

Annual Audited Accounts


Reference No **GP-100429-CC708**

Company Name : **GENTING PLANTATIONS BERHAD**

Stock Name : **GENP**

Date Announced : **29/04/2010**

Subject : **Annual Audited Accounts - 31 December 2009**

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GENTING PLANTATIONS BERHAD
(Formerly known as Asiatic Development Berhad)
(Company No. 34993-X)
(Incorporated and domiciled in Malaysia)
(A Public Limited Liability Company listed on the
Main Market of Bursa Malaysia Securities Berhad)

REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2009
(In Ringgit Malaysia)

REGISTERED OFFICE
24th Floor, Wisma Genting
Jalan Sultan Ismail
50250 Kuala Lumpur

PRINCIPAL PLACE OF BUSINESS
10th Floor, Wisma Genting
Jalan Sultan Ismail
50250 Kuala Lumpur

GENTING PLANTATIONS BERHAD *(Company No. 34993-X)*
(Formerly known as Asiatic Development Berhad)
(Incorporated in Malaysia)

**REPORT AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2009**

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**DIRECTORS' REPORT AND STATEMENT
PURSUANT TO SECTION 169(15) OF THE COMPANIES ACT, 1965**

The Directors of **GENTING PLANTATIONS BERHAD** (formerly known as Asiatic Development Berhad) have pleasure in submitting their report together with their statement pursuant to Section 169(15) of the Companies Act, 1965 therein and the audited financial statements of the Group and of the Company for the financial year ended 31 December 2009.

PRINCIPAL ACTIVITIES

The principal activities of the Company are plantation, investment holding and provision of management services.

The principal activities of the subsidiaries include plantation, property development and genomics research and development.

Details of the principal activities of the subsidiaries and associates are set out in Note 42 to the financial statements.

There have been no significant changes in the nature of the activities of the Group and of the Company during the financial year.

CHANGE OF NAME

The name of the Company was changed from Asiatic Development Berhad to **GENTING PLANTATIONS BERHAD** on 18 June 2009.

FINANCIAL RESULTS

	Group RM'000	Company RM'000
Profit before taxation	301,934	107,980
Taxation	(63,964)	(8,639)
Profit for the financial year	<u>237,970</u>	<u>99,341</u>

TREASURY SHARES

The shareholders of the Company had granted a mandate to the Company to purchase its own shares at the Annual General Meeting of the Company held on 15 June 2009.

During the financial year, the Company repurchased 21,000 ordinary shares of 50 sen each of its issued share capital from the open market at an average price of RM4.94 per share. The share buy back transactions were financed by internally generated funds. As at 31 December 2009, the total number of shares repurchased was 21,000 and held as treasury shares in accordance with the requirements of Section 67A of the Companies Act, 1965.

Details of the treasury shares are set out in Note 33 to the financial statements.

DIVIDENDS

Dividends paid by the Company since the end of the previous financial year were:

- (i) a final dividend of 5 sen less 25% tax per ordinary share of 50 sen each amounting to RM28,396,912 in respect of the financial year ended 31 December 2008 and was paid on 15 July 2009; and

DIVIDENDS (Continued)

- (ii) an interim dividend of 3.75 sen less 25% tax per ordinary share of 50 sen each amounting to RM21,309,129 in respect of the financial year ended 31 December 2009 and was paid on 15 October 2009.

The Directors now recommend the payment of a final dividend of 5.25 sen less 25% tax per ordinary share of 50 sen each in respect of the financial year ended 31 December 2009 which, subject to the approval of members at the forthcoming Annual General Meeting of the Company, will be paid to shareholders registered in the Register of Members on a date to be determined by the Directors. Based on the issued and paid-up capital less treasury shares of the Company as at the date of this report, the final dividend would amount to RM29,846,408.

RESERVES AND PROVISIONS

There were no material transfers to or from reserves or provisions during the financial year other than as disclosed in the financial statements.

ISSUE OF SHARES, DEBENTURES AND SHARE OPTIONS

During the financial year, the Company issued a total of 1,192,000 new ordinary shares of 50 sen each, particulars of which are set out below, by virtue of the exercise of options granted pursuant to The Executive Share Option Scheme of Genting Plantations Berhad (*formerly known as Asiatic Executive Share Option Scheme*) and its subsidiaries ("the Scheme") to take up unissued shares of the Company:

Subscription Price per Share (sen)	Number of Ordinary Shares of 50 sen each fully paid
92	2,000
145	59,000
165	167,000
183	964,000
	----- 1,192,000 =====

All the abovementioned new ordinary shares issued during the financial year rank pari passu in all respects with the then existing issued ordinary shares of the Company. These Options were granted prior to the current financial year.

There were no issue of debentures during the financial year.

The following Options to take up unissued ordinary shares in the Company, which have been granted to executive employees of the Group as specified in the Scheme, were outstanding as at 31 December 2009:

Option Number	Option Expiry Date	Subscription Price per Share Sen	Number of Unissued Shares
2/2002	31 August 2010	145	89,000
3/2003	31 August 2010	165	442,000
4/2005	31 August 2010	183	396,000
			----- 927,000 -----

The Scheme became effective on 1 September 2000 for a duration of 10 years terminating on 31 August 2010.

ISSUE OF SHARES, DEBENTURES AND SHARE OPTIONS (Continued)

- (a) The expiry date of the Options on 31 August 2010 shall apply unless the Options have ceased by reason of non compliance by the Grantee with the terms and conditions under which the Options were granted pursuant to the Scheme.
- (b) (i) The Options granted can only be exercised by the Grantee in the fourth year from the Date of Offer and the number of new Shares comprised in the Options which a Grantee can subscribe for from the fourth year onwards shall at all times be subject to the following maximum:

Number of new Shares comprised in the Options granted	Percentage of new Shares comprised in the Options exercisable each year from the Date of Offer				
	Year 1	Year 2	Year 3	Year 4	Year 5
Below 10,000	-	-	-	100%	-
10,000 and above	-	-	-	50% *	50%

* 50% or 10,000, whichever is the higher.

- (ii) Any new Shares comprised in an Option which is exercisable in a particular year but has not been exercised in that year, can be exercised in subsequent years within the Option Period, subject to the Scheme remaining in force.
- (iii) In the event that an Eligible Executive becomes a Grantee after the first year of the Scheme, the Grantee shall always observe the three-year incubation period and the Options granted can only be exercised in the fourth year from the Date of Offer subject to the maximum percentage of new Shares comprised in the Options exercisable as stipulated above.
- (c) The persons to whom the Options have been issued have no right to participate by virtue of the Options in any share issue of any other company.

DIRECTORATE

The Directors who served since the date of the last report are:

Tan Sri Mohd Amin bin Osman
 Tan Sri Lim Kok Thay *
 Lt. Gen. (B) Dato' Haji Abdul Jamil bin Haji Ahmad *
 Encik Mohd Din Jusoh *
 Lt. Gen. (B) Dato' Abdul Ghani bin Abdullah
 Mr Quah Chek Tin
 Gen. (B) Tan Sri Mohd Zahidi bin Hj Zainuddin *

* Also members of the Remuneration Committee

According to the Register of Directors' Shareholdings, the following persons who were Directors of the Company at the end of the financial year have interests in shares of the Company; Genting Berhad, a company which owns 54.64% equity interest in the Company as at 31 December 2009; Genting Malaysia Berhad (formerly known as Resorts World Bhd), a company which is 48.65% owned by Genting Berhad and Genting Singapore PLC (formerly known as Genting International P.L.C.), a subsidiary of Genting Berhad, as set out below:

Interest in the Company

Shareholdings in which the Directors have direct interests

	1.1.2009	Acquired/(Disposed)	31.12.2009
	<i>(Number of ordinary shares of 50 sen each)</i>		
Tan Sri Mohd Amin bin Osman	989,000	-	989,000
Tan Sri Lim Kok Thay	369,000	-	369,000
Lt. Gen. (B) Dato' Haji Abdul Jamil bin Haji Ahmad	10,000	(10,000)	-
Gen. (B) Tan Sri Mohd Zahidi bin Hj Zainuddin	20,000	(20,000)	-

Interest of Spouse/Child of a Director

	1.1.2009	Acquired/(Disposed)	31.12.2009
	<i>(Number of ordinary shares of 50 sen each)</i>		
Tan Sri Mohd Amin bin Osman	80,000	-	80,000

Interest in Genting Berhad

Shareholdings in which the Directors have direct interests

	1.1.2009	Acquired/(Disposed)	31.12.2009
	<i>(Number of ordinary shares of 10 sen each)</i>		
Tan Sri Mohd Amin bin Osman	1,204,600	-	1,204,600
Tan Sri Lim Kok Thay	10,369,000	-	10,369,000
Mr Quah Chek Tin	5,000	-	5,000

Interest of Spouse/Child of Directors

	1.1.2009	Acquired/(Disposed)	31.12.2009
	<i>(Number of ordinary shares of 10 sen each)</i>		
Tan Sri Mohd Amin bin Osman	60,000	-	60,000
Mr Quah Chek Tin	630,000	-	630,000

Share Option in the names of Directors

	1.1.2009	Offered/(Exercised)	31.12.2009
	<i>(Number of unissued ordinary shares of 10 sen each)</i>		
Tan Sri Mohd Amin bin Osman	1,240,000	-	1,240,000
Tan Sri Lim Kok Thay	2,500,000	-	2,500,000
Mr Quah Chek Tin	1,240,000	-	1,240,000

GENTING PLANTATIONS BERHAD (Company No. 34993-X)
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Interest in Genting Malaysia Berhad

Shareholdings in which the Directors have direct interests

	1.1.2009	Acquired/(Disposed)	31.12.2009
	<i>(Number of ordinary shares of 10 sen each)</i>		
Tan Sri Mohd Amin bin Osman	540,000	-	540,000
Tan Sri Lim Kok Thay	1,660,000	-	1,660,000
Mr Quah Chek Tin	5,000	-	5,000
Gen. (B) Tan Sri Mohd Zahidi bin Hj Zainuddin	-	10,000	10,000

Interest of Spouse/Child of a Director

	1.1.2009	Acquired/(Disposed)	31.12.2009
	<i>(Number of ordinary shares of 10 sen each)</i>		
Tan Sri Mohd Amin bin Osman	180,000	-	180,000

Share Option in the name of a Director

	1.1.2009	Offered/(Exercised)	31.12.2009
	<i>(Number of unissued ordinary shares of 10 sen each)</i>		
Tan Sri Lim Kok Thay	2,340,000	-	2,340,000

Interest in Genting Singapore PLC

Shareholdings in which the Directors have direct interests

	1.1.2009	Acquired/(Disposed)	31.12.2009
	<i>(Number of ordinary shares)</i>		
Tan Sri Mohd Amin bin Osman	196,000	379,000	575,000
Tan Sri Lim Kok Thay	198,000	39,600	237,600
Mr Quah Chek Tin	-	669,000	669,000

Interest of spouse/child of a Director

	1.1.2009	Acquired/(Disposed)	31.12.2009
	<i>(Number of ordinary shares)</i>		
Tan Sri Mohd Amin bin Osman	8,400	-	8,400

Share Option in the names of Directors

	1.1.2009	Offered/	19.10.2009	Adjusted pursuant to the Rights Issue on 20.10.2009	Offered/	31.12.2009
	<i>(Number of unissued ordinary shares)</i>					
Tan Sri Mohd Amin bin Osman	989,707	(283,000)	706,707	742,042	-	742,042
Tan Sri Lim Kok Thay	5,658,536	-	5,658,536	5,941,463	-	5,941,463
Mr Quah Chek Tin	1,697,560	-	1,697,560	1,782,438	(669,000)	1,113,438
Gen. (B) Tan Sri Mohd Zahidi bin Hj Zainuddin	1,131,707	-	1,131,707	1,188,292	-	1,188,292

Interest in Genting Singapore PLC (Continued)

Performance Shares in the name of a Director

	1.1.2009	Awarded	Vested/(Cancelled)	31.12.2009
Tan Sri Lim Kok Thay	750,000 [#]	750,000 [#]	-	1,500,000 [#]

Legend:

Represents the right of the participant to receive ordinary shares, upon the participant satisfying the criteria set out in the Performance Share Scheme of Genting Singapore PLC and upon satisfying such conditions as may be imposed.

Apart from the above disclosures:

- (a) the Directors of the Company do not have any other interests in shares in the Company and in shares in other related corporations of the Company either at the beginning or end of the financial year; and
- (b) neither during nor at the end of the financial year was the Company a party to any arrangement whose object is to enable the Directors to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Since the end of the previous financial year, no Director of the Company has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the Directors and the provision for Directors' retirement gratuities or the fixed salary of a full-time employee of the Company and/or its related corporations as shown in the respective financial statements of the Company and/or its related corporations) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which he is a member or with a company in which he has a substantial financial interest except for any benefit which may be deemed to have arisen by virtue of the following transactions:

- (i) Tan Sri Mohd Amin bin Osman has been retained by Genting Malaysia Berhad, a company which is 48.65% owned by Genting Berhad ("GB"), to provide advisory services.
- (ii) A company in which Tan Sri Lim Kok Thay is a director and a substantial shareholder has appointed Genting Plantations (WM) Sdn Bhd (Formerly known as Asiatic Plantations (WM) Sdn Bhd), a wholly-owned subsidiary of the Company, to provide plantation advisory services.
- (iii) A corporation in which Tan Sri Lim Kok Thay and his spouse are directors and which is wholly-owned indirectly by them has rented its property to Genting Singapore PLC ("GENS"), a subsidiary of GB.
- (iv) A corporation which is owned by the family of Tan Sri Lim Kok Thay has been appointed by Resorts World at Sentosa Pte. Ltd, an indirect wholly-owned subsidiary of GENS, to provide professional design consultancy and master-planning services for the Resorts World at Sentosa integrated resort in Singapore.
- (v) Transactions made by the Company or its related corporations with certain corporations referred to in Note 41 in which the nature of relationships of Tan Sri Lim Kok Thay are disclosed therein.

Tan Sri Lim Kok Thay and Mr Quah Chek Tin are due to retire by rotation at the forthcoming Annual General Meeting (“AGM”) in accordance with Article 99 of the Articles of Association of the Company and they, being eligible, have offered themselves for re-election.

Tan Sri Mohd Amin bin Osman and Lt. Gen. (B) Dato’ Haji Abdul Jamil bin Haji Ahmad will retire pursuant to Section 129 of the Companies Act, 1965 at the forthcoming AGM and separate resolutions will be proposed for their re-appointment as Directors at the AGM under the provision of Section 129(6) of the said Act to hold office until the next AGM of the Company.

OTHER STATUTORY INFORMATION

Before the income statements and balance sheets of the Group and of the Company were made out, the Directors took reasonable steps:

- (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowance for doubtful debts, and satisfied themselves that all known bad debts had been written off and adequate allowance had been made for doubtful debts; and
- (ii) to ensure that any current assets which were unlikely to realise in the ordinary course of business their values as shown in the accounting records, were written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

- (i) which would render the amount written off for bad debts or the amount of the allowance for doubtful debts of the Group and of the Company inadequate to any substantial extent; or
- (ii) which would render the values attributed to the current assets in the financial statements of the Group or of the Company misleading; or
- (iii) which have arisen which render adherence to the existing methods of valuation of assets or liabilities in the financial statements of the Group and of the Company misleading or inappropriate; or
- (iv) not otherwise dealt with in this report or in the financial statements of the Group and of the Company, that would render any amount stated in the respective financial statements misleading.

At the date of this report, there does not exist:

- (i) any charge on the assets of the Group or of the Company that has arisen since the end of the financial year which secures the liabilities of any other person; or
- (ii) any contingent liability in respect of the Group or of the Company that has arisen since the end of the financial year.

No contingent or other liability of the Group or of the Company has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group or of the Company to meet their obligations as and when they fall due.

In the opinion of the Directors:

- (i) the results of the operations of the Group and of the Company for the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature; and
- (ii) except as disclosed in Note 43 to the financial statements, no item, transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group and of the Company for the financial year in which this report is made.

STATEMENT BY DIRECTORS PURSUANT TO SECTION 169(15) OF THE COMPANIES ACT, 1965

In the opinion of the Directors, the financial statements set out on pages 9 to 79, are drawn up so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 December 2009 and of the results and cash flows of the Group and of the Company for the financial year ended on that date in accordance with Malaysian Accounting Standards Board Approved Accounting Standards in Malaysia for Entities Other Than Private Entities and comply with the provisions of the Companies Act, 1965.

ULTIMATE HOLDING COMPANY

The Company's immediate and ultimate holding company is Genting Berhad, a company incorporated in Malaysia.

AUDITORS

The auditors, PricewaterhouseCoopers, have expressed their willingness to continue in office.

On behalf of the Board,

TAN SRI LIM KOK THAY
Chief Executive and Director

MOHD DIN JUSOH
Director

Kuala Lumpur
24 February 2010

GENTING PLANTATIONS BERHAD (Company No. 34993-X)
(Formerly known as Asiatic Development Berhad)
(Incorporated in Malaysia)

**INCOME STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2009**

Amounts in RM'000 unless otherwise stated

	Note	Group		Company	
		2009	2008	2009	2008
Revenue	5&6	755,567	1,036,003	155,946	506,853
Cost of sales	7	(375,093)	(473,587)	(26,690)	(31,920)
Gross profit		380,474	562,416	129,256	474,933
Other income		24,630	28,122	11,375	19,134
Selling and distribution costs		(39,635)	(43,681)	(5,020)	(5,761)
Administration expenses		(48,244)	(43,310)	(24,436)	(24,168)
Other expenses		(20,733)	(23,440)	(3,195)	(2,299)
		296,492	480,107	107,980	461,839
Share of results in a jointly controlled entity		(11)	(36)	-	-
Share of results in associates		5,453	2,815	-	-
Profit before taxation	5&8	301,934	482,886	107,980	461,839
Taxation	12	(63,964)	(105,659)	(8,639)	(16,345)
Profit for the financial year		237,970	377,227	99,341	445,494
Attributable to:					
Equity holders of the Company		235,661	373,252	99,341	445,494
Minority interests		2,309	3,975	-	-
		237,970	377,227	99,341	445,494
Earnings per share for profit attributable to the equity holders of the Company:					
- basic (<i>sen</i>)	13	31.12	49.35		
- diluted (<i>sen</i>)	13	31.09	49.24		
Gross dividends per share (<i>sen</i>)	14	9.00	10.00		

The notes set out on pages 21 to 79 form part of these financial statements.

GENTING PLANTATIONS BERHAD (Company No. 34993-X)
(Formerly known as Asiatic Development Berhad)
(Incorporated in Malaysia)

BALANCE SHEETS
AS AT 31 DECEMBER 2009

Amounts in RM'000 unless otherwise stated

	Note	Group		Company	
		2009	2008	2009	2008
ASSETS					
Non-current assets					
Property, plant and equipment	15	493,227	437,031	39,287	34,993
Land held for property development	16	324,433	317,334	-	-
Investment properties	17	11,444	11,807	-	-
Plantation development	18	650,375	518,312	284,222	284,237
Leasehold land use rights	19	323,437	270,624	160,983	162,376
Intangible asset	20	117,183	81,118	-	-
Subsidiaries	21	-	-	331,687	306,187
Jointly controlled entity	22	1,909	1,940	-	-
Associates	23	15,375	12,547	2,123	2,123
Long term investment	24	31,794	32,118	-	-
Amounts due from subsidiaries	21	-	-	1,622,693	1,556,038
Deferred tax assets	25	9,258	7,856	-	-
		1,978,435	1,690,687	2,440,995	2,345,954
Current assets					
Property development costs	16	44,997	53,986	-	-
Inventories	27	152,007	139,927	3,791	7,044
Tax recoverable		26,961	45,257	16,236	33,494
Trade and other receivables	28	166,206	99,719	4,561	7,231
Amounts due from subsidiaries	21	-	-	144,517	118,311
Amounts due from other related companies	29	7	43	-	-
Amount due from a jointly controlled entity	22	105	83	-	-
Amounts due from associates	23	611	632	611	632
Short term investments	30	264,444	303,959	245,574	283,472
Bank balances and deposits	31	233,807	228,534	190,606	195,061
		889,145	872,140	605,896	645,245
Total assets		2,867,580	2,562,827	3,046,891	2,991,199

The notes set out on pages 21 to 79 form part of these financial statements.

