

THE PATALING RUBBER ESTATES LIMITED (166301)
(Incorporated in England)

Directors' Report and Audited Accounts
30 June 2008

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COMPANIES HOUSE

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Company No : 166301

THE PATALING RUBBER ESTATES LIMITED
(Incorporated in England)

DIRECTORS

Mohd Hairul Abdul Hamid
Norzifah Abdul Aziz
Ho Lai Wan

SECRETARY

Azrin Nashiha Abdul Aziz

REGISTERED OFFICES

United Kingdom:
400, Capability Green,
Luton, Bedfordshire,
LU1 3AE

Malaysia:
4th Floor, Wisma Consplant 1,
No. 2, Jalan SS 16/4,
47500 Subang Jaya,
Selangor Darul Ehsan

REGISTERED NUMBER

166301 England

AUDITORS

Ernst & Young LLP
1 More London Place
London SE1 2AF

Company No : 166301

THE PATALING RUBBER ESTATES LIMITED
(Incorporated in England)

REPORT OF THE DIRECTORS

The Directors present their report and the audited accounts for the year ended 30 June 2008.

The accounts are presented in Malaysian Ringgit. The Directors are of the opinion that as the Company is principally operating in Malaysia, the accounts should reflect its functional currency.

PRINCIPAL ACTIVITY

The Company ceased operations with effect from 1 July 1999.

RESULTS

	RM
Profit for the financial year	1,850,435
Retained profits brought forward	<u>552,663,791</u>
Retained profits carried forward	<u><u>554,514,226</u></u>

DIVIDEND

The Directors do not recommend payment of any dividend for the current financial year.

DIRECTORS

The names of the Directors of the Company in office since the date of the last report and at the date of this report are:

Mohd Hairul Abdul Hamid
Norzifah Abdul Aziz
Ho Lai Wan

There are no director's interests requiring disclosure under the Companies Act 1985.

Company No : 166301

THE PATALING RUBBER ESTATES LIMITED
(Incorporated in England)

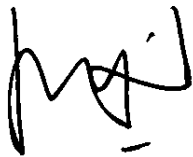
RE-APPOINTMENT OF AUDITORS

In accordance with s. 385 of the Companies Act 1985, a resolution is to be proposed at the Annual General Meeting for reappointment of Ernst & Young LLP as auditor of the Company.

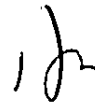
DISCLOSURE OF INFORMATION TO THE AUDITORS

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the Company's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

On behalf of the Board,



Mohd Hairul Abdul Hamid
Director



Ho Lai Wan
Director

27 FEB 2009

Company No : 166301

THE PATALING RUBBER ESTATES LIMITED
(Incorporated in England)

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the Directors are required to:

- o select suitable accounting policies and then apply them consistently;
- o make judgements and estimates that are reasonable and prudent;
- o state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- o prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors confirm that they have complied with these requirements and having a reasonable expectation that the company has, or has access within the Sime Darby Berhad Group to, adequate resources to continue in operational existence for the foreseeable future, continue to adopt the going concern basis in preparing the financial statements.

Company No: 166301

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
THE PATALING RUBBER ESTATES LIMITED
(Incorporated in England)**

We have audited the Company's financial statements for the year ended 30 June 2008 which comprise the Profit and Loss Account, Statement of Total Recognised Gains and Losses, Balance Sheet and the related notes 1 to 12. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with Section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable United Kingdom law and Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the directors' report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the directors' report and consider the implications for our report if we become aware of any apparent misstatements within it.

Company No: 166301

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF
THE PATALING RUBBER ESTATES LIMITED
(Incorporated in England)**

Basis of audit opinion

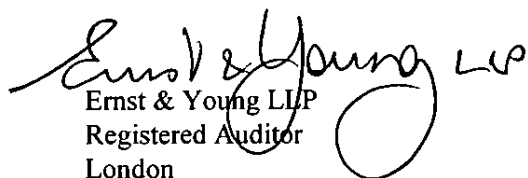
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion:

- o the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Company's affairs as at 30 June 2008 and of its profit for the period then ended;
- o the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- o the information given in the Directors' report is consistent with the financial statements.


Ernst & Young LLP
Registered Auditor
London

25 MAR 2009

Company No : 166301

THE PATALING RUBBER ESTATES LIMITED
(Incorporated in England)

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 2008

	Note	2008 RM	2007 RM
Turnover		-	-
Cost of sales		-	-
Gross profit		-	-
Other operating income		-	3,780,000
Other income		-	380
Administrative expenses		(4,630,501)	(6,563,701)
Loss on ordinary activities before tax	4	(4,630,501)	(2,783,321)
Taxation	5	6,480,936	(22,501,394)
Profit/(loss) for the financial year		1,850,435	(25,284,715)

**STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES FOR THE
YEAR ENDED 30 JUNE 2008**

There are no recognised gains or losses attributable to the shareholders of the company other than the profit of RM1,850,435 for the year ended 30 June 2008 (2007: loss of RM25,284,715).

