

UNICO-DESA PLANTATIONS BERHAD
CONDENSED CONSOLIDATED INCOME STATEMENTS
For the quarter ended 30 June 2008

| | Note | Current Quarter 3 months ended 30.06.08 RM'000 | Preceding year Quarter 3 months ended 30.06.07 RM'000 | Cumulative Current Year 3 months to-date 30.06.08 RM'000 | Cumulative Preceding Year 3 months to-date 30.06.07 RM'000 |
|--|------|---|--|---|---|
| Revenue | | 104,054 | 61,335 | 104,054 | 61,335 |
| Cost of sales | | <u>(67,445)</u> | <u>(46,298)</u> | <u>(67,445)</u> | <u>(46,298)</u> |
| Gross profit | | 36,609 | 15,037 | 36,609 | 15,037 |
| Other income | | 229 | 15,227 | 229 | 15,227 |
| Other operating expenses | | (110) | - | (110) | - |
| Selling and distribution costs | | (97) | (99) | (97) | (99) |
| Administrative expenses | | <u>(5,644)</u> | <u>(5,559)</u> | <u>(5,644)</u> | <u>(5,559)</u> |
| Profit from operations | | 30,987 | 24,606 | 30,987 | 24,606 |
| Finance cost | | <u>(1,675)</u> | <u>(1,815)</u> | <u>(1,675)</u> | <u>(1,815)</u> |
| Profit from ordinary activities before taxation | | 29,312 | 22,791 | 29,312 | 22,791 |
| Taxation | B5 | <u>(7,228)</u> | <u>(2,579)</u> | <u>(7,228)</u> | <u>(2,579)</u> |
| Profit after taxation | | <u><u>22,084</u></u> | <u><u>20,212</u></u> | <u><u>22,084</u></u> | <u><u>20,212</u></u> |
| Net profit attributable to: | | | | | |
| Equity holders of the Company | | 22,084 | 20,212 | 22,084 | 20,212 |
| Minority interest | | - | - | - | - |
| Net Profit for the period | | <u><u>22,084</u></u> | <u><u>20,212</u></u> | <u><u>22,084</u></u> | <u><u>20,212</u></u> |
| Earnings per share - basic / diluted (sen) | | 2.52 | 2.38 | 2.52 | 2.38 |

(The Condensed Consolidated Income Statement should be read in conjunction with the audited financial statements for the financial year ended 31 March 2008)

UNICO-DESA PLANTATIONS BERHAD
CONDENSED CONSOLIDATED BALANCE SHEETS
As at 30 June 2008

| | Current Year As at 30.06.08 RM'000 | Preceding Financial Year 31.03.08 RM'000 |
|---------------------------------------|--|--|
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 76,288 | 76,551 |
| Biological assets | 159,034 | 158,849 |
| Prepaid lease payments | 179,679 | 180,273 |
| Deferred tax asset | 2,131 | 2,131 |
| Goodwill arising on consolidation | 2,982 | 2,982 |
| Hire purchase receivables | 107,402 | 104,274 |
| Current assets | | |
| Inventories | 18,340 | 17,193 |
| Receivables, deposits and prepayments | 23,314 | 11,694 |
| Hire purchase receivables | 26,025 | 25,129 |
| Tax recoverable | 508 | 414 |
| Deposit, cash and bank balances | 38,035 | 14,242 |
| | <u>106,222</u> | <u>68,672</u> |
| | 633,738 | 593,732 |
| | <u><u>633,738</u></u> | <u><u>593,732</u></u> |
| EQUITY AND LIABILITIES | | |
| Share capital | 220,800 | 220,800 |
| Revaluation and other reserves | 99,448 | 99,448 |
| Retained earnings | 117,781 | 95,697 |
| | <u>438,029</u> | <u>415,945</u> |
| Less: Treasury shares | (4,287) | (4,287) |
| Shareholders' equity | 433,742 | 411,658 |
| Non-current liabilities | | |
| Term loans | 81,604 | 84,825 |
| Block discounting payables | 19,492 | 11,814 |
| Deferred taxation | 33,080 | 33,200 |
| | <u>134,176</u> | <u>129,839</u> |
| Current liabilities | | |
| Payables | 34,276 | 25,680 |
| Bank overdrafts | 1,740 | 6,368 |
| Term loans | 14,074 | 12,064 |
| Block discounting payables | 8,714 | 6,217 |
| Taxation | 7,016 | 1,906 |
| | <u>65,820</u> | <u>52,235</u> |
| Total liabilities | 199,996 | 182,074 |
| | <u><u>199,996</u></u> | <u><u>182,074</u></u> |
| | 633,738 | 593,732 |
| | <u><u>633,738</u></u> | <u><u>593,732</u></u> |
| Net Assets per share (RM) | 0.4959 | 0.4701 |

