

UNICO-DESA PLANTATIONS BERHAD
CONDENSED CONSOLIDATED INCOME STATEMENTS
For the second quarter ended 30 September 2008
(The figures have not been audited.)

	Note	<u>Individual Quarter</u>		<u>Cumulative Quarters</u>	
		<u>3 months ended</u>		<u>6 months ended</u>	
		<u>30 September</u>		<u>30 September</u>	
		2008	2007	2008	2007
		RM'000	RM'000	RM'000	RM'000
Revenue		95,720	87,977	199,775	149,312
Cost of sales		(69,850)	(58,183)	(137,295)	(104,481)
Gross profit		25,870	29,794	62,480	44,831
Other income		451	633	680	15,860
Other operating expenses		(82)	-	(193)	-
Selling and distribution costs		(120)	(101)	(217)	(200)
Administrative expenses		(5,950)	(5,082)	(11,594)	(10,641)
Profit from operations		20,169	25,244	51,156	49,850
Finance cost		(1,729)	(1,865)	(3,404)	(3,680)
Profit from ordinary activities before taxation		18,440	23,379	47,752	46,170
Taxation	B5	(4,889)	(5,958)	(12,117)	(8,537)
Profit after taxation		<u>13,551</u>	<u>17,421</u>	<u>35,635</u>	<u>37,633</u>
Net profit attributable to:					
Equity holders of the Company		13,551	17,421	35,635	37,633
Minority interest		-	-	-	-
Net Profit for the period		<u>13,551</u>	<u>17,421</u>	<u>35,635</u>	<u>37,633</u>
Earnings per share - basic / diluted (sen)		1.55	1.99	4.08	4.37

(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 September 2008

(The figures have not been audited.)

	30 September 2008	31 March 2008
Note	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	76,065	76,551
Biological assets	159,181	158,849
Prepaid lease payments	179,084	180,273
Deferred tax asset	2,131	2,131
Goodwill arising on consolidation	2,982	2,982
Hire purchase receivables	111,506	104,274
Current assets		
Inventories	12,583	17,193
Receivables, deposits and prepayments	12,656	11,694
Hire purchase receivables	28,251	25,129
Tax recoverable	658	414
Deposit, cash and bank balances	45,929	14,242
	<u>100,077</u>	<u>68,672</u>
	<u>631,026</u>	<u>593,732</u>
EQUITY AND LIABILITIES		
Share capital	220,800	220,800
Revaluation and other reserves	99,448	99,448
Retained earnings	98,631	95,697
	<u>418,879</u>	<u>415,945</u>
Less: Treasury shares	(6,735)	(4,287)
Shareholders' equity	412,144	411,658
Non-current liabilities		
Term loans	67,783	84,825
Block discounting payables	16,483	11,814
Deferred taxation	32,960	33,200
	<u>117,226</u>	<u>129,839</u>
Current liabilities		
Payables	28,750	25,680
Bank overdrafts	4,484	6,368
Term loans	17,549	12,064
Block discounting payables	8,762	6,217
Taxation	9,410	1,906
Dividends payable	32,701	-
	<u>101,656</u>	<u>52,235</u>
Total liabilities	<u>218,882</u>	<u>182,074</u>
	<u>631,026</u>	<u>593,732</u>
Net Assets per share (RM)	0.4726	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 6 months ended 30 September 2008
(The figures have not been audited.)

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	-	-	-	-	35,635	35,635
Purchase of treasury shares	-	-	-	(2,448)	-	(2,448)
Final dividends for financial year ended 31 March 2008	-	-	-	-	(32,701)	(32,701)
At 30 September 2008	883,200	220,800	99,448	(6,735)	98,631	412,144
At 1 April 2007	883,200	220,800	99,276	(31,714)	86,657	375,019
Net profit	-	-	-	-	37,633	37,633
Shares dividends	-	-	-	27,427	(27,427)	-
Realisation of revaluation reserve	-	-	(1,193)	-	1,193	-
Final dividends for financial year ended 31 March 2007	-	-	-	-	(15,962)	(15,962)
At 30 September 2007	883,200	220,800	98,083	(4,287)	82,094	396,690

(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 6 months ended 30 September 2008
(The figures have not been audited.)

