 2000 are as follows:

### CONSOLIDATED INCOME STATEMENT

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 31/3/2000 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/3/1999 RM'000	CURRENT YEAR TO DATE 31/3/2000 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/3/1999 RM'000
1 (a) Turnover	55,471	N/R	55,471	N/R
(b) Investment income	-	N/R	-	N/R
(c) Other income including interest income	1,837	N/R	1,837	N/R
2 (a) Operating profit before interest on borrowings, depreciation and amortisation, exceptional item, income tax, minority interests and extraordinary items	17,299	N/R	17,299	N/R
(b) Interest on borrowings	-	N/R	-	N/R
(c) Depreciation and amortisation	(2,548)	N/R	(2,548)	N/R
(d) Exceptional item	1,709	N/R	1,709	N/R

	INDIVIDUAL QUARTER		CUMULATIVE PERIOD	
	CURRENT YEAR QUARTER 31/3/2000 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/3/1999 RM'000	CURRENT YEAR TO DATE 31/3/2000 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/3/1999 RM'000
(e) Operating profit after interest on borrowings, depreciation and amortisation and exceptional item but before income tax, minority interests and extraordinary items	16,460	N/R	16,460	N/R
(f) Share in the results of associated companies	(151)	N/R	(151)	N/R
(g) Profit before taxation, minority interests and extraordinary items	16,309	N/R	16,309	N/R
(h) Taxation	(3,864)	N/R	(3,864)	N/R
(i) (i) Profit after taxation before deducting minority interests	12,445	N/R	12,445	N/R
(ii) Minority interests	(575)	N/R	(575)	N/R
(j) Profit after taxation attributable to Members of the Company	11,870	N/R	11,870	N/R
(k) (i) Extraordinary items	-	N/R	-	N/R
(ii) Less minority interests	-	N/R	-	N/R
(iii) Extraordinary items attributable to Members of the Company	-	N/R	-	N/R
(l) Profit after taxation and extraordinary items attributable to Members of the Company	11,870	N/R	11,870	N/R

	<b>CURRENT YEAR QUARTER 31/3/2000 RM'000</b>	<b>PRECEDING YEAR CORRESPONDING QUARTER 31/3/1999 RM'000</b>	<b>CURRENT YEAR TO DATE 31/3/2000 RM'000</b>	<b>PRECEDING YEAR CORRESPONDING PERIOD 31/3/1999 RM'000</b>
3 (a) Earnings per share based on 2(j) above after deducting any provision for preference dividends, if any:				
(i) Basic (based on 741,335,000 ordinary shares in issue) - sen	<b>1.60</b>	N/R	<b>1.60</b>	N/R
(ii) Fully diluted (based on 741,335,000 ordinary shares in issue) - sen	<b>1.60</b>	N/R	<b>1.60</b>	N/R
4 (a) Dividend per share - sen	-	N/R	-	N/R
(b) Dividend description	-	N/R	-	N/R

**Note :**

N/R – Not Required



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## CONSOLIDATED BALANCE SHEET

	(Unaudited) AS AT END OF CURRENT PERIOD 31/3/2000 RM'000	(Audited) AS AT PRECEDING FINANCIAL YEAR END 31/12/1999 RM'000	
1	Fixed Assets	502,930	502,789
2	Real Property Assets	237,739	231,246
3	Investment in Associated Companies	21,748	21,971
4	Investments	638	638
5	Current Assets		
	<i>Property Development</i>	199,460	195,076
	<i>Stocks</i>	7,487	6,242
	<i>Trade Debtors</i>	35,574	48,215
	<i>Other Debtors, Deposits and Prepayments</i>	18,906	16,009
	<i>Short Term Investments</i>	26,586	22,814
	<i>Bank Balances and Deposits</i>	156,809	167,586
		----- 444,822	----- 455,942
6	Current Liabilities		
	<i>Short Term Borrowings</i>	186	186
	<i>Trade Creditors</i>	67,425	70,057
	<i>Other Creditors</i>	26,948	31,588
	<i>Amount due to Holding and Other Related     Companies</i>	319	22
	<i>Provision for Taxation</i>	-	9,947
	<i>Proposed Dividend</i>	18,682	18,682
		----- 113,560	----- 130,482
7	Net Current Assets	----- 331,262	----- 325,460
		----- <b>1,094,317</b>	----- <b>1,082,104</b>
8	Shareholders' Funds		
	Share Capital	370,668	370,668
	Reserves		
	<i>Share Premium</i>	25,663	25,663
	<i>Revaluation Reserve</i>	23,026	23,028
	<i>Retained Profit</i>	641,967	630,095
	<i>Exchange Differences</i>	(698)	(695)
		----- 689,958	----- 678,091
		----- <b>1,060,626</b>	----- <b>1,048,759</b>
9	Minority Interests	21,894	21,316
10	Long Term Borrowings	5,388	5,388
11	Deferred Taxation	6,409	6,641
		----- <b>1,094,317</b>	----- <b>1,082,104</b>
12	Net tangible assets per share (RM)	----- <b>1.43</b>	----- <b>1.41</b>

## ASIATIC DEVELOPMENT BERHAD NOTES TO THE QUARTERLY REPORT

- 1 The accounting policies and methods of computation adopted for the quarterly financial statements are consistent with those adopted for the financial statements for the year ended 31 December 1999.
- 2 The exceptional item for the current year to date represents net surplus arising from freehold land and plantations acquired by the government.
- 3 There were no extraordinary items for the current year to date.
- 4 Taxation charge for the current year to date includes deferred tax credit of RM0.2 million. There is no adjustment for under or over provision in respect of prior years.
- 5 The results for the current year to date do not include any pre-acquisition profits.
- 6 The results for the current year to date do not include any profit or loss on sale of investments and properties which are not in the ordinary course of business of the Group other than the exceptional item as disclosed in Note 2.
- 7 (a) There were no dealings in quoted securities for the current year to date.  
(b) The details of the investments in quoted shares as at 31 March 2000 are as set out below:

	<b>RM'000</b>
At cost	8,282
	=====
At book value	638
	=====
At market value	1,336
	=====

- 8 There were no material changes in the composition of the Company and of the Group for the current year to date.

