

**DutaLand Berhad**

(Company No: 7296-V)

**UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2009**

	<b>As at 31-Dec-09 RM'000 (Unaudited)</b>	<b>As at 30-Jun-09 RM'000 (Audited)</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	345,105	343,505
Biological assets	129,996	129,617
Land held for property development	94,920	94,920
Investment properties	4,777	4,867
Prepaid land lease payments	123,585	124,278
Investments	104	104
Long term receivable	21,328	21,328
Deferred tax assets	8,857	8,735
	<b>728,672</b>	<b>727,354</b>
<b>Current assets</b>		
Property development costs	354,455	340,484
Inventories	7,060	7,131
Due from a former associate	5,415	5,793
Receivables	50,371	46,368
Tax recoverable	274	350
Short term investments	1,801	3,354
Cash and bank balances	6,934	13,460
	<b>426,310</b>	<b>416,940</b>
<b>TOTAL ASSETS</b>	<b>1,154,982</b>	<b>1,144,294</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the Company</b>		
Share capital	592,240	586,079
Irredeemable Convertible Unsecured Loan Stocks ("ICULS")	286,664	293,092
Irredeemable Convertible Bonds ("ICB")	10,532	10,532
Irredeemable Exchangeable Bonds ("IEB")	4,062	4,062
Reserves	27,443	27,176
Accumulated losses	(157,904)	(154,229)
	<b>763,037</b>	<b>766,712</b>
<b>Minority interests</b>	<b>57,098</b>	<b>57,540</b>
<b>Total equity</b>	<b>820,135</b>	<b>824,252</b>
<b>Non-current liabilities</b>		
Borrowings	178,790	177,404
Deferred tax liabilities	20,053	20,197
	<b>198,843</b>	<b>197,601</b>
<b>Current liabilities</b>		
Provisions for liabilities	128	128
Borrowings	88,303	77,291
Due to affiliates, net	216	153
Payables	45,196	42,914
Current tax payable	2,161	1,955
	<b>136,004</b>	<b>122,441</b>
<b>Total liabilities</b>	<b>334,847</b>	<b>320,042</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,154,982</b>	<b>1,144,294</b>

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT  
FOR THE PERIOD ENDED 31 DECEMBER 2009**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current quarter 31-Dec-09 RM'000	Preceding year corresponding quarter 31-Dec-08 RM'000	Current financial year-to-date 31-Dec-09 RM'000	Preceding year corresponding period 31-Dec-08 RM'000
<b>Revenue</b>	18,243	17,059	30,723	52,096
Expenses	(15,084)	(24,589)	(29,795)	(57,399)
Other income	1,251	622	2,447	846
Finance costs, net	(4,013)	(4,712)	(8,083)	(9,401)
<b>Profit/(loss) before taxation</b>	397	(11,620)	(4,708)	(13,858)
Income tax expense	(11)	(1,331)	59	(2,970)
<b>Profit/(loss) for the period</b>	<b>386</b>	<b>(12,951)</b>	<b>(4,649)</b>	<b>(16,828)</b>
Attributable to:				
Equity holders of the Company	598	(12,777)	(4,207)	(16,600)
Minority interests	(212)	(174)	(442)	(228)
	386	(12,951)	(4,649)	(16,828)
Earnings per share attributable to equity holders of the company (sen):				
Basic	0.10	(2.26)	(0.71)	(2.94)
Diluted	0.10	(2.26)	(0.71)	(2.94)

