

DutaLand Berhad

(Company No: 7296-V)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2013**

	As at 31-Mar-13 RM'000 (Unaudited)	As at 30-Jun-12 RM'000 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	449,779	452,898
Biological assets	222,871	220,858
Land held for property development	48,850	48,850
Deferred tax assets	1,833	2,083
	723,333	724,689
Current assets		
Property development costs	285,837	283,588
Inventories	13,376	15,780
Receivables	17,430	27,653
Tax recoverable	10,312	6,907
Short term deposits	521	544
Cash and bank balances	3,756	5,808
	331,232	340,280
TOTAL ASSETS	1,054,565	1,064,969
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	630,063	602,355
Irredeemable Convertible Unsecured Loan Stocks ("ICULS")	211,187	246,804
Irredeemable Convertible Bonds ("ICB")	5,186	7,961
Irredeemable Exchangeable Bonds ("IEB")	2,847	2,847
Reserves	105,081	104,406
Accumulated losses	(160,937)	(143,678)
	793,427	820,695
Non-controlling interest	53,420	54,237
Total equity	846,847	874,932
Non-current liabilities		
Borrowings	1,481	1,786
Deferred tax liabilities	25,214	25,265
	26,695	27,051
Current liabilities		
Borrowings	129,228	119,847
Payables	49,386	40,542
Current tax payable	2,409	2,597
	181,023	162,986
Total liabilities	207,718	190,037
TOTAL EQUITY AND LIABILITIES	1,054,565	1,064,969
Net assets per share (RM)	1.26	1.36

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE PERIOD ENDED 31 MARCH 2013**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current quarter 31-Mar-13 RM'000	Preceding year corresponding quarter 31-Mar-12 RM'000	Current financial year-to-date 31-Mar-13 RM'000	Preceding year corresponding period 31-Mar-12 RM'000
Revenue	14,431	14,680	44,483	78,040
Expenses	(17,776)	(15,877)	(49,338)	(73,231)
Other income	970	114	1,627	480
Depreciation/amortisation	(1,247)	(1,932)	(3,845)	(4,249)
(Loss)/profit from operations	(3,622)	(3,015)	(7,073)	1,040
Interest income	70	7	83	81
Interest expense	(2,854)	(2,122)	(8,418)	(6,502)
Loss before taxation	(6,406)	(5,130)	(15,408)	(5,381)
Income tax reversal/(expense), net	695	(3,147)	(993)	(2,923)
Loss for the period	(5,711)	(8,277)	(16,401)	(8,304)
Attributable to:				
Owners of the parent	(5,423)	(7,957)	(15,584)	(7,580)
Non-controlling interest	(288)	(320)	(817)	(724)
	(5,711)	(8,277)	(16,401)	(8,304)
Earnings per share attributable to owners of the parent (sen):				
Basic	(0.86)	(1.32)	(2.52)	(1.27)
Diluted	(0.86)	(1.32)	(2.52)	(1.27)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MARCH 2013**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current quarter 31-Mar-13 RM'000	Preceding year corresponding quarter 31-Mar-12 RM'000	Current financial year-to-date 31-Mar-13 RM'000	Preceding year corresponding period 31-Mar-12 RM'000
Loss for the period	(5,711)	(8,277)	(16,401)	(8,304)
Other comprehensive income for the period	-	-	-	-
Total comprehensive expense for the period	(5,711)	(8,277)	(16,401)	(8,304)
Total comprehensive expense attributable to:				
Owners of the parent	(5,423)	(7,957)	(15,584)	(7,580)
Non-controlling interest	(288)	(320)	(817)	(724)
	(5,711)	(8,277)	(16,401)	(8,304)

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2013**

	← 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				
9 months ended 31 March 2013									
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	-	-	-	-	-	(15,584)	(15,584)	(817)	(16,401)
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-
Total comprehensive expense for the period	-	-	-	-	-	(15,584)	(15,584)	(817)	(16,401)
Conversion of ICULS	27,708	(28,383)	-	-	675	667	667	-	667
Cancellation of ICULS and ICB	-	(7,234)	(2,775)	-	-	(2,342)	(12,351)	-	(12,351)
At 31 March 2013	630,063	211,187	5,186	2,847	105,081	(160,937)	793,427	53,420	846,847
9 months ended 31 March 2012									
At 1 July 2011	593,100	277,761	9,226	2,847	104,126	(136,172)	850,888	55,199	906,087
Loss for the period	-	-	-	-	-	(7,580)	(7,580)	(724)	(8,304)
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-
Total comprehensive expense for the period	-	-	-	-	-	(7,580)	(7,580)	(724)	(8,304)
Cancellation of ICULS	-	(5,526)	-	-	-	(693)	(6,219)	-	(6,219)
Conversion of ICULS and ICB	9,255	(9,518)	(13)	-	280	428	432	-	432
At 31 March 2012	602,355	262,717	9,213	2,847	104,406	(144,017)	837,521	54,475	891,996

