

**UNITED MALACCA BERHAD (1319 - V)**

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED INCOME STATEMENTS**  
**FOR THE FIRST QUARTER ENDED 31 JULY 2009**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	3 MONTHS ENDED		3 MONTHS ENDED	
	31 JULY		31 JULY	
	2009	2008	2009	2008
	RM'000	RM'000	RM'000	RM'000
Revenue	42,091	70,627	42,091	70,627
Cost of sales	(22,221)	(32,900)	(22,221)	(32,900)
<b>Gross profit</b>	19,870	37,727	19,870	37,727
Other income	90	154	90	154
Selling and distribution expenses	(647)	(806)	(647)	(806)
Administrative expenses	(1,326)	(1,580)	(1,326)	(1,580)
Other expenses	(38)	(591)	(38)	(591)
Replanting expenses	(1,194)	(1,368)	(1,194)	(1,368)
<b>Operating profit</b>	16,755	33,536	16,755	33,536
Share of profit of associates	1,202	2,321	1,202	2,321
<b>Profit before taxation</b>	17,957	35,857	17,957	35,857
Taxation	(3,905)	(8,362)	(3,905)	(8,362)
<b>Profit for the period</b>	14,052	27,495	14,052	27,495
Basic earnings per stock unit (sen)	10.49	20.52	10.49	20.52
Diluted earnings per stock unit (sen)	10.49	20.52	10.49	20.52

**UNITED MALACCA BERHAD (1319 - V)**

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED BALANCE SHEETS****AS AT 31 JULY 2009**

	<b>AS AT END OF CURRENT QUARTER 31 JULY 2009</b>	<b>AS AT PRECEDING FINANCIAL YEAR END 30 APRIL 2009</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>		
<b>Non-Current Assets</b>		
Property, plant and equipment	165,547	165,446
Biological assets	275,324	274,831
Prepaid land lease payments	88,054	88,438
Development expenditure	1,295	1,295
Interest in associates	20,851	20,376
Other investments	15,962	15,962
Goodwill on consolidation	18,628	18,628
	<b>585,661</b>	<b>584,976</b>
<b>Current Assets</b>		
Inventories	7,588	9,436
Trade receivables	6,106	6,344
Other receivables	35,885	7,780
Marketable securities	9,774	8,926
Cash and bank balances	337,420	349,795
	<b>396,773</b>	<b>382,281</b>
<b>TOTAL ASSETS</b>	<b>982,434</b>	<b>967,257</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders</b>		
Share capital	134,005	134,005
Share premium	6,346	6,346
Revaluation reserve	237,470	237,544
Retained earnings	515,719	501,593
<b>Shareholders' equity</b>	<b>893,540</b>	<b>879,488</b>
<b>Non-Current Liability</b>		
Deferred tax liabilities	70,692	69,896
<b>Current Liabilities</b>		
Trade payables	6,077	3,754
Other payables	7,477	9,150
Current tax payable	4,648	4,969
	<b>18,202</b>	<b>17,873</b>
<b>Total liabilities</b>	<b>88,894</b>	<b>87,769</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>982,434</b>	<b>967,257</b>
Net assets per stock unit (RM)	6.67	6.56

**UNITED MALACCA BERHAD** (1319 - V)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE THREE MONTHS ENDED 31 JULY 2009**

	<b>Share Capital</b>	<b>Non-distributable Share Premium</b>	<b>Revaluation Reserve</b>	<b>Distributable Retained Earnings</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b><u>Current 3 months ended</u></b>					
<b><u>31 July 2009</u></b>					
<b>Balance at 1 May 2009</b>	134,005	6,346	237,544	501,593	879,488
Realisation of revaluation reserve upon depreciation	-	-	(74)	74	-
Profit for the period	-	-	-	14,052	14,052
<b>Balance at 31 July 2009</b>	<b>134,005</b>	<b>6,346</b>	<b>237,470</b>	<b>515,719</b>	<b>893,540</b>
<b><u>3 months ended 31 July 2008</u></b>					
<b>Balance at 1 May 2008</b>	134,005	6,346	237,866	485,208	863,425
Realisation of revaluation reserve upon depreciation	-	-	(78)	78	-
Realisation of revaluation reserve upon property, plant and equipment written off	-	-	(1)	1	-
Profit for the period	-	-	-	27,495	27,495
<b>Balance at 31 July 2008</b>	<b>134,005</b>	<b>6,346</b>	<b>237,787</b>	<b>512,782</b>	<b>890,920</b>

**UNITED MALACCA BERHAD** (1319 - V)

(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS**  
**FOR THE THREE MONTHS ENDED 31 JULY 2009**