**DutaLand Berhad**

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 DECEMBER 2009**

	← Attributable to Equity Holders of the Company →					Accumulated losses RM'000	Total Shareholders' Equity RM'000	Minority interest RM'000	Total Equity RM'000
	Share capital RM'000	Equity component of ICULS RM'000	Equity component of ICB RM'000	Equity component of IEB RM'000	Reserves RM'000				
<b>6 months ended 31 December 2009</b>									
<b>At 1 July 2009</b>	586,079	293,092	10,532	4,062	27,176	(154,229)	766,712	57,540	824,252
Loss for the period, representing total recognised income and expense for the period	-	-	-	-	-	(4,207)	(4,207)	(442)	(4,649)
Conversion of ICULS	6,161	(6,428)	-	-	267	532	532	-	532
<b>At 31 December 2009</b>	<u>592,240</u>	<u>286,664</u>	<u>10,532</u>	<u>4,062</u>	<u>27,443</u>	<u>(157,904)</u>	<u>763,037</u>	<u>57,098</u>	<u>820,135</u>
<b>6 months ended 31 December 2008</b>									
<b>At 1 July 2008</b>	564,603	316,187	75,337	44,602	26,251	(227,680)	799,300	58,084	857,384
Loss for the period, representing total recognised income and expense for the period	-	-	-	-	-	(16,600)	(16,600)	(228)	(16,828)
Cancellation of ICB	-	-	(1,420)	-	-	-	(1,420)	-	(1,420)
<b>At 31 December 2008</b>	<u>564,603</u>	<u>316,187</u>	<u>73,917</u>	<u>44,602</u>	<u>26,251</u>	<u>(244,280)</u>	<u>781,280</u>	<u>57,856</u>	<u>839,136</u>

**DutaLand Berhad**

(Company No: 7296-V)

**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT  
FOR THE PERIOD ENDED 31 DECEMBER 2009**

	<b>Year-to-date 31-Dec-09 RM'000</b>	<b>Year-to-date 31-Dec-08 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before taxation	(4,708)	(13,858)
Adjustments for :		
Amortisation	933	1,712
Depreciation	2,030	2,560
Gain on disposal of property, plant and equipment, net	-	(508)
Loss on disposal of short term investment	61	-
Unrealised foreign exchange (gain)/loss, net	(2,244)	5,770
Creditors waiver	(44)	-
Interest expense	8,117	9,951
Interest income	(34)	(550)
Loss on cancellation of ICB	-	285
Impairment losses on marketable securities	-	2,495
Bad debts written off	5	7
Write back of allowance for doubtful debts	(94)	-
Operating profit before working capital changes	4,022	7,864
Changes in working capital	(15,112)	6,435
Cash (used in)/generated from operations	(11,090)	14,299
Taxation paid	(102)	(7,323)
Interest paid	(42)	(5)
<b>Net cash (used in)/generated from operating activities</b>	<b>(11,234)</b>	<b>6,971</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Expenditure incurred on biological assets	(379)	(1,951)
Expenditure incurred on prepaid land lease payments	(240)	-
Purchase of property, plant and equipment	(3,540)	(3,442)
Interest received	34	549
Proceeds from disposal of property, plant and equipment	-	1,126
Proceeds from disposal of short term investments	1,396	-
<b>Net cash used in investing activities</b>	<b>(2,729)</b>	<b>(3,718)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase in amount due to affiliates, net	63	-
Drawdown of borrowings, net	7,742	13,887
Repayment of hire purchase and lease payables	(465)	(1,050)
Cancellation of ICB	-	(2,000)
Withdrawal of fixed deposit pledged with licensed banks	96	4
<b>Net cash generated from financing activities</b>	<b>7,436</b>	<b>10,841</b>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(6,527)</b>	<b>14,094</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD</b>	<b>14,848</b>	<b>36,757</b>
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD</b>	<b>8,321</b>	<b>50,851</b>

**PART A : Notes Required by FRS 134**

**A1) Accounting policies and methods of computation**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Financial Reporting Standards (“FRS”) 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of the Bursa Malaysia Securities Berhad (“Bursa Securities”). The interim financial statements should be read in conjunction with the audited financial statements for the year ended 30 June 2009.

The accounting policies adopted by the Group in this interim financial report are consistent with those adopted in the financial statements for the year ended 30 June 2009.

**A2) Seasonal or cyclical factors**

The business operations of the Group during the financial period under review have not been materially affected by any seasonal or cyclical factors.

**A3) Nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence**

There were no items affecting assets, liabilities, equity, net income or cash flows of the Group that are unusual due to their nature, size or incidence for the current financial period, other than as disclosed in the financial statements.

**A4) Nature and amount of changes in estimates of amounts reported in prior interim periods of the current financial year or changes in estimates of amounts reported in prior financial years, which give a material effect in the current interim period**

There were no changes in the estimates of amounts, which give a material effect in the current financial period.