	6 Months Ended	
	30 September	
	2008	2007
	RM'000	RM'000
Net Profit for the financial period	35,635	37,633
Adjustment for items not involving the movement of cash or cash equivalents		
Depreciation of property, plant and equipment	2,559	2,505
Prepaid lease rental	1,183	1,183
Allowance for doubtful debts	2,744	1,177
Bad debts (recovered)/ written off	(412)	(238)
(Reversal)/Inventories written down	(27)	76
Interest expense	3,404	3,680
Interest income	(423)	(594)
(Gain)/Loss on disposal of property, plant and equipment	-	(14,930)
Property, plant and equipment written off	27	-
Tax expense	12,117	8,537
	<u>21,172</u>	<u>1,396</u>
	56,807	39,029
Changes in working capital		
Inventories	4,639	(2,380)
Receivables	(13,647)	(29,730)
Payables	3,068	8,426
	<u>(5,940)</u>	<u>(23,684)</u>
Cash flow from operations	50,867	15,345
Tax paid	(5,100)	(4,084)
Net cash from/(used in) operating activities	<u>45,767</u>	<u>11,261</u>
Cash flows (used in)/from investing activities		
Purchase of property, plant and equipment	(2,097)	(3,129)
Biological assets	(326)	(138)
Interest received	423	594
Proceeds from disposal of property, plant and equipment	-	29,570
Net cash (used in)/from investing activities	<u>(2,000)</u>	<u>26,897</u>
Cash flows (used in)/from financing activities		
Repayment of term loans	(11,557)	(1,600)
Repayment of block discounting	(5,662)	(6,649)
Draw down of block discounting	12,875	12,672
Interest paid	(3,404)	(3,680)
Purchase of treasury shares	(2,448)	-
Net cash (used in)/from financing activities	<u>(10,196)</u>	<u>743</u>
Net increase/(decrease) in cash and cash equivalents during the financial period	33,571	38,901
Cash and cash equivalents at beginning of financial year	7,874	1,125
Cash and cash equivalents at end of financial period	<u>41,445</u>	<u>40,026</u>

	6 Months Ended 30 September	
	2008	2007
	RM'000	RM'000
<u>Cash and cash equivalents</u>		
Deposits with a licensed bank	37,500	41,000
Cash and bank balances	8,429	3,622
Bank overdraft	(4,484)	(4,596)
	<u>41,445</u>	<u>40,026</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 second quarter ended 30 September 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 second quarter ended 30 September 2008

A2 Seasonal and Cyclical Factors

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

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

The Company repurchased 2.63 million shares of its issued capital for RM2.45 million in the current financial quarter. The average price paid for the shares repurchased was approximately RM0.93 per share. Save for the above, 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 September 2008 was 11.18 million shares.

A6 Dividend Paid

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

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

A7 Segment Reporting

Segment reporting for the year-to-date ended 30.09.2008

	Plantations	Hire Purchase Financing and related activities	Others	Consolidated
	RMø000	RMø000	RMø000	RMø000
Revenue				
External revenue	185,104	14,671	0	199,775
Total revenue	<u>185,104</u>	<u>14,671</u>	<u>0</u>	<u>199,775</u>
Result				
Profit/(Loss) from operations	43,155	8,006	(5)	51,156
Finance cost				(3,404)
Tax expense				(12,117)
Net profit				<u>35,635</u>

Segment reporting for the year-to-date ended 30.09.2007

	Plantations	Hire Purchase Financing and related activities	Others	Consolidated
	RMø000	RMø000	RMø000	RMø000
Revenue				
External revenue	138,329	10,983	0	149,312
Total revenue	<u>138,329</u>	<u>10,983</u>	<u>0</u>	<u>149,312</u>
Result				
Profit/(Loss) from operations	44,786	5,068	(4)	49,850
Finance cost				(3,680)
Tax expense				(8,537)
Net profit				<u>37,633</u>

Unico-Desa Plantations Berhad (Company No : 78983-V)

Notes to the Interim Financial Statements for the second quarter ended 30 September 2008

A8 Post Balance Sheet Event

In October 2008, the Company repurchased 6.96 million of its issued share capital from the open market on the Bursa Malaysia Securities Berhad for RM 4.92 million. The average price paid for the shares repurchased was approximately RM0.71 per share.

Except for the above, there were no material events subsequent to the end of the current financial period that have not been reflected in this interim financial report.

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:

	30.09.08	30.09.07
	RMø000	RMø000
Property, plant and equipment :		
Authorised and contracted	3,234	3,677
Authorised but not contracted	752	0
	<u>3,986</u>	<u>3,677</u>

A12 Related Party Disclosures

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

Unico-Desa Plantations Berhad (Company No : 78983-V)

Notes to the Interim Financial Statements
for the second quarter ended 30 September 2008

B1. Review Of Performance

The Group's total Profit before tax (PBT) for FY09-Q2 is RM18.4 mil as compared to RM23.4 mil in FY08-Q2.

This 21% drop in Group's PBT is mainly due to the Plantation division where its PBT decreased 29% from RM20.7 mil (FY08-Q2) to RM14.7 mil (FY09-Q2) as a result of a significant 21,896 mt decrease of internal FFB production for FY09-Q2 as compared to FY08-Q2.

As for the HP division, PBT increased 39% from RM2.7 mil (FY08-Q2) to RM3.8 mil (FY09-Q2).

