

DutaLand Berhad

(Company No: 7296-V)

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

	As at 31-Dec-15 RM'000 (Unaudited)	As at 30-Jun-15 RM'000 (Audited)
ASSETS		
Non-current assets		
Property, plant and equipment	434,622	433,842
Biological assets	260,609	260,000
Land held for property development	239,814	239,514
	935,045	933,356
Current assets		
Property development costs	67,115	66,527
Inventories	11,956	12,890
Receivables	36,157	34,737
Tax recoverable	2,129	1,542
Short term deposits	527	527
Cash and bank balances	8,858	10,457
	126,742	126,680
Non-current assets held for sale	-	3,684
	126,742	130,364
TOTAL ASSETS	1,061,787	1,063,720
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	846,118	846,118
Reserves	125,883	125,883
Accumulated losses	(41,837)	(42,018)
	930,164	929,983
Non-controlling interests	53,502	53,975
Total equity	983,666	983,958
Non-current liabilities		
Borrowings	1,303	827
Deferred tax liabilities	42,733	42,733
	44,036	43,560
Current liabilities		
Borrowings	548	600
Payables	27,500	31,023
Current tax payable	6,037	4,579
	34,085	36,202
Total liabilities	78,121	79,762
TOTAL EQUITY AND LIABILITIES	1,061,787	1,063,720
Net assets per share (RM)	1.10	1.10

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current quarter 31-Dec-15 RM'000	Preceding year corresponding quarter 31-Dec-14 RM'000	Current financial year-to-date 31-Dec-15 RM'000	Preceding year corresponding period 31-Dec-14 RM'000
Revenue	10,590	11,694	20,647	21,345
Expenses	(13,464)	(13,268)	(27,919)	(27,501)
Other income	550	97	11,954	286
Depreciation / amortisation	(956)	(798)	(1,690)	(1,682)
(Loss)/profit from operations	(3,280)	(2,275)	2,992	(7,552)
Interest income	36	15	40	72
Interest expense	(24)	(2,079)	(49)	(4,089)
(Loss)/profit before taxation	(3,268)	(4,339)	2,983	(11,569)
Income tax credit/(expense), net	491	(254)	(3,275)	(420)
Loss for the period	(2,777)	(4,593)	(292)	(11,989)
Attributable to:				
Owners of the parent	(2,349)	(4,096)	181	(10,947)
Non-controlling interests	(428)	(497)	(473)	(1,042)
	(2,777)	(4,593)	(292)	(11,989)
Earnings per share attributable to owners of the parent (sen):				
Basic	(0.28)	(0.48)	0.02	(1.29)
Diluted	(0.28)	(0.48)	0.02	(1.29)

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current quarter 31-Dec-15 RM'000	Preceding year corresponding quarter 31-Dec-14 RM'000	Current financial year-to-date 31-Dec-15 RM'000	Preceding year corresponding period 31-Dec-14 RM'000
Loss for the period	(2,777)	(4,593)	(292)	(11,989)
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	(2,777)	(4,593)	(292)	(11,989)
Total comprehensive income attributable to:				
Owners of the parent	(2,349)	(4,096)	181	(10,947)
Non-controlling interests	(428)	(497)	(473)	(1,042)
	(2,777)	(4,593)	(292)	(11,989)

DutaLand Berhad

(Company No: 7296-V)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 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
<u>6 months ended 31 December 2015</u>						
At 1 July 2015	846,118	125,883	(42,018)	929,983	53,975	983,958
Profit/(loss) for the period	-	-	181	181	(473)	(292)
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	181	181	(473)	(292)
At 31 December 2015	<u>846,118</u>	<u>125,883</u>	<u>(41,837)</u>	<u>930,164</u>	<u>53,502</u>	<u>983,666</u>
<u>6 months ended 31 December 2014</u>						
At 1 July 2014	846,118	92,899	(90,788)	848,229	50,301	898,530
Loss for the period	-	-	(10,947)	(10,947)	(1,042)	(11,989)
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	(10,947)	(10,947)	(1,042)	(11,989)
At 31 December 2014	<u>846,118</u>	<u>92,899</u>	<u>(101,735)</u>	<u>837,282</u>	<u>49,259</u>	<u>886,541</u>

