

UNICO-DESA PLANTATIONS BERHAD

(Co. No. 78983-V)

**QUARTERLY REPORT ON CONSOLIDATED
RESULTS FOR THE PERIOD ENDED
30 SEPTEMBER 2011**

UNICO-DESA PLANTATIONS BERHAD (Company No 78983-V)
CONDENSED CONSOLIDATED INCOME STATEMENTS
For the financial period ended 30 September 2011
(The figures have not been audited.)

	Individual Quarter		Cumulative Quarter	
	3 months ended		6 months ended	
	30 September		30 September	
	2011	2010 *	2011	2010 *
	RM'000	RM'000	RM'000	RM'000
Revenue	78,204	56,634	156,555	106,412
Cost of sales	(43,391)	(32,035)	(83,100)	(64,054)
Gross Profit	34,813	24,599	73,455	42,358
Other income	547	275	975	425
Replanting expenditure	(2,843)	(2,027)	(5,155)	(3,933)
Selling and distribution costs	(115)	(128)	(248)	(252)
Administrative expenses				
- General administrative	(4,314)	(3,888)	(7,696)	(7,372)
- Impairment allowance and other expenses	(1,656)	(278)	(2,718)	(1,295)
Finance cost	(1,620)	(1,550)	(3,191)	(2,952)
Profit before taxation	24,812	17,003	55,422	26,979
Taxation	(5,903)	(4,021)	(13,768)	(6,513)
Net profit for the financial period	18,909	12,982	41,654	20,466
Net profit for the financial period attributable to:				
Equity holders of the Company	18,909	12,982	41,654	20,466
Earnings per share - basic / diluted (sen)	2.19	1.50	4.82	2.37

* The financial year 2011 figures have been restated to conform to the current financial period's presentation.

(The Condensed Consolidated Income Statements should be read in conjunction with the audited financial statements for the financial year ended 31 March 2011)

UNICO-DESA PLANTATIONS BERHAD (Company No 78983-V)
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the financial period ended 30 September 2011
(The figures have not been audited.)

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<u>3 months ended</u>		<u>6 months ended</u>	
	<u>30 September</u>		<u>30 September</u>	
	<u>2011</u>	<u>2010 *</u>	<u>2011</u>	<u>2010 *</u>
	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>	<u>RM'000</u>
Net profit for the financial period	18,909	12,982	41,654	20,466
Total comprehensive income	<u>18,909</u>	<u>12,982</u>	<u>41,654</u>	<u>20,466</u>
Total comprehensive income for the financial period attributable to: Equity holders of the Company	<u>18,909</u>	<u>12,982</u>	<u>41,654</u>	<u>20,466</u>

* The financial year 2011 figures have been restated to conform to the current financial period's presentation.

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 March 2011)

UNICO-DESA PLANTATIONS BERHAD (Company No 78983-V)
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 September 2011

(The figures have not been audited.)

	30 September 2011 RM'000	31 March 2011 RM'000
ASSETS		
Non-current assets		
Property, plant & equipment	314,708	312,743
Biological assets	475,124	475,124
Goodwill on consolidation	2,982	2,982
Deferred tax assets	2,330	2,428
Hire purchase receivables	112,865	111,026
Current assets		
Inventories	13,236	8,685
Receivables, deposits and prepayments	11,130	8,911
Hire purchase receivables	63,120	53,094
Tax recoverable	381	381
Deposits, cash and bank balances	56,871	42,401
	<u>144,738</u>	<u>113,472</u>
Total assets	<u>1,052,747</u>	<u>1,017,775</u>
EQUITY AND LIABILITIES		
Share capital	220,800	220,800
Revaluation and other reserves	466,161	466,161
Retained earnings	141,504	121,477
	<u>828,465</u>	<u>808,438</u>
Less: Treasury shares	(11,658)	(11,658)
Total equity	816,807	796,780
Non-current liabilities		
Borrowings	69,961	99,337
Deferred tax liabilities	49,392	49,669
	<u>119,353</u>	<u>149,006</u>
Current liabilities		
Payables	28,680	22,791
Borrowings	59,908	28,903
Current tax liabilities	6,372	2,994
Dividend payable	21,627	17,301
	<u>116,587</u>	<u>71,989</u>
Total liabilities	<u>235,940</u>	<u>220,995</u>
Total equity and liabilities	<u>1,052,747</u>	<u>1,017,775</u>
Net assets per share (RM)	0.94	0.92

