

DutaLand Berhad

(Company No: 7296-V)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2015**

	As at 31-Mar-15 RM'000 (Unaudited)	As at 30-Jun-14 RM'000 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	436,682	438,114
Biological assets	224,991	224,310
Land held for property development	238,009	238,468
	899,682	900,892
Current assets		
Property development costs	62,431	60,996
Inventories	11,991	12,582
Receivables	27,719	64,838
Tax recoverable	2,368	1,500
Short term deposits	513	530
Cash and bank balances	31,813	5,110
	136,835	145,556
Non-current assets held for sale	-	3,534
	136,835	149,090
TOTAL ASSETS	1,036,517	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	(44,828)	(90,788)
	894,189	848,229
Non-controlling interests	53,944	50,301
Total equity	948,133	898,530
Non-current liabilities		
Borrowings	493	1,017
Deferred tax liabilities	40,831	40,909
	41,324	41,926
Current liabilities		
Borrowings	5,701	63,358
Payables	32,576	44,570
Current tax payable	8,783	1,598
	47,060	109,526
Total liabilities	88,384	151,452
TOTAL EQUITY AND LIABILITIES	1,036,517	1,049,982
Net assets per share (RM)	1.06	1.00

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT
FOR THE PERIOD ENDED 31 MARCH 2015**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current quarter 31-Mar-15 RM'000	Preceding year corresponding quarter 31-Mar-14 RM'000	Current financial year-to-date 31-Mar-15 RM'000	Preceding year corresponding period 31-Mar-14 RM'000
Revenue	12,376	12,763	33,721	44,952
Expenses	(25,207)	(12,725)	(52,708)	(39,991)
Other income	61,377	(526)	61,663	48,454
Depreciation / amortisation	(750)	(965)	(2,432)	(2,968)
Profit/(loss) from operations	47,796	(1,453)	40,244	50,447
Interest income	23,995	31	24,067	44
Interest expense	(1,464)	(1,896)	(5,553)	(8,252)
Profit/(loss) before taxation	70,327	(3,318)	58,758	42,239
Income tax (expense)/reversal, net	(8,813)	840	(9,233)	(1,779)
Profit/(loss) for the period	61,514	(2,478)	49,525	40,460
Attributable to:				
Owners of the parent	56,829	(1,922)	45,882	42,035
Non-controlling interests	4,685	(556)	3,643	(1,575)
	61,514	(2,478)	49,525	40,460
Earnings per share attributable to owners of the parent (sen):				
Basic	6.72	(0.23)	5.42	4.97
Diluted	6.72	(0.23)	5.42	4.97

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 31 MARCH 2015**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current quarter 31-Mar-15 RM'000	Preceding year corresponding quarter 31-Mar-14 RM'000	Current financial year-to-date 31-Mar-15 RM'000	Preceding year corresponding period 31-Mar-14 RM'000
Profit/(loss) for the period	61,514	(2,478)	49,525	40,460
Other comprehensive income:				
Reversal of deferred tax liabilities upon disposal of land held for property development	78	-	78	-
Other comprehensive income for the period	78	-	78	-
Total comprehensive income for the period	61,592	(2,478)	49,603	40,460
Total comprehensive income attributable to:				
Owners of the parent	56,907	(1,922)	45,960	42,035
Non-controlling interests	4,685	(556)	3,643	(1,575)
	61,592	(2,478)	49,603	40,460

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2015**

	← 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
9 months ended 31 March 2015						
At 1 July 2014	846,118	92,899	(90,788)	848,229	50,301	898,530
Profit for the period	-	-	45,882	45,882	3,643	49,525
Other comprehensive income for the period:						
Reversal of deferred tax liabilities upon disposal of land held for property development	-	-	78	78	-	78
	-	-	78	78	-	78
Total comprehensive income for the period	-	-	45,960	45,960	3,643	49,603
At 31 March 2015	846,118	92,899	(44,828)	894,189	53,944	948,133
9 months ended 31 March 2014						
At 1 July 2013	846,118	108,967	(165,863)	789,222	52,260	841,482
Profit for the period	-	-	42,035	42,035	(1,575)	40,460
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	42,035	42,035	(1,575)	40,460
At 31 March 2014	846,118	108,967	(123,828)	831,257	50,685	881,942

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**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 31 MARCH 2015**

