

DutaLand Berhad

(Company No: 7296-V)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2013**

	As at 30-Sep-13 RM'000 (Unaudited)	As at 30-Jun-13 RM'000 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	447,596	448,608
Biological assets	223,563	223,202
Land held for property development	237,113	237,110
Investment in associate	15,000	-
	<u>923,272</u>	<u>908,920</u>
Current assets		
Property development costs	64,305	64,834
Inventories	12,309	12,692
Receivables	19,666	17,257
Tax recoverable	7,244	7,380
Short term deposits	524	524
Cash and bank balances	4,134	2,902
	<u>108,182</u>	<u>105,589</u>
Non-current assets held for sale	3,533	35,072
	111,715	140,661
TOTAL ASSETS	<u>1,034,987</u>	<u>1,049,581</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	846,118	846,118
Reserves	108,967	108,967
Accumulated losses	(122,525)	(165,863)
	832,560	789,222
Non-controlling interest	51,721	52,260
Total equity	<u>884,281</u>	<u>841,482</u>
Non-current liabilities		
Borrowings	1,223	31,429
Deferred tax liabilities	25,092	25,092
	<u>26,315</u>	<u>56,521</u>
Current liabilities		
Borrowings	79,794	102,352
Payables	42,746	47,113
Current tax payable	1,851	2,113
	<u>124,391</u>	<u>151,578</u>
Total liabilities	150,706	208,099
TOTAL EQUITY AND LIABILITIES	<u>1,034,987</u>	<u>1,049,581</u>
Net assets per share (RM)	0.98	0.93

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE PERIOD ENDED 30 SEPTEMBER 2013**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current quarter 30-Sep-13 RM'000	Preceding year corresponding quarter 30-Sep-12 RM'000	Current financial year-to-date 30-Sep-13 RM'000	Preceding year corresponding period 30-Sep-12 RM'000
Revenue	12,176	16,687	12,176	16,687
Expenses	(12,952)	(15,501)	(12,952)	(15,501)
Other income	48,740	270	48,740	270
Depreciation/amortisation	(1,018)	(1,343)	(1,018)	(1,343)
Profit from operations	46,946	113	46,946	113
Interest income	9	3	9	3
Interest expense	(3,665)	(2,745)	(3,665)	(2,745)
Profit/(loss) before taxation	43,290	(2,629)	43,290	(2,629)
Income tax expense, net	(491)	(1,361)	(491)	(1,361)
Profit/(loss) for the period	42,799	(3,990)	42,799	(3,990)
Attributable to:				
Owners of the parent	43,338	(3,690)	43,338	(3,690)
Non-controlling interest	(539)	(300)	(539)	(300)
	42,799	(3,990)	42,799	(3,990)
Earnings per share attributable to owners of the parent (sen):				
Basic	5.12	(0.61)	5.12	(0.61)
Diluted	5.12	(0.61)	5.12	(0.61)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 SEPTEMBER 2013**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current quarter 30-Sep-13 RM'000	Preceding year corresponding quarter 30-Sep-12 RM'000	Current financial year-to-date 30-Sep-13 RM'000	Preceding year corresponding period 30-Sep-12 RM'000
Profit/(loss) for the period	42,799	(3,990)	42,799	(3,990)
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	42,799	(3,990)	42,799	(3,990)
Total comprehensive income attributable to:				
Owners of the parent	43,338	(3,690)	43,338	(3,690)
Non-controlling interest	(539)	(300)	(539)	(300)
	42,799	(3,990)	42,799	(3,990)

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(Company No: 7296-V)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 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				
<u>3 months ended 30 September 2013</u>									
At 1 July 2013	846,118	-	-	-	108,967	(165,863)	789,222	52,260	841,482
Profit for the period	-	-	-	-	-	43,338	43,338	(539)	42,799
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	43,338	43,338	(539)	42,799
At 30 September 2013	<u>846,118</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>108,967</u>	<u>(122,525)</u>	<u>832,560</u>	<u>51,721</u>	<u>884,281</u>
<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	<u>602,952</u>	<u>246,193</u>	<u>7,961</u>	<u>2,847</u>	<u>104,420</u>	<u>(147,354)</u>	<u>817,019</u>	<u>53,937</u>	<u>870,956</u>

