

**DutaLand Berhad**

(Company No: 7296-V)

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

	<b>As at 31-Dec-13 RM'000 (Unaudited)</b>	<b>As at 30-Jun-13 RM'000 (Audited)</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	446,683	448,608
Biological assets	223,875	223,202
Land held for property development	238,455	237,110
Investment in associate	15,000	-
	<u>924,013</u>	<u>908,920</u>
<b>Current assets</b>		
Property development costs	60,666	64,834
Inventories	12,720	12,692
Receivables	19,678	17,257
Tax recoverable	6,312	7,380
Short term deposits	525	524
Cash and bank balances	3,499	2,902
	<u>103,400</u>	<u>105,589</u>
Non-current assets held for sale	3,533	35,072
	106,933	140,661
<b>TOTAL ASSETS</b>	<u>1,030,946</u>	<u>1,049,581</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the parent</b>		
Share capital	846,118	846,118
Reserves	108,967	108,967
Accumulated losses	(121,906)	(165,863)
	833,179	789,222
<b>Non-controlling interest</b>	51,241	52,260
<b>Total equity</b>	<u>884,420</u>	<u>841,482</u>
<b>Non-current liabilities</b>		
Borrowings	1,057	31,429
Deferred tax liabilities	25,092	25,092
	<u>26,149</u>	<u>56,521</u>
<b>Current liabilities</b>		
Borrowings	79,700	102,352
Payables	38,128	47,113
Current tax payable	2,549	2,113
	<u>120,377</u>	<u>151,578</u>
<b>Total liabilities</b>	146,526	208,099
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>1,030,946</u>	<u>1,049,581</u>
Net assets per share (RM)	0.98	0.93

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current quarter 31-Dec-13 RM'000	Preceding year corresponding quarter 31-Dec-12 RM'000	Current financial year-to-date 31-Dec-13 RM'000	Preceding year corresponding period 31-Dec-12 RM'000
<b>Revenue</b>	20,013	13,365	32,189	30,052
Expenses	(14,314)	(16,061)	(27,266)	(31,562)
Other income	240	387	48,980	657
Depreciation/amortisation	(985)	(1,255)	(2,003)	(2,598)
<b>Profit/(loss) from operations</b>	<b>4,954</b>	<b>(3,564)</b>	<b>51,900</b>	<b>(3,451)</b>
Interest income	4	10	13	13
Interest expense	(2,691)	(2,819)	(6,356)	(5,564)
<b>Profit/(loss) before taxation</b>	<b>2,267</b>	<b>(6,373)</b>	<b>45,557</b>	<b>(9,002)</b>
Income tax expense, net	(2,128)	(327)	(2,619)	(1,688)
<b>Profit/(loss) for the period</b>	<b>139</b>	<b>(6,700)</b>	<b>42,938</b>	<b>(10,690)</b>
Attributable to:				
Owners of the parent	619	(6,471)	43,957	(10,161)
Non-controlling interest	(480)	(229)	(1,019)	(529)
	<b>139</b>	<b>(6,700)</b>	<b>42,938</b>	<b>(10,690)</b>
Earnings per share attributable to owners of the parent (sen):				
Basic	0.07	(1.04)	5.20	(1.66)
Diluted	0.07	(1.04)	5.20	(1.66)

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current quarter 31-Dec-13 RM'000	Preceding year corresponding quarter 31-Dec-12 RM'000	Current financial year-to-date 31-Dec-13 RM'000	Preceding year corresponding period 31-Dec-12 RM'000
Profit/(loss) for the period	139	(6,700)	42,938	(10,690)
Other comprehensive income for the period	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>139</b>	<b>(6,700)</b>	<b>42,938</b>	<b>(10,690)</b>
<b>Total comprehensive income attributable to:</b>				
Owners of the parent	619	(6,471)	43,957	(10,161)
Non-controlling interest	(480)	(229)	(1,019)	(529)
	<b>139</b>	<b>(6,700)</b>	<b>42,938</b>	<b>(10,690)</b>

**DutaLand Berhad**

(Company No: 7296-V)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE PERIOD ENDED 31 DECEMBER 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				
<b>6 months ended 31 December 2013</b>									
<b>At 1 July 2013</b>	846,118	-	-	-	108,967	(165,863)	789,222	52,260	841,482
Profit for the period	-	-	-	-	-	43,957	43,957	(1,019)	42,938
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	43,957	43,957	(1,019)	42,938
<b>At 31 December 2013</b>	<b>846,118</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>108,967</b>	<b>(121,906)</b>	<b>833,179</b>	<b>51,241</b>	<b>884,420</b>
<b>6 months ended 31 December 2012</b>									
<b>At 1 July 2012</b>	602,355	246,804	7,961	2,847	104,406	(143,678)	820,695	54,237	874,932
Loss for the period	-	-	-	-	-	(10,161)	(10,161)	(529)	(10,690)
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	(10,161)	(10,161)	(529)	(10,690)
Conversion of ICULS	27,708	(28,383)	-	-	675	667	667	-	667
Cancellation of ICB	-	-	(2,775)	-	-	(1,230)	(4,005)	-	(4,005)
<b>At 31 December 2012</b>	<b>630,063</b>	<b>218,421</b>	<b>5,186</b>	<b>2,847</b>	<b>105,081</b>	<b>(154,402)</b>	<b>807,196</b>	<b>53,708</b>	<b>860,904</b>