(The Condensed Consolidated Balance Sheet should be read in conjunction with the audited financial statements for the financial year ended 31 March 2008)

UNICO-DESA PLANTATIONS BERHAD
 CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
 For the quarter ended 30 June 2008

| Note | Issued and fully paid ordinary shares of RM0.25 each | | Revaluation and other reserves RM'000 | Treasury Shares RM'000 | Retained earnings RM'000 | Total RM'000 |
|------------------------------------|---|----------------------------|--|------------------------------|--------------------------------|-----------------|
| | Number of shares 000 | Nominal value RM'000 | | | | |
| At 1 April 2008 | 883,200 | 220,800 | 99,448 | (4,287) | 95,697 | 411,658 |
| Net profit | - | - | - | - | 22,084 | 22,084 |
| At 30 June 2008 | 883,200 | 220,800 | 99,448 | (4,287) | 117,781 | 433,742 |
| At 1 April 2007 | 883,200 | 220,800 | 99,276 | (31,714) | 86,657 | 375,019 |
| Net profit | - | - | - | - | 20,212 | 20,212 |
| Shares dividends | - | - | - | 27,427 | (27,427) | - |
| Realisation of revaluation reserve | - | - | (1,193) | - | 1,193 | - |
| At 30 June 2007 | 883,200 | 220,800 | 98,083 | (4,287) | 80,635 | 395,231 |

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the audited financial statements for the financial year ended 31 March 2008)

UNICO-DESA PLANTATIONS BERHAD
CONDENSED CONSOLIDATED CASH FLOW STATEMENTS
For the quarter ended 30 June 2008

| | Current 3 months ended 30.06.08 RM'000 | Preceding 3 months ended 30.06.07 RM'000 |
|---|---|---|
| Net Profit for the financial period | 22,084 | 20,212 |
| Adjustment for items not involving the movement of cash or cash equivalents | | |
| Depreciation of property, plant and equipment | 1,294 | 1,239 |
| Prepaid lease rental | 591 | 592 |
| Allowance for doubtful debts | 1,154 | 359 |
| Bad debts (recovered)/ written off | (208) | 652 |
| (Reversal)/Inventories written down | (2) | 136 |
| Interest expense | 1,675 | 1,815 |
| Interest income | (117) | (251) |
| (Gain)/Loss on disposal of property, plant and equipment | - | (14,930) |
| Tax expense | 7,228 | 2,579 |
| | <u>11,615</u> | <u>(7,809)</u> |
| | 33,699 | 12,403 |
| Changes in working capital | | |
| Inventories | (1,145) | (1,446) |
| Receivables | (16,590) | (11,408) |
| Payables | 8,596 | 4,012 |
| | <u>(9,139)</u> | <u>(8,842)</u> |
| Cash flow from operations | 24,560 | 3,561 |
| Tax paid | <u>(2,332)</u> | <u>(2,236)</u> |
| Net cash from/(used in) operating activities | 22,228 | 1,325 |
| Cash flows (used in)/from investing activities | | |
| Purchase of property, plant and equipment | (1,031) | (1,018) |
| Biological assets | (181) | (33) |
| Interest received | 117 | 251 |
| Proceeds from disposal of property, plant and equipment | - | 29,570 |
| Net cash (used in)/from investing activities | <u>(1,095)</u> | <u>28,770</u> |
| Cash flows (used in)/from financing activities | | |
| Repayment of term loans | (1,211) | - |
| Draw down of term loans | - | - |
| Repayment of short term loans | - | - |
| Repayment of block discounting | (2,700) | (2,969) |
| Draw down of block discounting | 12,875 | 12,672 |
| Interest paid | (1,675) | (1,815) |
| Net cash from financing activities | <u>7,289</u> | <u>7,888</u> |
| Net increase/(decrease) in cash and cash equivalents during the financial period | 28,422 | 37,983 |
| Cash and cash equivalents at beginning of financial year | 7,874 | 1,125 |
| Cash and cash equivalents at end of financial period | <u>36,296</u> | <u>39,108</u> |
| Cash and cash equivalents | | |
| Deposits with a licensed bank | 31,000 | 39,000 |
| Cash and bank balances | 7,035 | 3,431 |
| Bank overdraft | (1,740) | (3,323) |
| | <u>36,295</u> | <u>39,108</u> |