	Year-to-date 31-Mar-15 RM'000	Year-to-date 31-Mar-14 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	58,758	42,239
Adjustments for :		
Depreciation / amortisation	2,432	2,968
Gain on disposal of a subsidiary	-	(47,741)
Gain on disposal of property, plant and equipment, net	-	(2)
Unrealised foreign exchange loss, net	-	1
Interest expense	5,553	8,252
Interest income	(24,067)	(44)
Allowance for impairment on receivables	1,481	152
Property, plant and equipment written off	1	1
Operating profit before working capital changes	44,158	5,826
Changes in working capital	22,799	(8,575)
Cash generated from/(used in) operations	66,957	(2,749)
Tax (paid)/refunded, net	(2,916)	2,358
Net cash generated from/(used in) operating activities	64,041	(391)
CASH FLOWS FROM INVESTING ACTIVITIES		
Expenditure incurred on biological assets	(681)	(881)
Decrease/(increase) in land held for property development/held for sale	3,993	(103)
Purchase of property, plant and equipment	(1,000)	(602)
Interest received	24,067	44
Net proceeds from disposal of a subsidiary with retention of associate status	-	34,300
Proceeds from disposal of property, plant and equipment	-	2
Net cash generated from investing activities	26,379	32,760
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of borrowings	(57,600)	(24,000)
Repayment of hire purchase and lease payables, net	(581)	(515)
Interest paid	(5,553)	(5,802)
Withdrawal of fixed deposits pledged with licensed banks	17	-
Net cash used in financing activities	(63,717)	(30,317)
NET INCREASE IN CASH AND CASH EQUIVALENTS	26,703	2,052
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	31,894	5,032

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
9 months ended 31 March 2015					
Revenue					
External revenue	4,445	29,276	-	-	33,721
Inter-segment revenue	-	-	-	-	-
Total revenue	<u>4,445</u>	<u>29,276</u>	<u>-</u>	<u>-</u>	<u>33,721</u>
Results					
Segment results	(6,213)	1,693	44,764	-	40,244
Finance income, net					18,514
Income tax expense, net					<u>(9,233)</u>
Profit for the period					<u>49,525</u>
9 months ended 31 March 2014					
Revenue					
External revenue	9,789	35,163	-	-	44,952
Inter-segment revenue	-	-	8,000	(8,000)	-
Total revenue	<u>9,789</u>	<u>35,163</u>	<u>8,000</u>	<u>(8,000)</u>	<u>44,952</u>
Results					
Segment results	1,267	10,887	38,293	-	50,447
Finance costs, net					(8,208)
Income tax expense, net					<u>(1,779)</u>
Profit for the period					<u>40,460</u>

A8) Significant event occurring after the reporting date

There were no material transactions or events occurred subsequent to the end of the current period.

A9) Effect of changes in the composition of the Group

On 1 November 2014, a wholly-owned foreign subsidiary of the Company, Mycom Investments (BVI) Ltd (“Mycom INV”), had been struck off by the Registrar of British Virgin Islands (“BVI”) in accordance with the provisions of the BVI Companies Act, 2004.

As such, Mycom INV ceased to be a subsidiary of the Company on 1 November 2014. The striking-off of Mycom INV has no impact to the financial results of the Group.

A10) Changes in Contingent Liabilities and Contingent Assets

There were two legal actions involving DutaLand Bhd and its subsidiaries (“DutaLand Group”) reported in the last annual statement of financial position as at 30 June 2014. Total contingent liabilities of RM79.851 million as reported thereof have since been extinguished as the court had delivered its final decisions which were in favor of DutaLand Group.

A11) Capital commitments

There were no material capital commitments which have not been provided for in the financial statements as at 31 March 2015.

PART B : Notes Required by Bursa Malaysia Listing Requirements

B1) Review of performance

For the quarter under review (3Q FY2015), the Group recorded revenue of RM12.4 million, RM0.4 million lower as compared to the preceding year quarter (3Q FY2014) of RM12.8 million. The plantation division's revenue was lower by RM4.8 million (RM7.9 million vs RM12.7 million) mainly due to decrease in the average FFB price and production volume by 16% (RM435 / MT vs RM518 / MT) and 26% (18,070 MT vs 24,487 MT) respectively. The revenue for the property division increased by RM4.4 million (3Q FY2014: RM0.1 million) mainly due to sales of stock.

For the 9 months period under review (YTD FY2015), the Group recorded revenue of RM33.7 million, RM11.2 million lower as compared to the preceding year corresponding period (YTD FY2014) of RM44.9 million. The plantation division's revenue was lower by RM5.9 million (RM29.3 million vs RM35.2 million) mainly due to decrease in the average FFB price and production volume by 11% (RM415 / MT vs RM469 / MT) and 6% (70,609 MT vs 75,044 MT) respectively. The revenue for the property division of RM4.4 million was lower by RM5.4 million (YTD FY2014: RM9.8 million) mainly due to lack of development activities.