GENTING PLANTATIONS BERHAD (Company No. 34993-X)
(Formerly known as Asiatic Development Berhad)
(Incorporated in Malaysia)

BALANCE SHEETS
AS AT 31 DECEMBER 2009 (Continued)

Amounts in RM'000 unless otherwise stated

	<i>Note</i>	Group		Company	
		2009	2008	2009	2008
EQUITY AND LIABILITIES					
Equity attributable to equity holders of the Company					
Share capital	32	378,973	378,377	378,973	378,377
Reserves	33	2,169,082	1,968,205	2,572,376	2,521,249
		2,548,055	2,346,582	2,951,349	2,899,626
Minority interests		67,110	32,551	-	-
Total equity		2,615,165	2,379,133	2,951,349	2,899,626
Non-current liabilities					
Long term borrowings	36	66,102	1,225	-	-
Other payables	34	16,186	15,592	-	-
Provision for directors' retirement gratuities	35	2,827	2,643	1,209	1,129
Deferred tax liabilities	25	33,959	36,972	3,014	4,540
		119,074	56,432	4,223	5,669
Current liabilities					
Trade and other payables	34	126,165	103,942	10,086	9,030
Amount due to ultimate holding company	29	1,958	2,924	1,958	2,924
Amounts due to subsidiaries	21	-	-	79,097	73,299
Amounts due to other related companies	29	178	651	178	651
Short term borrowings	36	2,030	19,017	-	-
Taxation		3,010	728	-	-
		133,341	127,262	91,319	85,904
Total liabilities		252,415	183,694	95,542	91,573
Total equity and liabilities		2,867,580	2,562,827	3,046,891	2,991,199
NET ASSETS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY (RM)					
		3.36	3.10		

The notes set out on pages 21 to 79 form part of these financial statements.

GENTING PLANTATIONS BERHAD (Company No. 34993-X)
(Formerly known as Asiatic Development Berhad)
(Incorporated in Malaysia)

**STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2009**

Amounts in RM'000 unless otherwise stated

Group	<----- Attributable to equity holders of the Company ----->									
	Share capital	Share premium	Re-valuation reserve	Reserve on exchange differences	Option reserve	Treasury shares	Retained earnings	Total	Minority interests	Total equity
Balance at 1 January 2009	378,377	40,027	18,063	(9,617)	674	-	1,919,058	2,346,582	32,551	2,379,133
Net income not recognised in income statement - exchange differences	-	-	-	13,430	-	-	-	13,430	6,114	19,544
Net income recognised directly in equity	-	-	-	13,430	-	-	-	13,430	6,114	19,544
Profit for the financial year	-	-	-	-	-	-	235,661	235,661	2,309	237,970
Total recognised income for the financial year	-	-	-	13,430	-	-	235,661	249,091	8,423	257,514
Genting Plantations Berhad Executive Share Option Scheme										
- Shares issued (see Note 32)	596	1,531	-	-	-	-	-	2,127	-	2,127
- Fair value of employees' services (see Note 9)	-	529	-	-	(464)	-	-	65	-	65
Buy-back of shares	-	-	-	-	-	(104)	-	(104)	-	(104)
Dividends paid to minority shareholders	-	-	-	-	-	-	-	-	(3,056)	(3,056)
Minority interests arising on business combination	-	-	-	-	-	-	-	-	8,694	8,694
Subscription of shares by minority shareholders	-	-	-	-	-	-	-	-	20,498	20,498
Appropriation:										
- Final dividend paid for financial year ended 31 December 2008 (5 sen less 25% tax) (see Note 14)	-	-	-	-	-	-	(28,397)	(28,397)	-	(28,397)
- Interim dividend paid for financial year ended 31 December 2009 (3.75 sen less 25% tax) (see Note 14)	-	-	-	-	-	-	(21,309)	(21,309)	-	(21,309)
	-	-	-	-	-	-	(49,706)	(49,706)	-	(49,706)
Balance at 31 December 2009	<u>378,973</u>	<u>42,087</u>	<u>18,063</u>	<u>3,813</u>	<u>210</u>	<u>(104)</u>	<u>2,105,013</u>	<u>2,548,055</u>	<u>67,110</u>	<u>2,615,165</u>

The notes set out on pages 21 to 79 form part of these financial statements.

**STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2009** (Continued)

Amounts in RM'000 unless otherwise stated

Group	<----- Attributable to equity holders of the Company ----->								
	Share capital	Share premium	Re-valuation reserve	Exchange differences	Option reserve	Retained earnings	Total	Minority interests	Total equity
Balance at 1 January 2008	377,569	37,933	18,063	(3,868)	653	1,633,959	2,064,309	11,549	2,075,858
Net loss not recognised in income statement - exchange differences	-	-	-	(5,749)	-	-	(5,749)	-	(5,749)
Net expense recognised directly in equity	-	-	-	(5,749)	-	-	(5,749)	-	(5,749)
Profit for the financial year	-	-	-	-	-	373,252	373,252	3,975	377,227
Total recognised income/(expense) for the financial year	-	-	-	(5,749)	-	373,252	367,503	3,975	371,478
Genting Plantations Berhad Executive Share Option Scheme									
- Shares issued (see Note 32)	808	1,910	-	-	-	-	2,718	-	2,718
- Fair value of employees' services (see Note 9)	-	184	-	-	21	-	205	-	205
Dividends paid to minority shareholders	-	-	-	-	-	-	-	(4,963)	(4,963)
Minority interests arising on business combination	-	-	-	-	-	-	-	21,990	21,990
Appropriation:									
- Special dividend paid for financial year ended 31 December 2007 (6 sen less 26% tax)	-	-	-	-	-	(33,573)	(33,573)	-	(33,573)
- Final dividend paid for financial year ended 31 December 2007 (4.75 sen less 26% tax)	-	-	-	-	-	(26,583)	(26,583)	-	(26,583)
- Interim dividend paid for financial year ended 31 December 2008 (5 sen less 26% tax) (see Note 14)	-	-	-	-	-	(27,997)	(27,997)	-	(27,997)
	-	-	-	-	-	(88,153)	(88,153)	-	(88,153)
Balance at 31 December 2008	<u>378,377</u>	<u>40,027</u>	<u>18,063</u>	<u>(9,617)</u>	<u>674</u>	<u>1,919,058</u>	<u>2,346,582</u>	<u>32,551</u>	<u>2,379,133</u>

The notes set out on pages 21 to 79 form part of these financial statements.

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2009 (Continued)

Amounts in RM'000 unless otherwise stated

Company	Share capital	Treasury shares	Non-Distributable			Distributable	Total
			Share premium	Revaluation reserve	Option reserve	Retained earnings	
Balance at 1 January 2009	378,377	-	40,027	104	674	2,480,444	2,899,626
Profit for the financial year	-	-	-	-	-	99,341	99,341
Total recognised income for the financial year	-	-	-	-	-	99,341	99,341
Genting Plantations Berhad Executive Share Option Scheme							
- Shares issued (see Note 32)	596	-	1,531	-	-	-	2,127
- Fair value of employees' services	-	-	529	-	(464)	-	65
Buy-back of shares (see Note 33(a))	-	(104)	-	-	-	-	(104)
Appropriation:							
- Final dividend paid for financial year ended 31 December 2008 (5 sen less 25% tax) (see Note 14)	-	-	-	-	-	(28,397)	(28,397)
- Interim dividend paid for financial year ended 31 December 2009 (3.75 sen less 25% tax) (see Note 14)	-	-	-	-	-	(21,309)	(21,309)
	-	-	-	-	-	(49,706)	(49,706)
Balance at 31 December 2009	378,973	(104)	42,087	104	210	2,530,079	2,951,349

GENTING PLANTATIONS BERHAD (Company No. 34993-X)
(Formerly known as Asiatic Development Berhad)
(Incorporated in Malaysia)

STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2009 (Continued)

Amounts in RM'000 unless otherwise stated

Company	Share capital	Non-Distributable			Distributable	Total
		Share premium	Revaluation reserve	Option reserve	Retained earnings	
Balance at 1 January 2008	377,569	37,933	104	653	2,123,103	2,539,362
Profit for the financial year	-	-	-	-	445,494	445,494
Total recognised income for the financial year	-	-	-	-	445,494	445,494
Genting Plantations Berhad						
Executive Share Option Scheme						
- Shares issued (see Note 32)	808	1,910	-	-	-	2,718
- Fair value of employees' services	-	184	-	21	-	205
Appropriation:						
- Special dividend paid for financial year ended 31 December 2007 (6 sen less 26% tax)	-	-	-	-	(33,573)	(33,573)
- Final dividend paid for financial year ended 31 December 2007 (4.75 sen less 26% tax)	-	-	-	-	(26,583)	(26,583)
- Interim dividend paid for financial year ended 31 December 2008 (5 sen less 26% tax) (see Note 14)	-	-	-	-	(27,997)	(27,997)
	-	-	-	-	(88,153)	(88,153)
Balance at 31 December 2008	<u>378,377</u>	<u>40,027</u>	<u>104</u>	<u>674</u>	<u>2,480,444</u>	<u>2,899,626</u>

The notes set out on pages 21 to 79 form part of these financial statements.

**CASH FLOW STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2009**

Amounts in RM'000 unless otherwise stated

	Group		Company	
	2009	2008	2009	2008
Cash flows from operating activities				
Profit before taxation	301,934	482,886	107,980	461,839
Adjustments for:				
Depreciation of property, plant and equipment	22,568	18,456	3,515	2,706
Depreciation of investment properties	387	341	-	-
Amortisation of leasehold land use rights	3,490	2,630	1,393	1,404
Amortisation of plantation development	7	7	-	-
Property, plant and equipment written off	1,196	585	330	20
Bad debts written off	576	224	48	-
Provision for Directors' retirement gratuities	184	198	80	87
Allowance for doubtful debts	414	1,031	-	-
(Gain)/loss on disposal of property, plant and equipment	(181)	(306)	100	(53)
Share-based payment expenses	65	205	31	91
Share of results in a jointly controlled entity	11	36	-	-
Share of results in associates	(5,453)	(2,815)	-	-
Interest income	(10,402)	(19,137)	(9,126)	(16,960)
Net unrealised exchange (gains)/ losses	(5,987)	1,765	-	-
Net surplus arising from compensation in respect of land acquired by the Government	(2,589)	(2,505)	(93)	(97)
Dividend income	-	-	(45,620)	(351,882)
Other non-cash items	-	363	-	114
	4,286	1,078	(49,342)	(364,570)
Operating profit before changes in working capital	306,220	483,964	58,638	97,269
Property development costs	11,147	(23,076)	-	-
Inventories	(12,080)	(18,470)	3,253	(7,032)
Receivables	(58,765)	17,879	2,622	(18)
Amounts due from jointly controlled entity	(33)	(83)	-	-
Amounts due from associates	21	(476)	21	24
Payables	6,969	(18,654)	(240)	(101)
Amounts due to ultimate holding company	(966)	2,048	(966)	2,048
Amounts due to other related companies	(437)	771	(473)	163
Amounts due from subsidiaries	-	-	(21,287)	(20,611)
	(54,144)	(40,061)	(17,070)	(25,527)
Cash generated from operations	252,076	443,903	41,568	71,742
Net tax (paid)/refunded	(47,801)	(157,113)	7,468	(21,152)
Net cash generated from operating activities	204,275	286,790	49,036	50,590

The notes set out on pages 21 to 79 form part of these financial statements.

GENTING PLANTATIONS BERHAD (Company No. 34993-X)
(Formerly known as Asiatic Development Berhad)
(Incorporated in Malaysia)

CASH FLOW STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2009 (Continued)

Amounts in RM'000 unless otherwise stated

	Note	Group		Company	
		2009	2008	2009	2008
Cash flows from investing activities					
Proceeds received from Government in respect of acquisition of land		3,155	3,044	254	258
Interest received		10,402	19,137	9,126	16,960
Dividends received from:					
- subsidiaries		-	-	42,620	349,760
- associates		2,625	1,571	2,625	1,571
Proceeds from disposal of property, plant and equipment		2,581	359	177	85
Land held for property development		(7,319)	(2,837)	-	-
Purchase of property, plant and equipment		(86,428)	(68,170)	(7,320)	(27,920)
Leasehold land use rights		(23,518)	(6,194)	-	(163,780)
Plantation development		(92,787)	(42,754)	-	(283,635)
Investment properties		(24)	(66)	-	-
Intangible assets		(36,066)	(64,163)	-	-
Acquisition of a subsidiary	(a)	(6,772)	(16,960)	-	-
Investment in subsidiaries	40(C)(c)(i)	-	-	(25,500)	(64,000)
Investment in jointly controlled entity		-	(78)	-	-
Investment in associates		-	(10)	-	-
(Advances to)/repayment from subsidiaries		-	-	(65,688)	248,015
Net cash (used in)/generated from investing activities		(234,151)	(177,121)	(43,706)	77,314
Cash flows from financing activities					
Proceeds from issue of shares (see Note 32)		2,127	2,718	2,127	2,718
Proceeds from bank borrowings		47,654	18,328	-	-
Repayment of borrowings		(1,584)	-	-	-
Dividends paid		(49,706)	(88,153)	(49,706)	(88,153)
Dividends paid to minority shareholders		(3,056)	(4,963)	-	-
Buy-back of shares		(104)	-	(104)	-
Net cash used in financing activities		(4,669)	(72,070)	(47,683)	(85,435)
Net (decrease)/increase in cash and cash equivalents		(34,545)	37,599	(42,353)	42,469
Cash and cash equivalents at beginning of the financial year		532,493	495,094	478,533	436,064
Effects of currency translation		303	(200)	-	-
Cash and cash equivalents at end of the financial year	(b)	498,251	532,493	436,180	478,533

The notes set out on pages 21 to 79 form part of these financial statements.

CASH FLOW STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2009 (Continued)

Amounts in RM'000 unless otherwise stated

Notes

(a) Analysis of the acquisition of a subsidiary

(i) 2009

Details of the assets, liabilities and net cash outflow arising from the acquisition of a subsidiary as disclosed in Note 40 (C) (a) (i) are as follows :-

	Group	
	Book Value	Fair Value
<i>Fair values of net assets acquired and net cash outflow on acquisition of a subsidiary are analysed as follows:</i>		
Leasehold land use rights (see Note 19)	(9,626)	(17,241)
Property, plant and equipment (see Note 15)	(254)	(254)
Other receivables	(39)	(39)
Cash and bank balances	(310)	(310)
Other payables	1,319	1,319
Minority interests	8,694	8,694
	-----	-----
Identifiable net assets acquired	(216)	(7,831)
Less : Other direct costs payable related to the acquisition	-----	749

Cost of acquisition paid*		(7,082)
Less : Cash and bank balances of a subsidiary acquired		310

Net cash outflow on acquisition of a subsidiary		(6,772)
		=====
 * Analysed as follows:-		
Purchase consideration settled in cash for subscribing of shares		(216)
Other direct costs related to the acquisition settled in cash		(6,866)

		(7,082)
		=====

The Group has completed its purchase price allocation exercise on the acquisition of the above subsidiary and has accounted for the fair value adjustments on 19 March 2009 accordingly.

The revenue and net loss of the acquired subsidiary included in the consolidated income statement of the Group for the period from 19 March 2009 to 31 December 2009 amounted to nil and RM96,000 respectively. Had the acquisition taken effect on 1 January 2009, the revenue and net loss of the acquired subsidiary included in the consolidated income statement of the Group would be nil and RM96,000 respectively. These amounts have been calculated using the Group's accounting policies.

The notes set out on pages 21 to 79 form part of these financial statements.

**CASH FLOW STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2009 (Continued)**

Amounts in RM'000 unless otherwise stated

(a) Analysis of the acquisition of a subsidiary (Continued)

(ii) 2008

On 3 October 2008, Mediglove Sdn Bhd's ("Mediglove") proposed joint venture for the purpose of acquiring and developing approximately 45,000 hectares of oil palm plantation in Kabupaten Kapuas, Provinsi Kalimantan Tengah, the Republic of Indonesia ("the Kapuas JV") has been completed. Mediglove has acquired 60% equity interest in AsianIndo Holdings Pte Ltd ("AIH") and arising therefrom, the wholly-owned subsidiaries of AIH, namely, Asian Palm Oil Pte Ltd (formerly known as GaiaAgri Pte Ltd), AsianIndo Palm Oil Pte Ltd and KARA Palm Oil Pte Ltd (collectively known as "SPV cos"), all incorporated in Singapore, have become indirect subsidiaries of the Company.

Each of the SPV cos holds 95% equity interest in each of the following Indonesian subsidiaries:-

SPV cos		Indonesian subsidiaries
1.	Asian Palm Oil Pte Ltd (formerly known as GaiaAgri Pte Ltd)	PT Dwie Warna Karya
2.	AsianIndo Palm Oil Pte Ltd	PT Susantri Permai
3.	KARA Palm Oil Pte Ltd	PT Kapuas Maju Jaya

The inclusion of AIH Group as indirect subsidiaries of the Company does not have any material effect on the Group's profit for the financial year ended 31 December 2008.

Details of the assets, liabilities and net cash outflow arising from the acquisition of the above subsidiaries were as follows :-

	Book Value	Group Fair Value
<i>Net assets acquired at the date of acquisition:</i>		
Property, plant and equipment (see Note 15)	(4,993)	(4,993)
Plantation development (see Note 18)	(8,359)	(8,359)
Leasehold land use rights (see Note 19)	(782)	(23,574)
Trade and other receivables	(4,154)	(4,154)
Inventories	(1,957)	(1,957)
Deferred taxation	(2)	(2)
Bank balances and deposits	(14,176)	(14,176)
Trade and other payables	2,489	2,489
Borrowings	1,600	1,600
Minority interests	12,189	21,990
	<u>(18,145)</u>	<u>(31,136)</u>
Net assets/Total purchase consideration discharged by cash		
Less : Bank balances and deposits of subsidiaries acquired		<u>14,176</u>
Net cash outflow on acquisition of subsidiaries		<u>(16,960)</u>

The Group has completed its purchase price allocation exercise on the acquisition of the above subsidiaries and has accounted for the fair value adjustments on 3 October 2008 accordingly.

The notes set out on pages 21 to 79 form part of these financial statements.

**CASH FLOW STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2009** (Continued)

Amounts in RM'000 unless otherwise stated

(a) Analysis of the acquisition of a subsidiary (Continued)

(ii) 2008 (Continued)

The revenue and net loss of the acquired subsidiaries included in the consolidated income statement of the Group for the period from 3 October 2008 to 31 December 2008 amounted to nil and RM1.8 million respectively. Had the acquisition taken effect on 1 January 2008, the revenue and net loss of the acquired subsidiaries included in the consolidated income statement of the Group would have been nil and RM3.6 million respectively. These amounts have been calculated using the Group's accounting policies.

(b) Analysis of cash and cash equivalents

	Group		Company	
	2009	2008	2009	2008
Short term investments (see Note 30)	264,444	303,959	245,574	283,472
Bank balances and deposits (see Note 31)	233,807	228,534	190,606	195,061
	498,251	532,493	436,180	478,533

Included in the above bank balances and deposits for the Group is an amount of RM10.0 million (2008 : RM8.2 million) deposited by a subsidiary involved in property development activities into various Housing Development Accounts in accordance with Section 7(A) of the Housing Developers (Control and Licensing) Act, 1966. This amount is available for use by the said subsidiary for the payment of property development expenditure.

NOTES TO THE FINANCIAL STATEMENTS
31 DECEMBER 2009

Amounts in RM'000 unless otherwise stated

1. PRINCIPAL ACTIVITIES

The principal activities of the Company are plantation, investment holding and provision of management services to its subsidiaries.

The principal activities of the subsidiaries include plantation, property development and genomics research and development.

Details of the principal activities of the subsidiaries and associates are set out in Note 42 to the financial statements.

There have been no significant changes in the nature of the activities of the Group and of the Company during the financial year.