	<u>2009/2010</u>	<u>2008/2009</u>
	<u>3 MONTHS</u>	<u>3 MONTHS</u>
	<u>ENDED</u>	<u>ENDED</u>
	<u>31 JULY 2009</u>	<u>31 JULY 2008</u>
	<u>RM'000</u>	<u>RM'000</u>
<b>Cash Flows From Operating Activities</b>		
Profit before taxation	17,957	35,857
Adjustments for:		
Amortisation of prepaid land lease payments	376	367
Depreciation of property, plant and equipment	1,351	1,233
(Gain)/Loss on disposal of marketable securities	(4)	40
Property, plant and equipment written off	8	7
Provision for diminution in value of marketable securities	-	537
Dividend income	(311)	(332)
Interest income	(2,705)	(2,413)
Share of profit of associates	(1,202)	(2,321)
<b>Operating profit before working capital changes</b>	<b>15,470</b>	<b>32,975</b>
Decrease in inventories	1,848	5,196
Increase in receivables	(26,027)	(4,445)
Increase in payables	650	68
<b>Cash (used in)/generated from operations</b>	<b>(8,059)</b>	<b>33,794</b>
Dividend received from associates	727	-
Dividend received from other investments	222	272
Interest received	1,051	2,496
Taxes paid	(3,455)	(3,965)
<b>Net cash (used in)/generated from operating activities</b>	<b>(9,514)</b>	<b>32,597</b>
<b>Cash Flows From Investing Activities</b>		
Additions of biological assets	(428)	(194)
Additions of prepaid land lease payments	-	(12)
Proceeds from disposal of marketable securities	1,377	163
Purchase of marketable securities	(2,221)	(2,952)
Purchase of property, plant and equipment	(1,589)	(4,483)
<b>Net cash used in investing activities</b>	<b>(2,861)</b>	<b>(7,478)</b>
<b>Net change in Cash and Cash Equivalents</b>	<b>(12,375)</b>	<b>25,119</b>
<b>Cash and Cash Equivalents at beginning of period</b>	<b>349,795</b>	<b>340,577</b>
<b>Cash and Cash Equivalents at end of period</b>	<b>337,420</b>	<b>365,696</b>
<b>Cash and cash equivalents comprise:</b>		
Cash on hand and at banks	590	1,146
Deposits with licensed financial institutions	211,793	149,673
Money market funds placed with fund managers	125,037	214,877
	<b>337,420</b>	<b>365,696</b>

# **UNITED MALACCA BERHAD (1319 - V)**

(Incorporated in Malaysia)

## **Unaudited Results for the First Financial Quarter Ended 31 July 2009**

### **NOTES TO THE QUARTERLY FINANCIAL STATEMENTS**

#### **1. ACCOUNTING POLICIES AND BASIS OF PREPARATION**

The quarterly financial statements have been prepared in accordance with FRS 134: Interim Financial Reporting and Chapter 9, Part K of the Listing Requirements of Bursa Malaysia Securities Berhad.

The accounting policies and methods of computation used in the preparation of the quarterly financial statements are consistent with those applied in the latest audited annual financial statements ended 30 April 2009.

#### **2. AUDITORS' REPORT OF PRECEDING ANNUAL FINANCIAL STATEMENTS**

There were no qualifications in the auditors' report of the Group's latest annual financial statements ended 30 April 2009.

#### **3. ITEMS OF UNUSUAL NATURE**

There were no items of unusual nature which affected assets, liabilities, equity, net income, or cash flows during the three months ended 31 July 2009.

#### **4. CHANGES IN ACCOUNTING ESTIMATES**

There were no changes in estimates that have a material effect against results in the current quarter and current financial year-to-date ended 31 July 2009.

#### **5. DIVIDENDS PAID**

No dividend has been paid during the three months ended 31 July 2009.

#### **6. CHANGES IN COMPOSITION OF THE GROUP**

There were no changes in the composition of the Group during the three months ended 31 July 2009.

# UNITED MALACCA BERHAD (1319 - V)

(Incorporated in Malaysia)

## Unaudited Results for the First Financial Quarter Ended 31 July 2009

### NOTES TO THE QUARTERLY FINANCIAL STATEMENTS - CONT'D

#### 7. CHANGES IN DEBT AND EQUITY SECURITIES

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the three months ended 31 July 2009.

#### 8. CHANGES IN CONTINGENT LIABILITIES AND CONTINGENT ASSETS

At the date of this report, no contingent liabilities or contingent assets had arisen since the last balance sheet date as at 30 April 2009.

