

DutaLand Berhad

(Company No: 7296-V)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2012**

	As at 30-Sep-12 RM'000 (Unaudited)	As at 30-Jun-12 RM'000 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	452,512	452,898
Biological assets	221,321	220,858
Land held for property development	48,850	48,850
Deferred tax assets	2,115	2,083
	724,798	724,689
Current assets		
Property development costs	284,186	283,588
Inventories	14,976	15,780
Receivables	25,255	27,653
Tax recoverable	8,202	6,907
Short term deposits	533	544
Cash and bank balances	3,841	5,808
	336,993	340,280
TOTAL ASSETS	1,061,791	1,064,969
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	602,952	602,355
Irredeemable Convertible Unsecured Loan Stocks ("ICULS")	246,193	246,804
Irredeemable Convertible Bonds ("ICB")	7,961	7,961
Irredeemable Exchangeable Bonds ("IEB")	2,847	2,847
Reserves	104,420	104,406
Accumulated losses	(147,354)	(143,678)
	817,019	820,695
Non-controlling interest	53,937	54,237
Total equity	870,956	874,932
Non-current liabilities		
Borrowings	1,599	1,786
Deferred tax liabilities	25,214	25,265
	26,813	27,051
Current liabilities		
Borrowings	120,733	119,847
Payables	40,413	40,542
Current tax payable	2,876	2,597
	164,022	162,986
Total liabilities	190,835	190,037
TOTAL EQUITY AND LIABILITIES	1,061,791	1,064,969
Net assets per share (RM)	1.36	1.36

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE PERIOD ENDED 30 SEPTEMBER 2012**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current quarter 30-Sep-12 RM'000	Preceding year corresponding quarter 30-Sep-11 RM'000	Current financial year-to-date 30-Sep-12 RM'000	Preceding year corresponding period 30-Sep-11 RM'000
Revenue	16,687	47,731	16,687	47,731
Expenses	(15,501)	(43,920)	(15,501)	(43,920)
Other income	270	286	270	286
Depreciation/amortisation	(1,343)	(1,345)	(1,343)	(1,345)
Profit from operations	113	2,752	113	2,752
Interest income	3	15	3	15
Interest expense	(2,745)	(2,215)	(2,745)	(2,215)
(Loss)/profit before taxation	(2,629)	552	(2,629)	552
Income tax (expense)/reversal, net	(1,361)	78	(1,361)	78
(Loss)/profit for the period	(3,990)	630	(3,990)	630
Attributable to:				
Owners of the parent	(3,690)	888	(3,690)	888
Non-controlling interest	(300)	(258)	(300)	(258)
	(3,990)	630	(3,990)	630
Earnings per share attributable to owners of the parent (sen):				
Basic	(0.61)	0.15	(0.61)	0.15
Diluted	(0.61)	0.13	(0.61)	0.13

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 SEPTEMBER 2012**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current quarter 30-Sep-12 RM'000	Preceding year corresponding quarter 30-Sep-11 RM'000	Current financial year-to-date 30-Sep-12 RM'000	Preceding year corresponding period 30-Sep-11 RM'000
(Loss)/profit for the period	(3,990)	630	(3,990)	630
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	(3,990)	630	(3,990)	630
Total comprehensive income attributable to:				
Owners of the parent	(3,690)	888	(3,690)	888
Non-controlling interest	(300)	(258)	(300)	(258)
	(3,990)	630	(3,990)	630

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2012**

	← Attributable to owners of the parent →					Accumulated losses RM'000	Total shareholders' equity RM'000	Non- controlling 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				
<u>3 months ended 30 September 2012</u>									
At 1 July 2012	602,355	246,804	7,961	2,847	104,406	(143,678)	820,695	54,237	874,932
Loss for the period	-	-	-	-	-	(3,690)	(3,690)	(300)	(3,990)
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	(3,690)	(3,690)	(300)	(3,990)
Conversion of ICULS	597	(611)	-	-	14	14	14	-	14
At 30 September 2012	602,952	246,193	7,961	2,847	104,420	(147,354)	817,019	53,937	870,956
<u>3 months ended 30 September 2011</u>									
At 1 July 2011	593,100	277,761	9,226	2,847	104,126	(136,172)	850,888	55,199	906,087
Profit for the period	-	-	-	-	-	888	888	(258)	630
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	888	888	(258)	630
Conversion of ICULS and ICB	5,017	(5,151)	(13)	-	151	229	233	-	233
At 30 September 2011	598,117	272,610	9,213	2,847	104,277	(135,055)	852,009	54,941	906,950