2. BASIS OF PREPARATION

The financial statements of the Group and the Company have been prepared in accordance with and comply with Financial Reporting Standards ("FRS"), the Malaysian Accounting Standards Board ("MASB") Approved Accounting Standards in Malaysia for Entities Other Than Private Entities and the provisions of the Companies Act, 1965. The bases of measurement applied to assets and liabilities include cost, amortised cost, lower of cost and net realisable value, revalued amount and fair value.

The preparation of financial statements in conformity with FRS and the provisions of the Companies Act, 1965 requires the Directors to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reported financial year. It also requires Directors to exercise their judgment in the process of applying the Company's accounting policies. Although these judgments and estimates are based on Directors' best knowledge of current events and actions, actual results could differ from those estimates.

Judgments and estimations

In the process of applying the Group's accounting policies, management makes judgments that can significantly affect the amount recognised in the financial statements. These judgments include:

a) Intangible assets

The Group recognises costs incurred on development projects as intangible assets to the extent that the capitalisation criteria in FRS138 - Intangible Assets are met. The Group uses its judgment in determining whether the milestones payments for research and development expertise and capacity in genomics meet the capitalisation criteria so as to enable the amount to be capitalised. The future commercial viability of these intangible assets is assessed by using discounted cash flow valuation technique, which requires the Group to use estimates and assumptions concerning the future.

2. **BASIS OF PREPARATION** (Continued)

Judgments and estimations (Continued)

b) Provision for taxation

The Group is subject to income taxes in numerous jurisdictions in which the Group operates. Significant judgment is required in determining the provision for income taxes. There are transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The Group recognises liabilities for tax based on estimates of assessment of the tax liability due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions, where applicable, in the period in which such determination is made.

c) Deferred tax assets

Deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. This involves judgment regarding the future financial performance of the particular entity in which the deferred tax asset has been recognised.

Adoption of new Financial Reporting Standards

Standards, amendments to published standards and interpretations to existing standards that are applicable and effective

There are no new accounting standards, amendments to published standards and interpretations to existing standards that are applicable to the Group and the Company for the financial year ended 31 December 2009.

Accounting policies adopted by the Group and the Company have been applied consistently in dealing with items that are considered material in relation to the financial statements, unless otherwise stated.

Standards, amendments to published standards and interpretations to existing standards that are not yet effective and have not been early adopted

The new standards, amendments and IC Interpretations that are applicable to the Group and the Company, but which the Group and the Company have not early adopted, are as follows:

- Revised FRS 3 “Business Combinations” (effective prospectively for annual period beginning on or after 1 July 2010). The revised standard continues to apply the acquisition method to business combinations, with some significant changes. For example, all payments to purchase a business are to be recorded at fair value at the acquisition date, with contingent payments classified as debt subsequently re-measured through the income statement. There is a choice on an acquisition-by-acquisition basis to measure the non-controlling interest in the acquiree either at fair value or at the non-controlling interest’s proportionate share of the acquiree’s net assets. All acquisition-related costs should be expensed. The Group will apply this revised standard prospectively for its financial year beginning 1 January 2011.
- FRS 8 “Operating Segments” (effective for annual period beginning on or after 1 July 2009). FRS 8 replaces FRS 114₂₀₀₄ Segment Reporting. The new standard requires a ‘management approach’, under which segment information is reported in a manner that is consistent with the internal reporting provided to the chief operating decision-maker. Prior year comparatives must be restated. The Group will apply this standard from its financial year beginning 1 January 2010. It is envisaged that more details will be available and reported in a manner that is more consistent with the internal management reporting.

2. BASIS OF PREPARATION (Continued)

Adoption of new Financial Reporting Standards (Continued)

Standards, amendments to published standards and interpretations to existing standards that are not yet effective and have not been early adopted (Continued)

- Revised FRS 101 “Presentation of Financial Statements” (effective from 1 January 2010). The revised standard prohibits the presentation of items of income and expenses (that is, “non-owner changes in equity”) in the statement of changes in equity, requiring “non-owner changes in equity” to be presented separately from owner changes in equity. All non-owner changes in equity is required to be shown in a performance statement, but entities can choose whether to present one performance statement (the statement of comprehensive income) or two statements (the income statement and statement of comprehensive income). Where entities restate or reclassify comparative information, they will be required to present a restated balance sheet as at the beginning of the comparative period in addition to the current requirement to present balance sheets at the end of the current period and comparative period. The Group will apply the revised FRS 101 from 1 January 2010.
- FRS 123 “Borrowing Costs” (effective from 1 January 2010). The revised standard replaces FRS 123₂₀₀₄ and requires an entity to capitalise borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset (one that takes a substantial period of time to get ready for use or sale) as part of the cost of that asset. The option of immediately expensing those borrowing cost is removed. The Group will apply the revised FRS 123 prospectively. There is no impact to the Group as the Group is currently capitalising its borrowing costs on qualifying assets.
- Amendments to FRS 1 “First Time Adoption of Financial Reporting Standards” and FRS 127 “Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate” (effective from 1 January 2010). The amendments allow first-time adopters to use a deemed cost of either fair value or the carrying amount under previous accounting practice to measure the initial cost of investments in subsidiaries, jointly controlled entities and associates in the separate financial statements. The amendments also remove the definition of the cost method from FRS 127 and require investors to present dividends as income in the separate financial statements.
- Amendments to FRS 2 “Share-based Payment – Vesting Conditions and Cancellations ” (effective from 1 January 2010). The amendments deal with vesting conditions and cancellations. It clarifies that vesting conditions are service conditions and performance conditions only. Other features of a share-based payment are not vesting conditions. These features would need to be included in the grant date fair value for transactions with employees and others providing similar services; they would not impact the number of awards expected to vest or valuation thereof subsequent to grant date. All cancellations, whether by the entity or by other parties, should receive the same accounting treatment.
- Revised FRS 127 “Consolidated and Separate Financial Statements” (effective prospectively from 1 July 2010). The revised standard requires the effects of all transactions with non-controlling interests to be recorded in equity if there is no change in control and these transactions will no longer result in goodwill or gains and losses. The standard also specifies the accounting when control is lost. Any remaining interest in the entity is re-measured to fair value, and a gain or loss is recognised in profit or loss. The Group will apply this revised standard prospectively from 1 January 2011.

2. BASIS OF PREPARATION (Continued)

Adoption of new Financial Reporting Standards (Continued)

Standards, amendments to published standards and interpretations to existing standards that are not yet effective and have not been early adopted (Continued)

- Amendments to FRS 132 “Financial Instruments: Presentation” and FRS 101 (as revised in 2009) “Presentation of Financial Statements - Puttable Financial Instruments and Obligations Arising on Liquidation” (effective from 1 January 2010). The amendments require entities to classify puttable financial instruments and instruments that impose on the entity an obligation to deliver to another party a pro rata share of the net assets of the entity only on liquidation as equity, if they have particular features and meet specific conditions.
- IC Interpretation 10 “Interim Financial Reporting and Impairment” (effective from 1 January 2010). IC Interpretation 10 prohibits the impairment losses recognised in an interim period on goodwill and investments in equity instruments and in financial assets carried at cost to be reversed at a subsequent balance sheet date.
- IC Interpretation 11 “FRS 2 - Group and Treasury Share Transactions” (effective from 1 January 2010). IC Interpretation 11 provides guidance on whether share-based transactions involving treasury shares or involving group entities should be accounted for as equity-settled or cash-settled share-based payment transactions in the stand-alone accounts of the parent and group companies.
- IC Interpretation 13 “Customer Loyalty Programmes” (effective from 1 January 2010). IC Interpretation 13 clarifies that where goods or services are sold together with a customer loyalty incentive, the arrangement is a multiple-element arrangement and the consideration receivable from the customer is allocated between the components of the arrangement using fair values.
- IC Interpretation 14 “FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction” (effective from 1 January 2010). IC Interpretation 14 provides guidance on assessing the limit in FRS 119 on the amount of the surplus that can be recognised as an asset.
- IC Interpretation 15 “Agreements for construction of real estates” (effective from 1 July 2010). IC Interpretation 15 clarifies whether FRS 118 “Revenue” or FRS 111 “Construction Contracts” should be applied to particular transactions. It is likely to result in FRS 118 being applied to a wider range of transactions.
- IC Interpretation 17 "Distribution of Non-cash Assets to Owners" (effective from 1 July 2010). IC Interpretation 17 provides guidance on accounting for arrangements whereby an entity distributes non-cash assets to shareholders either as a distribution of reserves or as dividends. FRS 5 has also been amended to require that assets are classified as held for distribution only when they are available for distribution in their present condition and the distribution is highly probable.

The above new standards, amendments and IC Interpretations other than IC Interpretation 15 are not expected to have any material impact on the Group’s and Company’s financial statements. IC Interpretation 15 will result in a change in accounting policy for revenue recognition for property development activities of the Group from percentage of completion method to completion method where revenue can only be recognised when the Group has transferred control and the significant risks and rewards of ownership of the completed properties to the buyer. The Group will re-examine and, where applicable, retrospectively restate the revenue recognition for agreements that are in progress as at 1 January 2011 upon adoption of IC Interpretation 15.

2. **BASIS OF PREPARATION** (Continued)

Adoption of new Financial Reporting Standards (Continued)

Standards, amendments to published standards and interpretations to existing standards that are not yet effective and have not been early adopted (Continued)

The following standards will be effective for annual period beginning on or after 1 January 2010. The Group has applied the transitional provision in the respective standards which exempts entities from disclosing the possible impact arising from the initial application of the standard on the financial statements of the Group and Company.

- FRS 139 “Financial Instruments: Recognition and Measurement”. The standard establishes the principles for recognition and measurement of financial assets, financial liabilities and some contracts to buy and sell non-financial items. Hedge accounting is permitted under strict circumstances. The amendments to FRS 139 provide further guidance on eligible hedged items. The amendment provides guidance for two situations. On the designation of a one-sided risk in a hedged item, the amendment concludes that a purchased option designated in its entirety as the hedging instrument of a one-sided risk will not be perfectly effective. The designation of inflation as a hedged risk or portion is not permitted unless in particular situations. The improvement to FRS 139 clarifies that the scope exemption in FRS 139 only applies to forward contracts but not options for business combinations that are firmly committed to being completed within a reasonable timeframe.
- FRS 7 “Financial Instruments: Disclosures”. The standard provides information to users of financial statements about an entity’s exposure to risks and how the entity manages those risks. The improvement FRS 7 clarifies that entities must not present total interest income and expense as a net amount within finance costs on the face of the income statement.
- IC Interpretation 9 “Reassessment of Embedded Derivatives”. IC Interpretation 9 requires an entity to assess whether an embedded derivative is required to be separated from the host contract and accounted for as a derivative when the entity first becomes a party to the contract. Subsequent reassessment is prohibited unless there is a change in the terms of the contract that significantly modifies the cash flows that otherwise would be required under the contract, in which case reassessment is required.

The following amendments are part of the MASB’s improvements project that are relevant and effective for annual periods beginning on or after 1 January 2010

- FRS 5 “Non-Current Assets Held for Sale and Discontinued Operations” clarifies the disclosures required when accounting for non-current assets (or disposal groups) that are classified as held for sale and discontinued operations.
- FRS 8 “Operating Segments” clarifies that entities will only need to disclose information about segment assets if that information is regularly reviewed by the chief operating decision maker.
- FRS 101 “Presentation of Financial Statements” (as revised in 2009) widens the scope of the standard to allow current/non-current classification of a derivative and clarifies how to classify the liability component of a convertible instrument.
- FRS 107 “Statement of Cash Flows” clarifies that only expenditure resulting in a recognised asset can be categorised as a cash flow from investing activities.

2. BASIS OF PREPARATION (Continued)

Adoption of new Financial Reporting Standards (Continued)

The following amendments are part of the MASB's improvements project that are relevant and effective for annual periods beginning on or after 1 January 2010 (Continued)

- FRS 108 "Accounting Policies, Changes in Accounting Estimates and Errors" clarifies the use of implementation guidance in the standard.
- FRS 110 "Events after the Reporting Period" confirms that dividends are liabilities when the company is obliged to pay.
- FRS 116 "Property, Plant and Equipment" clarifies how certain entities present the sale of assets held for rental.
- FRS 117 "Leases" requires entities with existing leases of land and buildings (combined) to reassess the classification of land as a finance or operating lease.
- FRS 118 "Revenue" replaces the term 'direct costs' with 'transaction costs' and clarifies the distinction between when an entity is acting as a 'principal' and an 'agent'.
- FRS 119 "Employee Benefits" clarifies the terms 'curtailments' and 'negative past service cost', changes the definition of 'return on plan assets' and replacement of term 'fall due'.
- FRS 120 "Accounting for Government Grants and Disclosures of Government Assistance" clarifies the accounting for government loans with a below-market rate of interest.
- FRS 123 "Borrowing Costs" changes the definition of borrowing costs.
- FRS 127 "Consolidated and Separate Financial Statements" clarifies the accounting for an investment in a subsidiary held for sale.
- FRS 128 "Investments in Associates", FRS 7 "Financial Instruments: Disclosure", FRS 132 "Financial Instruments: Disclosure and Presentation", FRS 131 "Interests in Joint Ventures" clarify the accounting for an impairment on an investment in associate and only certain disclosures are required when investments in associates or interests in jointly controlled entities are accounted for at fair value through profit or loss.
- FRS 134 "Interim Financial Reporting" clarifies the presentation of earnings per share information.
- FRS 136 "Impairment of Assets" clarifies the disclosures of estimates used to determine recoverable amount and that entities must assess their goodwill impairment within cash-generating units at or below the operating segment level.

2. **BASIS OF PREPARATION** (Continued)

Adoption of new Financial Reporting Standards (Continued)

The following amendments are part of the MASB's improvements project that are relevant and effective for annual periods beginning on or after 1 January 2010 (Continued)

- FRS 138 "Intangible Assets" clarifies:
 - the term 'as incurred' in relation to capitalised advertising and promotional costs;
 - that the unit of production method of amortisation is allowed;
 - that if two intangible assets which cannot be separated are acquired in a business combination, the entity should recognise them as one asset and measure them using a combined fair value; and
 - on how to determine the fair value of intangible assets acquired in a business combination.
- FRS 140 "Investment Property" clarifies the accounting for investment property held under lease and changes the accounting for property not yet used as investment property.

The above amendments are not expected to have any material impact on the Group's and Company's financial statements.

The following amendments are part of the MASB's improvements project that are relevant and effective for annual periods beginning on or after 1 July 2010

- FRS 2 "Share-based Payment" clarifies that the following transactions are outside the scope of FRS 2 and revised FRS 3:
 - contributions by a business on the formation of joint venture; and
 - common control transactions.
- FRS 5 "Non-current Asset Held for Sale and Discontinued Operations" clarifies how the assets and liabilities of a subsidiary are classified in the event of a plan to sell the controlling interest in a subsidiary.
- FRS 138 "Intangible Assets" clarifies that a group of complementary intangible assets acquired in a business combination is recognised as a single asset if the individual asset has similar useful lives.
- IC Interpretation 9 "Reassessment of Embedded Derivatives" clarifies which standard (revised FRS 3 or FRS 139) applies to contracts with embedded derivatives.
- IC Interpretation 16 "Hedges of a Net Investment in a Foreign Operation" clarifies that hedging instruments may be held anywhere within a group of entities.

The above amendments are not expected to have any material impact on the Group's and Company's financial statements.

3. **SIGNIFICANT ACCOUNTING POLICIES**

Basis of Consolidation

Investments in subsidiaries are eliminated on consolidation while investments in jointly controlled entities and associates are accounted for by the equity method of accounting.

a) *Subsidiaries*

The consolidated financial statements include the audited financial statements of the Company and all its subsidiaries made up to the end of the financial year. Subsidiaries are those companies in which the Group has power to exercise control over the financial and operating policies so as to obtain benefits from their activities.

Subsidiaries are consolidated from the date on which effective control is transferred to the Group and are no longer consolidated from the date that control ceases. Subsidiaries are consolidated using the purchase method of accounting whereby the results of subsidiaries acquired or disposed of during the financial year are included from the date of acquisition up to the date when control ceases. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest. The excess of the cost of acquisition over the Group's share of the fair value of the identifiable net assets of the subsidiary acquired at the date of acquisition is reflected as goodwill. See accounting policy note on treatment of goodwill.

Negative goodwill represents the excess of the fair value of the Group's share of the net assets acquired over the cost of acquisition and prior to 1 January 2006, the negative goodwill is credited to retained earnings in the year of acquisition. Negative goodwill arising from new acquisition, on or after 1 January 2006, is recognised directly in the income statement.

All material intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless cost cannot be recovered. Where necessary, accounting policies for subsidiaries have been changed to ensure consistency with the policies adopted by the Group.

The gain or loss on disposal of a subsidiary is the difference between net disposal proceeds and the Group's share of its net assets together with any balance of goodwill on acquisition and exchange differences which were not previously recognised in the consolidated income statement.

Minority interests are measured at the minorities' share of the fair values of the identifiable assets and liabilities of the acquiree as at the date of acquisition and the minorities' share of movements in the acquiree's net assets since that date.

3. SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

Basis of Consolidation (*Continued*)

b) Jointly Controlled Entities

Jointly controlled entities are corporations, partnerships or other entities over which there is contractually agreed sharing of control by the Group with one or more parties.

The Group's interests in jointly controlled entities are accounted for in the consolidated financial statements by the equity method of accounting. Equity accounting involves recognising the Group's share of the post acquisition results of jointly controlled entities in the income statement and its share of post acquisition movements within reserves in reserves. The cumulative post acquisition movements are adjusted against the cost of the investment and includes goodwill on acquisition less impairment losses, where applicable. See accounting policy note on impairment of assets.

The Group recognises the portion of gains or losses on the sale of assets by the Group to the joint venture that is attributable to the other parties in the ventures. The Group does not recognise its share of profits or losses from the joint venture until it resells the assets to an independent party. However, if a loss on the transaction provides evidence of a reduction in the net realisable value of current assets or an impairment loss, the loss is recognised immediately.

Where necessary, in applying the equity method, adjustments have been made to the financial statements of jointly controlled entities to ensure consistency of accounting policies with those of the Group.

c) Associates

Associates are companies in which the Group exercises significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the associates but not control over those policies.

Investments in associates are accounted for by the equity method of accounting and are initially recognised at cost. Equity accounting involves recognising in the income statement the Group's share of the associates' results for the financial year. The Group's interest in associates is stated at cost net of goodwill written off, for acquisitions prior to 1 January 2004, plus adjustments to reflect changes in the Group's share of the net assets of the associates. Equity accounting is discontinued when the carrying amount of the investment in an associate reaches zero, unless the Group has incurred obligations or made payments on behalf of the associate.

The Group's investments in associates include goodwill (net of any accumulated impairment loss) identified on acquisition.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of impairment on the assets transferred.

Where necessary, in applying the equity method, adjustments have been made to the financial statements of associates to ensure consistency of accounting policies with those of the Group.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property, Plant and Equipment

Property, plant and equipment are tangible items that:

- i) are held for use in the production or supply of goods or services, or for administrative purposes; and
- ii) are expected to be used during more than one period.

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses except for certain properties which were revalued before 1998. In accordance with the transitional provision allowed by MASB upon first adoption of IAS 16, Property, Plant and Equipment, the valuation of these assets have not been updated, and they continue to be stated at their existing carrying amounts less accumulated depreciation, amortisation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the income statement during the period that they are incurred.

Freehold land and property, plant and equipment which are under construction are not depreciated. Depreciation on assets under construction commences when the assets are ready for their intended use. The Group depreciates other assets based on their consumption pattern and is applied separately to each significant component.

The depreciable amount of an item of property, plant and equipment is determined as the difference between the cost less its residual value. The residual value is the estimated amount that the Group expects to obtain from disposal of the asset, after deducting the estimated cost to disposal, if the asset was already of the age and in the condition expected at the end of its useful life.

Depreciation on other assets is calculated using the straight-line method to allocate their costs or revalued amounts to their residual values over their estimated useful lives, as follows:

	Years
Land improvements	25
Buildings and improvements	10 - 50
Plant and machinery	4 - 10
Motor vehicles	5 - 8
Furniture, fittings and equipment	3 - 10

The assets' residual values and useful lives are reviewed annually and revised, if appropriate.

Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount. See accounting policy note on impairment of assets.

Gains and losses on disposals are determined by comparing proceeds with carrying amounts and are included in the income statement. On disposal of revalued assets, amounts in the revaluation reserve relating to those assets are transferred to retained earnings.

3. **SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Investment Properties

Investment properties consist of investments in land and buildings that are held for long-term rental yield and/or capital appreciation and are not occupied by the Group.

Investment in freehold land is stated at cost less accumulated impairment losses. Other investment properties are stated at cost, less accumulated depreciation and impairment losses. Depreciation for other investment properties is calculated using the straight-line method to allocate their cost over their estimated useful lives, as follows:

	Years
Buildings and improvements	5 - 50

Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount. See accounting policy note on impairment of assets.

Gains and losses on disposal are determined by comparing net disposal proceeds with carrying amount and are included in the income statement.

Plantation Development

Plantation development comprises cost of planting and development on oil palm and other plantation crops.

Costs of new planting and development of plantation crops are capitalised from the stage of land clearing up to the stage of maturity. The cost of new planting capitalised is not amortised. However, where the cost of new planting is incurred on leasehold land which has unexpired period shorter than the crop's economic life, the cost is amortised over the remaining period of the lease on a straight line basis.

Replanting expenditure is charged to the income statement in the financial year in which the expenditure is incurred.

Leasehold Land Use Rights

Leasehold land that normally has a finite economic life and title is not expected to pass to the lessee by the end of the lease term is treated as an operating lease. The payment made on entering into or acquiring a leasehold land is accounted as leasehold land use rights (referred to as prepaid lease payments in FRS 117, Leases) that are amortised over the remaining lease period ranging from 13 to 881 years in accordance with the pattern of benefits provided.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property Development Activities

a) Land Held for Property Development

Land held for property development consists of land on which no significant development work has been undertaken or where development activities are not expected to be completed within the normal operating cycle. Such land is classified as non-current asset and is stated at cost less accumulated impairment losses, if any.

Cost comprises cost of land and all related costs incurred on activities necessary to prepare the land for its intended use. Where the Group had previously recorded the land at revalued amounts, it continues to retain these amounts as its surrogate cost as allowed by FRS 201₂₀₀₄, Property Development Activities. Where an indication of impairment exists, the carrying amount of the asset is assessed and written down immediately to its recoverable amount. See accounting policy note on impairment of assets.

Land held for property development is transferred to property development costs and included under current assets when development activities have commenced and where the development activities can be completed within normal operating cycle of 2 to 3 years.

b) Property Development Costs and Revenue Recognition

Property development costs comprise costs associated with the acquisition of land and all costs directly attributable to development activities or costs that can be allocated on a reasonable basis to these activities.

When the outcome of the development activity can be estimated reliably, property development revenue and expenses are recognised by using the percentage of completion method in respect of sales where agreements have been finalised. Under this method, profits are recognised as the property development activity progresses. The stage of completion is determined based on proportion of property development costs incurred for work performed up to the balance sheet date over the estimated total property development cost to completion.

When the outcome of a development activity cannot be reliably estimated, property development revenue is recognised only to the extent of property development costs incurred that is probable of recovery and property development costs on the development units sold are recognised as an expense when incurred. Foreseeable losses, if any, arising when it is probable that total property development costs (including expected defect liability expenditure) will exceed total property development revenue are recognised immediately in the income statement.

Property development costs not recognised as an expense is recognised as an asset and is stated at the lower of cost and net realisable value. Upon completion of development, the unsold completed development properties are transferred to inventories.

Where revenue recognised in the income statement exceed billings to purchasers, the balance is shown as accrued billings under trade and other receivables (within current assets). Where billings to purchasers exceed revenue recognised in the income statement, the balance is shown as progress billings under trade and other payables (within current liabilities).

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments

Investments in non-current investments other than investments in subsidiaries, jointly controlled entities and associates are stated at cost and an allowance for diminution in value is made where, in the opinion of the Directors, there is a decline other than temporary in the value of such investments. Such a decline is recognised as an expense in the financial year in which it is identified.

Investments in subsidiaries, jointly controlled entities and associates are shown at cost. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. See accounting policy note on impairment of assets.

On disposal of an investment, the difference between the net disposal proceeds and its carrying amount is charged/credited to the income statement.

Money market instruments are stated at the lower of cost and net realisable value.

Intangible Assets

a) Goodwill

Goodwill represents the excess of the cost of acquisition over the Group's share of the fair values of the identifiable net assets of the subsidiaries at the date of acquisition. Goodwill is stated at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. See accounting policy note on impairment of assets.

Goodwill on acquisition of jointly controlled entity and associates occurring on or after 1 January 1995 is included in investments in jointly controlled entity and associates respectively. Such goodwill is tested for impairment as part of the overall balance.

b) Research and Development Expenditure

Research expenditure is recognised as an expense when incurred.

Costs incurred on development projects (relating to the design and testing of new or improved products) are recognised as intangible assets when the following criteria are fulfilled:

- (a) it is technically feasible to complete the intangible asset so that it will be available for use or sale;
- (b) management intends to complete the intangible asset and use or sell it;
- (c) there is an ability to use or sell the intangible asset;
- (d) it can be demonstrated that the intangible asset will generate probable future economic benefits;
- (e) adequate technical, financial and other resources to complete the development and to use or sell the intangible asset are available; and
- (f) the expenditure attributable to the intangible asset during its development can be reliably measured.

3. SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

Intangible Assets (*Continued*)

b) Research and Development Expenditure (*Continued*)

Collaborations and alliances are maintained with third parties for provision of research and development expertise and capacity in genomics for the achievement of performance milestones. Milestones payments are capitalised to the extent that the capitalisation criteria in FRS 138 – Intangible Assets are met. Judgment is involved in determining whether the amount paid meets the performance milestones so as to enable the amount to be capitalised as intangible assets.

Other development expenditure that do not meet these criteria are recognised as an expense when incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period. Capitalised development costs are recorded as intangible assets and amortised from the point at which the asset is ready for use or sale, on a straight-line basis over useful life, not exceeding twenty years.

Intangible assets are tested for impairment annually, in accordance with FRS 136. See accounting policy note on impairment of assets.

Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost is determined using the weighted average method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and an appropriate proportion of production overheads (*based on normal operating capacity*). The cost of unsold properties comprises cost associated with the acquisition of land, direct costs and an appropriate proportion of allocated costs attributable to property development activities.

Net realisable value is the estimated selling price in the ordinary course of business, less the costs to completion and selling expenses.

Non-Current Assets Classified as Assets Held for Sale

Non-current assets are classified as assets held for sale and stated at the lower of carrying amount and fair value less costs to sell if their carrying amount is recovered principally through a sale transaction rather than a continuing use.

Receivables

Receivables are carried at estimated realisable values. In estimating the realisable value, an allowance is made for doubtful receivables based on a review of all outstanding amounts at the financial year end. Bad debts are written off to the income statement during the financial year in which they are identified.

Advances for plasma plantation projects represent the accumulated plantation development cost, including borrowing costs and indirect overheads, which are either recoverable from plasma farmers or recoverable through the assignment to plasma farmers of the loans proceeds obtained for the projects. These advances are recoverable when the plasma plantation is completed and ready to be transferred to the plasma farmer. Allowance for losses on recovery is made when the estimated amount to recover is less than the outstanding advances.

3. **SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Cash and Cash Equivalents

Cash and cash equivalents include cash and bank balances, deposits and other short term, highly liquid investments that are readily convertible to known amounts of cash and are subject to insignificant risk of changes in value. Money market instruments are included within short term investments in current assets in the balance sheet.

Share Capital

Ordinary shares are classified as equity when there is no contractual obligation to deliver cash or other financial assets to another entity or to exchange financial assets or liabilities with another entity that are potentially unfavourable to the issuer.

Incremental costs directly attributable to the issue of new shares, options or for the acquisition of a business are shown in equity as a deduction, net of tax, from the proceeds.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

Borrowings

Borrowings are recognised initially based on the proceeds received, net of transaction costs incurred.

Costs incurred on borrowings to finance qualifying assets are capitalised until the assets are ready for their intended use after which such expenses are charged to the income statement. All other borrowing costs are charged to the income statement.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the balance sheet date.

Finance Leases – Accounting by Lessee

Leases of property, plant and equipment where the Group assumes substantially all the benefits and risks of ownership are classified as finance leases.

Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased property and the present value of the minimum lease payments. Each lease payment is allocated between the liability and finance charges so as to achieve a constant periodic rate of interest on the balance outstanding. The corresponding rental obligations, net of finance charges, are included in borrowings. The interest element of the finance charge incurred on qualifying assets are capitalised until the assets are ready for their intended use after which such expense is charged to the income statement over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Property, plant and equipment acquired under finance leases is depreciated over the shorter of the estimated useful life of the asset and the lease period.

3. SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

Impairment of Non-Financial Assets

The carrying values of assets, with the exception of inventories, assets arising from construction contracts, deferred tax assets and financial assets (excluding investments in subsidiaries, jointly controlled entities and associates) are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. If such indication exists, an impairment review is performed to assess whether the carrying amount of the asset is fully recoverable.

Irrespective of whether there is any indication of impairment, the Group also:

- a) tests intangible assets with indefinite useful life for impairment annually by comparing its carrying amount with its recoverable amount.
- b) tests goodwill acquired in a business combination for impairment annually.

Impairment loss is recognised when the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use, which is measured by reference to discounted future cash flows. Recoverable amounts are estimated for individual assets, or if it is not possible, for the cash generating unit.

An impairment loss is charged to the income statement, unless the asset is carried at revalued amount, in which case the impairment loss is used to reduce the revaluation surplus.

Assets, other than goodwill, that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

An impairment loss is reversed only to the extent of previously recognised impairment losses for the same asset unless the asset is carried at revalued amount, in which case the reversal is treated as an increase to revaluation reserve. An impairment loss recognised for goodwill shall not be reversed in a subsequent period.

Contingent Liabilities and Contingent Assets

The Group does not recognise a contingent liability but discloses its existence in the financial statements, except in a business combination. A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by uncertain future events beyond the control of the Group or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. When a change in the probability of an outflow of economic resources occurs and that an outflow is probable, it will then be recognised as a provision.

A contingent asset is a possible asset that arises from past events whose existence will be confirmed by uncertain future events beyond the control of the Group. The Group does not recognise contingent assets but discloses its existence where inflows of economic benefits are probable, but not virtually certain. When inflow of economic resources is virtually certain, the asset is recognised.

In the acquisition of subsidiaries by the Group under a business combination, the contingent liabilities assumed are recognised and measured initially at their fair values at the acquisition date, irrespective of the extent of any minority interest.

The Group recognises separately the contingent liabilities of the acquirees as part of allocating the cost of a business combination where the fair values can be measured reliably. Where the fair values cannot be measured reliably, the resulting effect will be reflected in the goodwill arising from the acquisitions.

Subsequent to the initial recognition, the Group measures the contingent liabilities that are recognised separately at the date of acquisition at the higher of the amount that would be recognised in accordance with the provision of FRS 137 and the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with FRS 118.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of a past event, when it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and when a reliable estimate can be made of the amount of the obligation.

Income Taxes

a) Current taxation

Current taxation is determined according to the tax laws of each jurisdiction in which the Group operates and includes all taxes based upon the taxable income and is measured using the tax rates which are applicable at the balance sheet date.

b) Deferred taxation

Deferred tax liabilities and/or assets are recognised, using liability method, on temporary differences between the carrying amounts of assets and liabilities in the financial statements and their related tax bases. However, deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which the deferred tax assets can be utilised. Deferred tax liability in respect of asset revaluations is also recognised. Deferred tax liabilities and assets are measured at the tax rates that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax is recognised on temporary differences arising on investments in subsidiaries, jointly controlled entities and associates except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Employee Benefits

a) Short term employee benefits

Short term employee benefits include wages, salaries, bonuses, social security contributions and paid annual leave. These benefits are accrued when incurred and are measured on an undiscounted basis.

b) Post-employment benefits

Post-employment benefits include defined contribution plans under which the Group pays fixed contributions into a separate entity (a fund) and will have no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods. These benefits are accrued when incurred and are measured on an undiscounted basis.

3. SIGNIFICANT ACCOUNTING POLICIES (Continued)

Employee Benefits (Continued)

c) Long term employee benefits

Long term employee benefits include retirement gratuities payable to Executive Directors of the Company and certain subsidiaries. The level of retirement gratuities payable is determined by the Board of Directors in relation to the past services rendered and it does not take into account the employee's service to be rendered in later years up to retirement. The gratuity, which is calculated based on the emoluments earned in the immediate past three years, is a vested benefit when the Directors reach retirement age.

The present value of the retirement gratuities is determined by discounting the amount payable by reference to market yields at the balance sheet date on high quality corporate bonds which have terms to maturity approximating the terms of the related liability. The differences arising from the application of such discounting as well as any past service costs and the effects of any curtailments or settlements, if any, are recognised immediately in the income statement.

Such retirement gratuities payable are classified as current liabilities when it is probable that a payment will be made within the next twelve months and also provided that the amount has been approved for payment by the Board of Directors.

d) Share-based compensation benefits

The Company operates an equity settled, share based compensation plan i.e. the Genting Plantations Executive Share Option Scheme (formerly known as Asiatic Executive Share Option Scheme) since 1 September 2000, where share options are issued to eligible executives and Directors of the Group.

The fair value of employees' services rendered in exchange for the grant of the share options is recognised as an expense over the vesting period. The total amount to be expensed in the income statement over the vesting period is determined by reference to the fair value of each share option granted at the grant date and the number of share options vested by vesting date, with a corresponding increase in equity (option reserve). At each balance sheet date, the Group will revise its estimates of the number of share options that are expected to become exercisable. The option reserves in respect of options which have been lapsed are transferred to retained earnings.

The proceeds received net of any directly attributable transaction costs are credited to share capital (nominal value) and share premium when the options are exercised.

Income Recognition

a) Revenue

Sales are recognised upon delivery of products or performance of services, net of sales tax and discounts, and after eliminating sales within the Group.

Sales relating to property development projects are recognised progressively as the project activity progresses and are in respect of sales where agreements have been finalised. The recognition of sales is based on the percentage of completion method and is consistent with the method adopted for profit recognition.

Management fees and golf club membership fees are recognised on an accrual basis. Dividend income is recognised when the right to receive payment is established.

b) Other income

Other income comprising interest income and rental income are recognised on an accrual basis.

3. SIGNIFICANT ACCOUNTING POLICIES (*Continued*)

Dividends

Dividends on ordinary shares are accounted for in shareholders' equity as an appropriation of retained earnings and accrued as a liability in the financial year in which the obligation to pay is established.

Foreign Currency Translation

(a) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional and presentation currency.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. At the balance sheet date, non-monetary items are translated at balance sheet date using historical rates or rates prevailing when the fair values of the assets are determined. Monetary items are translated at the closing rate. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities at the closing rate are recognised in the income statement. However, the exchange differences arising on monetary items that form part of the net investment in the foreign operations are recognised directly in equity in the consolidated financial statements until the disposal of the foreign operations in which case they are recognised as gain or loss in the consolidated income statement.

(c) Group companies

On consolidation, the results and financial position of all the Group's entities which have a functional currency different from the Group's presentation currency are translated into the Group's presentation currency as follows :

- (i) assets and liabilities, including goodwill and fair value adjustments arising from business combinations completed on/after 1 January 2006, for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- (ii) income and expenses for each income statement are translated at average exchange rates (unless this average is not a reasonable approximation of cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- (iii) all resulting exchange differences are recognised as a separate component of equity.

3. **SIGNIFICANT ACCOUNTING POLICIES** (Continued)

Financial Instruments

A financial instrument is any contract that gives rise to both a financial asset of one enterprise and a financial liability or equity instrument of another enterprise.

A financial asset is any asset that is cash, a contractual right to receive cash or another financial asset from another enterprise, a contractual right to exchange financial instruments with another enterprise under conditions that are potentially favourable, or an equity instrument of another enterprise.

A financial liability is any liability that is a contractual obligation to deliver cash or another financial asset to another enterprise, or to exchange financial instruments with another enterprise under conditions that are potentially unfavourable.

a) Financial instruments recognised on the balance sheet

The recognition method adopted for financial instruments that are recognised on the balance sheet is disclosed separately in the individual policy statements associated with the relevant financial instrument. The financial assets and liabilities of the Group are primarily denominated in Ringgit Malaysia. Financial assets and liabilities that are denominated in other currencies, where material, have been disclosed in the notes to the financial statements.

b) Financial instruments not recognised on balance sheet

The Group is a party to a put and call option agreement as disclosed in Note 37 to the financial statements. The instrument is not recognised in the financial statements on inception.

c) Fair value estimation for disclosure purposes

The Group uses various methods and makes assumptions that are based on market conditions to derive the fair value of non-traded financial instruments. Comparisons are made to similar instruments that are publicly traded and estimates based on discounted cash flow techniques are also used. For other long term financial assets and liabilities, fair value is estimated by discounting future contractual cash flows at appropriate interest rates.

The book values of financial assets and liabilities with maturities of less than one year are assumed to approximate their fair values.

Segmental Reporting

A business segment is a group of assets and operations engaged in providing products or services that are subject to risks and returns that are different from those of other business segments. The Group adopts business segment analysis as its primary reporting format and geographical segment analysis as its secondary reporting format.

Segment revenue and expenses are those directly attributable to the segments and include any joint revenue and expenses where a reasonable basis of allocation exist. Segment assets include all assets used by the segment and consist principally of property, plant and equipment, plantation development, investment properties, leasehold land use rights, land held for property development, property development costs, inventories and receivables. Segment liabilities comprise operating liabilities and interest bearing instruments. Both segment assets and liabilities do not include income tax assets and liabilities.

4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group's overall financial risk management objective is to optimise the value creation for shareholders. In addition, the Group seeks to ensure that adequate financial resources are available for the development of the Group's businesses whilst managing its risks.

The Group operates within clearly defined guidelines that are approved by the Board of Directors and does not trade in financial instruments. Financial risk management is carried out through risk reviews conducted at all significant operational units. This process is further enhanced by effective internal controls, a group-wide insurance programme and adherence to the financial risk management policies.

The main areas of financial risks faced by the Group and the relevant policies for controlling and management of these risks are set out below:

Interest Rate Risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates. Interest rate exposure arising from the Group's borrowings is managed through the use of fixed and floating rate debts.

Market Risk

The Group, in the normal course of business, is exposed to market risks in respect of volatility in market prices of palm products and prices of the key raw materials used in the property development operations. The Group manages its risk through established guidelines and policies.

Credit Risk

Exposure to credit risk arises mainly from sales made on deferred credit terms. Credit terms offered by the Group range from 7 days to 14 days from date of transaction. Risks arising therefrom are minimised through effective monitoring of receivables and suspension of sales to customers whose accounts have exceeded the stipulated credit terms. Credit limits are set and credit history is reviewed to minimise potential losses. The Group has no significant concentration of credit risk with any single customer.

In respect of trade receivables arising from the sale of development properties, the Group mitigates its credit risk by maintaining its name as the registered owner of the development properties until full settlement by the purchaser of the self-financed portion of the purchase consideration and upon the undertaking of end-financing by the purchaser's end-financier.

The Group also seeks to invest cash assets safely and profitably and buys insurance to protect itself against insurable risks. In this regard, counterparties are assessed for credit risk and limits are set to minimise any potential losses. The Group's cash and cash equivalents and short-term deposits are placed with creditworthy financial institutions and the risks arising therefrom are minimised in view of the financial strength of these financial institutions.

Liquidity and Cash Flow Risks

The Group practises prudent liquidity risk management to minimise the mismatch of financial assets and liabilities. The Group's cash flows are reviewed regularly to ensure that the Group is able to settle its commitments when they fall due.

4. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Foreign Currency Exchange Risk

The Group is exposed to foreign currency exchange risk when subsidiaries enter into transactions that are not denominated in their functional currencies. The Group attempts to significantly limit its exposure for committed transactions by entering into forward foreign currency exchange contracts within the constraints of market and government regulations.