**A5) Debt and equity securities**

During the 3 months period under review, the following financial instrument has been converted into ordinary shares of the Company:

<u>Financial instrument</u>	<u>Nominal value converted</u>	<u>Outstanding nominal value as at 31-Dec-09</u>
Irredeemable Convertible Unsecured Loan Stocks of nominal value RM1.00 each (“ICULS”)	2,041,400	324,229,600

**A6) Dividends paid**

No dividends have been paid for the current financial period.

#### A7) Segmental reporting

Segmental analysis for the current financial period by business segments is as follows:

	Property Development	Plantation	Manufacturing	Investment Holding and Others	Elimination	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>6 months ended 31 December 2009</b>						
<b>Revenue</b>						
External revenue	14,245	15,260	491	727	-	30,723
Inter-segment revenue	-	-	-	-	-	-
Total revenue	<u>14,245</u>	<u>15,260</u>	<u>491</u>	<u>727</u>	<u>-</u>	<u>30,723</u>
<b>Results</b>						
Segment results	1,123	5,931	(1,518)	(2,161)	-	3,375
Finance costs, net						(8,083)
Income tax expense						59
Loss for the period						<u>(4,649)</u>
<b>6 months ended 31 December 2008</b>						
<b>Revenue</b>						
External revenue	3,643	46,931	706	816	-	52,096
Inter-segment revenue	-	-	-	14	(14)	-
Total revenue	<u>3,643</u>	<u>46,931</u>	<u>706</u>	<u>830</u>	<u>(14)</u>	<u>52,096</u>
<b>Results</b>						
Segment results	(3,590)	13,211	(1,328)	(12,750)	-	(4,457)
Finance costs, net						(9,401)
Income tax expense						(2,970)
Loss for the period						<u>(16,828)</u>

#### A8) Significant post balance sheet event

There were no material transactions or events subsequent to the end of the current quarter.

#### A9) Effect of changes in the composition of the Group

There were no changes in the composition of the Group for the current financial period.

#### A10) Changes in Contingent Liabilities and Contingent Assets

There were no material changes in contingent liabilities and contingent assets since the last annual balance sheet as at 30 June 2009 to the date of this report.

#### A11) Capital commitments

There were no material capital commitments which have not been provided for in the financial statements as at 31 December 2009.

## **PART B : Notes Required by Bursa Malaysia Listing Requirements**

### **B1) Review of performance**

Revenue for the second quarter ended 31 December 2009 of RM18.2 million is higher by RM1.2 million or 7% as compared to the previous year's corresponding quarter. The increase was mainly due to higher contribution from the property division of RM8.6 million but was partially offset by lower contribution from the plantation division of RM7.2 million.

The Group registers a profit before tax of RM0.4 million in the current quarter against loss of RM11.6 million in the previous year's corresponding quarter. This was mainly due to higher profit contributed by the property division and plantation division of RM3.8 million and 2.8 million respectively, coupled with higher forex gain of RM1.7 million and lower impairment loss on investments of RM1.8 million.

For the 6 months period ended 31 December 2009, the Group recorded revenue of RM30.7 million, lower by RM21.4 million or 41% from the previous year corresponding period. The decrease was mainly due to lower contribution from the plantation division of RM31.6 million, offset with increase in the revenue for property division of RM10.6 million.

Loss before tax for the current financial period at RM4.7 million was lower by RM9.2 million compared to RM13.9 million reported in the previous year corresponding period. The decrease was mainly due to higher profit generated by the property division of RM4.6 million, higher forex gain of RM8.0 million, lower interest cost of RM1.4 million, lower impairment loss on investments of RM2.5 million, but offset with lower profit from plantation division of RM7.5 million.

### **B2) Material changes in quarterly results**

The net profit for the second quarter ended 31 December 2009 is RM0.4 million, as compared to the net loss of RM5.0 million of preceding quarter. The increase in the net profit of RM5.4 million is mainly due to higher profit recorded by the property and plantation divisions.

### **B3) Commentary on:**

#### **(a) Current year prospects**

The Group's results for the financial year ending 30 June 2010 is dependent on the economic conditions.