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 SEPTEMBER 2012**

	Year-to-date 30-Sep-12 RM'000	Year-to-date 30-Sep-11 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/profit before taxation	(2,629)	552
Adjustments for :		
Depreciation / amortisation	1,343	1,345
Gain on disposal of property, plant and equipment, net	(109)	(3)
Unrealised foreign exchange (gain)/loss, net	(10)	29
Interest expense	2,745	2,215
Interest income	(3)	(15)
Property, plant and equipment written off	1	2
Write back of allowance for impairment on receivables	-	(215)
Operating profit before working capital changes	1,338	3,910
Disposal of land held for property development	-	31,360
Other changes in working capital	2,474	(3,754)
Cash generated from operations	3,812	31,516
Tax paid, net	(2,464)	(559)
Net cash generated from operating activities	1,348	30,957
CASH FLOWS FROM INVESTING ACTIVITIES		
Expenditure incurred on biological assets	(463)	(467)
Additions in land held for property development	-	(308)
Purchase of property, plant and equipment	(1,049)	(346)
Interest received	3	15
Proceeds from disposal of property, plant and equipment	200	3
Net cash used in investing activities	(1,309)	(1,103)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings	-	(28,000)
Repayment of hire purchase and lease payables	(131)	(124)
Interest paid	(1,886)	(832)
Withdrawal/(placement) of fixed deposit pledged with licensed banks	12	(1)
Net cash used in financing activities	(2,005)	(28,957)
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(1,966)	897
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	5,887	11,794
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	3,921	12,691

PART A : Notes Required by FRS 134

A1) Accounting policies and methods of computation

The interim financial report is unaudited and has 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 report should be read in conjunction with the audited financial statements for the year ended 30 June 2012.

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the financial statements for the year ended 30 June 2012, except for the adoption of new FRSS, amendments and IC Interpretations that are mandatory for the Group for the financial year beginning 1 July 2012. The adoption of these FRSS, amendments and IC Interpretations do not have material impact on the interim financial report of the Group.

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 instruments have been converted:

Financial instruments	Nominal value converted	Outstanding nominal value as at 30-Sep-12
Irredeemable Convertible Bonds of nominal value RM1.00 each (“ICB”)	-	11,734,581
Irredeemable Convertible Unsecured Loan Stocks of nominal value RM1.00 each (“ICULS”)	704,696	283,601,298
Restructured Term Loan (RM) (“RTL”)	-	27,040,688
Redeemable Unsecured Loan Stocks of nominal value RM1.00 each (“RULS”)	-	13,121,392
Irredeemable Exchangeable Bonds of nominal value USD1.00 each (“IEB”)	-	1,320,000

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
3 months ended 30 September 2012						
Revenue						
External revenue	3,545	13,142	-	-	-	16,687
Inter-segment revenue	-	-	-	-	-	-
Total revenue	<u>3,545</u>	<u>13,142</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,687</u>
Results						
Segment results	(629)	3,234	(322)	(2,170)	-	113
Finance costs, net						(2,742)
Income tax expense, net						<u>(1,361)</u>
Loss for the period						<u><u>(3,990)</u></u>
3 months ended 30 September 2011						
Revenue						
External revenue	32,247	15,484	-	-	-	47,731
Inter-segment revenue	-	-	-	-	-	-
Total revenue	<u>32,247</u>	<u>15,484</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>47,731</u>
Results						
Segment results	(1,169)	6,421	(397)	(2,103)	-	2,752
Finance costs, net						(2,200)
Income tax reversal net						78
Profit for the period						<u><u>630</u></u>

A8) Significant event occurring after the reporting date

There were no material transactions or events occurred 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 statement of financial position as at 30 June 2012 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 30 September 2012.

PART B : Notes Required by Bursa Malaysia Listing Requirements

B1) Review of performance

For the quarter under review (1Q FY2013), the Group recorded revenue of RM16.7 million, lower by RM31.0 million as compared to the preceding year quarter (1Q FY2012: RM47.7 million). The Group registered Loss before tax of RM2.6 million as compared to Profit before tax (“PBT”) of RM0.6 million in the preceding year corresponding quarter.

The plantation division contributed RM13.1 million to the revenue (1Q FY2012: RM15.5 million). The lower contribution was mainly due to lower FFB price of RM498/MT (1Q FY2012: RM590/MT). The production of FFB was marginally higher at 26,396 MT (1Q FY2012: 26,247 MT). The Group’s property division registered lower revenue of RM3.6 million (1Q FY 2012: RM32.2 million) mainly due to lower sales and development activities in the current year quarter.