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2013**

	Year-to-date 31-Mar-13 RM'000	Year-to-date 31-Mar-12 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(15,408)	(5,381)
Adjustments for :		
Depreciation / amortisation	3,845	4,249
Gain on disposal of property, plant and equipment, net	(119)	-
Unrealised foreign exchange (gain)/loss, net	(8)	8
Interest expense	8,418	6,502
Interest income	(83)	(81)
Property, plant and equipment written off	4	16
Write-back of allowance for impairment on receivables	-	(316)
Write-back of provision for litigation claim	(722)	-
Operating (loss)/profit before working capital changes	(4,073)	4,997
Disposal of land held for property development	-	31,360
Other changes in working capital	19,867	2,842
Cash generated from operations	15,794	39,199
Tax paid, net	(4,696)	(3,864)
Net cash generated from operating activities	11,098	35,335
CASH FLOWS FROM INVESTING ACTIVITIES		
Expenditure incurred on biological assets	(2,013)	(1,493)
Additions in land held for property development	-	(476)
Purchase of property, plant and equipment	(543)	(1,484)
Interest received	12	81
Proceeds from disposal of property, plant and equipment	210	258
Net cash used in investing activities	(2,334)	(3,114)
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown/(repayment) of borrowings	12,000	(28,000)
Cancellation of financial instruments	(16,615)	(6,500)
Repayment of hire purchase and lease payables	(451)	(281)
Interest paid	(5,773)	(2,393)
Withdrawal of fixed deposit pledged with licensed banks	24	104
Net cash used in financing activities	(10,815)	(37,070)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(2,051)	(4,849)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	5,887	11,794
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	3,836	6,945

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 9 months period under review, the following financial instruments have been converted/cancelled:

Financial instruments	Nominal value converted/ cancelled	Outstanding nominal value as at 31-Mar-13
Irredeemable Convertible Bonds of nominal value RM1.00 each (“ICB”)	(4,090,581)	7,644,000
Irredeemable Convertible Unsecured Loan Stocks of nominal value RM1.00 each (“ICULS”)	(41,029,113)	243,276,881
Restructured Term Loan (RM) (“RTL”)	(1,085,265)	25,955,423
Redeemable Unsecured Loan Stocks of nominal value RM1.00 each (“RULS”)	(2,540,480)	10,580,912
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
9 months ended 31 March 2013						
Revenue						
External revenue	14,318	30,165	-	-	-	44,483
Inter-segment revenue	-	-	-	-	-	-
Total revenue	<u>14,318</u>	<u>30,165</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>44,483</u>
Results						
Segment results	278	878	(1,199)	(7,030)	-	(7,073)
Finance costs, net						(8,335)
Income tax expense, net						(993)
Loss for the period						<u>(16,401)</u>
9 months ended 31 March 2012						
Revenue						
External revenue	39,383	38,657	-	-	-	78,040
Inter-segment revenue	-	-	-	-	-	-
Total revenue	<u>39,383</u>	<u>38,657</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>78,040</u>
Results						
Segment results	(3,428)	11,793	(1,186)	(6,139)	-	1,040
Finance costs, net						(6,421)
Income tax expense, net						(2,923)
Loss for the period						<u>(8,304)</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 31 March 2013.

PART B : Notes Required by Bursa Malaysia Listing Requirements

B1) Review of performance

For the quarter under review (3Q FY2013), the group recorded revenue of RM14.4 million, RM0.3 million lower as compared to the preceding year quarter (3Q FY2012) of RM14.7 million. The plantation division's revenue was lower by RM2.5 million (RM8.2 million vs RM10.7 million), mainly due to the sharp decline of the FFB price by 37% (RM373 / MT vs RM594 / MT). The increase of 23% in FFB production (22,036 MT vs 17,956 MT) helped to mitigate the impact of the drop in FFB price. For the property division, the revenue increased by RM2.2 million (RM6.2 million vs RM4.0 million) mainly due to higher contribution from the Oakland project in Seremban and disposal of inventory.

Loss before tax for the quarter under review was at RM6.4 million as compared to RM5.1 million for 3Q FY2012. The plantation division registered loss of RM0.9 million (3Q FY2012 : profit before tax of RM1.3 million) as revenue reduced by RM2.5 million. For property division, the loss before tax of RM1.0 million (3Q FY2012 : RM2.3 million) represents improvement of RM1.3 million as revenue was higher by RM2.2 million, and also due to the reversal of provision of RM0.7 million.