#### **(b) Progress to achieve the revenue or profit estimate, forecast, projection or internal targets which was previously announced or disclosed in public document**

There were no revenue or profit estimate, forecast, projection or internal targets, which was previously announced or disclosed in public document.

### **B4) Statement of the board of directors' opinion whether the revenue or profit estimate, forecast, projection or internal targets which was previously announced or disclosed in public document are likely to be achieved**

Not applicable.

### **B5) Variance from profit forecast and shortfall in profit guarantee**

Not applicable.

**B6) Taxation**

Tax charge comprises of the followings:

	<b>Current Quarter 31-Dec-09 RM'000</b>	<b>Current Financial Year-To-Date 31-Dec-09 RM'000</b>
Tax charge for the period	290	384
Transfer from deferred taxation	(279)	(443)
	<u>11</u>	<u>(59)</u>

The disproportionate tax charge for the period is due principally to certain expenses being disallowed for taxation purposes.

**B7) Unquoted investments and/or properties**

There was no sales of unquoted investments and properties during the current financial period.

**B8) Quoted Securities**

(a) There were no purchases or disposals of quoted securities for the current financial period.

(b) Investment in quoted securities as at 31 December 2009:

	<b>As at 31-Dec-09 RM'000</b>
Total Investment at cost	2
Total Investment at carrying value/book value (after impairment losses)	-
Total Investment at market value as at 31 December 2009	-

**B9) Status of corporate proposals announced but not completed**

On 6 May 2009, the Securities Commission has approved the extension of twelve months up to 26 April 2010 for the Company to complete the implementation of the remaining portion of the special issue of 54,268,208 new ordinary shares of RM1.00 each in DutaLand Bhd together with 54,268,208 free detachable warrants at an issue price of RM1.00 per DutaLand share to Bumiputra investors identified and approved by Ministry of International Trade and Industry. This proposal is pending implementation by the Company.

**B10) Group borrowings**

The Group borrowings are as follows:

	<b>As at 31-Dec-09 RM'000</b>
<b>Short-term borrowings:</b>	
Secured	81,323
Unsecured	6,980
	<u>88,303</u>
<b>Long-term borrowings:</b>	
Secured	160,458
Unsecured	18,332
	<u>178,790</u>
<b>Total borrowings</b>	<b><u>267,093</u></b>

Included in the secured borrowings are foreign currency borrowings of USD22,571,000 (RM77,409,000 equivalent).



**B11) Off balance sheet financial instruments**

The Group has no financial instruments with off balance sheet risks as at the date of this report.

**B12) Changes in material litigation (including status of any pending material litigation) since the last annual balance sheet date**

The list of material litigation is attached as Annexure 1.

**B13) Dividend declared**

No dividend has been declared/ recommended for the current financial period.

**B14) Earnings per share**

	<b>3 months ended</b>		<b>6 months ended</b>	
	<b>31-Dec-09</b>	<b>31-Dec-08</b>	<b>31-Dec-09</b>	<b>31-Dec-08</b>
<b>(a) Basic</b>				
Profit/(loss) attributable to ordinary equity holders of the Company (RM'000)	598	(12,777)	(4,207)	(16,600)
Weighted average number of ordinary shares ('000)	591,386	564,603	590,107	564,603
Basic earnings per ordinary share for the period (sen)	0.10	(2.26)	(0.71)	(2.94)
<b>(b) Diluted</b>				
Profit/(loss) attributable to ordinary equity holders of the Company including assumed conversions (RM'000)	601	(12,777)	(4,207)	(16,600)
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	596,949	564,603	590,107	564,603
Diluted earnings per ordinary share for the period (sen)	0.10	*(2.26)	*(0.71)	*(2.94)

\* The diluted EPS is the same as the basic EPS. This is because the computations of diluted EPS produced anti-dilution effects and were therefore disregarded.

**B15) Declaration of audit qualification**

The audit report of the Company's preceding annual financial statements was not subject to qualification.

On behalf of the Board  
**DUTALAND BERHAD**

Yap Siew Khim  
Company Secretary

Kuala Lumpur  
4 February 2010