The Group is also exposed to foreign currency translation risk arising from its net investments in foreign subsidiaries, which is not hedged due to the long term nature of those investments.

5. SEGMENT ANALYSIS

a) Primary reporting format – business segments

2009	Plantation			Property	Biotechnology	Others	Total
	Malaysia	Indonesia	Total				
Revenue – external	675,378	-	675,378	80,189	-	-	755,567
Results							
Segment profit/(loss)	291,005	(5,973)	285,032	6,791	(10,105)	1,783	283,501
Interest income							10,402
Net surplus arising from compensation in respect of land acquired by the Government	2,589	-	2,589	-	-	-	2,589
Share of results in a jointly controlled entity	-	-	-	-	(11)	-	(11)
Share of results in associates	5,435	49	5,484	(19)	-	(12)	5,453
Profit before taxation							301,934
Taxation							(63,964)
Profit for the financial year							237,970
2008							
Revenue – external	936,524	-	936,524	99,479	-	-	1,036,003
Results							
Segment profit/(loss)	462,351	(7,728)	454,623	12,421	(9,636)	1,057	458,465
Interest income							19,137
Net surplus arising from compensation in respect of land acquired by the Government	2,505	-	2,505	-	-	-	2,505
Share of results in a jointly controlled entity	-	-	-	-	(36)	-	(36)
Share of results in associates	2,790	-	2,790	21	-	4	2,815
Profit before taxation							482,886
Taxation							(105,659)
Profit for the financial year							377,227

5. SEGMENT ANALYSIS (Continued)

2009	Plantation			Property	Biotechnology	Others	Total
	Malaysia	Indonesia	Total				
Other information:							
Assets							
Segment assets	1,176,040	406,369	1,582,409	553,734	201,627	936	2,338,706
Jointly controlled entity	-	-	-	-	1,909	-	1,909
Associates	12,795	71	12,866	2,572	-	(63)	15,375
Interest bearing instruments							475,364
Unallocated corporate assets							36,226
Total assets							2,867,580
Liabilities							
Segment liabilities	52,534	112,938	165,472	46,787	1,037	14	213,310
Unallocated corporate liabilities							39,105
Total liabilities							252,415
Other Disclosures							
Capital expenditure*	59,189	178,537	237,726	1,353	5,507	-	244,586
Depreciation & amortisation	23,594	238	23,832	1,382	1,238	-	26,452
2008							
Other information:							
Assets							
Segment assets	1,160,682	125,745	1,286,427	539,962	149,289	1,315	1,976,993
Jointly controlled entity	-	-	-	-	1,940	-	1,940
Associates	9,985	22	10,007	2,590	-	(50)	12,547
Interest bearing instruments							518,191
Unallocated corporate assets							53,156
Total assets							2,562,827
Liabilities							
Segment liabilities	44,232	50,424	94,656	47,431	316	16	142,419
Unallocated corporate liabilities							41,275
Total liabilities							183,694
Other Disclosures							
Capital expenditure*	84,376	31,387	115,763	1,858	3,774	-	121,395
Depreciation & amortisation	19,531	35	19,566	1,315	553	-	21,434

* Includes capital expenditure in respect of property, plant and equipment, investment properties, plantation development and leasehold land use rights.

5. SEGMENT ANALYSIS (Continued)

The segment analysis is organised as follows:

- i) *Plantation* - comprises mainly activities relating to oil palm plantations.
- ii) *Property* - comprises mainly activities relating to property development and the operation of a golf course.
- iii) *Biotechnology* - comprises mainly activities relating to genomics research and development.
- iv) *Others* - comprises other insignificant businesses and are not reported separately.

b) Secondary reporting format – geographical segments

The Group's business segments operate in two main geographical areas:

- Malaysia[#] - mainly plantation, property development and genomics research and development
- Indonesia - plantation

[#] *Company's home country*

	Revenue		Assets		Capital Expenditure	
	2009	2008	2009	2008	2009	2008
Malaysia	755,567	1,036,003	2,443,927	2,422,595	66,049	90,008
Indonesia	-	-	406,369	125,745	178,537	31,387
	755,567	1,036,003	2,850,296	2,548,340	244,586	121,395
Jointly controlled entity	-	-	1,909	1,940	-	-
Associates	-	-	15,375	12,547	-	-
	755,567	1,036,003	2,867,580	2,562,827	244,586	121,395

In determining the geographical segments of the Group, sales are based on the country in which the customer is located. There are no sales between the segments. Total assets and capital expenditure are determined based on where the assets are located.

6. REVENUE

Revenue of the Group and of the Company comprises the following:

	Group		Company	
	2009	2008	2009	2008
<i>Sale of goods:</i>				
Sale of plantation produce	675,378	936,524	89,038	134,246
Sale of development properties	78,957	98,185	-	-
<i>Rendering of services:</i>				
Revenue from golf course operations	1,232	1,294	-	-
Fee from management services	-	-	21,288	20,725
<i>Dividend income</i> (see Note 8)	-	-	45,620	351,882
	755,567	1,036,003	155,946	506,853

7. COST OF SALES

	Group		Company	
	2009	2008	2009	2008
Cost of inventories sold for plantation produce	312,793	399,293	26,690	31,920
Cost of properties sold	60,770	72,682	-	-
Cost of services recognised as an expense	1,530	1,612	-	-
	375,093	473,587	26,690	31,920

8. PROFIT BEFORE TAXATION

Profit before taxation has been determined after inclusion of the following charges and credits:

	Group		Company	
	2009	2008	2009	2008
Charges:				
Depreciation of property, plant and equipment	22,568	18,456	3,515	2,706
Depreciation of investment properties	387	341	-	-
Amortisation of leasehold land use rights	3,490	2,630	1,393	1,404
Amortisation of plantation development	7	7	-	-
Replanting expenditure	7,246	6,718	2,033	1,170
Directors' remuneration excluding estimated money value of benefits-in-kind (see Note 10)	1,503	1,453	952	914
Charges payable to related companies:				
- Rental of premises and related services	1,402	1,157	1,040	876
- Shared services fee	1,227	981	819	882
- Hire of equipment	832	712	507	455
Property, plant and equipment written off	1,196	585	330	20
Shared services fee payable to ultimate holding company	1,774	2,417	686	2,417
Bad debts written off	576	224	48	-
Allowance for doubtful debts	414	1,031	-	-
Auditors' remuneration (see Note 11)				
- current year	633	613	55	55
Non-statutory audit fee payable to auditors (see Note 11)				
- current year	190	238	125	160
- under accrual of prior year	15	-	15	-
Employee benefits expense (see Note 9)	111,705	97,922	28,835	26,574
Research and development expenditure	6,176	7,365	-	-
Repairs and maintenance				
- property, plant and equipment	18,078	17,673	2,839	1,544
- investment properties	8	36	-	-
Transportation costs	40,306	38,825	5,587	6,197
Utilities	4,358	4,641	60	49
Raw materials and consumables	119,739	186,042	-	-
Oil palm cess and levy	215	27,031	1	4,803
Net unrealised exchange losses	-	1,765	-	-

8. PROFIT BEFORE TAXATION (Continued)

	Group		Company	
	2009	2008	2009	2008
Credits:				
Net surplus arising from compensation in respect of land acquired by the Government	2,589	2,505	93	97
Interest income	10,402	19,137	9,126	16,960
Income from associates				
- Gross dividend income	-	-	1,502	2,122
- Tax exempt dividend income	-	-	1,498	-
Rental income	2,336	2,204	344	351
Rental income from related companies	63	63	14	14
Gain/(loss) on disposal of property, plant and equipment	181	306	(100)	53
Net unrealised exchange gains	5,987	-	-	-
Income from subsidiaries				
- Single-tier dividend income	-	-	42,620	348,890
- Tax exempt dividend income	-	-	-	870
- Management fee	-	-	21,288	20,725
	=====	=====	=====	=====

9. EMPLOYEE BENEFITS EXPENSE

	Group		Company	
	2009	2008	2009	2008
Wages, salaries and bonuses	95,306	82,975	24,118	21,005
Defined contribution plans	5,777	4,657	1,968	1,633
Provision for Directors' retirement gratuities	184	198	80	87
Share-based payments	65	205	31	91
Other short term employee benefits	10,373	9,887	2,638	3,758
	=====	=====	=====	=====
	111,705	97,922	28,835	26,574
	=====	=====	=====	=====

Employee benefits expense, as shown above, include the remuneration of an Executive Director.

10. DIRECTORS' REMUNERATION

	Group		Company	
	2009	2008	2009	2008
Non-Executive Directors *				
Fees	465	441	465	441
Salaries and bonuses	399	382	-	-
Defined contribution plan	48	46	-	-
Provision for retirement gratuities	104	111	-	-
	-----	-----	-----	-----
	1,016	980	465	441
Executive Director				
Fees	56	51	56	51
Salaries and bonuses	305	291	305	291
Defined contribution plan	46	44	46	44
Provision for retirement gratuities	80	87	80	87
	-----	-----	-----	-----
	487	473	487	473
Directors' remuneration excluding estimated money value of benefits-in-kind (see Note 8)	1,503	1,453	952	914
Estimated money value of benefits-in-kind (not charged to the income statements):				
Non- Executive Directors	14	16	-	-
	-----	-----	-----	-----
	1,517	1,469	952	914
	=====	=====	=====	=====

* A Non-Executive Director of the Company receives salary and related benefits from a subsidiary by virtue of him being an Executive Director of the said subsidiary.

10. **DIRECTORS' REMUNERATION** (Continued)

Remuneration of Directors of the Company, in respect of services rendered to the Company and its subsidiaries, is in the following bands:

Amounts in RM'000	2009	2008
	Number	
Non-Executive Directors		
50 – 100	5	5
600 – 650	1	1
	-----	-----
	6	6
	=====	=====
Executive Director		
450 – 500	1	1
	=====	=====

Executive Directors of the Company and its subsidiaries have been granted options under the Genting Plantations Berhad Share Option Scheme (*formerly known as Asiatic Executive Share Option Scheme*) ("the Scheme") on the same terms and conditions as those offered to other executive employees. Details of the Scheme are set out in Note 32.

There are no unissued shares under the Scheme in respect of the Directors during the financial year. The unissued shares under the Scheme in respect of Directors in the prior financial year were as follows:

Date granted	Exercisable period	Subscription price (sen/share)	Number of shares			
			At 1 January '000	Offered and accepted '000	Exercised/relinquished/lapsed '000	At 31 December '000
Financial year ended 31.12.2008:						
1.12.2003	1.12.2006 - 31.8.2010	165	124	-	(124)	-
			-----	-----	-----	-----
			124	-	(124)	-
			=====	=====	=====	=====

Details relating to options exercised by the Directors during the financial year are as follows:-

Exercise Date	Fair value of shares at share issue date (sen/share)	Subscription price (sen/share)	Number of shares issued	
			2009 '000	2008 '000
January	905	165	-	124
			=====	=====
			2009	2008
Ordinary share capital – at par			-	62
Share premium			-	143
			-----	-----
Proceeds received on exercise of share options			-	205
			=====	=====
Fair value at exercise date of shares issued			-	1,122
			=====	=====

11. AUDITORS' REMUNERATION

	Group		Company	
	2009	2008	2009	2008
Statutory audit fees payable to:				
PricewaterhouseCoopers Malaysia*	261	258	55	55
Other member firms of PricewaterhouseCoopers International Limited*	372	355	-	-
Total statutory audit fees (See Note 8)	633	613	55	55
Fees for other audit related services payable to:				
PricewaterhouseCoopers Malaysia*	205	238	140	160
Total remuneration	838	851	195	215

* PricewaterhouseCoopers Malaysia and other member firms of PricewaterhouseCoopers International Limited are separate and independent legal entities.

12. TAXATION

	Group		Company	
	2009	2008	2009	2008
Current taxation charge:				
Malaysian income tax charge	67,912	109,991	9,601	11,612
Foreign income tax charge	784	-	-	-
	68,696	109,991	9,601	11,612
Deferred tax (reversal)/charge (see Note 25)	(917)	(7,750)	1,458	4,707
	67,779	102,241	11,059	16,319
Prior years' taxation:				
Income tax (over)/under provided	(317)	294	564	26
Deferred tax (over)/under provided (see Note 25)	(3,498)	3,124	(2,984)	-
	63,964	105,659	8,639	16,345

The reconciliation between the average effective tax rate and the Malaysian tax rate is as follows:

	Group		Company	
	2009	2008	2009	2008
	%	%	%	%
Malaysian tax rate	25.0	26.0	25.0	26.0
Tax effects of:				
- expenses not deductible for tax purposes	0.7	0.1	1.1	0.9
- income not subject to tax	(0.2)	(0.2)	(10.3)	(19.7)
- tax incentives	(2.6)	(4.0)	(5.6)	(3.7)
- (over)/under provision in prior years	(1.3)	0.7	(2.2)	-
- share of results in associates	(0.5)	(0.1)	-	-
- others	0.1	(0.6)	-	-
Average effective tax rate	21.2	21.9	8.0	3.5

13. EARNINGS PER SHARE

Earnings per share of the Group is calculated by dividing the profit for the financial year by the weighted or adjusted weighted average number of ordinary shares in issue.

	Group	
	2009	2008
a) Basic earnings per share		
Profit for the financial year (RM'000)	<u>235,661</u>	<u>373,252</u>
Weighted number of ordinary shares in issue ('000)	<u>757,275</u>	<u>756,296</u>
Basic earnings per share (sen)	<u>31.12</u>	<u>49.35</u>
b) Diluted earnings per share		
Profit for the financial year (RM'000)	<u>235,661</u>	<u>373,252</u>
Adjusted weighted average number of ordinary shares in issue:		
Weighted number of ordinary shares in issue ('000)	<u>757,275</u>	<u>756,296</u>
Adjustment for share options granted under the Genting Plantations Berhad Executive Share Option Scheme (formerly known as Asiatic Executive Share Option Scheme) ('000)	<u>629</u>	<u>1,789</u>
	<u>757,904</u>	<u>758,085</u>
Diluted earnings per share (sen)	<u>31.09</u>	<u>49.24</u>

14. DIVIDENDS

	Group and Company	
	2009	2008
Interim paid – 3.75 sen less 25% tax (2008 : 5 sen less 26% tax) per ordinary share of 50 sen each.	<u>21,309</u>	<u>27,997</u>
Proposed final – 5.25 sen less 25% tax (2008 : 5 sen less 25% tax) per ordinary share of 50 sen each.	<u>29,846</u>	<u>28,383</u>
Additional final dividend paid in respect of previous financial year due to shares issued pursuant to the exercise of the Genting Plantations Berhad Executive Share Option Scheme (formerly known as Asiatic Executive Share Option Scheme)	<u>-</u>	<u>14</u>
	<u>29,846</u>	<u>28,397</u>
	<u>51,155</u>	<u>56,394</u>

At the forthcoming Annual General Meeting, a final dividend in respect of the financial year ended 31 December 2009 of 5.25 sen less 25% tax (2008 : 5 sen less 25% tax) per ordinary share of 50 sen each amounting to RM29.8 million (2008 : RM28.4 million) will be proposed for shareholders' approval. The financial statements did not reflect this final dividend which will be accrued as a liability upon the approval by shareholders.

15. PROPERTY, PLANT AND EQUIPMENT

2009 Group	Freehold land and improve- ments	Buildings and improve- ments	Plant and ma- chinery	Motor vehicles	Furniture, fittings and equip- ment	Construc- tion in progress	Total
Net book value:							
At 1 January	262,284	65,194	51,374	11,048	11,639	35,492	437,031
Additions	16,433	3,279	17,196	4,788	4,552	43,768	90,016
Disposals	(174)	-	(2,060)	(522)	(64)	-	(2,820)
Written off	-	(221)	(374)	(578)	(23)	-	(1,196)
Assets of a subsidiary acquired	-	-	13	182	59	-	254
Depreciation: - charged to income statement	(2,987)	(3,145)	(12,604)	(1,144)	(2,688)	-	(22,568)
- capitalised under plantation development (see Note 18)	(1,924)	(360)	(1,475)	(380)	(314)	-	(4,453)
Reclassifications	20,922	18,591	23,838	(2,427)	350	(61,274)	-
Reclassification to leasehold land use rights (see Note 19)	(7,152)	-	-	-	-	-	(7,152)
Currency fluctuations	1,044	382	1,082	536	202	869	4,115
At 31 December	<u>288,446</u>	<u>83,720</u>	<u>76,990</u>	<u>11,503</u>	<u>13,713</u>	<u>18,855</u>	<u>493,227</u>
At 31 December							
Cost	266,738	126,437	192,430	17,950	26,054	18,855	648,464
At 1981 valuation	46,613	-	-	-	-	-	46,613
Accumulated depreciation	(24,905)	(42,717)	(115,440)	(6,447)	(12,341)	-	(201,850)
Net book value	<u>288,446</u>	<u>83,720</u>	<u>76,990</u>	<u>11,503</u>	<u>13,713</u>	<u>18,855</u>	<u>493,227</u>

15. PROPERTY, PLANT AND EQUIPMENT (Continued)

2008 Group	Freehold land and improve- ments	Buildings and improve- ments	Plant and ma- chinery	Motor vehicles	Furniture, fittings and equip- ment	Construc- tion in progress	Total
Net book value:							
At 1 January	249,584	61,659	45,320	4,864	4,365	18,447	384,239
Additions	10,947	3,229	12,442	6,929	2,971	33,226	69,744
Disposals	(538)	(29)	-	(24)	-	-	(591)
Written off	(142)	(163)	(253)	(9)	(18)	-	(585)
Assets of subsidiaries acquired	1,126	268	2,471	650	275	203	4,993
Depreciation: - charged to income statement	(3,067)	(2,633)	(10,537)	(753)	(1,466)	-	(18,456)
- capitalised under plantation development (see Note 18)	(1,265)	(153)	(638)	(272)	(266)	-	(2,594)
Reclassifications	2,925	3,115	2,755	-	5,883	(14,678)	-
Reclassification to investment properties (see Note 17)	-	-	-	-	-	(1,502)	(1,502)
Reclassification from leasehold land use rights (see Note 19)	3,352	-	-	-	-	-	3,352
Currency fluctuations	(638)	(99)	(186)	(337)	(105)	(204)	(1,569)
At 31 December	262,284	65,194	51,374	11,048	11,639	35,492	437,031
At 31 December							
Cost	228,738	104,670	155,616	16,426	21,326	35,492	562,268
At 1981 valuation	46,613	-	-	-	-	-	46,613
Accumulated depreciation	(13,067)	(39,476)	(104,242)	(5,378)	(9,687)	-	(171,850)
Net book value	262,284	65,194	51,374	11,048	11,639	35,492	437,031

15. PROPERTY, PLANT AND EQUIPMENT (Continued)

2009 Company	Freehold land and improve- ments	Buildings and improve- ments	Plant and ma- chinery	Motor vehicles	Furniture, fittings and equip- ment	Construc- tion in progress	Total
Net book value:							
At 1 January	15,357	7,453	2,484	2,378	6,728	593	34,993
Additions	829	318	2,043	1,154	678	3,529	8,551
Disposals	-	-	-	(277)	(135)	-	(412)
Written off	-	(140)	(50)	(139)	(1)	-	(330)
Depreciation	(617)	(328)	(706)	(352)	(1,512)	-	(3,515)
Reclassification	2,027	1,172	-	-	-	(3,199)	-
At 31 December	17,596	8,475	3,771	2,764	5,758	923	39,287
At 31 December							
Cost	18,772	9,407	5,265	4,086	11,110	923	49,563
Accumulated depreciation	(1,176)	(932)	(1,494)	(1,322)	(5,352)	-	(10,276)
Net book value	17,596	8,475	3,771	2,764	5,758	923	39,287
2008							
Net book value:							
At 1 January	949	226	205	1,245	764	5,162	8,551
Additions	13,104	7,235	2,709	1,426	1,057	2,981	28,512
Disposals	-	-	(3)	(22)	(7)	-	(32)
Written off	-	-	(8)	(9)	(3)	-	(20)
Depreciation	(559)	(365)	(644)	(262)	(876)	-	(2,706)
Reclassification	1,175	357	225	-	5,793	(7,550)	-
Reclassification from land held for sale (see Note 26)	688	-	-	-	-	-	688
At 31 December	15,357	7,453	2,484	2,378	6,728	593	34,993
At 31 December							
Cost	15,916	8,058	3,255	3,567	10,692	593	42,081
Accumulated depreciation	(559)	(605)	(771)	(1,189)	(3,964)	-	(7,088)
Net book value	15,357	7,453	2,484	2,378	6,728	593	34,993

The valuation of the freehold land made by the Directors in 1981 was based upon valuations carried out by an independent firm of professional valuers using fair market value basis. The net book value of the revalued freehold land for the Group would have amounted to RM45.6 million (2008 : RM45.6 million) had it been stated in the financial statements at cost.