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the audited financial statements for the financial year ended 31 March 2008)

Notes to the Interim Financial Statements
for the first quarter ended 30 June 2008

A1 Accounting Policies And Basis Of Preparation

The interim financial statements are unaudited.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 31 March 2008.

The interim financial statements have been prepared in accordance with Financial Reporting Standards (FRS) 134 Interim Financial Reporting and Chapter 9 part K of the Listing Requirements of Bursa Malaysia Securities Berhad.

The accounting policies and methods of computation adopted for the interim financial statements are consistent with those adopted for the annual audited financial statements for the financial year ended 31 March 2008, except for the adoption of the following revised FRSs that are effective for the Group's financial year beginning on 1 April 2008:

| | |
|---------|--|
| FRS 107 | Cash Flow Statements |
| FRS 112 | Income Taxes |
| FRS 118 | Revenue |
| FRS 134 | Interim Financial Reporting |
| FRS 137 | Provisions, Contingent Liabilities and Contingent Assets |

The adoption of the above FRSs does not have any significant financial impact on the Group.

Notes to the Interim Financial Statements
for the first quarter ended 30 June 2008

A2 Seasonal and Cyclical Factors

The Group's plantation operations are affected by seasonal crop production, weather conditions and fluctuating commodity prices.

Based on past trends, the Group's FFB production is usually low during the 1st half of the calendar year and peak in the 2nd half of the calendar year.

A3 Unusual Items due to Their Nature, Size or Incidence

For the current financial quarter under review, there were no unusual items that may affect the amount stated in the interim financial statements.

A4 Change in Estimates

There were no changes in estimates that have material effect in the current financial quarter results.

A5 Issuances, Cancellations, Repurchases, Resale and Repayments of Debt and Equity Securities

During the quarter under review, there were no issuance and repayment of debt and equity securities, share buy-back, share cancellations and resale of treasury shares.

The total treasury shares held by the Company as at 30 June 2008 was 8.54 million shares.

A6 Dividend Paid

There was no dividend paid during the current financial quarter ended 30 June 2008.

Unico-Desa Plantations Berhad (Company No : 78983-V)**Notes to the Interim Financial Statements**
for the first quarter ended 30 June 2008

A7 Segment Reporting

Segment reporting for the year-to-date ended 30.06.2008

| | Plantations | Hire Purchase Financing and related activities | Others | Consolidated |
|----------------------------------|--------------------|---|---------------|---------------------|
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Revenue | | | | |
| External revenue | 97,032 | 7,022 | 0 | 104,054 |
| Total revenue | <u>97,032</u> | <u>7,022</u> | <u>0</u> | <u>104,054</u> |
| Result | | | | |
| Profit/(Loss) from operations | 27,145 | 3,844 | (2) | 30,987 |
| Finance cost | | | | (1,675) |
| Tax expense | | | | (7,228) |
| Net profit | | | | <u>22,084</u> |

Segment reporting for the year-to-date ended 30.06.2007

| | Plantations | Hire Purchase Financing and related activities | Others | Consolidated |
|----------------------------------|--------------------|---|---------------|---------------------|
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Revenue | | | | |
| External revenue | 56,081 | 5,254 | 0 | 61,335 |
| Total revenue | <u>56,081</u> | <u>5,254</u> | <u>0</u> | <u>61,335</u> |
| Result | | | | |
| Profit/(Loss) from operations | 22,648 | 1,960 | (2) | 24,606 |
| Finance cost | | | | (1,815) |
| Tax expense | | | | (2,579) |
| Net profit | | | | <u>20,212</u> |

Notes to the Interim Financial Statements
for the first quarter ended 30 June 2008

A8 Post Balance Sheet Event

In July and August 2008, the Company repurchased 2.63 million of its issued share capital from the open market on Bursa Malaysia Securities Berhad for RM 2.45 million. The average price paid for the shares repurchased was approximately RM0.93 per share. The repurchase transactions were financed by internal generated funds.