The notes on pages 9 to 13 form an integral part of the accounts.

Company No : 166301

THE PATALING RUBBER ESTATES LIMITED
(Incorporated in England)

BALANCE SHEET AS AT 30 JUNE 2008

	Note	2008 RM	2007 RM
NON CURRENT ASSETS			
Debtors - due after one year	6	<u>582,386,835</u>	<u>1,026,263,736</u>
CURRENT ASSETS			
Cash and bank balances		7,743	7,793
CURRENT LIABILITIES			
Creditors - due within one year	7	(76,728)	(5,880)
NET CURRENT (LIABILITIES)/ASSETS		<u>(68,985)</u>	<u>1,913</u>
NON CURRENT LIABILITIES			
Creditors - due after one year	7	-	(445,798,234)
TOTAL ASSETS LESS LIABILITIES		<u>582,317,850</u>	<u>580,467,415</u>
CAPITAL AND RESERVES			
Share capital	8	27,803,624	27,803,624
Retained profits	9	554,514,226	552,663,791
EQUITY SHAREHOLDERS' FUNDS	9	<u>582,317,850</u>	<u>580,467,415</u>

The financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on

27 FEB 2009



Mohd Hairul Abdul Hamid
Director
Subang Jaya, Selangor
Malaysia



Ho Lai Wan
Director
Subang Jaya, Selangor
Malaysia

The notes on pages 9 to 13 form an integral part of the accounts.

Company No : 166301

THE PATALING RUBBER ESTATES LIMITED
(Incorporated in England)

NOTES TO THE ACCOUNTS - 30 JUNE 2008

1. ACCOUNTING STANDARDS

These accounts are prepared in accordance with applicable UK accounting standards.

2. ACCOUNTING POLICIES

Accounting Convention

The accounts are prepared under the historical cost convention.

Deferred Taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more, tax, with following exceptions:

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

3. BOOKS OF ACCOUNT

The books of account of the Company are maintained in Malaysian Ringgit.

4. LOSS ON ORDINARY ACTIVITIES BEFORE TAX

	2008	2007
This is arrived at after charging:	RM	RM
Auditors' remuneration	15,850	5,000
Debts from related companies written off	51,674	-
Rental income underecognised in prior year	-	3,780,000

There are no employees as all the administrative functions are handled by Sime Darby Plantation Sdn. Bhd., the intermediate holding company.

The Directors received no remuneration during the year (2007: nil).

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THE PATALING RUBBER ESTATES LIMITED
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NOTES TO THE ACCOUNTS - 30 JUNE 2008 (CONTINUED)

5. TAXATION

	2008 RM	2007 RM
Malaysian tax:		
Underprovision of corporation tax in prior year	(1,058,400)	-
Over/(under) provision of		
Real Property Gains Tax in prior year	<u>7,539,336</u>	<u>(22,501,394)</u>
	<u>6,480,936</u>	<u>(22,501,394)</u>

There is no current or deferred tax charge as the Company ceased operations effective 1 July 1999.

Factors affecting the current tax charge:

	2008 RM	2007 RM
Loss on ordinary activities before tax	<u>(4,630,501)</u>	<u>(2,783,321)</u>
Taxation at Malaysian statutory rate of		
26% (2007: 27%)	(1,203,930)	(751,497)
Expenses not deductible for tax purpose	1,203,930	751,497
Underprovision of corporation tax in prior year	(1,058,400)	
Over/(under)provision of		
Real Property Gains Tax in prior year	<u>7,539,336</u>	<u>(22,501,394)</u>
	<u>6,480,936</u>	<u>(22,501,394)</u>

6. DEBTORS

	2008 RM	2007 RM
Tax recoverable	3,958,134	-
Amount due from intermediate holding company	578,428,701	705,277,418
Amounts due from related companies	<u>-</u>	<u>320,986,318</u>
	<u>582,386,835</u>	<u>1,026,263,736</u>

There are no debtors due within 1 year.

The amount due from intermediate holding company is interest free, unsecured and has no fixed term of repayment.

The amounts due from related companies in the previous financial year were interest free, unsecured and had no fixed terms of repayment.