In the prior financial year, the Group acquired plant and machinery and motor vehicles of RM2.4 million and RM0.1 million respectively by means of finance leases. The net book values of plant and machinery and motor vehicles under finance leases at 31 December 2009 were Nil (2008 : RM2.3 million) and Nil (2008 : RM0.1 million) respectively.

16. PROPERTY DEVELOPMENT ACTIVITIES

	Group		
	2009		2008
(a) Land held for property development:			
Freehold land	110,322		111,122
Development costs	214,111		206,212
	<u>324,433</u>		<u>317,334</u>
At the beginning of the financial year			
- freehold land	111,122		89,718
- development costs	206,212	317,334	143,047
	<u>206,212</u>		<u>232,765</u>
Costs incurred during the financial year			
- freehold land	-		888
- development costs	9,257	9,257	3,441
	<u>9,257</u>		<u>4,329</u>
Costs transferred (to) /from property development costs (see Note 16(b))			
- freehold land	(800)		20,516
- development costs	(1,358)	(2,158)	59,724
	<u>(1,358)</u>		<u>80,240</u>
At the end of the financial year			
	<u>324,433</u>		<u>317,334</u>
(b) Property development costs:			
Freehold land	2,310		4,468
Development costs	101,300		103,537
Accumulated costs charged to income statement	(58,613)		(54,019)
	<u>44,997</u>		<u>53,986</u>
At the beginning of the financial year			
- freehold land	4,468		30,999
- development costs	103,537		116,877
- accumulated costs charged to income statement	(54,019)	53,986	(36,726)
	<u>(54,019)</u>		<u>111,150</u>
Costs incurred during the financial year			
- development costs	60,792		90,860
Costs charged to income statement	(52,801)		(67,303)
Costs transferred from / (to) land held for property development (see Note 16(a))	2,158		(80,240)
Costs transferred to inventories			
- freehold land	(2,958)		(6,015)
- development costs	(64,387)		(42,799)
- accumulated costs charged to income statement	48,207	(19,138)	48,333
	<u>48,207</u>		<u>(481)</u>
At the end of the financial year			
	<u>44,997</u>		<u>53,986</u>

17. INVESTMENT PROPERTIES

	Group	
	2009	2008
Net book value:		
At 1 January	11,807	10,594
Additions	24	66
Reclassification from property, plant and equipment (<i>see Note 15</i>)	-	1,502
Depreciation	(387)	(341)
Written off	-	(14)
At 31 December	11,444	11,807
At 31 December		
Cost	15,486	15,462
Accumulated depreciation	(4,042)	(3,655)
Net book value at end of the financial year	11,444	11,807
Fair value at end of the financial year	20,475	22,020

The aggregate rental income and direct operating expenses arising from investment properties that generated rental income which were recognised during the financial year amounted to RM2,017,000 and RM865,000 (2008 : RM1,925,000 and RM827,000) respectively.

The fair values of the investment properties were based on valuation by independent professional qualified valuers. Valuations were based on sales of comparable properties in the vicinity.

18. PLANTATION DEVELOPMENT

	Group		Company	
	2009	2008	2009	2008
Net book value				
At 1 January	518,312	469,510	284,237	-
Additions	120,925	42,006	-	283,635
Depreciation of plant and equipment capitalised (<i>see Note 15</i>)	4,453	2,594	-	-
Amortisation of leasehold land use rights capitalised (<i>see Note 19</i>)	746	791	-	-
Assets of subsidiaries acquired	-	8,359	-	-
Disposals	(125)	(739)	-	-
Written (off)/back	(15)	376	(15)	-
Amortisation charged to income statement	(7)	(7)	-	-
Reclassification from land held for sale (<i>see Note 26</i>)	-	-	-	602
Reclassification to leasehold land use rights (<i>see Note 19</i>)	(580)	-	-	-
Currency fluctuations	11,827	(4,578)	-	-
Reclassification to other receivables – project plasma plantation debtors	(5,161)	-	-	-
At 31 December	650,375	518,312	284,222	284,237

19. LEASEHOLD LAND USE RIGHTS

	Group		Company	
	2009	2008	2009	2008
Net book value				
At 1 January	270,624	249,180	162,376	-
Additions	28,422	6,194	-	163,780
Assets of subsidiaries acquired	17,241	23,574	-	-
Reclassification from/(to) property, plant and equipment (see Note 15)	7,152	(3,352)	-	-
Reclassification from plantation development (see Note 18)	580	-	-	-
Amortisation charged to income statement	(3,490)	(2,630)	(1,393)	(1,404)
Amortisation capitalised under plantation development (see Note 18)	(746)	(791)	-	-
Currency fluctuations	3,654	(1,551)	-	-
At 31 December	323,437	270,624	160,983	162,376
At 31 December				
Cost	346,475	296,120	163,780	163,780
Accumulated amortisation	(23,038)	(25,496)	(2,797)	(1,404)
Net book value	323,437	270,624	160,983	162,376
Analysed by:				
- unexpired period more than 50 years	227,199	229,785	160,983	162,376
- unexpired period less than 50 years	96,238	40,839	-	-
	323,437	270,624	160,983	162,376

Leasehold land use rights with an aggregate carrying value of RM32.5 million (2008 : Nil) are pledged as securities for borrowings (see Note 36).

20. INTANGIBLE ASSET

	Group	
	2009	2008
Internally generated development costs		
Cost		
At 1 January	81,118	16,955
Additions	36,065	64,163
At 31 December	117,183	81,118

The intangible asset comprises expenditure incurred on intellectual property development relating to the use of genomics-based techniques and other methods or tools thereof to increase the yields and profit streams principally from oil palm and other crops where it is reasonably anticipated that the costs will be recovered through commercialisation, sale and marketing of all the resulting products from the aforesaid development.

As at 31 December 2009, the expenditure incurred represents mainly payments made in respect of the oil palm and jatropa genome sequencing data received to date.

Amortisation of the intangible asset will commence when the asset is available for use or sale.

21. **SUBSIDIARIES**

	Company	
	2009	2008
Unquoted shares - at cost	335,322	309,822
Accumulated impairment losses	(3,635)	(3,635)
	331,687	306,187
Amounts due from subsidiaries		
- Non-current	1,622,693	1,556,038
- Current	144,517	118,311
	1,767,210	1,674,349
Amounts due to subsidiaries		
- Current	79,097	73,299

The amounts due from and to subsidiaries represent outstanding amounts arising from inter-company sales and purchases, advances, payments and receipts on behalf of or by subsidiaries. The outstanding amounts which are less than one year and classified as current assets and current liabilities respectively, are interest free, unsecured and are repayable on demand.

The subsidiaries are listed in Note 42.

22. **JOINTLY CONTROLLED ENTITY**

	Group	
	2009	2008
Unquoted – at cost:		
Shares in a foreign corporation	1,956	1,976
Group's share of post acquisition reserves	(47)	(36)
	1,909	1,940
Amount due from a jointly controlled entity	105	83
Less : Balance included in current assets	(105)	(83)
	-	-
	1,909	1,940

The amount due from the jointly controlled entity is unsecured, interest free and is repayable on demand.

The Group's aggregate share of the income, expenses, assets and liabilities of the jointly controlled entity is as follows:

Income	1	6
Expenses	(12)	(42)
	(11)	(36)
Current assets	179	180
Current liabilities	(54)	(44)
Net assets	125	136

22. **JOINTLY CONTROLLED ENTITY** (Continued)

There are no capital commitments or contingent liabilities relating to the Group's interest in the jointly controlled entity at the financial year end (2008 : Nil).

Details of the jointly controlled entity are as follows:

Name of jointly controlled entity	Effective percentage of ownership		Country of incorporation	Principal activities
	2009	2008		
SGSI-Asiatic Limited	50	50	British Virgin Islands	Genomics research and development

23. **ASSOCIATES**

	Group		Company	
	2009	2008	2009	2008
Unquoted shares - at cost	2,133	2,133	2,123	2,123
Group's share of post-acquisition reserves	13,242	10,414	-	-
Share of net assets, other than goodwill	15,375	12,547	2,123	2,123
Amounts due from associates	611	632	611	632
Less : Balance included in current assets	(611)	(632)	(611)	(632)
	-	-	-	-
	15,375	12,547	2,123	2,123

The amounts due from associates represent outstanding amounts arising from trade transactions and advances and payments made on behalf of associates, are unsecured, interest free and are repayable on demand.

The Group's share of the results of its associates, all of which are unlisted, and its share of the assets and liabilities are as follows:

	Group	
	2008	2008
Revenue	56,503	62,606
Net profit	5,453	2,815
Total assets	27,996	21,358
Total liabilities	(12,621)	(8,811)
Share of net assets	15,375	12,547

The associates are listed in Note 42.

There are no contingent liabilities relating to the Group's interest in associates at the financial year end (2008 : Nil).

24. **LONG TERM INVESTMENT**

	Group	
	2009	2008
Unquoted shares in a foreign corporation, at cost	31,794	32,118
	<u>=====</u>	<u>=====</u>

Investment in an unquoted foreign corporation represents the 4.1% equity interest in Synthetic Genomics, Inc, a privately held company incorporated in the United States of America specialising in developing and commercialising genomic-driven solution to address global energy and environment challenges.

No disclosure of fair value is made for this investment as there is no quoted market price in an active market and the probabilities of the various fair value estimates cannot be reasonably assessed.

25. **DEFERRED TAXATION**

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority. The following amounts, determined after appropriate offsetting, are shown in the balance sheets:

	Group		Company	
	2009	2008	2009	2008
Deferred tax assets	9,258	7,856	-	-
Deferred tax liabilities	(33,959)	(36,972)	(3,014)	(4,540)
	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>
At 1 January	(29,116)	(33,742)	(4,540)	167
(Charged)/credited to income statement				
(see Note 12):				
- Property, plant and equipment	(1,931)	636	1,586	(4,566)
- Provision for Directors' retirement gratuities	(78)	168	20	20
- Land held for property development	640	600	-	-
- Property development costs	155	3,290	-	-
- Inventories	1,310	(644)	-	-
- Accruals	329	1,106	(80)	(77)
- Tax incentives	3,973	-	-	-
- Other temporary differences	17	(530)	-	(84)
	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>
At 31 December	(24,701)	(29,116)	(3,014)	(4,540)
	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>
i) Deferred tax assets (before offsetting)				
- Property, plant and equipment	1,958	1,495	-	-
- Provision for Directors' retirement gratuities	707	785	302	282
- Land held for property development	4,355	3,715	-	-
- Inventories	1,966	697	-	-
- Accruals	4,186	3,857	112	192
- Tax incentives	3,973	-	-	-
- Other temporary differences	575	558	-	-
	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>
Offsetting	(8,462)	(3,251)	(414)	(474)
	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>
Deferred tax assets (after offsetting)	9,258	7,856	-	-
	<u>=====</u>	<u>=====</u>	<u>=====</u>	<u>=====</u>

25. **DEFERRED TAXATION** (Continued)

	Group		Company	
	2009	2008	2009	2008
ii) Deferred tax liabilities (before offsetting)				
- Property, plant and equipment	(41,147)	(38,753)	(3,428)	(5,014)
- Land held for property development	(694)	(694)	-	-
- Property development costs	(68)	(223)	-	-
- Inventories	(511)	(552)	-	-
- Other temporary differences	(1)	(1)	-	-
	(42,421)	(40,223)	(3,428)	(5,014)
Offsetting	8,462	3,251	414	474
Deferred tax liabilities (after offsetting)	(33,959)	(36,972)	(3,014)	(4,540)

The amount of tax savings in respect of brought forward tax losses for which credit has been recognised by subsidiaries and tax incentives on an investment made by the Company during the financial year amounted to RM518,000 (2008 : RM144,000) and RM6.0 million (2008 : RM16.6 million) respectively.

The amounts of unutilised tax losses and deductible temporary differences on property, plant and equipment for which no deferred tax asset has been recognised in the balance sheet are as follows:

	Group	
	2009	2008
Unutilised tax losses		
- Expiring more than one year and not more than five years (see Note 25(a))	10,954	9,163
- No expiry period (see Note 25(b))	18,735	11,169
	29,689	20,332
Property, plant and equipment	1,522	894
	31,211	21,226

- (a) Deferred tax assets have not been recognised for the unutilised tax losses with expiry period as it is uncertain as to the timing in which these carry forward tax losses can be realised. However, management will perform this assessment annually.
- (b) The remaining unutilised tax losses of RM18.7 million (2008 : RM11.2 million) have no expiry period. Included in this amount are unutilised tax losses of certain subsidiaries of the Group amounting to RM18.4 million (2008 : RM10.8 million) for which deferred tax assets have not been recognised as these subsidiaries are accredited with tax exempt pioneer status for 10 years.

26. LAND HELD FOR SALE

	Company	
	2009	2008
At 1 January	-	1,290
Less : Reclassification to property, plant and equipment (see Note 15)	-	(688)
Reclassification to plantation development (see Note 18)	-	(602)
	-----	-----
At 31 December	-	-
	=====	=====

The land held for sale comprised freehold land measuring approximately 242 acres and the plantation development situated therein located in the Mukim of Tangkak, Johor. The land was planned to be sold to a fellow subsidiary for property development. However, the property development project had been postponed to a later date and hence, the land held for sale had been reclassified to freehold land and plantation development accordingly in the previous financial year.

27. INVENTORIES

	Group		Company	
	2009	2008	2009	2008
At cost:				
Produce stocks	6,746	4,468	-	-
Stores and spares	30,811	33,489	3,791	7,044
Completed development properties	114,450	101,970	-	-
	-----	-----	-----	-----
	152,007	139,927	3,791	7,044
	=====	=====	=====	=====

28. TRADE AND OTHER RECEIVABLES

	Group		Company	
	2009	2008	2009	2008
Current :				
Trade receivables	61,796	41,478	-	-
Less : Allowance for bad and doubtful debts	(1,968)	(2,126)	-	-
	-----	-----	-----	-----
	59,828	39,352	-	-
Accrued billings in respect of property development	15,198	8,980	-	-
Deposits	2,286	2,192	637	736
Prepayments*	44,903	30,977	432	433
Other receivables**	43,991	18,218	3,492	6,062
	-----	-----	-----	-----
	166,206	99,719	4,561	7,231
	=====	=====	=====	=====

* Included in prepayments of the Group was an advance payment on provision of genomics research services of RM40.2 million (2008 : RM27.6 million) made by ACGT Sdn Bhd (formerly known as Asiatic Centre for Genome Technology Sdn Bhd) to SGSI-Asiatic Limited.

** Included in other receivables are value-added taxes amounting to RM13.1 million (2008 : RM3.8 million) and project plasma plantations debtors (see Note 28(a)) of RM7.3 million (2008 : Nil) which are recoverable by its foreign subsidiaries.

28. **TRADE AND OTHER RECEIVABLES** (Continued)

The currency profile of trade and other receivables excluding prepayments as at the end of the financial year is as follows:-

	Group		Company	
	2009	2008	2009	2008
Ringgit Malaysia	85,047	58,216	4,129	6,798
Indonesia Rupiah	36,190	8,936	-	-
US Dollar	20	1,542	-	-
Singapore Dollar	46	48	-	-
	-----	-----	-----	-----
	121,303	68,742	4,129	6,798
	=====	=====	=====	=====

Credit terms offered by the Group range between 7 to 14 days (2008 : 7 to 14 days) from date of invoice.

Bad debts written off during the financial year against allowance created in previous financial years for the Group amounted to RM4,500 (2008 : RM4,900).

The carrying amounts of the Group's and the Company's trade and other receivables approximate their fair values.

(a) In accordance with the policy of the Government of the Republic of Indonesia, certain land rights used to develop plantations are usually granted if a nucleus company agrees to develop areas for local landholders (plasma plantations) in addition to developing its own plantations. The nucleus company will supervise and manage the plasma plantations and purchase the production from the plasma plantations at prices determined by the Government.

The advances made by the Group in the form of plasma plantation development costs are recoverable upon the completion of the plasma plantation projects. It will be recoverable from the plasma farmers or recoverable through the assignment to plasma farmers of the loan proceeds obtained for the projects. Allowance for losses on recovery is made when the estimated amount to recover is less than outstanding advances.

29. **HOLDING COMPANY AND OTHER RELATED COMPANIES**

The Company's immediate and ultimate holding company is Genting Berhad, a company incorporated in Malaysia.

Current:	Group		Company	
	2009	2008	2009	2008
Amount due to ultimate holding company	(1,958)	(2,924)	(1,958)	(2,924)
Amounts due to other related companies	(178)	(651)	(178)	(651)
	(2,136)	(3,575)	(2,136)	(3,575)
Amounts due from other related companies	7	43	-	-
	-----	-----	-----	-----
	(2,129)	(3,532)	(2,136)	(3,575)
	=====	=====	=====	=====

The amounts due to and from holding company and other related companies are unsecured, interest free and are repayable on demand.

30. SHORT TERM INVESTMENTS

Short term investments represent investments in unquoted money market instruments and are stated at cost. Money market instruments comprise negotiable certificates of deposit and bankers' acceptances. The short term investments of the Company as at 31 December 2009 have maturity periods ranging between overnight and one month (2008 : *between overnight and one month*).

Short term investments of the Group and of the Company as at 31 December 2009 derive interest at weighted average interest rate of 1.99% per annum (2008 : *3.23% per annum*) at the end of the financial year.

31. CASH AND CASH EQUIVALENTS

	Group		Company	
	2009	2008	2009	2008
Deposits with licensed banks	210,920	214,232	186,551	192,136
Cash and bank balances	22,887	14,302	4,055	2,925
	-----	-----	-----	-----
	233,807	228,534	190,606	195,061
Add:				
Money market instruments (<i>see Note 30</i>)	264,444	303,959	245,574	283,472
	-----	-----	-----	-----
Cash and cash equivalents	498,251	532,493	436,180	478,533
	=====	=====	=====	=====

The currency profile and weighted average interest rates of the cash and cash equivalents as at the financial year end are as follows:

	Group				Company			
	Currency profile		Interest rate per annum (%)		Currency profile		Interest rate per annum (%)	
	2009	2008	2009	2008	2009	2008	2009	2008
Ringgit Malaysia	480,592	521,677	1.93	3.10	436,180	478,533	1.98	3.10
Indonesia Rupiah	7,859	4,175	0.56	0.50	-	-	-	-
US Dollar	9,524	6,516	-	0.04	-	-	-	-
Singapore Dollar	276	125	-	-	-	-	-	-
	-----	-----			-----	-----		
	498,251	532,493			436,180	478,533		
	=====	=====			=====	=====		

The deposits of the Group and of the Company as at 31 December 2009 have maturity period of one month (2008 : *one month*). Bank balances of the Group and of the Company are held at call.

32. **SHARE CAPITAL**

	Group and Company	
	2009	2008
Authorised:		
1,000,000,000 ordinary shares of 50 sen each	500,000	500,000
	<u>=====</u>	<u>=====</u>
Issued and fully paid:		
Ordinary shares of 50 sen each		
At beginning of the financial year		
- 756,755,000 (2008 : 755,138,000)	378,377	377,569
Issue of shares		
- 1,192,000 (2008 : 1,617,000)	596	808
	<u>-----</u>	<u>-----</u>
At end of the financial year		
- 757,947,000 (2008 : 756,755,000)	378,973	378,377
	<u>=====</u>	<u>=====</u>

During the financial year, 2,000 ordinary shares of 50 sen each fully-paid at the subscription price of 92 sen per share, 59,000 ordinary shares of 50 sen each fully-paid at the subscription price of 145 sen per share, 167,000 ordinary shares of 50 sen each fully-paid at the subscription price of 165 sen per share and 964,000 ordinary shares of 50 sen each fully-paid at the subscription price of 183 sen per share were issued by virtue of the exercise of the Options to take up unissued ordinary shares of the Company by executive employees of the Group pursuant to the Genting Plantations Berhad Executive Share Option Scheme (*formerly known as Asiatic Executive Share Option Scheme*) (“the Scheme”) all of which the ordinary shares rank pari passu with the then existing ordinary shares of the Company. These Options were granted prior to the current financial year.