A9 Changes in the Composition of the Group

For the current financial quarter under review, there were no changes in the composition of the Group, including business combination, acquisition or disposal of subsidiaries and long term investments, restructuring and discontinuing operations.

A10 Changes in Contingent Liabilities and Contingent Assets

There were no contingent liabilities or contingent assets since the last annual balance sheet as at 31 March 2008.

A11 Capital Commitments

Capital commitments not provided for in the consolidated interim financial statements are as follows:

| | 30.06.08 RM'000 | 30.06.07 RM'000 |
|---------------------------------|--------------------|--------------------|
| Property, plant and equipment : | | |
| Authorised and contracted | 3,886 | 5,388 |
| | <u>3,886</u> | <u>5,388</u> |

A12 Related Party Disclosures

There was no significant related party transaction during the current financial quarter.

Notes to the Interim Financial Statements
for the first quarter ended 30 June 2008

B1. Review Of Performance

The Group's profit before tax of RM29.3 million for the current quarter under review was higher than the corresponding quarter of the previous year mainly due to higher average selling prices and higher sales volume of CPO and PK during the current financial quarter. The hire purchase segment has also contributed RM 3.6 million to the Group's profit before tax.

| | INDIVIDUAL QUARTER | | FINANCIAL YEAR-TO-DATE | |
|--------------------------------------|-------------------------------|----------------|-----------------------------------|------------------|
| | 1 Q 2009 | 1 Q 2008 | 3 months 2009 | 3 months 2008 |
| | RM' Million | RM' Million | RM' Million | RM' Million |
| Revenue | | | | |
| Plantations | 97.0 | 56.1 | 97.0 | 56.1 |
| Hire Purchase Financing | 7.0 | 5.2 | 7.0 | 5.2 |
| Other | 0 | 0 | 0 | 0 |
| | 104.0 | 61.3 | 104.0 | 61.3 |
| Profit before tax | | | | |
| Plantations | 25.7 | 21.2 * | 25.7 | 21.2 * |
| Hire Purchase Financing | 3.6 | 1.6 | 3.6 | 1.6 |
| Other | 0 | 0 | 0 | 0 |
| | 29.3 | 22.8 | 29.3 | 22.8 |
| FFB Statistic | | | | |
| FFB - Internal (mt) | 58,957 | 54,499 | 58,957 | 54,499 |
| FFB - External (mt) | 62,133 | 56,807 | 62,133 | 56,807 |
| | 121,090 | 111,306 | 121,090 | 111,306 |
| CPO produced (mt) | 25,063 | 23,382 | 25,063 | 23,382 |
| PK produced (mt) | 5,495 | 5,444 | 5,495 | 5,444 |
| OER (%) | 20.70 | 21.01 | 20.70 | 21.01 |
| KER (%) | 4.54 | 4.89 | 4.54 | 4.89 |
| CPO average selling price (RM/MT) | 3,320 | 2,179 | 3,320 | 2,179 |
| PK average selling price (RM/MT) | 1,949 | 1,256 | 1,949 | 1,256 |

*In financial year 2008, there was a gain of RM 14.9 million from disposal of non-current assets held for sale.

Notes to the Interim Financial Statements
for the first quarter ended 30 June 2008

B2 Comparison of Results with Preceding Quarter

Group profit before tax for the current quarter was higher than that of the immediate preceding quarter mainly due to higher average selling prices and higher sales volume of CPO and PK during the current financial quarter.

