

DutaLand Berhad

(Company No: 7296-V)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2014**

	As at 30-Sep-14 RM'000 (Unaudited)	As at 30-Jun-14 RM'000 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	437,397	438,114
Biological assets	224,527	224,310
Land held for property development	238,501	238,468
	900,425	900,892
Current assets		
Property development costs	61,411	60,996
Inventories	12,293	12,582
Receivables	56,695	64,838
Tax recoverable	1,500	1,500
Short term deposits	530	530
Cash and bank balances	7,421	5,110
	139,850	145,556
Non-current assets held for sale	3,534	3,534
	143,384	149,090
TOTAL ASSETS	1,043,809	1,049,982
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	846,118	846,118
Reserves	92,899	92,899
Accumulated losses	(97,639)	(90,788)
	841,378	848,229
Non-controlling interests	49,756	50,301
Total equity	891,134	898,530
Non-current liabilities		
Borrowings	751	1,017
Deferred tax liabilities	40,909	40,909
	41,660	41,926
Current liabilities		
Borrowings	66,927	63,358
Payables	43,060	44,570
Current tax payable	1,028	1,598
	111,015	109,526
Total liabilities	152,675	151,452
TOTAL EQUITY AND LIABILITIES	1,043,809	1,049,982
Net assets per share (RM)	0.99	1.00

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE PERIOD ENDED 30 SEPTEMBER 2014**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current quarter 30-Sep-14 RM'000	Preceding year corresponding quarter 30-Sep-13 RM'000	Current financial year-to-date 30-Sep-14 RM'000	Preceding year corresponding period 30-Sep-13 RM'000
Revenue	9,651	12,176	9,651	12,176
Expenses	(14,233)	(12,952)	(14,233)	(12,952)
Other income	189	48,740	189	48,740
Depreciation / amortisation	(884)	(1,018)	(884)	(1,018)
(Loss)/profit from operations	(5,277)	46,946	(5,277)	46,946
Interest income	57	9	57	9
Interest expense	(2,010)	(3,665)	(2,010)	(3,665)
(Loss)/profit before taxation	(7,230)	43,290	(7,230)	43,290
Income tax expense	(166)	(491)	(166)	(491)
(Loss)/profit for the period	(7,396)	42,799	(7,396)	42,799
Attributable to:				
Owners of the parent	(6,851)	43,338	(6,851)	43,338
Non-controlling interests	(545)	(539)	(545)	(539)
	(7,396)	42,799	(7,396)	42,799
Earnings per share attributable to owners of the parent (sen):				
Basic	(0.81)	5.12	(0.81)	5.12
Diluted	(0.81)	5.12	(0.81)	5.12

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 SEPTEMBER 2014**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current quarter 30-Sep-14 RM'000	Preceding year corresponding quarter 30-Sep-13 RM'000	Current financial year-to-date 30-Sep-14 RM'000	Preceding year corresponding period 30-Sep-13 RM'000
(Loss)/profit for the period	(7,396)	42,799	(7,396)	42,799
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	(7,396)	42,799	(7,396)	42,799
Total comprehensive income attributable to:				
Owners of the parent	(6,851)	43,338	(6,851)	43,338
Non-controlling interests	(545)	(539)	(545)	(539)
	(7,396)	42,799	(7,396)	42,799

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2014**

	← Attributable to owners of the parent →					
	Share capital RM'000	-- Non- distributable -- Reserves RM'000	Accumulated losses RM'000	Total shareholders' equity RM'000	Non- controlling interests RM'000	Total equity RM'000
3 months ended 30 September 2014						
At 1 July 2014	846,118	92,899	(90,788)	848,229	50,301	898,530
Loss for the period	-	-	(6,851)	(6,851)	(545)	(7,396)
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	(6,851)	(6,851)	(545)	(7,396)
At 30 September 2014	846,118	92,899	(97,639)	841,378	49,756	891,134
3 months ended 30 September 2013						
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	846,118	108,967	(122,525)	832,560	51,721	884,281

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 SEPTEMBER 2014**

	Year-to-date 30-Sep-14 RM'000	Year-to-date 30-Sep-13 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss)/profit before taxation	(7,230)	43,290
Adjustments for :		
Depreciation / amortisation	884	1,018
Gain on disposal of a subsidiary	-	(48,441)
Unrealised foreign exchange loss, net	-	1
Interest expense	2,010	3,665
Interest income	(57)	(9)
Allowance for impairment on receivables	806	-
Operating loss before working capital changes	(3,587)	(476)
Changes in working capital	4,368	(7,012)
Cash generated from/(used in) operations	781	(7,488)
Tax paid	(736)	(617)
Net cash generated from/(used in) operating activities	45	(8,105)
CASH FLOWS FROM INVESTING ACTIVITIES		
Expenditure incurred on biological assets	(217)	(361)
Expenditure incurred on land held for property development	(33)	(3)
Purchase of property, plant and equipment	(177)	(6)
Interest received	57	9
Net proceeds from disposal of a subsidiary with retention of associate status	-	35,000
Net cash (used in)/generated from investing activities	(370)	34,639
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown/(repayment) of borrowings, net	3,500	(22,600)
Repayment of hire purchase and lease payables, net	(187)	(164)
Interest paid	(677)	(2,537)
Net cash generated from/(used in) financing activities	2,636	(25,301)
NET INCREASE IN CASH AND CASH EQUIVALENTS	2,311	1,233
EFFECTS OF EXCHANGE RATE CHANGES	-	(1)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	5,191	2,981
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	7,502	4,213

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 2014.