The Scheme is governed by the Bye-Laws and was approved by the shareholders at an Extraordinary General Meeting held on 28 June 2000. The Scheme came into effect on 1 September 2000.

The main features of the Scheme are as follows:

- i) The Scheme shall be in force for a period of ten (10) years commencing from 1 September 2000 (“the Option Period”).
- ii) Eligible Executives are employees of the Group (including Executive Directors) or persons under an employment contract of the Group for a period of at least twelve (12) full months of continuous service before the date of offer. The eligibility for participation in the Scheme shall be at the discretion of the Remuneration, Compensation and Benefits Committee (“RCB Committee”) which was established by the Board of Directors. Following the dissolution of the RCB Committee with effect from 29 June 2009, the administration of the Scheme has been delegated by the Board of Directors to the Remuneration Committee (“RC”) of the Company.
- iii) In the event of cessation of employment of a Grantee with the Group prior to the full exercise of the options, such options shall cease without any claim against the Company provided always that subject to the written approval of RC in its discretion where the Grantee ceases his employment with the Group by reason of:
 - his retirement at or after attaining retirement age;
 - ill-health or accident, injury or disability;
 - redundancy; and/or
 - other reasons or circumstances which are acceptable to the RC

the Grantee may exercise his unexercised options within the Option Period subject to any conditions that may be imposed by the RC.

- iv) The total number of shares to be offered under the Scheme shall not exceed in aggregate 10% of the issued and paid-up share capital of the Company at the time of the offer.

32. **SHARE CAPITAL** (Continued)

- v) Not more than 50% of the shares available under the Scheme would be allocated, in aggregate, to the Executive Directors and Senior Management. In addition, not more than 10% of the shares available under the Scheme would be allocated to any individual Eligible Executive who, either singly or collectively through persons connected, holds 20% or more in the issued and paid up share capital of the Company.
- vi) The price at which the Grantee is entitled to subscribe upon exercise of his rights under the Options shall be based on the weighted average market price of the Shares as shown in the Daily Official List of the Bursa Malaysia Securities Berhad for the five (5) Market Days immediately preceding the Date of Offer. Notwithstanding this, the Option Price per Share shall in no event be less than the nominal value of the Share.
- vii) No option shall be granted for less than 1,000 shares nor more than 1,500,000 shares to any Eligible Employee.
- viii) The Option granted under the Scheme can only be exercised by the Grantee in the fourth year from the Date of Offer until the expiry of the Option Period in the following manner:

Number of new Shares comprised in the Options granted	Percentage of new Shares comprised in the Option exercisable each year from the Date of Offer				
	Year 1	Year 2	Year 3	Year 4	Year 5
Below 10,000	-	-	-	100%	-
10,000 and above	-	-	-	50% *	50%

* 50% or 10,000, whichever is the higher.

The employee's entitlements to the Options are vested as soon as they become exercisable.

- ix) All new ordinary shares issued upon exercise of the Options granted under the Scheme will rank pari passu in all respects with the existing ordinary shares of the Company other than their entitlements to dividends, rights, allotments and/or other distributions, the entitlement date of which is prior to the date of allotment of the new shares and will be subject to all provisions of the Articles of Association of the Company relating to transfer, transmission and otherwise.
- x) The Options shall not have any right to vote at general meeting of the Company and the Grantees shall not be entitled to any dividends, rights or other entitlements in respect of their unexercised options.
- xi) The persons to whom the Options have been issued have no right to participate by virtue of the Options in any share issue of any other company.

32. **SHARE CAPITAL** (Continued)

Set out below are details of options over the ordinary shares of the Company granted under the Scheme:

Date granted	Exercisable period	Subscription price (sen/share)	At 1 January	Offered and accepted	Exercised	Lapsed	At 31 December
<----- (Number of options) ----->							
<i>Financial year ended 31.12.2009:</i>							
11.11.2000	11.11.2003 - 31.8.2010	92	2,000	-	(2,000)	-	-
2.9.2002	2.9.2005 - 31.8.2010	145	148,000	-	(59,000)	-	89,000
1.12.2003	1.12.2006 - 31.8.2010	165	609,000	-	(167,000)	-	442,000
29.8.2005	29.8.2008 - 31.8.2010	183	1,385,000	-	(964,000)	(25,000)	396,000
			2,144,000	-	(1,192,000)	(25,000)	927,000
			2,144,000	-	(1,192,000)	(25,000)	927,000
<i>Financial year ended 31.12.2008:</i>							
11.11.2000	11.11.2003 - 31.8.2010	92	7,000	-	(5,000)	-	2,000
2.9.2002	2.9.2005 - 31.8.2010	145	217,000	-	(69,000)	-	148,000
1.12.2003	1.12.2006 - 31.8.2010	165	1,776,000	-	(1,167,000)	-	609,000
29.8.2005	29.8.2008 – 31.8.2010	183	1,836,000	-	(376,000)	(75,000)	1,385,000
			3,836,000	-	(1,617,000)	(75,000)	2,144,000
			3,836,000	-	(1,617,000)	(75,000)	2,144,000
						2009	2008
						927,000	1,401,000
						927,000	1,401,000

32. **SHARE CAPITAL** (Continued)

Details relating to options exercised during the financial year are as follows:

Exercise date	Fair value of shares	Subscription price	2009	2008
	at share issue date (sen/share)	(sen/share)	Number of shares issued	
January – March	384 - 422 / 734 - 905	183 / 92 - 165	124,000	1,021,000
April – June	430 - 575 / 780 - 843	92 - 183 / 92 - 165	383,000	126,000
July – September	550 - 620 / 447 - 813	145 - 183 / 165 - 183	418,000	380,000
October – December	595 - 635 / 270 - 451	165 - 183 / 145 - 183	267,000	90,000
			1,192,000	1,617,000
			Group and Company	
			2009	2008
Ordinary share capital – at par			596	808
Share premium			1,531	1,910
Proceeds received on exercise of share options			2,127	2,718
Fair value of shares issued at exercise date			6,508	11,887

The fair value of options granted on 29 August 2005, determined using the Trinomial valuation model, was at RM0.42 per share. The significant inputs into the model were share price of RM1.82 at the grant date, exercise price shown above, first exercise date and expiration date, price volatility of 33.35%, dividend yield of 1.56%, annual risk-free interest rate of 3.285% and option life of 5 years. The volatility measured at the standard deviation of expected share price returns is based on statistical analysis of monthly share prices over the last five years.

33. **RESERVES**

	Group		Company	
	2009	2008	2009	2008
Share premium	42,087	40,027	42,087	40,027
Option reserve	210	674	210	674
Revaluation reserve	18,063	18,063	104	104
Treasury shares (see Note 33(a))	(104)	-	(104)	-
Exchange differences	3,813	(9,617)	-	-
	64,069	49,147	42,297	40,805
Retained earnings	2,105,013	1,919,058	2,530,079	2,480,444
	2,169,082	1,968,205	2,572,376	2,521,249

The movements in reserves have been disclosed in the Statements of Changes in Equity.

Under the single-tier tax system which came into effect from the year of assessment 2008, companies are not required to have tax credits under Section 108 of the Income Tax Act 1967 for dividend payment purposes. The single-tier dividend is not taxable in the hands of shareholders.

Companies with Section 108 credits as at 31 December 2007 may continue to pay franked dividends until the Section 108 credits are exhausted or 31 December 2013 whichever is earlier, unless they opt to disregard the Section 108 credits to pay single-tier dividends under the special transitional provisions of the Finance Act 2007. As at 31 December 2009, the Company has sufficient Section 108 tax credits and tax exempt income to pay up to RM662.5 million (2008 : RM713.7 million) of the retained earnings of the Company as franked and exempt dividends.

33. **RESERVES** (Continued)

(a) Treasury shares

The shareholders of the Company had granted a mandate to the Company to purchase its own shares at the Annual General Meeting of the Company held on 15 June 2009.

During the financial year, the Company repurchased 21,000 ordinary shares of 50 sen each of its issued share capital from the open market at an average price of RM4.94 per share. The share buy back transactions were financed by internally generated funds. As at 31 December 2009, the total number of shares repurchased was 21,000 and held as treasury shares in accordance with the requirements of Section 67A of the Companies Act, 1965.

The Company has the right to reissue these shares at a later date. As treasury shares, the rights attached as to voting, dividends and participation in other distribution are suspended. None of the treasury shares repurchased has been sold as at 31 December 2009.

At the balance sheet date, the number of outstanding shares in issue after setting treasury shares off against equity is 757,926,000.

34. **TRADE AND OTHER PAYABLES**

	Group		Company	
	2009	2008	2009	2008
Current:				
Trade payables	47,964	37,618	3,701	2,574
Accruals for property development expenditure	22,226	19,819	-	-
Deposits	2,122	2,273	300	420
Accrued expenses	42,310	32,733	5,912	5,916
Retention monies	11,543	11,169	173	120
Other payables	-	330	-	-
	126,165	103,942	10,086	9,030
Non-current:				
Amount due to shareholders of a subsidiary	-	15,592	-	-
Accruals for plantation development expenditure	16,186	-	-	-
	142,351	119,534	10,086	9,030
The maturity profile for non-current payables is as follows:				
More than one year and less than two years	16,186	15,592	-	-
Fair value of non-current other payables	15,345	14,278	-	-

The carrying amounts of the Group's and Company's current trade and other payables approximate their fair values.

34. **TRADE AND OTHER PAYABLES** (Continued)

The currency profile of trade and other payables as at the end of the financial year is as follows:-

	Group		Company	
	2009	2008	2009	2008
Ringgit Malaysia	92,306	89,138	10,086	9,030
Indonesia Rupiah	26,888	25,936	-	-
US Dollar	22,698	4,217	-	-
Singapore Dollar	459	243	-	-
	-----	-----	-----	-----
	142,351	119,534	10,086	9,030
	=====	=====	=====	=====

Credit terms available to the Group range from 30 to 90 days (2008 : 30 to 90 days) from date of invoice.

The amount due to shareholders of a subsidiary in the prior financial year was unsecured and interest free.

35. **PROVISION FOR DIRECTORS' RETIREMENT GRATUITIES**

Non-current	Group		Company	
	2009	2008	2009	2008
At 1 January	2,643	2,331	1,129	928
Charged to income statement:				
- current year	184	198	80	87
- underprovision in prior year	-	114	-	114
	-----	-----	-----	-----
At 31 December	2,827	2,643	1,209	1,129
	=====	=====	=====	=====

36. **BORROWINGS**

	Group	
	2009	2008
Current		
Secured :		
Finance lease liabilities denominated in:		
US Dollar (USD534,782 / USD151,782)	1,837	527
Indonesia Rupiah (IDR527,144,167 / IDR509,776,874)	193	162
	2,030	689
Unsecured :		
Bridging loan denominated in:		
Indonesia Rupiah (IDR57,828,436,052)	-	18,328
	2,030	19,017
Non-current		
Secured :		
Finance lease liabilities denominated in:		
US Dollar (USD197,583 / USD296,566)	679	1,029
Indonesia Rupiah (IDR124,965,571 / IDR616,668,297)	45	196
	724	1,225
Term loan dominated in :		
US Dollar (USD19,030,131)	65,378	-
	66,102	1,225
Total	68,132	20,242

a) Contractual terms of borrowings

	Contractual interest rate (per annum)	Total carrying amount	Maturity Profile			
			< 1 year	1 - 2 years	2 - 5 years	>5 years
Group						
At 31 December 2009						
Secured						
Finance lease liabilities	8% - 15%	2,754	2,030	724	-	-
Term loan	2.18% - 3.03%	65,378	-	-	-	65,378
		68,132	2,030	724	-	65,378
Group						
At 31 December 2008						
Secured						
Finance lease liabilities	8% - 15%	1,914	689	740	485	-
Unsecured						
Bridging loan	11.1% - 14.9%	18,328	18,328	-	-	-
		20,242	19,017	740	485	-

Finance lease liabilities are secured by assets of certain subsidiaries and the term loan is secured over the plantation land of a subsidiary in Indonesia.

The carrying amounts of the Group's borrowings approximate their fair values.

36. **BORROWINGS** (Continued)

The minimum lease payments of the finance lease liabilities at the balance sheet date are as follows:-

	Group	
	2009	2008
Not more than one year	2,194	839
More than one year and not more than five years	733	1,322
	<u>2,927</u>	<u>2,161</u>
Future finance charges	(173)	(247)
Present value	<u>2,754</u>	<u>1,914</u>

b) Undrawn committed borrowing facilities

	Group	
	2009	2008
Floating rate:		
- expiring within one year	-	11,780
- expiring more than five years	<u>168,340</u>	<u>-</u>

The facilities expiring beyond one year have been arranged to finance the expansion of the Group's plantation activities in Indonesia.

37. **OFF BALANCE SHEET FINANCIAL INSTRUMENTS**

On 3 October 2008, pursuant to a joint venture to develop approximately 45,000 hectares of oil palm plantation in Kabupaten Kapuas, Provinsi Kalimantan Tengah, the Republic of Indonesia ("the Kapuas JV"), Mediglove Sdn Bhd ("Mediglove"), a wholly-owned subsidiary of the Company, had entered into a Put and Call Option Agreement with Kara Agri Pte Ltd ("KARA") whereby KARA grants an option to Mediglove to purchase ("Call Option") and Mediglove grants an option to KARA to sell ("Put Option"), as the case may be, all ordinary shares legally and beneficially owned by KARA in AsianIndo Holdings Pte Ltd ("Option Shares"), a 60% owned subsidiary of Mediglove, exercisable during the period after the expiry of five years from 3 October 2008 at an exercise price which shall be the fair value of the Option Shares as determined by a valuer to be appointed by mutual agreement between Mediglove and KARA. In addition, Mediglove may at any time, exercise its Call Option in the event that the Kapuas JV fails to achieve any of the agreed development milestones within six months from the respective dates of completion specified for the agreed development milestones.

38. **ON GOING LITIGATION**

On the status of the legal Suit No. K22-245 of 2002 filed in the High Court of Sabah and Sarawak at Kota Kinabalu ("the High Court") wherein the Company and Genting Tanjung Bahagia Sdn Bhd (*formerly known as Asiatic Tanjung Bahagia Sdn Bhd*) ("GTBSB") were named as the Second and Third Defendants respectively ("the Defendants") ("the Suit"), the High Court had, on 20 June 2008, upheld the Defendants' preliminary objection with costs awarded to the Defendants. The Suit was instituted by certain natives ("the Plaintiffs") claiming 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 which was acquired by GTBSB from Hap Seng Consolidated Berhad.

The Defendants had raised a preliminary objection that the High Court has no original jurisdiction to hear the Suit and that this Suit will lead to multiplicity of action as the Plaintiffs had already made application to the Assistant Collector of Land Revenue for similar claims.

38. **ON GOING LITIGATION** (Continued)

The Plaintiffs have filed a Notice of Appeal to the Court of Appeal on 7 July 2008 against the decision of the High Court made on 20 June 2008. No date has yet been fixed for the hearing of the appeal.

The solicitors engaged by the Group maintained their opinion that the Plaintiffs' action is misconceived and unsustainable.

There have been no changes to the status of the aforesaid litigation as at the date of this report.

39. **CAPITAL COMMITMENTS**

	Group		Company	
	2009	2008	2009	2008
Authorised capital expenditure not provided for in the financial statements:				
- contracted	217,544	189,697	1,150	1,025
- not contracted	781,037	952,431	8,359	9,763
	998,581	1,142,128	9,509	10,788
Analysed as follows:				
- Property, plant and equipment	391,355	395,266	9,457	10,327
- Intellectual property development	19,835	35,823	-	-
- Investment properties	-	2,915	-	-
- Plantation development	563,275	694,122	20	356
- Leasehold land use rights	24,116	14,002	32	105
	998,581	1,142,128	9,509	10,788

40. **SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR**

A) Proposed Joint Venture for oil palm cultivation of approximately 98,300 hectares in Kabupaten Ketapang, Provinsi Kalimantan Barat, Republic of Indonesia

On 5 June 2009, the Company announced that the Sepanjang Group, an established palm oil producer based in the Republic of Indonesia, undertook an internal re-organisation of its corporate structure and operations. The re-organisation within the Sepanjang Group necessitated the restructuring of the remaining 4 joint venture ("JV") agreements in respect of the proposed joint venture for oil palm cultivation in Kabupaten Ketapang, Provinsi Kalimantan Barat, Republic of Indonesia.

Accordingly, both the Company and the Sepanjang Group have mutually agreed that the remaining 4 JV agreements dated 8 June 2005, which all lapsed on 8 June 2009 would not be extended. In their place, new agreements were entered into on 5 June 2009 to enable the proposed joint venture with the Sepanjang Group for oil palm cultivation to proceed.

The completion of the JV agreements is subject to, inter alia, the following conditions:

- (i) the approval of Bank Negara Malaysia;
- (ii) the approval of Badan Koordinasi Penanaman Modal or Investment Coordinating Board of the Republic of Indonesia;

40. **SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR** (*Continued*)

A) Proposed Joint Venture for oil palm cultivation of approximately 98,300 hectares in Kabupaten Ketapang, Provinsi Kalimantan Barat, Republic of Indonesia (*Continued*)

- (iii) the procurement and/or maintenance of Izin Lokasi and Izin Usaha Perkebunan; and
- (iv) a due diligence study being conducted on the corporate and legal standing of JV companies, the licenses and/or permits of JV companies, the status of the lands and any other aspects of the JV companies and the lands that the Company's subsidiaries think fit, and the results of the due diligence being satisfactory to the Company's subsidiaries.

Notwithstanding the completion of the JV agreements, the approvals, licences and permits required for the implementation of the project contemplated in the JV agreements must be obtained no later than 31 December 2011.

The JV agreements are still conditional as at the balance sheet date. There have been no material changes to the status of the proposed joint venture as at the date of this report.

B) Proposed Joint Venture to establish Premium Outlets in Malaysia

On 30 September 2009, the Company announced that Azzon Limited ("Azzon"), a wholly-owned subsidiary of the Company, had on 29 September 2009 signed a Joint Venture Agreement ("JVA") with Chelsea Malaysia, LLC, a division of Simon Property Group, Inc to establish Chelsea Premium Outlet Centres in Malaysia ("Johor Premium Outlets") (collectively known as the "Proposed JV"). The Proposed JV will be undertaken by Chelsea Genting Limited, a wholly-owned subsidiary of Azzon, which in turn will invest in Genting Chelsea Sdn Bhd ("GCSB") (collectively referred to as "JV Co"). The JVA is conditional upon the following being fulfilled within six (6) months from the date of the JVA (or within such other period as may be mutually agreed between the parties):

- (i) the approval or exemption by the Foreign Investment Committee;
- (ii) the parties agreeing on the financing policy, development budget and administrative budget;
- (iii) the parties agreeing on a term sheet for third party financing required for the JV Co's operations;
- (iv) the prior permission of the Controller of Foreign Exchange for (or in connection with) the remittance of the capital contribution and/or investment shall have been obtained, if required;
- (v) GCSB having secured certain level of firm commitments from prospective tenants of the Johor Premium Outlets;
- (vi) The parties reaching agreement on the terms of a development agreement and a sale and purchase agreement for the purchase of a piece of land for the development of the Johor Premium Outlets; and
- (vii) The parties finalising the terms of the relevant service and royalty agreements.

The JVA is still conditional as at the balance sheet date. There have been no material changes to the status of the JVA as at the date of this report.