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 SEPTEMBER 2013**

	Year-to-date 30-Sep-13 RM'000	Year-to-date 30-Sep-12 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) before taxation	43,290	(2,629)
Adjustments for :		
Depreciation / amortisation	1,018	1,343
Gain on disposal of a subsidiary	(48,441)	-
Gain on disposal of property, plant and equipment, net	-	(109)
Unrealised foreign exchange loss/(gain), net	1	(10)
Interest expense	3,665	2,745
Interest income	(9)	(3)
Property, plant and equipment written off	-	1
Operating (loss)/profit before working capital changes	(476)	1,338
Other changes in working capital	(7,012)	2,474
Cash (used in)/generated from operations	(7,488)	3,812
Tax paid, net	(617)	(2,464)
Net cash (used in)/generated from operating activities	(8,105)	1,348
CASH FLOWS FROM INVESTING ACTIVITIES		
Expenditure incurred on biological assets	(361)	(463)
Expenditure incurred on land held for property development	(3)	-
Purchase of property, plant and equipment	(6)	(1,049)
Interest received	9	3
Net proceeds from disposal of a subsidiary with retention of associate status	35,000	-
Proceeds from disposal of property, plant and equipment	-	200
Net cash generated from/(used in) investing activities	34,639	(1,309)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings	(22,600)	-
Repayment of hire purchase and lease payables	(164)	(131)
Interest paid	(2,537)	(1,886)
Withdrawal of fixed deposit pledged with licensed banks	-	12
Net cash used in financing activities	(25,301)	(2,005)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	1,233	(1,966)
EFFECTS OF EXCHANGE RATE CHANGES	(1)	-
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	2,981	5,887
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	4,213	3,921

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 2013.

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 2013, except for the adoption of new FRSs, amendments and IC Interpretations that are mandatory for the Group for the financial year beginning 1 July 2013. 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

There were no issuance and repayments of debt and equity securities during the financial period.

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 2013						
Revenue						
External revenue	3,316	8,860	-	-	-	12,176
Inter-segment revenue	-	-	-	-	-	-
Total revenue	<u>3,316</u>	<u>8,860</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>12,176</u>
Results						
Segment results	(462)	1,712	(468)	46,164	-	46,946
Finance costs, net						(3,656)
Income tax expense, net						(491)
Profit for the period						<u>42,799</u>
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						(1,361)
Loss for the period						<u>(3,990)</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

On 6 August 2013, the Company entered into a conditional sale and purchase agreement (“SPA”) with Melody Hallmark Sdn Bhd (“MHSB”) for the disposal of its 100% equity interest in Olympia Plaza Sdn Bhd (“OPSB”) for a sale consideration of RM50.0 million (“Disposal”). As the Company owns 30% equity interest in MHSB, the Company’s effective interest in OPSB will be reduced from 100% to 30%.

Following the completion of the Disposal on 3 September 2013, OPSB ceased to be a subsidiary of the Company and the Disposal has resulted in a gain of RM48.4 million to the Group.

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 2013 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 2013.

PART B : Notes Required by Bursa Malaysia Listing Requirements

B1) Review of performance

For the quarter under review (1Q FY2014), the Group recorded revenue of RM12.2 million, RM4.5 million lower as compared to the preceding year quarter (1Q FY2013) of RM16.7 million. The plantation division's revenue was lower by RM4.2 million (RM8.9 million vs RM13.1 million), mainly due to the lower FFB price by 16% (RM417 / MT vs RM498 / MT) and production volume by 19% (21,266 MT vs 26,396 MT). For the property division, the revenue decreased marginally by RM0.2 million (RM3.3 million vs RM3.5 million).