Profit before tax for 3Q FY2015 was at RM70.3 million as compared to loss of RM3.3 million for 3Q FY2014. The positive variance of RM73.6 million was mainly attributable to the RM85.0 million settlement sum recorded in the current year quarter. Meanwhile, the plantation division registered lower profit at RM0.3 million (3Q FY2014 : RM4.0 million). The negative variance of RM3.7 million was due to lower revenue by RM4.8 million (RM7.9 million vs RM12.7 million), mitigated by lower operating costs by RM1.1 million (RM7.6 million vs RM8.7 million) as compared to the preceding year quarter. Property division recorded loss of RM2.5 million in 3Q FY2015 (3Q FY2014: RM2.2 million).

Profit before tax for YTD FY2015 was at RM58.8 million as compared to RM42.2 million for YTD FY2014. The positive variance of RM16.6 million was mainly due to recognition of the legal settlement sum of RM85.0 million which was concluded in the current year period compared against the gain from disposal of a subsidiary amounted to RM47.7 million recorded in the previous year period. The results, however, was dragged down by lower contribution by the plantation and property divisions. The plantation division's profit was lower by RM9.1 million (RM1.6 million vs RM10.7 million) as the division was impacted by lower revenue (- RM5.9 million), and rising operating cost (- RM3.2 million). Property division recorded loss of RM8.8 million in the current year period (YTD 2014: RM3.8 million) mainly due to the lack of development activities.

B2) Material changes in quarterly results

The profit before tax for the current quarter under review was RM70.3 million as compared to loss of RM4.3 million of the previous quarter. The variance was mainly due to legal settlement sum of RM85.0 million recognised by the Group in the current 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 31-Mar-15 RM'000	Current Financial Year-To-Date 31-Mar-15 RM'000
Income tax expense	<u>8,813</u>	<u>9,233</u>

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 31-Mar-15 RM'000
Short-term borrowings:	
Secured	5,701
Long-term borrowings:	
Secured	493
Total borrowings	<u><u>6,194</u></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		9 months ended	
	31-Mar-15	31-Mar-14	31-Mar-15	31-Mar-14
(a) Basic				
Profit/(loss) attributable to owners of the parent (RM'000)	56,829	(1,922)	45,882	42,035
Weighted average number of ordinary shares ('000)	846,118	846,118	846,118	846,118
Basic earnings per ordinary share for the period (sen)	6.72	(0.23)	5.42	4.97
(b) Diluted				
Profit/(loss) attributable to owners of the parent (RM'000)	56,829	(1,922)	45,882	42,035
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)	6.72	(0.23)	5.42	4.97

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) Profit/(loss) before taxation

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current quarter 31-Mar-15 RM'000	Preceding year corresponding quarter 31-Mar-14 RM'000	Current financial year-to-date 31-Mar-15 RM'000	Preceding year corresponding period 31-Mar-14 RM'000
Profit/(loss) before taxation is arrived at after (charging) / crediting:				
(1) Provision for and write-off of receivables	-	-	(1,481)	(152)
(2) Provision for and write-off of inventories	-	-	-	-
(3) Gain on disposal of quoted or unquoted investments or properties, net	-	2	-	2
(4) Impairment of property, plant and equipment	-	-	-	-
(5) Foreign exchange loss, net:				
- Realised	-	-	-	(3)
- Unrealised	-	-	-	(1)
(6) Gain / (loss) on derivatives	-	-	-	-
(7) Write-off of property, plant and equipment	(1)	-	(1)	(1)
(8) Gain on disposal of a subsidiary	-	(700)	-	47,741

B14) Realised and unrealised accumulated losses

	As at 31-Mar-15 RM'000	As at 30-Jun-14 RM'000
Total accumulated losses of DutaLand Berhad and its subsidiaries:		
- Realised	(694,236)	(727,087)
- Unrealised	(25,787)	(30,897)
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	(720,023)	(757,984)
Consolidation adjustments	675,195	667,196
Total Group's accumulated losses	<hr/>	<hr/>
	(44,828)	(90,788)

On behalf of the Board
DUTALAND BERHAD

Pang Siok Tieng
Chartered Secretary

Kuala Lumpur
26 May 2015