#### 9. SEGMENTAL INFORMATION

	<b>Current Quarter Ended 31 July 2009 RM'000</b>	<b>Cumulative Three Months Ended 31 July 2009 RM'000</b>
<b>Segment Revenue</b>		
Plantation	50,351	50,351
Investment holding	3,016	3,016
Total revenue including inter-segment sales	<u>53,367</u>	<u>53,367</u>
Elimination of inter-segment sales	<u>(11,276)</u>	<u>(11,276)</u>
Total revenue	<u>42,091</u>	<u>42,091</u>
<b>Segment Results</b>		
Plantation	13,765	13,765
Investment holding	2,990	2,990
Share of profit of associates	1,202	1,202
Profit before taxation	<u>17,957</u>	<u>17,957</u>
Taxation	<u>(3,905)</u>	<u>(3,905)</u>
Profit for the period	<u>14,052</u>	<u>14,052</u>

# UNITED MALACCA BERHAD (1319 - v)

(Incorporated in Malaysia)

## Unaudited Results for the First Financial Quarter Ended 31 July 2009

### NOTES TO THE QUARTERLY FINANCIAL STATEMENTS - CONT'D

#### 10. SEASONALITY OR CYCLICALITY OF OPERATIONS

The production of oil palm fresh fruits bunches ("FFB") is seasonal in nature and subject to variation in weather conditions.

The excessive rainfall in Sabah during the monsoon period from December 2008 to March 2009 has adversely affected FFB fruit formation, thereby resulting in production of high proportion of parthenocarpic fruits which have low bunch weight with low OER and KER. As a result, the Group's FFB production for the current three months ended 31 July 2009 fell by 13% as compared with that of the corresponding period in the preceding financial year. It was observed that the palms are now producing normal fruit bunches from mid August 2009.

#### 11. SUBSEQUENT EVENTS

There were no material events from the current quarter ended 31 July 2009 to the date of this announcement that had not been reflected in this quarterly financial statements.

#### 12. PURCHASE AND SALE OF QUOTED SECURITIES

- (a) Particulars of purchase and sale of quoted securities and gain arising therefrom for the current quarter and current financial year-to-date ended 31 July 2009 were as follows:

	<b>Current Quarter Ended 31 July 2009 RM'000</b>	<b>Cumulative Three Months Ended 31 July 2009 RM'000</b>
<b>Total purchases</b>		
- marketable securities	2,221	2,221
<b>Total sales</b>		
- marketable securities	1,373	1,373
<b>Gain on disposal of</b>		
- marketable securities	4	4

**UNITED MALACCA BERHAD (1319 - V)**

(Incorporated in Malaysia)

**Unaudited Results for the First Financial Quarter Ended 31 July 2009****NOTES TO THE QUARTERLY FINANCIAL STATEMENTS - CONT'D****12. PURCHASE AND SALE OF QUOTED SECURITIES - CONT'D**

(b) Investment in quoted shares, excluding associates, as at 31 July 2009 was as follows:

	<b>As At 31 July 2009</b>	
	<b>Marketable Securities</b>	<b>Other Investments</b>
	<b>RM'000</b>	<b>RM'000</b>
At cost	9,774	15,782
At carrying amount	9,774	15,782
At market value	<u>12,032</u>	<u>36,084</u>

**13. SALE OF UNQUOTED INVESTMENTS AND/OR PROPERTIES**

There was no sale of unquoted investments and/or properties during the three months ended 31 July 2009.

**14. TAXATION**

	<b>Current Quarter Ended 31 July 2009</b>	<b>Cumulative Three Months Ended 31 July 2009</b>
	<b>RM'000</b>	<b>RM'000</b>
Current tax expense	3,109	3,109
Deferred tax expense	796	796
	<u>3,905</u>	<u>3,905</u>

The effective tax rate for the current quarter and current financial year-to-date was lower than the statutory tax rate due to certain income which is not taxable.

**15. GROUP BORROWINGS AND DEBT SECURITIES**

There was no borrowing and debt security as at 31 July 2009.



## **UNITED MALACCA BERHAD (1319 - V)**

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### **Unaudited Results for the First Financial Quarter Ended 31 July 2009**

#### **NOTES TO THE QUARTERLY FINANCIAL STATEMENTS - CONT'D**

##### **16. OFF BALANCE SHEET FINANCIAL INSTRUMENTS**

There was no financial instrument with off balance sheet risk as at 31 July 2009 and as at the date of issue of the quarterly financial statements.

##### **17. STATUS OF CORPORATE PROPOSALS**

###### **Proposed acquisitions of two parcels of land in Sabah**

In the Extraordinary General Meeting held on 29 August 2009, the shareholders of the Company approved the proposed acquisitions of two contiguous parcels of agriculture leasehold located in Sungai Millian - Labau, District of Kinabatangan, Sabah, measuring a total gross area of approximately 10,102 hectares, together with buildings, structures and 200,000 seedlings which are being cultivated and nurtured into viable palms for planting in the aforesaid lands ("Plantation Assets"), from Borneo Glow Sdn. Bhd. for an aggregate cash consideration of RM240 million to be wholly satisfied in cash, subject to the terms and conditions of the conditional Sale and Purchase Agreement ("SPA") dated 14 July 2009.