In the current quarter, the Group registered Loss before tax of RM2.6 million (1Q FY2012: PBT of RM0.6 million). The plantation division registered PBT of RM3.2 million (1Q FY2012: RM6.4 million) as revenue was lower by RM2.4 million and operation cost increased by RM0.8 million. For property division, the loss before tax of RM2.5 million is higher by RM0.6 million compared to last year corresponding quarter (1Q FY2012: loss of RM1.9 million).

B2) Material changes in quarterly results

For the quarter under review, the group registered a loss before tax of RM2.6 million as compared to profit of RM1.3 million recorded in the preceding quarter. The shortfall of RM3.9 million is mainly due to the non-recurrence of the reversal of provision for litigation claim of RM10.5 million recorded in the previous quarter, despite higher contributions from the plantation division and property division of RM1.1 million and RM5.8 million respectively in the current quarter.

B3) Commentary on:

(a) Current year prospects

The selling price of crude palm oil (“CPO”) has weakened significantly in recent months. The price movement of the CPO will affect the performance of the Group for the financial year ending 30 June 2013.

(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 were 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 following:

	Current Quarter 30-Sep-12 RM'000	Current Financial Year-To-Date 30-Sep-12 RM'000
Income tax expense, net	1,448	1,448
Transfer from deferred taxation	(87)	(87)
	<u>1,361</u>	<u>1,361</u>

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

B7) Status of corporate proposals announced but not completed

There was no corporate proposal announced but not completed as at the date of this report.

B8) Group borrowings

The Group borrowings are as follows:

	As at 30-Sep-12 RM'000
Short-term borrowings:	
Secured	112,500
Unsecured	8,233
	<u>120,733</u>
 Long-term borrowings:	
Secured	1,599
Unsecured	-
	<u>1,599</u>
 Total borrowings	 <u>122,332</u>

Included in the unsecured short-term borrowings is foreign currency borrowing of USD88,000 (RM271,000 equivalent).

B9) Changes in material litigation (including status of any pending material litigation) since the last annual reporting date

The list of material litigation is attached as Annexure 1.

B10) Dividend declared

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

B11) Earnings per share

	3 months ended		3 months ended	
	30-Sep-12	30-Sep-11	30-Sep-12	30-Sep-11
(a) Basic				
(Loss)/profit attributable to owners of the parent (RM'000)	(3,690)	888	(3,690)	888
Weighted average number of ordinary shares ('000)	602,616	596,099	602,616	596,099
Basic earnings per ordinary share for the period (sen)	<u>(0.61)</u>	<u>0.15</u>	<u>(0.61)</u>	<u>0.15</u>
(b) Diluted				
(Loss)/profit attributable to owners of the parent including assumed conversions (RM'000)	(3,690)	1,097	(3,690)	1,097
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	602,616	860,707	602,616	860,707
Diluted earnings per ordinary share for the period (sen)	<u>*(0.61)</u>	<u>0.13</u>	<u>*(0.61)</u>	<u>0.13</u>

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

B12) Declaration of audit qualification

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

B13) (Loss)/profit before taxation

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current quarter 30-Sep-12 RM'000	Preceding year corresponding quarter 30-Sep-11 RM'000	Current financial year-to-date 30-Sep-12 RM'000	Preceding year corresponding period 30-Sep-11 RM'000
(Loss)/profit before taxation is arrived at after crediting/(charging):				
Provision for and write off of receivables	-	-	-	-
Provision for and write off of inventories	-	-	-	-
Gain on disposal of quoted or unquoted investments or properties, net	109	3	109	3
Impairment of assets	-	-	-	-
Foreign exchange gain/(loss), net:				
- Realised	-	-	-	-
- Unrealised	10	(29)	10	(29)
Gain/(loss) on derivatives	-	-	-	-
Write off of property, plant and equipment	(1)	(2)	(1)	(2)

B14) Realised and unrealised accumulated losses

	As at 30-Sep-12 RM'000	As at 30-Jun-12 RM'000
Total accumulated losses of DutaLand Berhad and its subsidiaries:		
- Realised	(784,295)	(779,438)
- Unrealised	(30,342)	(30,437)
	<u>(814,637)</u>	<u>(809,875)</u>
Consolidation adjustments	667,283	666,197
Total Group's accumulated losses	<u>(147,354)</u>	<u>(143,678)</u>

On behalf of the Board
DUTALAND BERHAD

Pang Siok Tieng
Company Secretary

Kuala Lumpur
30 November 2012