Company No : 166301

THE PATALING RUBBER ESTATES LIMITED
(Incorporated in England)

NOTES TO THE ACCOUNTS - 30 JUNE 2008 (CONTINUED)

7. CREDITORS

	2008	2007
	RM	RM
Other creditors	76,728	5,880
Amount due to immediate holding company	-	393,572,595
Amounts due to related companies	-	41,724,349
Taxation provision	-	10,501,290
	<u>76,728</u>	<u>445,804,114</u>
Ageing:		
Within one year	76,728	5,880
After one year	-	445,798,234
	<u>76,728</u>	<u>445,804,114</u>

The amounts due to immediate holding company and related companies in the previous financial year were interest free, unsecured and had no fixed terms of repayment.

8. SHARE CAPITAL

	2008	2007
	£	£
Authorised:		
40,000,000 ordinary shares of 10 pence each	<u>4,000,000</u>	<u>4,000,000</u>
	2008	2007
	RM	RM
Issued and fully paid:		
32,432,745 ordinary shares of 10 pence each	<u>27,803,624</u>	<u>27,803,624</u>

Company No : 166301

THE PATALING RUBBER ESTATES LIMITED
(Incorporated in England)

NOTES TO THE ACCOUNTS - 30 JUNE 2008 (CONTINUED)

9. RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENTS ON RESERVES

	Share Capital RM	Retained Profits RM	Total RM
At 1 July 2006	27,803,624	577,948,506	605,752,130
Loss for the year	-	(25,284,715)	(25,284,715)
At 1 July 2007	27,803,624	552,663,791	580,467,415
Profit for the year	-	1,850,435	1,850,435
At 30 June 2008	27,803,624	554,514,226	582,317,850

Prior to the year of assessment 2008, Malaysian companies adopt the full imputation system. In accordance with the Finance Act 2007 which was gazetted on 28 December 2007, companies shall not be entitled to deduct tax on dividend paid, credited or distributed to its shareholders, and such dividends will be exempted from tax in the hands of the shareholders ("single tier system"). However, there is a transitional period of six years, expiring on 31 December 2013, to allow companies to pay franked dividends to their shareholders under limited circumstances. Companies also have an irrevocable option to disregard the 108 balance and opt to pay dividends under the single tier system. The change in the tax legislation also provides for the 108 balance to be locked-in as at 31 December 2007 in accordance with Section 39 of the Finance Act 2007.

The Company has elected for the irrevocable option to disregard the 108 balance as at 30 June 2008. Hence, the Company will be able to distribute dividends out of its entire retained earnings under the single tier system.

10. HOLDING AND RELATED COMPANIES

The Company was one of the subsidiaries of Golden Hope Plantations Berhad ("GHPB"), a listed company in Malaysia.

On 24 January 2007, GHPB entered into a Sale of Business Agreement ("SBA") with Sime Darby Berhad (formerly known as Synergy Drive Berhad). The SBA becomes unconditional on 1 October 2007 and was completed on 27 November 2007 following the transfer of the entire businesses and undertakings of GHPB, including all assets and liabilities to Sime Darby Berhad (formerly known as Synergy Drive Berhad) pursuant to a scheme of reconstruction and amalgamation.

Company No : 166301

THE PATALING RUBBER ESTATES LIMITED
(Incorporated in England)

NOTES TO THE ACCOUNTS - 30 JUNE 2008 (CONTINUED)

10. HOLDING AND RELATED COMPANIES (CONTINUED)

The immediate holding company is Malaysian Estates PLC, a company incorporated in England and registered in Malaysia.

The intermediate holding company is Sime Darby Plantation Sdn. Bhd. (formerly known as Sime Plantations Sdn. Bhd.), a company incorporated in Malaysia.

The ultimate holding company is Sime Darby Berhad (formerly known as Synergy Drive Berhad), a company listed on the Bursa Malaysia Securities Berhad, Malaysia. The directors believe that Sime Darby Berhad is the ultimate controlling party, having the power to govern the financial and operating policies of the company.

Related companies refer to companies within the Sime Darby Berhad group of companies.

The smallest group in which the results of the Company are consolidated is that headed by Malaysian Estates PLC.

The largest group in which the results of the Company are consolidated is that headed by Sime Darby Berhad. Copies of its group accounts, which include the Company are available at 19th Floor, Wisma Sime Darby, Jalan Raja Laut, 50350 Kuala Lumpur, Malaysia.

11. CASH FLOW STATEMENT

The Directors have taken advantage of the exemption in Financial Reporting Standard No 1(revised) from including a cash flow statement in the financial statement on the grounds that the Company is wholly owned and its parent publishes consolidated financial statements.

12. RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemption contained within FRS 8 "Related Party Transactions" and has not disclosed transactions with group companies.