| | 1 Q 2009 RM' Million | 4 Q 2008 RM' Million |
|-------------------------|---|---|
| Revenue | | |
| Plantations | 97.0 | 82.0 |
| Hire Purchase Financing | 7.0 | 6.7 |
| Other | 0 | 0 |
| | 104.0 | 88.7 |

| | | |
|--------------------------|-------------|-------------|
| Profit before tax | | |
| Plantations | 25.7 | 23.8 |
| Hire Purchase Financing | 3.6 | 2.7 |
| Other | 0 | 0 |
| | 29.3 | 26.5 |

| FFB Statistic | | |
|----------------------|----------------|----------------|
| FFB - Internal (mt) | 58,957 | 70,491 |
| FFB - External (mt) | 62,133 | 55,546 |
| | 121,090 | 126,037 |

| | | |
|-----------------------------------|--------|--------|
| CPO produced (mt) | 25,063 | 25,851 |
| PK produced (mt) | 5,495 | 5,715 |
| OER (%) | 20.70 | 20.51 |
| KER (%) | 4.54 | 4.53 |
| CPO average selling price (RM/MT) | 3,320 | 3,190 |
| PK average selling price (RM/MT) | 1,949 | 1,888 |

Notes to the Interim Financial Statements
for the first quarter ended 30 June 2008

B3 Prospects and Outlook

If current prices of CPO and PK are sustainable, the performance of the Group for the current financial year is expected to be satisfactory.

The hire purchase segment is also expected to contribute positively towards performance of the Group.

B4 Profit Forecasts

The Group did not issue any profit forecasts for the period under review.

B5 Taxation

Tax charge/(credit) for the quarter and financial period ended 30 June 2008 are set out below:

| | 3 months ended 30/06/2008 RM'000 |
|------------------------|--|
| (a) Current Income Tax | 7,348 |
| (b) Deferred Taxation | (120) |
| | <hr/> <u>7,228</u> |

Notes to the Interim Financial Statements
for the first quarter ended 30 June 2008

B6 Sale of Unquoted Investments and/or Properties

During the current financial quarter, there were no sales of any unquoted investment and/or properties.

B7 Particulars of Purchases and Disposal of Quoted Securities

There were no dealings in quoted securities for the current quarter ended 30 June 2008.

B8 Status of Corporate Proposals Announced but not yet Completed

There are no corporate proposals announced as at the date of this report.

B9 Group Borrowings

The Group's borrowings as at 30 June 2008 are as follows: -

| Type of Borrowing | Due and Payable | Secured RM'000 | Unsecured RM'000 | Total RM'000 |
|-------------------------------|---|---------------------------|-----------------------------|-------------------------|
| Bank Overdraft | | 1,588 | 152 | 1,740 |
| Term Loans | - within 1 year | 14,074 | - | 14,074 |
| | - later than 1 year and not later than 2 years | 41,084 | - | 41,084 |
| | - later than 2 years and not later than 5 years | 37,884 | - | 37,884 |
| | - later than 5 years | 2,636 | - | 2,636 |
| | | 95,678 | - | 95,678 |
| Block Discounting Payables | - within 1 year | 8,714 | - | 8,714 |
| | - later than 1 year and not later than 5 years | 19,492 | - | 19,492 |
| | | 28,206 | - | 28,206 |
| Total Group Borrowings | | 125,472 | 152 | 125,624 |

The Group does not have any borrowings that is denominated in foreign currency.

Notes to the Interim Financial Statements
for the first quarter ended 30 June 2008

B10 Off Balance Sheet Financial Instruments

The Group does not have any off balance sheet financial instruments which position has not been closed as at 30 June 2008 or any such financial instruments entered into after 30 June 2008.

B11 Pending Material Litigation

There are no material litigations pending.

B12 Dividend

No interim dividend has been declared for the current financial quarter ended 30 June 2008.

B13 Earnings Per Share

Basic Earnings Per Share is calculated by dividing the Group's net profit by the number of ordinary shares in issue during the financial year, excluding ordinary shares purchased by the Company and held as treasury shares.

| | Current Year Quarter | Preceding Year Corresponding Quarter | Current Year To Date | Preceding Year Corresponding Period |
|--|----------------------------|---|----------------------------|--|
| Basic | 30/06/2008 | 30/06/2007 | 30/06/2008 | 30/06/2007 |
| Net Profit (RM'000) | 22,084 | 20,212 | 22,084 | 20,212 |
| Weighted average number of ordinary shares (units) | 874,657,061 | 847,628,844 | 874,657,061 | 847,628,844 |
| Basic earnings per share (sen) | 2.52 | 2.38 | 2.52 | 2.38 |

B14 Audit Report For The Preceding Annual Financial Statements

The audited financial statements of the Group for the preceding financial year ended 31 March 2008 was not qualified.