Currently, both parties are working towards completing the transaction as provided in the SPA.

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## Unaudited Results for the First Financial Quarter Ended 31 July 2009

### NOTES TO THE QUARTERLY FINANCIAL STATEMENTS - CONT'D

#### 18. MATERIAL LITIGATION

(a) At the date of this report, the Directors are not aware of any material litigation against the Group which might materially affect the position or business of the Group save as disclosed below:

**(i) Compulsory acquisition of 337.52 hectares of the Company's land in Daerah Alor Gajah, Melaka by the Melaka State Government in 1996**

On 26 March 2009, the Company received full payment of all additional compensations and interests in respect of the above compulsory acquisition following the Court of Appeal's decision on 26 November 2008.

The Company has submitted an application to the Court of Appeal to determine the quantum of costs. Once decided by the Court of Appeal, the Company shall recover the same from the Respondent.

**(ii) Compulsory acquisition of 64.89 hectares of the Company's land in Daerah Alor Gajah, Melaka by the Melaka State Government in 1995**

Following the Company's earlier announcement on the receipt of payments of all principal amounts due and owing pursuant to the Order of the High Court and the Order of the Court of Appeal for the compulsory acquisition of the Company's abovementioned lands, there remains outstanding interest sum to be paid by the Land Administrator which the Company now intends to recover fully. The Company has since entered into on-going negotiations with the acquiring authority in respect of payment of the outstanding interest sums.

(b) On 16 January 2004, the Company was served with a writ of summons by Brilliant Team Management Sdn. Bhd., for finder's fees amounting to RM1.76 million in respect of acquisition of companies. The Company has filed a Defence and Counterclaim against the Plaintiff. The Company has also filed an application to strike out the claim. On 13 March 2009, the High Court struck out the Plaintiff's claim. The Company's Counterclaim is now fixed for case management on 2 October 2009.

#### 19. MATERIAL CHANGES IN QUARTERLY RESULTS

The Group's profit before taxation of RM17.96 million for the current quarter ended 31 July 2009 was 4% lower than that of the preceding quarter of RM18.63 million which included additional compensation of RM4.26 million on compulsory land acquisition. Excluding this one off gain, the profit before taxation for the current quarter was 30% higher than in the preceding quarter mainly due to higher CPO and PK prices by 28% and 31% respectively.

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## Unaudited Results for the First Financial Quarter Ended 31 July 2009

### NOTES TO THE QUARTERLY FINANCIAL STATEMENTS - CONT'D

#### 20. PERFORMANCE REVIEW

For the current quarter ended 31 July 2009, the Group's plantation profit declined by 56% as compared with that of the corresponding period in the preceding year due to lower CPO and PK prices by 31% and 39% respectively as well as lower FFB production by 13% caused by a change in cropping pattern. The lower plantation profit was however partially cushioned by higher investment income. Overall the Group's pretax profit fell by 50% to RM17.96 million from RM35.86 million in the corresponding quarter in the preceding year.

#### 21. CURRENT YEAR PROSPECTS

The Group's FFB production for the financial year ending 30 April 2010 is expected to continue to increase arising from additional areas coming into harvesting and increasing yield trend from the young matured oil palms in Group's estates.

Should the current level of CPO price be sustained, the Group can expect another year of good performance.

#### 22. VARIANCE ON PROFIT FORECAST/PROFIT GUARANTEE

No profit forecast or profit guarantee was issued during the three months ended 31 July 2009.

#### 23. EARNINGS PER STOCK UNIT

Both of the basic earnings per stock unit and diluted earnings per stock unit of the Group were the same for the current quarter and current financial year-to-date ended 31 July 2009 as there was no dilutive effect in the period under review.

	<b>Current Quarter Ended 31 July 2009</b>	<b>Cumulative Three Months Ended 31 July 2009</b>
<u>Basic/Diluted earnings per stock unit</u>		
Profit for the period (RM'000)	14,052	14,052
Weighted average number of ordinary shares in issue ('000 unit)	134,005	134,005
<u>Basic/diluted earnings per stock unit (sen)</u>	<u>10.49</u>	<u>10.49</u>

**UNITED MALACCA BERHAD (1319 - V)**

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**Unaudited Results for the First Financial Quarter Ended 31 July 2009**

**NOTES TO THE QUARTERLY FINANCIAL STATEMENTS - CONT'D**

**24. DIVIDEND DECLARATION**

No dividend has been recommended or declared for the three months ended 31 July 2009.

By order of the Board,

**Leong Yok Mui**  
Company Secretary  
Melaka, 15 September 2009