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(Company No: 7296-V)

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

	<b>Year-to-date 31-Dec-13 RM'000</b>	<b>Year-to-date 31-Dec-12 RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit/(loss) before taxation	45,557	(9,002)
Adjustments for :		
Depreciation / amortisation	2,003	2,598
Gain on disposal of a subsidiary	(48,441)	-
Gain on disposal of property, plant and equipment, net	-	(119)
Unrealised foreign exchange loss/(gain), net	1	(10)
Interest expense	6,356	5,564
Interest income	(13)	(13)
Allowance for impairment on receivables	152	-
Property, plant and equipment written off	1	2
Operating profit/(loss) before working capital changes	5,616	(980)
Changes in working capital	(10,549)	13,931
Cash (used in)/generated from operations	(4,933)	12,951
Tax paid, net	(1,119)	(4,020)
<b>Net cash (used in)/generated from operating activities</b>	<b>(6,052)</b>	<b>8,931</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Expenditure incurred on biological assets	(673)	(1,704)
Expenditure incurred on land held for property development	(12)	-
Purchase of property, plant and equipment	(79)	(521)
Interest received	13	8
Net proceeds from disposal of a subsidiary with retention of associate status	35,000	-
Proceeds from disposal of property, plant and equipment	-	210
<b>Net cash generated from/(used in) investing activities</b>	<b>34,249</b>	<b>(2,007)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Repayment of borrowings	(22,700)	-
Cancellation of financial instruments	-	(4,233)
Repayment of hire purchase and lease payables, net	(324)	(280)
Interest paid	(4,574)	(3,801)
Withdrawal of fixed deposit pledged with licensed banks	-	24
<b>Net cash used in financing activities</b>	<b>(27,598)</b>	<b>(8,290)</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>599</b>	<b>(1,366)</b>
<b>EFFECTS OF EXCHANGE RATE CHANGES</b>	<b>(1)</b>	<b>-</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD</b>	<b>2,981</b>	<b>5,887</b>
<b>CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD</b>	<b>3,579</b>	<b>4,521</b>

**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
<b>6 months ended 31 December 2013</b>						
<b>Revenue</b>						
External revenue	9,713	22,476	-	-	-	32,189
Inter-segment revenue	-	-	-	-	-	-
Total revenue	<u>9,713</u>	<u>22,476</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>32,189</u>
<b>Results</b>						
Segment results	2,311	6,939	(1,515)	44,165	-	51,900
Finance costs, net						(6,343)
Income tax expense, net						(2,619)
Profit for the period						<u>42,938</u>
<b>6 months ended 31 December 2012</b>						
<b>Revenue</b>						
External revenue	8,117	21,935	-	-	-	30,052
Inter-segment revenue	-	-	-	-	-	-
Total revenue	<u>8,117</u>	<u>21,935</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>30,052</u>
<b>Results</b>						
Segment results	(395)	1,636	(802)	(3,890)	-	(3,451)
Finance costs, net						(5,551)
Income tax expense, net						(1,688)
Loss for the period						<u>(10,690)</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 31 December 2013.

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

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

For the quarter under review (2Q FY2014), the Group recorded revenue of RM20.0 million, RM6.6 million higher as compared to the preceding year quarter (2Q FY2013) of RM13.4 million. The plantation division's revenue was higher by RM4.8 million (RM13.6 million vs RM8.8 million), mainly due to higher FFB price by 41% (RM465 / MT vs RM329 / MT) and production volume by 9% (29,291 MT vs 26,762 MT). For the property division, the revenue increased by RM1.8 million (RM6.4 million vs RM4.6 million) mainly due to higher sales achieved and more advanced % of completion for the commercial development project in Seremban.

Profit before tax for the quarter under review was at RM2.3 million as compared to loss of RM6.4 million for 2Q FY2013. The plantation division registered profit of RM5.2 million (2Q FY2013 : loss of RM1.7 million) mainly due to the revenue increased by RM4.8 million. For property division, the profit before tax of RM1.3 million was higher by RM2.9 million as compared to 2Q FY2013 of loss of RM1.6 million as revenue increased by RM1.8 million.