Profit before tax for the quarter under review was at RM43.3 million as compared to loss of RM2.6 million for 1Q FY2013. The plantation division registered profit of RM1.6 million (1Q FY2013 : RM3.2 million) mainly due to the revenue reduced by RM4.2 million. For property division, the loss before tax of RM2.9 million was marginally higher by RM0.4 million as compared to 1Q FY2013 of RM2.5 million as revenue reduced by RM0.2 million. The Group recorded gain on disposal of a subsidiary amounted to RM48.4 million in the current quarter.

B2) Material changes in quarterly results

The Group registered profit before tax of RM43.3 million in the current quarter under review as compared to loss of RM3.8 million of the previous quarter. The favourable variance of RM47.1 million is mainly due to the gain on disposal of a subsidiary of RM48.4 million recorded in the current quarter.

B3) Commentary on:

(a) Current year prospects

The selling price of crude palm oil ("CPO") has remained low in the current period. The price movement of the CPO will affect the performance of the Group for the financial year ending 30 June 2014.

(b) Progress to achieve the revenue or profit estimate, forecast, projection or internal targets which were 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-13 RM'000	Current Financial Year-To-Date 30-Sep-13 RM'000
Income tax expense	491	491

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-13 RM'000
Short-term borrowings:	
Secured	77,694
Unsecured	2,100
	<u>79,794</u>
Long-term borrowings:	
Secured	<u>1,223</u>
Total borrowings	<u>81,017</u>

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-13	30-Sep-12	30-Sep-13	30-Sep-12
(a) Basic				
Profit/(loss) attributable to owners of the parent (RM'000)	43,338	(3,690)	43,338	(3,690)
Weighted average number of ordinary shares ('000)	846,118	602,616	846,118	602,616
Basic earnings per ordinary share for the period (sen)	5.12	(0.61)	5.12	(0.61)

	3 months ended		3 months ended	
	30-Sep-13	30-Sep-12	30-Sep-13	30-Sep-12
(b) Diluted				
Profit/(loss) attributable to owners of the parent (including assumed conversions for the prior year) (RM'000)	43,338	(3,690)	43,338	(3,690)
Adjusted weighted average number of ordinary shares in issue (and issuable for the prior year) ('000)	846,118	602,616	846,118	602,616
Diluted earnings per ordinary share for the period (sen)	<u>^5.12</u>	<u>*(0.61)</u>	<u>^5.12</u>	<u>*(0.61)</u>

^ The diluted EPS is the same as the basic EPS because there is no outstanding convertible instrument as at 30 September 2013.

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

B12) Declaration of audit qualification

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

B13) Profit/(loss) before taxation

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current quarter 30-Sep-13 RM'000	Preceding year corresponding quarter 30-Sep-12 RM'000	Current financial year-to-date 30-Sep-13 RM'000	Preceding year corresponding period 30-Sep-12 RM'000
Profit/(loss) 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	-	109
Impairment of assets	-	-	-	-
Foreign exchange (loss)/gain, net:				
- Realised	-	-	-	-
- Unrealised	(1)	10	(1)	10
Gain/(loss) on derivatives	-	-	-	-
Write-off of property, plant and equipment	-	(1)	-	(1)
Gain on disposal of a subsidiary	48,441	-	48,441	-

B14) Realised and unrealised accumulated losses

	As at 30-Sep-13 RM'000	As at 30-Jun-13 RM'000
Total accumulated losses of DutaLand Berhad and its subsidiaries:		
- Realised	(755,400)	(809,236)
- Unrealised	(30,546)	(30,455)
	<hr/>	<hr/>
	(785,946)	(839,691)
Consolidation adjustments	663,421	673,828
Total Group's accumulated losses	<hr/>	<hr/>
	(122,525)	(165,863)

On behalf of the Board
DUTALAND BERHAD

Pang Siok Tieng
Chartered Secretary

Kuala Lumpur
28 November 2013