For the 9 months period under review (YTD FY2013), the group recorded revenue of RM44.5 million, RM33.5 million lower than the preceding year corresponding period (YTD FY2012) of RM78.0 million. Revenue from the plantation division was lower at RM30.2 million as compared to RM38.7 million recorded in YTD FY2012. The variance of RM8.5 million was mainly due to the significant drop in the FFB price despite the increase in FFB production. The average FFB price for YTD FY2013 was at RM401 / MT (YTD FY2012 : RM580 / MT, -31%) and production volume of FFB was 75,194 MT (YTD FY2012 : 66,642 MT, +13%). Meanwhile the property division recorded revenue of RM14.3 million (YTD FY2012 : RM39.4 million). Included in the YTD FY2012's revenue was land sales amounted to RM32.0 million. The commercial development projects in Seremban contributed RM12.9 million for YTD FY2013 (YTD FY2012 : RM6.6 million), RM6.3 million higher than the previous period.

Loss before tax for YTD FY2013 was at RM15.4 million as compared to RM5.4 million for YTD FY2012. The plantation division recorded profit before tax of RM0.6 million as compared to RM11.7 million of YTD FY2012. The shortfall of RM11.1 million was mainly due to lower revenue (-RM8.5 million), coupled with higher operation cost (-RM2.6 million) in the current year period. The property division registered loss before tax of RM5.1 million as compared to RM5.6 million in YTD FY2012. The variance of RM0.5 million was mainly due to lower operation cost incurred.

B2) Material changes in quarterly results

The group registered loss before tax of RM6.4 million for both the current quarter under review (3Q FY2013) and the previous quarter (2Q FY2013). The plantation division's result improved by RM0.8 million mainly due to lower operation cost incurred. The property division also reported improvement of RM0.5 million over the previous quarter mainly due to the higher revenue recorded for the current quarter. The gain, however, was off-set by higher overheads incurred for 3Q 2013.

B3) Commentary on:

(a) Current year prospects

The selling price of crude palm oil ("CPO") has remained weak for first nine months of the financial year. 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 31-Mar-13 RM'000	Current Financial Year-To-Date 31-Mar-13 RM'000
Income tax (reversal)/expense, net	(684)	1,103
Transfer from deferred taxation	(11)	(110)
	<u>(695)</u>	<u>993</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 31-Mar-13 RM'000
Short-term borrowings:	
Secured	121,608
Unsecured	7,620
	<u>129,228</u>
Long-term borrowings:	
Secured	1,481
Unsecured	-
	<u>1,481</u>
Total borrowings	<u>130,709</u>

Included in the unsecured short-term borrowings is foreign currency borrowing of USD92,000 (RM284,000 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		9 months ended	
	31-Mar-13	31-Mar-12	31-Mar-13	31-Mar-12
(a) Basic				
Loss attributable to owners of the parent (RM'000)	(5,423)	(7,957)	(15,584)	(7,580)
Weighted average number of ordinary shares ('000)	630,063	602,300	617,643	599,022
Basic earnings per ordinary share for the period (sen)	<u>(0.86)</u>	<u>(1.32)</u>	<u>(2.52)</u>	<u>(1.27)</u>
(b) Diluted				
Loss attributable to owners of the parent including assumed conversions (RM'000)	(5,423)	(7,957)	(15,584)	(7,580)
Adjusted weighted average number of ordinary shares in issue and issuable ('000)	630,063	602,300	617,643	599,022
Diluted earnings per ordinary share for the period (sen)	<u>*(0.86)</u>	<u>*(1.32)</u>	<u>*(2.52)</u>	<u>*(1.27)</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 before taxation

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current quarter 31-Mar-13 RM'000	Preceding year corresponding quarter 31-Mar-12 RM'000	Current financial year-to-date 31-Mar-13 RM'000	Preceding year corresponding period 31-Mar -12 RM'000
Loss before taxation is arrived at after (charging)/crediting:				
Provision for and write-off of receivables	-	-	-	-
Provision for and write-off of inventories	-	-	-	-
(Loss)/gain on disposal of quoted or unquoted investments or properties, net	-	(10)	119	-
Impairment of assets	-	-	-	-
Foreign exchange (loss)/gain, net:				
- Realised	-	(1)	21	(3)
- Unrealised	(2)	19	8	(8)
Gain/(loss) on derivatives	-	-	-	-
Write-off of property, plant and equipment	(2)	-	(4)	(16)
Write-back of allowance for impairment on receivables	-	101	-	316
Write-back of provision for litigation claim	722	-	722	-

B14) Realised and unrealised accumulated losses

	As at 31-Mar-13 RM'000	As at 30-Jun-12 RM'000
Total accumulated losses of DutaLand Berhad and its subsidiaries:		
- Realised	(800,467)	(779,438)
- Unrealised	(29,816)	(30,437)
	<u>(830,283)</u>	<u>(809,875)</u>
Consolidation adjustments	669,346	666,197
Total Group's accumulated losses	<u>(160,937)</u>	<u>(143,678)</u>

On behalf of the Board
DUTALAND BERHAD

Pang Siok Tieng
Company Secretary

Kuala Lumpur
29 May 2013