40. **SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR** (Continued)

C) Acquisition and incorporation of subsidiaries during the financial year

(a) Acquisition of subsidiaries

- (i) On 19 March 2009, the Company announced that the proposed joint venture between Ketapang Agri Holdings Pte Ltd (“KAH”), an indirect wholly-owned subsidiary of the Company and Palma Citra Investama Pte Ltd and PT Sawit Mandira to develop approximately 15,800 hectares of agricultural land into oil palm plantation in Kabupaten Ketapang, Provinsi Kalimantan Barat, the Republic of Indonesia has been completed. PT Sawit Mitra Abadi (“Mitra Abadi”), the Joint Venture Company, had on 18 March 2009 received the acknowledgment of the Minister of Law and Human Rights effective from 6 March 2009 for the subscription by KAH of 700 ordinary shares of Rp1,000,000 each representing 70% of the enlarged issued and paid-up share capital in Mitra Abadi for a cash consideration of Rp700,000,000. Accordingly, the subscription of shares was completed on 6 March 2009 resulting in Mitra Abadi becoming an indirect subsidiary of the Company.

The financial effects of the acquisition are disclosed in Note (a)(i) to the cash flow statements.

- ii) During the financial year, the Company also acquired the following subsidiary :-

	Date of Acquisition	Country of Incorporation	Purchase Consideration	Percentage of Equity Interest Acquired
i) Larisan Prima Sdn Bhd	8 January 2009	Malaysia	RM2	100

The above acquired subsidiary is a newly set up company and the acquisition does not have any material effect on the Group’s profit for the current financial year.

(b) Incorporation of a subsidiary

On 26 December 2009, Sanggau Holdings Pte Ltd has been incorporated in Singapore with issued and paid-up capital of SGD1 and is 100% held by Mediglove Sdn Bhd, a wholly-owned subsidiary of the Company.

(c) Subscription of new shares in existing subsidiaries

- (i) During the financial year, the Company had subscribed for an additional 24 million (2008 : 64 million) ordinary shares of RM1 each in ACGT Sdn Bhd (formerly known as Asiatic Centre for Genome Technology Sdn Bhd) and an additional 1.5 million (2008 : Nil) ordinary shares of RM1 each in Genting Green Tech Sdn Bhd (formerly known as Asiatic Green Tech Sdn Bhd), both are wholly-owned subsidiaries of the Company. There is no change in percentage of ownership after the additional subscription of shares.
- (ii) In addition to the above, the Company had, via Sri Nangatayap Pte Ltd, an indirect wholly-owned subsidiary of the Company, subscribed for 132.8 thousand Class B shares of Rp1,000,000 each in PT Sepanjang Intisurya Mulia, a 70%-owned subsidiary of the Company. There is no change in percentage of ownership after the additional subscription of shares.

41. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES

In the normal course of business, the Group and the Company undertake on agreed terms and prices, transactions with its related companies and other related parties.

In addition to related party transactions mentioned elsewhere in the financial statements, set out below are other significant related party transactions and balances. The related party transactions listed below were carried out on terms and conditions obtainable in transactions with unrelated parties:

	Group		Company	
	2009	2008	2009	2008
a) Transactions with immediate and ultimate holding company				
Provision of shared services in relation to secretarial, tax, treasury and other services by Genting Berhad, the Company's immediate and ultimate holding company.	<u>1,774</u>	<u>2,417</u>	<u>686</u>	<u>2,417</u>
b) Transactions with subsidiaries				
i) Fees receivable from subsidiaries for the provision of management services.	<u>-</u>	<u>-</u>	<u>21,288</u>	<u>20,725</u>
ii) Dividend income from subsidiaries.	<u>-</u>	<u>-</u>	<u>42,620</u>	<u>349,760</u>
c) Transaction with an associate				
i) Provision of management services to AsianIndo Holdings Pte Ltd, a 60% owned subsidiary of the Company, by GaiaAgri Services Limited, an associate of the Company.	<u>2,031</u>	<u>650</u>	<u>-</u>	<u>-</u>
d) Transaction with other related parties				
i) Provision of information technology and system implementation services and rental of equipment by eGenting Sdn Bhd and Genting Information Knowledge Enterprise Sdn Bhd, all of which are indirect subsidiaries of Genting Berhad, the Company's immediate and ultimate holding company.	<u>2,075</u>	<u>2,043</u>	<u>1,326</u>	<u>1,337</u>
ii) Letting of office space and provision of related services by Oakwood Sdn Bhd, a wholly-owned subsidiary of Genting Berhad, the Company's immediate and ultimate holding company.	<u>1,402</u>	<u>1,157</u>	<u>1,040</u>	<u>876</u>

41. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES (Continued)

	Group		Company	
	2009	2008	2009	2008
d) Transaction with other related parties (Continued)				
iii) Purchase of air-tickets, hotel accommodation and other related services from Genting Malaysia Berhad (formerly known as Resorts World Bhd), a company which is 48.65% owned by Genting Berhad, the Company's immediate and ultimate holding company.	825	868	890	868
iv) Payment for the provision of genomics research services to SGSI-Asiatic Limited by ACGT Sdn Bhd (formerly known as Asiatic Centre for Genome Technology Sdn Bhd), a wholly-owned subsidiary of the Company, where Tan Sri Lim Kok Thay is a director and shareholder of the Company as well as a director, shareholder and share option holder of Genting Berhad, the Company's immediate and ultimate holding company. SGSI-Asiatic Limited is a jointly controlled entity in which Tan Sri Lim Kok Thay is a beneficiary of a trust which has 12.5% equity interest in Synthetic Genomics Inc., which in turn has 50% interest in SGSI-Asiatic Limited.	46,089	66,676	-	-
e) Directors and key management personnel				
The remuneration of Directors and other key management personnel is as follows:				
Fees, salaries and bonuses	4,432	4,715	2,232	2,549
Defined contribution plan	554	593	257	309
Provision for retirement gratuities	184	198	80	87
Other short term employee benefits	41	391	1	351
Estimated money value of benefits-in-kind (not charged to the income statements)	123	112	77	55
	5,334	6,009	2,647	3,351
f) The significant outstanding balances with subsidiaries, a jointly controlled entity, associates and other related parties are shown in Note 21, Note 22, Note 23 and Note 29 respectively.				

42. SUBSIDIARIES AND ASSOCIATES

	Effective Percentage of Ownership		Country of Incorporation	Principal Activities
	2009	2008		
Direct Subsidiaries				
Genting SDC Sdn Bhd (<i>formerly known as Asiatic SDC Sdn Bhd</i>)	100	100	Malaysia	Plantation
Genting Plantations (WM) Sdn Bhd (<i>formerly known as Asiatic Plantations (WM) Sdn Bhd</i>)	100	100	Malaysia	Plantation
Genting Tanjung Bahagia Sdn Bhd (<i>formerly known as Asiatic Tanjung Bahagia Sdn Bhd</i>)	100	100	Malaysia	Plantation
Landworthy Sdn Bhd	84	84	Malaysia	Plantation
Kinavest Sdn Bhd	100	100	Malaysia	Plantation
Asiaticom Sdn Bhd	100	100	Malaysia	Plantation
Genting Oil Mill Sdn Bhd (<i>formerly known as Asiatic Oil Mills (WM) Sdn Bhd</i>)	100	100	Malaysia	Fresh fruit bunches processing
Genting Property Sdn Bhd (<i>formerly known as Asiatic Land Development Sdn Bhd</i>)	100	100	Malaysia	Property development
Technimode Enterprises Sdn Bhd	100	100	Malaysia	Property investment
Genting Land Sdn Bhd (<i>formerly known as Asiatic Properties Sdn Bhd</i>)	100	100	Malaysia	Property investment
Mediglove Sdn Bhd	100	100	Malaysia	Investment holding
ACGT Sdn Bhd (<i>formerly known as Asiatic Centre for Genome Technology Sdn Bhd</i>)	100	100	Malaysia	Genomics research and development
GProperty Construction Sdn Bhd (<i>formerly known as ALD Construction Sdn Bhd</i>)	100	100	Malaysia	Provision of project management services
Orbit Crescent Sdn Bhd	100	100	Malaysia	Investment holding
[^] Azzon Limited	100	100	Isle of Man	Investment holding
Genting Commodities Trading Sdn Bhd (<i>formerly known as Asiatic Commodities Trading Sdn Bhd</i>)	100	100	Malaysia	Pre-operating
Genting Vegetable Oils Refinery Sdn Bhd (<i>formerly known as Asiatic Vegetable Oils Refinery Sdn Bhd</i>)	100	100	Malaysia	Pre-operating
Cosmo-Jupiter Berhad	100	100	Malaysia	Pre-operating
GP (Sarawak) Palm Oil Mill Management Sdn Bhd (<i>formerly known as ADB (Sarawak) Palm Oil Mill Management Sdn Bhd</i>)	100	100	Malaysia	Dormant

42. SUBSIDIARIES AND ASSOCIATES (Continued)

	Effective Percentage of Ownership		Country of Incorporation	Principal Activities
	2009	2008		
Direct Subsidiaries (Continued)				
Amalgamated Rubber (Penang) Sdn Bhd	100	100	Malaysia	Dormant
AR Property Development Sdn Bhd	100	100	Malaysia	Dormant
Glugor Development Sdn Bhd	100	100	Malaysia	Dormant
Genting Green Tech Sdn Bhd (formerly known as Asiatic Green Tech Sdn Bhd)	100	100	Malaysia	Research and development and production of superior oil palm planting materials
Plantation Latex (Malaya) Sdn Bhd	100	100	Malaysia	Dormant
Kenyalang Borneo Sdn Bhd	100	100	Malaysia	Dormant
* Larisan Prima Sdn Bhd	100	-	Malaysia	Pre-operating
^ GP Overseas Limited (formerly known as Asiatic Overseas Limited)	100	100	Isle of Man	Dormant
Indirect Subsidiaries				
Setiomas Sdn Bhd	100	100	Malaysia	Plantation and property development
Wawasan Land Progress Sdn Bhd	100	100	Malaysia	Plantation
Sawit Sukau Usahasama Sdn Bhd	56	56	Malaysia	Plantation
∞ PT Sepanjang Intisurya Mulia	70	70	Indonesia	Plantation
∞* PT Sawit Mitra Abadi	70	-	Indonesia	Plantation
∞ PT Genting Plantations Nusantara (formerly known as PT Asiatic Nusantara)	100	100	Indonesia	Provision of management services
Genting Indahpura Development Sdn Bhd (formerly known as Asiatic Indahpura Development Sdn Bhd)	100	100	Malaysia	Property development
Genting Permaipura Golf Course Bhd (formerly known as Asiatic Golf Course (Sg. Petani) Bhd)	100	100	Malaysia	Golf course operation
∞ Sri Nangatayap Pte Ltd	100	100	Singapore	Investment holding
^ Degan Limited	100	100	Isle of Man	Investment holding
Trushidup Plantations Sdn Bhd	100	100	Malaysia	Investment holding
∞ AsianIndo Holdings Pte Ltd	60	60	Singapore	Investment holding
∞ Asian Palm Oil Pte Ltd	60	60	Singapore	Investment holding
∞ AsianIndo Palm Oil Pte Ltd	60	60	Singapore	Investment holding
∞ Kara Palm Oil Pte Ltd	60	60	Singapore	Investment holding

42. SUBSIDIARIES AND ASSOCIATES (Continued)

	Effective Percentage of Ownership		Country of Incorporation	Principal Activities
	2009	2008		
Indirect Subsidiaries (Continued)				
∞ PT Dwie Warna Karya	57	57	Indonesia	Plantation
∞ PT Susantri Permai	57	57	Indonesia	Plantation
∞ PT Kapuas Maju Jaya	57	57	Indonesia	Plantation
Dianti Plantations Sdn Bhd	100	100	Malaysia	Dormant
Cengkeh Emas Sdn Bhd	100	100	Malaysia	Dormant
Kituva Plantations Sdn Bhd	100	100	Malaysia	Dormant
Genting Awanpura Sdn Bhd (formerly known as Asiatic Awanpura Sdn Bhd)	100	100	Malaysia	Pre-operating
^ GP Equities Pte Ltd (formerly known as Asiatic Equities (S'pore) Pte Ltd)	100	100	Singapore	Pre-operating
^ Ketapang Holdings Pte Ltd	100	100	Singapore	Pre-operating
^ Sandai Maju Pte Ltd	100	100	Singapore	Pre-operating
^ Sri Kenyalang Pte Ltd	100	100	Singapore	Pre-operating
∞ Full East Enterprise Limited	100	100	Hong Kong	Pre-operating
∞ Ketapang Agri Holdings Pte Ltd	100	100	Singapore	Investment holding
^ Chelsea Genting Limited	100	100	Isle of Man	Investment holding
Genting Chelsea Sdn Bhd	100	100	Malaysia	Pre-operating
^* Sanggau Holdings Pte Ltd	100	-	Singapore	Pre-operating
Associates				
Serian Palm Oil Mill Sdn Bhd	40	40	Malaysia	Fresh fruit bunches processing
@ Sri Gading Land Sdn Bhd	49	49	Malaysia	Property development
Setiacahaya Sdn Bhd	50	50	Malaysia	Property investment
∞ GaiaAgri Services Ltd	30	30	Mauritius	Provision of management services
Asiatic Ceramics Sdn Bhd (In Liquidation)	49	49	Malaysia	In Liquidation (Receiver Appointed)

* Subsidiaries acquired/incorporated during the financial year (See Note 40 (C)).

@ The financial statements of these companies are audited by firms other than member firms of PricewaterhouseCoopers International Limited.

∞ Subsidiaries/associates which are audited by member firms of PricewaterhouseCoopers International Limited, which are separate and independent legal entities from PricewaterhouseCoopers Malaysia.

^ These entities are subjected to limited review carried out by PricewaterhouseCoopers, Malaysia, although they are not subjected to statutory audit.

43. EVENT SUBSEQUENT TO BALANCE SHEET DATE

On 5 February 2010, the Company announced that Sanggau Holdings Pte Ltd (“SAH”), an indirect wholly-owned subsidiary of the Company, had on 5 February 2010 entered into a joint venture agreement (“JVA”) with Palma Citra Investama Pte Ltd (“Palma”) and PT Sawit Mandira (“PTMandira”) to develop approximately 17,500 hectares of agricultural land (*based on Izin Lokasi or Location Permit*) into oil palm plantation in Kecamatan Toba, Kabupaten Sanggau, Provinsi Kalimantan Barat, Republic of Indonesia (the “Land”) (“Proposed JV”).

The Proposed JV will be undertaken by PT Surya Agro Palma (“PTSAP”). Subject to the relevant approvals being obtained, SAH will subscribe for 700 ordinary shares of Rp1,000,000 each representing 70% of the enlarged issued and paid-up share capital in PTSAP. Palma’s and PTMandira’s shareholdings in the enlarged issued and paid-up share capital of PTSAP will be 25% and 5% respectively.

Palma and PTMandira are part of the Sepanjang Group who is the Group’s existing joint venture partner and an established palm oil producer based in the Republic of Indonesia.

The completion of the JVA is subject to, inter-alia, the following conditions:-

- (i) the approval of Bank Negara Malaysia;
- (ii) the approval of *Badan Koordinasi Penamaan Modal* (“BKPM”) (or Investment Coordinating Board of the Republic of Indonesia) for the change of shareholding of PTSAP in relation to the admittance of SAH as shareholder of PTSAP in the aforesaid proportion;
- (iii) the procurement and/or maintenance of *Izin Lokasi* and *Izin Usaha Perkebunan* (or Plantation Business License);
- (iv) the approval of the Ministry of Forestry Affairs, if required; and
- (v) a due diligence study being conducted by SAH and its appointed advisers and/or auditors on the corporate and legal standing of PTSAP, the licenses and/or permits of PTSAP, the status of PTSAP and the status of and restrictions on the Land and any other aspects of PTSAP and the Land, that SAH thinks fit, and the results of the due diligence being satisfactory to SAH.

Notwithstanding completion of the JVA, the approvals, licenses and permits required for the implementation of the project contemplated in the JVA must be obtained no later than 31 December 2012.

The JVA is still conditional as at the date of this report.

44. AUTHORISATION OF FINANCIAL STATEMENTS

The financial statements have been approved for issue in accordance with a resolution of the Board of Directors on 24 February 2010.

**STATEMENT ON DIRECTORS' RESPONSIBILITY
PURSUANT TO PARAGRAPH 15.26(a) OF THE LISTING REQUIREMENTS
OF BURSA MALAYSIA SECURITIES BERHAD**

As required under the Companies Act, 1965 ("Act"), the Directors of Genting Plantations Berhad (Formerly known as Asiatic Development Berhad) have made a statement expressing an opinion on the financial statements. The Board is of the opinion that the financial statements have been drawn up so as to give a true and fair view of the state of affairs of the Group and of the Company as at 31 December 2009 and of the results and cash flows of the Group and of the Company for the financial year ended on that date in accordance with MASB Approved Accounting Standards in Malaysia for Entities Other Than Private Entities.

In the process of preparing these financial statements, the Directors have reviewed the accounting policies and practices to ensure that they were consistently applied throughout the financial year. In cases where judgments and estimates were made, they were based on reasonableness and prudence.

Additionally, the Directors have relied on the system of internal control to ensure that the information generated for the preparation of the financial statements from the underlying accounting records is accurate and reliable.

This statement is made in accordance with a resolution of the Board dated 24 February 2010.

**STATUTORY DECLARATION
PURSUANT TO SECTION 169(16) OF THE COMPANIES ACT, 1965**

I, **TAN WEE KOK**, the Officer primarily responsible for the financial management of **GENTING PLANTATIONS BERHAD** (Formerly known as Asiatic Development Berhad), do solemnly and sincerely declare that the financial statements set out on pages 9 to 79, are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed)
TAN WEE KOK, at KUALA LUMPUR on)
24 February 2010.)

Before me,

TAN SEOK KETT
Commissioner for Oaths
Kuala Lumpur

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
GENTING PLANTATIONS BERHAD (Company No. 34993-X)**
(Formerly known as Asiatic Development Berhad)
(Incorporated in Malaysia)

REPORT ON THE FINANCIAL STATEMENTS

We have audited the financial statements of Genting Plantations Berhad (*Formerly known as Asiatic Development Berhad*), which comprise the balance sheets of the Group and of the Company as at 31 December 2009, and the income statements, statements of changes in equity and cash flow statements of the Group and of the Company for the financial year then ended, and a summary of significant accounting policies and other explanatory notes, as set out on pages 9 to 79.

Directors' Responsibility for the Financial Statements

The Directors of the Company are responsible for the preparation and fair presentation of these financial statements in accordance with the Companies Act, 1965 and MASB Approved Accounting Standards in Malaysia for Entities Other Than Private Entities. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with approved standards on auditing in Malaysia. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
GENTING PLANTATIONS BERHAD (Company No. 34993-X) (CONTINUED)**
(Formerly known as Asiatic Development Berhad)
(Incorporated in Malaysia)

REPORT ON THE FINANCIAL STATEMENTS (CONTINUED)

Opinion

In our opinion, the financial statements have been properly drawn up in accordance with the Companies Act, 1965 and MASB Approved Accounting Standards in Malaysia for Entities Other Than Private Entities so as to give a true and fair view of the financial position of the Group and of the Company as of 31 December 2009 and of their financial performance and cash flows for the financial year then ended.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act, 1965 in Malaysia, we also report the following:

- (a) In our opinion, the accounting and other records and the registers required by the Act to be kept by the Company and its subsidiaries of which we have acted as auditors have been properly kept in accordance with the provisions of the Act.
- (b) We have considered the financial statements and the auditors' reports of all subsidiaries of which we have not acted as auditors, which are indicated in Note 42 to the financial statements.
- (c) We are satisfied that the financial statements of the subsidiaries that have been consolidated with the Company's financial statements are in form and content appropriate and proper for the purposes of the preparation of the financial statements of the Group and we have received satisfactory information and explanations required by us for those purposes.
- (d) The audit reports on the financial statements of the subsidiaries did not contain any qualification or any adverse comment made under Section 174(3) of the Act.

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 174 of the Companies Act, 1965 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

PRICEWATERHOUSECOOPERS
(No. AF: 1146)
Chartered Accountants

LEE TUCK HENG
(No. 2092/09/10 (J))
Chartered Accountant

Kuala Lumpur
24 February 2010