DutaLand Berhad

(Company No: 7296-V)

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

	Year-to-date 31-Dec-15 RM'000	Year-to-date 31-Dec-14 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) before taxation	2,983	(11,569)
Adjustments for :		
Depreciation / amortisation	1,690	1,682
Gain on disposal of property, plant and equipment	(11,469)	-
Interest expense	49	4,089
Interest income	(40)	(72)
Allowance for impairment on receivables	-	1,481
Property, plant and equipment written off	43	-
Operating loss before working capital changes	(6,744)	(4,389)
Changes in working capital	(4,595)	1,295
Cash used in operations	(11,339)	(3,094)
Tax paid	(2,404)	(1,095)
Net cash used in operating activities	(13,743)	(4,189)
CASH FLOWS FROM INVESTING ACTIVITIES		
Expenditure incurred on biological assets	(609)	(473)
Increase in land held for property development	(300)	(33)
Purchase of property, plant and equipment	(1,533)	(624)
Interest received	40	72
Proceeds from disposal of property, plant and equipment	15,212	-
Net cash generated from/(used in) investing activities	12,810	(1,058)
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown of borrowings	-	6,965
Repayment of hire purchase and lease payables, net	(617)	(398)
Interest paid	(49)	(2,090)
Withdrawal of fixed deposits pledged with licensed banks	-	17
Net cash (used in)/generated from financing activities	(666)	4,494
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,599)	(753)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	10,552	5,191
CASH AND CASH EQUIVALENTS AT END OF FINANCIAL PERIOD	8,953	4,438

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 2015.

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 2015, except for the adoption of new FRSs, amendments and IC Interpretations that are mandatory for the Group for the financial year beginning 1 July 2015. 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
6 months ended 31 December 2015					
Revenue					
External revenue	88	20,559	-	-	20,647
Inter-segment revenue	-	-	-	-	-
Total revenue	<u>88</u>	<u>20,559</u>	<u>-</u>	<u>-</u>	<u>20,647</u>
Results					
Segment results	(3,859)	1,269	5,582	-	2,992
Finance costs, net					(9)
Income tax expense					(3,275)
Loss for the period					<u>(292)</u>
6 months ended 31 December 2014					
Revenue					
External revenue	(70)	21,415	-	-	21,345
Inter-segment revenue	-	-	-	-	-
Total revenue	<u>(70)</u>	<u>21,415</u>	<u>-</u>	<u>-</u>	<u>21,345</u>
Results					
Segment results	(3,953)	1,370	(4,969)	-	(7,552)
Finance costs, net					(4,017)
Income tax expense					(420)
Loss for the period					<u>(11,989)</u>

A8) Significant event occurring after the reporting date

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

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 2015 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 2015.

PART B : Notes Required by Bursa Malaysia Listing Requirements

B1) Review of performance

For the quarter under review (2Q FY2016), the Group recorded revenue of RM10.6 million, RM1.1 million lower as compared to the preceding year quarter (2Q FY2015) of RM11.7 million. The plantation division's revenue was lower by RM1.3 million (RM10.6 million vs RM11.9 million) mainly due to decrease in production volume by 10% (26,109 MT vs 29,073 MT). The average FFB price stood at RM405 / MT (2Q FY2015: RM408 / MT).

For the 6 months period ended 31 December 2015 (YTD FY2016), the Group recorded revenue of RM20.7 million which was marginally lower by RM0.6 million as compared to RM21.3 million recorded in the preceding year corresponding period (YTD FY2015). The plantation division recorded lower revenue by RM0.8 million mainly due to lower average FFB price at RM389 / MT (YTD FY2015: RM408 / MT) while the production maintained at 52,800 MT (YTD FY2015: 52,539 MT).