	Individual Quarter		Cumulative Quarters	
	3 Months Ended 30 September		6 Months Ended 30 September	
	2008	2007	2008	2007
	RMømil	RMømil	RMømil	RMømil
Revenue				
Plantations	88.1	82.2	185.1	138.3
Hire Purchase Financing	7.6	5.7	14.7	11.0
Other	0	0	0	0
	95.7	87.9	199.8	149.3
Profit before tax				
Plantations	14.7	20.7	40.4	41.9 *
Hire Purchase Financing	3.7	2.7	7.4	4.3
Other	0	0	0	0
	18.4	23.4	47.8	46.2
FFB Statistic				
FFB - Internal (mt)	59,491	81,387	118,447	135,886
FFB - External (mt)	68,278	71,011	130,412	127,818
	127,769	152,398	248,859	263,704
CPO produced (mt)	26,478	31,586	51,541	54,968
PK produced (mt)	5,764	6,674	11,259	12,118
OER (%)	20.72	20.73	20.71	20.84
KER (%)	4.51	4.38	4.52	4.60
CPO average selling price (RM/MT)	2,901	2,446	3,102	2,331
PK average selling price (RM/MT)	1,563	1,470	1,786	1,369

*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 second quarter ended 30 September 2008

B2 Comparison of Results with Preceding Quarter

Group profit before tax for the current quarter was 37% lower than that of the immediate preceding quarter mainly due to lower average selling prices of CPO and PK during the current financial quarter.

	Q2 2009 RM' Million	Q1 2009 RM' Million
Revenue		
Plantations	88.1	97.0
Hire Purchase Financing	7.6	7.0
Other	0	0
	95.7	104.0

Profit before tax		
Plantations	14.7	25.7
Hire Purchase Financing	3.7	3.6
Other	0	0
	18.4	29.3

FFB Statistic		
FFB - Internal (mt)	59,491	58,957
FFB - External (mt)	68,278	62,133
	127,769	121,090

CPO produced (mt)	26,478	25,063
PK produced (mt)	5,764	5,495
OER (%)	20.72	20.70
KER (%)	4.51	4.54
CPO average selling price (RM/MT)	2,901	3,320
PK average selling price (RM/MT)	1,563	1,949

Notes to the Interim Financial Statements
for the second quarter ended 30 September 2008

B3 Prospects and Outlook

The current trend of falling commodities prices will have an impact on the performance of the Group for the remaining part of the financial year.

However, the hire purchase segment is expected to contribute positively towards the 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 September 2008 are set out below:

	3 months ended 30/09/2008 RM000	6 months ended 30/09/2008 RM000
(a) Current Income Tax	5,009	12,357
(b) Deferred Taxation	(120)	(240)
	<hr/>	<hr/>
	4,889	12,117

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 September 2008.

B8 Status of Corporate Proposals Announced but not yet Completed

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

Unico-Desa Plantations Berhad (Company No : 78983-V)

Notes to the Interim Financial Statements
for the second quarter ended 30 September 2008

B9 Group Borrowings

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

Type of Borrowing	Due and Payable	Secured RM'000	Unsecured RM'000	As at	As at
				30.09.08	31.03.08
				Total RM'000	Total RM'000
Bank Overdraft		4,484	-	4,484	6,368
Term Loans	- within 1 year	17,549	-	17,549	12,064
	- later than 1 year and not later than 2 years	32,884	-	32,884	41,084
	- later than 2 years and not later than 5 years	34,255	-	34,255	38,678
	- later than 5 years	644	-	644	5,063
		85,332	-	85,332	96,889
Block Discounting Payables	- within 1 year	8,762	-	8,762	6,217
	- later than 1 year and not later than 5 years	16,483	-	16,483	11,814
		25,245	-	25,245	18,031
Total Group Borrowings		115,061	-	115,061	121,288

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

Notes to the Interim Financial Statements
for the second quarter ended 30 September 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 September 2008 or any such financial instruments entered into after 30 September 2008.

B11 Pending Material Litigation

On 20 October 2008, the Company was served with a Writ of Summons and Statement of Claim in respect of a Suit No. D1-22-1853-2008 filed by the Associated Chinese Chambers of Commerce and Industry of Malaysia (ACCIM) in the Kuala Lumpur High Court.

The said suit also named several other individuals and a company as defendants.

For further information regarding the said suit, please refer to the Company's announcement dated 21 October 2008 (Reference No: UP-081021-36798).

The Company has entered an appearance, through its solicitors, in respect of the said Writ of Summons and has instructed its solicitors to vigorously defend the same.

B12 Dividend

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

Unico-Desa Plantations Berhad (Company No : 78983-V)

Notes to the Interim Financial Statements for the second quarter ended 30 September 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	30/09/2008	30/09/2007	30/09/2008	30/09/2007
Net Profit (RM'000)	13,551	17,421	35,635	37,633
Weighted average number of ordinary shares (units)	872,858,563	874,657,061	873,752,898	861,216,800
Basic earnings per share (sen)	1.55	1.99	4.08	4.37

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.