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 March 2011)

UNICO-DESA PLANTATIONS BERHAD (Company No 78983-V)
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the financial period ended 30 September 2011
(The figures have not been audited.)

	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 equity RM'000
	Number of shares '000	Nominal value RM'000				
At 1 April 2011	883,200	220,800	466,161	(11,658)	121,477	796,780
Total comprehensive income for the financial period	-	-	-	-	41,654	41,654
Final dividends for financial year ended 31 March 2011	-	-	-	-	(21,627)	(21,627)
At 30 September 2011	<u>883,200</u>	<u>220,800</u>	<u>466,161</u>	<u>(11,658)</u>	<u>141,504</u>	<u>816,807</u>
At 1 April 2010*	883,200	220,800	466,298	(11,658)	103,090	778,530
Total comprehensive income for the financial period*	-	-	-	-	20,466	20,466
Final dividends for financial year ended 31 March 2010	-	-	-	-	(17,301)	(17,301)
At 30 September 2010*	<u>883,200</u>	<u>220,800</u>	<u>466,298</u>	<u>(11,658)</u>	<u>106,255</u>	<u>781,695</u>

* The financial year 2011 figures have been restated to conform to the current financial period's presentation.

(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 2011)

UNICO-DESA PLANTATIONS BERHAD (Company No 78983-V)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the financial period ended 30 September 2011
(The figures have not been audited.)

	6 Months Ended	
	30 September	
	2011	2010 *
	RM'000	RM'000
Cash flows from operating activities		
Net profit for the financial period	41,654	20,466
Adjustment for items not involving the movement of cash or cash equivalents:		
Property, plant and equipment		
- depreciation	4,239	4,206
- written off	6	30
- (gain) on disposal	(57)	(137)
Inventories written down/(reversal)	70	(89)
Impairment allowance on hire purchase receivables	2,834	1,682
Interest expense	3,191	2,952
Interest income	(565)	(174)
Taxation	13,768	6,513
	<u>23,486</u>	<u>14,983</u>
	65,140	35,449
Changes in working capital		
Inventories	(4,621)	(1,973)
Receivables	(16,919)	(14,051)
Payables	5,889	5,656
	<u>(15,651)</u>	<u>(10,368)</u>
Cash flow from operations	49,489	25,081
Tax paid	(10,568)	(4,648)
Net cash flow from operating activities	<u>38,921</u>	<u>20,433</u>
Cash flows from investing activities		
Purchase of property, plant and equipment	(6,210)	(1,100)
Proceeds from disposal of property, plant and equipment	57	137
Interest received	565	174
Net cash used in investing activities	(5,588)	(789)
Cash flows from financing activities		
Repayment of term loans	(6,896)	(6,442)
Repayment of block discounting	(7,781)	(6,888)
Draw down of block discounting	10,845	8,968
Interest paid	(3,205)	(2,947)
Dividends paid to shareholders of the Company	(17,301)	(17,301)
Net cash used in financing activities	<u>(24,338)</u>	<u>(24,610)</u>

UNICO-DESA PLANTATIONS BERHAD (Company No 78983-V)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the financial period ended 30 September 2011
(The figures have not been audited.)

	6 Months Ended	
	30 September	
	2011	2010 *
	RM'000	RM'000
Net increase/(decrease) in cash and cash equivalents during the financial period	8,995	(4,966)
Cash and cash equivalents at beginning of financial year	<u>39,556</u>	<u>22,471</u>
Cash and cash equivalents at end of financial period	<u><u>48,551</u></u>	<u><u>17,505</u></u>

* The financial year 2011 figures have been restated to conform to the current financial period's presentation.