Loss before tax for 2Q FY2016 was at RM3.3 million as compared to loss of RM4.3 million for 2Q FY2015. The variance of RM1.0 million was mainly due to lower interest expense by RM2.0 million. The plantation division registered profit at RM0.5 million as compared to profit of RM0.7 million for 2Q FY2015.

The Group recorded profit before tax for YTD FY2016 of RM3.0 million as compared to loss of RM11.6 million in the preceding year period. The favorable variance of RM14.6 million was mainly attributable to the gain on disposal of properties of RM11.5 million recorded in the current year period and interest expense was lower by RM4.0 million. The plantation division registered profit of RM1.2 million (YTD FY2015: profit of RM1.3 million).

B2) Material changes in quarterly results

Loss before tax for the current quarter (2Q FY2016) was at RM3.3 million as compared to profit of RM6.3 million for the previous quarter (1Q FY2016). The variance of RM9.6 million was mainly due to gain on disposal of properties amounted to RM11.2 million recorded in the previous quarter. The plantation division contributed profit of RM0.5 million (1Q FY2016: RM0.7 million) at production volume of 26,109 MT (1Q FY2016: 26,691 MT) and average FFB price of RM405 / MT (1Q FY2016: RM374 / MT).

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 2016. 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 were 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-Dec-15 RM'000	Current Financial Year-To-Date 31-Dec-15 RM'000
Income tax (credit)/expense, net	(491)	3,275

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-Dec-15 RM'000
Short-term borrowings:	
Secured	548
Long-term borrowings:	
Secured	1,303
Total borrowings	<u>1,851</u>

B9) Changes in material litigation (including status of any pending material litigation) since the last annual reporting date

There were no changes in material litigation since the last annual reporting date of 30 June 2015 to the date of this report.

B10) Dividend declared

No dividend has been declared / recommended for the current financial period.

B11) Earnings per share

	3 months ended		6 months ended	
	31-Dec-15	31-Dec-14	31-Dec-15	31-Dec-14
(a) Basic				
(Loss)/profit attributable to owners of the parent (RM'000)	(2,349)	(4,096)	181	(10,947)
Weighted average number of ordinary shares ('000)	846,118	846,118	846,118	846,118
Basic earnings per ordinary share for the period (sen)	(0.28)	(0.48)	0.02	(1.29)
(b) Diluted				
(Loss)/profit attributable to owners of the parent (RM'000)	(2,349)	(4,096)	181	(10,947)
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)	(0.28)	(0.48)	0.02	(1.29)

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 31-Dec-15 RM'000	Preceding year corresponding quarter 31-Dec-14 RM'000	Current financial year-to-date 31-Dec-15 RM'000	Preceding year corresponding period 31-Dec-14 RM'000
(Loss)/profit before taxation is arrived at after (charging) / crediting:				
(1) Provision for and write-off of receivables	-	(675)	-	(1,481)
(2) Provision for and write-off of inventories	-	-	-	-
(3) Gain on disposal of quoted or unquoted investments or properties, net	299	-	11,469	-
(4) Impairment of property, plant and equipment	-	-	-	-
(5) Foreign exchange gain/(loss), net:				
- Realised	-	-	-	-
- Unrealised	-	-	-	-
(6) Gain / (loss) on derivatives	-	-	-	-
(7) Write-off of property, plant and equipment	(42)	-	(43)	-

B14) Realised and unrealised accumulated losses

	As at 31-Dec-15 RM'000	As at 30-Jun-15 RM'000
Total accumulated losses of DutaLand Berhad and its subsidiaries:		
- Realised	(656,939)	(655,006)
- Unrealised	(25,977)	(25,977)
	<hr/>	<hr/>
	(682,916)	(680,983)
Consolidation adjustments	641,079	638,965
Total Group's accumulated losses	<hr/>	<hr/>
	(41,837)	(42,018)

On behalf of the Board
DUTALAND BERHAD

Lim Yoke Si
Chartered Secretary

Kuala Lumpur
24 February 2016