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 2014, except for the adoption of new FRSs, amendments and IC Interpretations that are mandatory for the Group for the financial year beginning 1 July 2014. 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	Investment Holding and Others	Elimination	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
3 months ended 30 September 2014					
Revenue					
External revenue	83	9,568	-	-	9,651
Inter-segment revenue	-	-	-	-	-
Total revenue	<u>83</u>	<u>9,568</u>	<u>-</u>	<u>-</u>	<u>9,651</u>
Results					
Segment results	(1,851)	654	(4,080)	-	(5,277)
Finance costs, net					(1,953)
Income tax expense					(166)
Loss for the period					<u>(7,396)</u>
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>12,176</u>
Results					
Segment results	(462)	1,712	45,696	-	46,946
Finance costs, net					(3,656)
Income tax expense					(491)
Profit for the period					<u>42,799</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 2014 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 2014.

PART B : Notes Required by Bursa Malaysia Listing Requirements

B1) Review of performance

For the quarter under review (1Q FY2015), the Group recorded revenue of RM9.7 million, RM2.5 million lower as compared to the preceding year quarter (1Q FY2014) of RM12.2 million. The plantation division's revenue was higher by RM0.7 million (RM9.6 million vs RM8.9 million) mainly due to increase in production volume by 10% (23,466 MT vs 21,266 MT), despite the average FFB price was lower by 2% (RM408 / MT vs RM417 / MT). The revenue for the property division was lower by RM3.2 million (RM0.1 million vs RM3.3 million) mainly due to lack of development activities.

Loss before tax for 1Q FY2015 was at RM7.2 million as compared to profit of RM43.3 million for 1Q FY2014. The variance of RM50.5 million was mainly due to gain from disposal of a subsidiary amounted to RM48.4 million recorded in the previous year quarter. The plantation division registered lower profit at RM0.6 million (1Q FY2014 : RM1.6 million) despite the revenue increased by RM0.7 million mainly due to higher operating cost incurred as compared to previous year quarter. Property division recorded loss of RM3.0 million which approximates the loss of RM2.9 million recorded in the last year corresponding quarter.

B2) Material changes in quarterly results

The loss before tax for the current quarter under review was RM7.2 million as compared to profit of RM33.2 million of the previous quarter. The variance was mainly due to the gain of RM36.4 million arising from the compulsory acquisition of the Company's land by the Sabah State Government in the previous quarter.

B3) Commentary on:

(a) Current year prospects

The palm oil price and the FFB production are, among others, factors that will affect the performance of the Group for the financial year ending 30 June 2015. These factors are in turn affected by the supply and demand of the palm oil, the strength of the Ringgit Malaysia, and the weather condition.

(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 charges comprise of the following:

	Current Quarter 30-Sep-14 RM'000	Current Financial Year-To-Date 30-Sep-14 RM'000
Income tax expense	166	166

The disproportionate tax charge is due principally to certain expenses being disallowed for taxation purposes during the financial 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-14 RM'000
Short-term borrowings:	
Secured	66,927
Long-term borrowings:	
Secured	751
Total borrowings	<u>67,678</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-14	30-Sep-13	30-Sep-14	30-Sep-13
(a) Basic				
(Loss)/profit attributable to owners of the parent (RM'000)	(6,851)	43,338	(6,851)	43,338
Weighted average number of ordinary shares ('000)	846,118	846,118	846,118	846,118
Basic earnings per ordinary share for the period (sen)	<u>(0.81)</u>	<u>5.12</u>	<u>(0.81)</u>	<u>5.12</u>
(b) Diluted				
(Loss)/profit attributable to owners of the parent (RM'000)	(6,851)	43,338	(6,851)	43,338
Adjusted weighted average number of ordinary shares in issue ('000)	846,118	846,118	846,118	846,118
Diluted earnings per ordinary share for the period (sen)	<u>(0.81)</u>	<u>5.12</u>	<u>(0.81)</u>	<u>5.12</u>

The diluted EPS is the same as the basic EPS because the Group has no convertible financial instrument.

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-14 RM'000	Preceding year corresponding quarter 30-Sep-13 RM'000	Current financial year-to-date 30-Sep-14 RM'000	Preceding year corresponding period 30-Sep-13 RM'000
(Loss)/profit before taxation is arrived at after (charging) / crediting:				
(1) Provision for and write-off of receivables	(806)	-	(806)	-
(2) Provision for and write-off of inventories	-	-	-	-
(3) Gain on disposal of quoted or unquoted investments or properties, net	-	-	-	-
(4) Impairment of property, plant and equipment	-	-	-	-
(5) Foreign exchange loss, net:				
- Realised	-	-	-	-
- Unrealised	-	(1)	-	(1)
(6) Gain / (loss) on derivatives	-	-	-	-
(7) Gain on disposal of a subsidiary	-	48,441	-	48,441

B14) Realised and unrealised accumulated losses

	As at 30-Sep-14 RM'000	As at 30-Jun-14 RM'000
Total accumulated losses of DutaLand Berhad and its subsidiaries:		
- Realised	(744,290)	(727,087)
- Unrealised	(30,987)	(30,897)
	<hr/>	<hr/>
	(775,277)	(757,984)
Consolidation adjustments	677,638	667,196
Total Group's accumulated losses	<hr/>	<hr/>
	(97,639)	(90,788)

On behalf of the Board
DUTALAND BERHAD

Pang Siok Tieng
Chartered Secretary

Kuala Lumpur
25 November 2014