9 On 12 April 2000, Commerce International Merchant Bankers Berhad announced on behalf of the Company the following proposals:

- (i) Proposed Executive Share Option Scheme (“Proposed ESOS”) for eligible Executives and Executive Directors of the Company and its subsidiaries; and
- (ii) Proposed purchase of own shares (“Proposed Share Buy-Back”) through the Kuala Lumpur Stock Exchange (“KLSE”).

As at 18 May 2000, the status of the above proposals are as follows:

- (a) The Proposed ESOS which was approved by the Securities Commission on 16 May 2000, is subject to further approvals being obtained from the following:
  - (i) The KLSE for the Bye-Laws of the Proposed ESOS, and for the listing of and quotation for the new shares to be issued pursuant to the Proposed ESOS;
  - (ii) The Registrar of Companies for the Bye-Laws; and
  - (iii) Shareholders of the Company at an Extraordinary General Meeting (“EGM”) to be convened.
- (b) The Proposed Share Buy-Back is subject to the approval of the shareholders of the Company at an EGM to be convened and the Memorandum and Articles of Association of the Company being amended to facilitate the Proposed Share Buy-Back.

10 The production of fresh fruit bunches (‘FFB’) is seasonal in nature with crop peaking in the second half of the year.

11 There were no issuance and repayment of debt and equity securities, shares buy-back, shares cancellation, shares held as treasury shares and resale of treasury shares for the current year to date.

12 The details of the Group’s borrowings as at 31 March 2000 are as set out below:

	SECURED/ UNSECURED	FOREIGN CURRENCY	RM EQUIVALENT
Short term borrowings	Secured	Renminbi 406,000	186,000
Long term borrowings	Unsecured	-	5,388,000
Total Group Borrowings			5,574,000

13 Details of contingent liabilities (unsecured) as at 18 May 2000 are as follows:-

	<b>RM</b>
(i) Performance guarantee granted by the Company to the trustee of a golf and country club owned and operated by an indirect wholly-owned subsidiary company.	18,400,000
(ii) Counter indemnity given by the Company to a local licensed bank for a bank guarantee issued on behalf of a wholly-owned subsidiary company.	5,000,000
	-----
	23,400,000
	=====

14 There are no financial instruments with off balance sheet risk as at 18 May 2000.

15 There are no pending material litigations as at 18 May 2000.

16 Segment analysis for the current year to date is set out below:

	<b>OPERATING REVENUE RM'000</b>	<b>PROFIT BEFORE TAXATION RM'000</b>	<b>ASSETS EMPLOYED AS AT 31/3/2000 RM'000</b>
<i>By activity</i>			
Plantation	37,923	9,069	472,111
Property	17,548	3,508	503,077
	-----	-----	-----
	55,471	12,577	975,188
<i>Non-segment items</i>			
Interest-bearing investments	-	1,837	181,963
Others	-	1,895	48,840
	-	3,732	230,803
	-----	-----	-----
	55,471	16,309	1,205,991
	=====	=====	=====

17 The Group recorded a pre-tax profit of RM16.3 million for the current quarter as compared to RM119.9 million in the preceding quarter.

The lower profit achieved as compared to the preceding quarter was mainly attributable to the seasonally lower FFB production and weaker CPO prices, coupled with lower property sales. In addition, included in the results for the preceding quarter was an exceptional gain of RM49.8 million arising from freehold land and plantation acquired by the government as compared to RM1.7 million in the current quarter.

18 The performance of the Plantation Division was affected by the weaker average CPO price of RM1,120/mt achieved in the current quarter as compared to RM2,027/mt in the corresponding quarter last year. However, the overall decline in performance was mitigated by a 28% increase in FFB production as a result of additional harvesting areas and higher yield recorded.

Likewise, performance of the Property Division also declined following the completion and hand-over of major phases during the course of last year. With no major launches in the current quarter, efforts were stepped up in the selling of existing inventories. Whilst demand for residential units was encouraging, sales of both commercial and industrial units remained somewhat slow during the current quarter.

There has not arisen in the interval between 31 March 2000 and 18 May 2000, any item, transaction or event of a material and unusual nature likely, in the opinion of the Directors, to affect substantially the results of the operation of the Company and of the Group.

19 Barring any unforeseen circumstances, the Directors are of the opinion that the performance of the Group is expected to be satisfactory.

20 There are no explanatory comments on variances of actual profit from forecast profit and shortfall in profit guarantee since it is not applicable.

21 No dividend has been declared/recommended for the current period ended 31 March 2000.

By order of the Board

**TAN SRI MOHD AMIN BIN OSMAN**  
**Chairman**  
**Asiatic Development Berhad**