For the 6 months under review (YTD FY2014), the Group recorded revenue of RM32.2 million, RM2.2 million higher than the preceding year period (YTD FY2013) of RM30.0 million. Revenue from the plantation division was higher at RM22.5 million as compared to RM21.9 million recorded in YTD FY2013. The increase of RM0.6 million was mainly due to higher FFB price recorded but offset by the decrease in FFB production. The average FFB price for YTD FY2014 was at RM445 / MT (YTD FY2013 : RM413 / MT, +8%) and production volume of FFB was 50,557 MT (YTD FY2013 : 53,158 MT, -5%). Meanwhile the property division recorded revenue of RM9.7 million (YTD FY2013 : RM8.1 million). The commercial development projects in Seremban contributed RM9.3 million for YTD FY2014 (YTD FY2013 : RM8.6 million), RM0.7 million higher than the previous year period due to higher sales recorded and more advanced % of completion in the current year period.

Profit before tax for YTD FY2014 was at RM45.6 million as compared to loss of RM9.0 million for YTD FY2013. The plantation division recorded profit before tax of RM6.7 million as compared to RM1.5 million for YTD FY2013. The increase of RM5.2 million was mainly due to higher revenue (+RM0.6 million), coupled with lower operation cost (+RM4.6 million) in the current year to date. The property division registered loss before tax of RM1.6 million as compared to loss of RM4.0 million in YTD FY2013. The positive variance of RM2.4 million was mainly due to higher contribution from the Seremban's projects by RM2.6 million. The Group also recorded gain on disposal of a subsidiary amounted to RM48.4 million in the current year period.

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

The Group registered profit before tax of RM2.3 million in the current quarter under review as compared to RM43.3 million of the previous quarter. The variance of RM41.0 million is mainly due to the gain on disposal of a subsidiary of RM48.4 million recorded in the previous quarter. The plantation division recorded higher contribution by RM3.6 million (RM5.2 million vs RM1.6 million) in the current quarter. The property division also contributed higher profit by RM4.2 million.

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

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

The selling price of crude palm oil ("CPO") has been volatile 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:

	<b>Current Quarter 31-Dec-13 RM'000</b>	<b>Current Financial Year-To-Date 31-Dec-13 RM'000</b>
Income tax expense	2,128	2,619

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:

	<b>As at 31-Dec-13 RM'000</b>
<b>Short-term borrowings:</b>	
Secured	78,200
Unsecured	1,500
	<u>79,700</u>
<b>Long-term borrowings:</b>	
Secured	<u>1,057</u>
<b>Total borrowings</b>	<u>80,757</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**

	<b>3 months ended</b>		<b>6 months ended</b>	
	<b>31-Dec-13</b>	<b>31-Dec-12</b>	<b>31-Dec-13</b>	<b>31-Dec-12</b>
<b>(a) Basic</b>				
Profit/(loss) attributable to owners of the parent (RM'000)	619	(6,471)	43,957	(10,161)
Weighted average number of ordinary shares ('000)	846,118	620,518	846,118	611,567
Basic earnings per ordinary share for the period (sen)	<u>0.07</u>	<u>(1.04)</u>	<u>5.20</u>	<u>(1.66)</u>

	3 months ended		6 months ended	
	31-Dec-13	31-Dec-12	31-Dec-13	31-Dec-12
<b>(b) Diluted</b>				
Profit/(loss) attributable to owners of the parent (including assumed conversions for the prior period) (RM'000)	619	(6,471)	43,957	(10,161)
Adjusted weighted average number of ordinary shares in issue (and issuable for the prior period) ('000)	846,118	620,518	846,118	611,567
Diluted earnings per ordinary share for the period (sen)	<sup>^</sup> 0.07	*(1.04)	<sup>^</sup> 5.20	*(1.66)

<sup>^</sup> The diluted EPS is the same as the basic EPS because there is no outstanding convertible financial instrument as at 31 December 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 31-Dec-13 RM'000	Preceding year corresponding quarter 31-Dec-12 RM'000	Current financial year-to-date 31-Dec-13 RM'000	Preceding year corresponding period 31-Dec-12 RM'000
Profit/(loss) before taxation is arrived at after (charging)/crediting:				
Provision for and write-off of receivables	(152)	-	(152)	-
Provision for and write-off of inventories	-	-	-	-
Gain on disposal of quoted or unquoted investments or properties, net	-	10	-	119
Impairment of assets	-	-	-	-
Foreign exchange (loss)/gain, net:				
- Realised	(3)	21	(3)	21
- Unrealised	-	-	(1)	10
Gain/(loss) on derivatives	-	-	-	-
Write-off of property, plant and equipment	(1)	(1)	(1)	(2)
Gain on disposal of a subsidiary	-	-	48,441	-

**B14) Realised and unrealised accumulated losses**

	<b>As at 31-Dec-13 RM'000</b>	<b>As at 30-Jun-13 RM'000</b>
Total accumulated losses of DutaLand Berhad and its subsidiaries:		
- Realised	(755,796)	(809,236)
- Unrealised	(30,637)	(30,455)
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	(786,433)	(839,691)
Consolidation adjustments	664,527	673,828
Total Group's accumulated losses	<hr/>	<hr/>
	(121,906)	(165,863)

On behalf of the Board  
**DUTALAND BERHAD**

Pang Siok Tieng  
Chartered Secretary

Kuala Lumpur  
27 February 2014