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 March 2011)

UNICO-DESA PLANTATIONS BERHAD (Company No 78983-V)
Notes to the Interim Financial Statements
for the first quarter ended 30 September 2011

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 2011.

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 2011 except for the adoption of new FRSs, amendments and IC interpretations that are mandatory for the Group for the financial year beginning 1 April 2011.

On 1 April 2011, the Group adopted the following FRSs, Amendments to FRSs and IC Interpretations :

FRS 3 (revised)	Business Combination
FRS 127 (revised)	Consolidated and separate financial statements
Amendments to FRS 1	Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters
Amendments to FRS 7	Improving Disclosures about Financial Instruments
IC Interpretation 4	Determining whether an arrangement contains a lease
IC Interpretation 17	Distribution of non-cash assets to owners
Improvements to FRSs (2010)	FRS 2, FRS 3, FRS 5, FRS 101 and FRS 138
Amendments to IC Interpretations 9	Reassessment of Embedded Derivatives

Adoption of the above FRSs, Amendments to FRSs and IC Interpretations did not have any material impact on the financial statements of the Group.

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.

UNICO-DESA PLANTATIONS BERHAD (Company No 78983-V)
 Notes to the Interim Financial Statements
 for the first quarter ended 30 September 2011

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 September 2011 was 18.13 million shares.

A6 Dividend Paid

There was no dividend paid during the current financial quarter ended 30 September 2011.

A7 Segment Reporting

Segment reporting for the period-to-date ended 30.09.2011

	Plantations	Hire Purchase	Group
	RM'000	RM'000	RM'000
Revenue	137,755	18,800	156,555
Profit from operations	46,313	12,300	58,613
Finance cost	(1,612)	(1,579)	(3,191)
Profit before tax	44,701	10,721	55,422

Segment reporting for the period-to-date ended 30.09.2010

	Plantations	Hire Purchase	Group
	RM'000	RM'000	RM'000
Revenue	89,389	17,023	106,412
Profit from operations	17,559	12,372	29,931
Finance cost	(1,479)	(1,473)	(2,952)
Profit before tax	16,080	10,899	26,979

A8 Post Balance Sheet Events

There were no material events subsequent to the end of the current financial quarter that have not been reflected in this interim financial report.

UNICO-DESA PLANTATIONS BERHAD (Company No 78983-V)
Notes to the Interim Financial Statements
for the first quarter ended 30 September 2011

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 statement of financial position as at 31 March 2011.

A11 Capital Commitments

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

	30.09.2011	30.09.2010
	RM'000	RM'000
Property, plant and equipment: Authorised and contracted	<u>8,238</u>	<u>5,324</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 first quarter ended 30 September 2011

B1 Review Of Performance

The Group's total Profit Before Tax (PBT) for FY2012-Q2 was RM24.8 mil as compared to RM17.0 mil in FY2011-Q2.

This 46% increase in the current quarter Group's PBT was mainly due to:

Plantations Segment

PBT increased by 77% to RM19.7 mil (FY2012-Q2) as compared to RM11.1 mil (FY2011-Q2) mainly due to higher internal FFB production and average selling prices in the current financial quarter.

Hire Purchase Segment

PBT decreased by 14% to RM5.1 mil (FY2012-Q2) as compared to RM5.9 mil (FY2011-Q2) mainly due to higher impairment allowance on hire purchase receivables.

	Individual Quarter		Cumulative Quarters	
	3 Months Ended		6 Months Ended	
	30.09.2011	30.09.2010	30.09.2011	30.09.2010
	RM'mil	RM'mil	RM'mil	RM'mil
Revenue				
Plantations	68.7	47.8	137.8	89.4
Hire Purchase	9.5	8.8	18.8	17.0
	<u>78.2</u>	<u>56.6</u>	<u>156.6</u>	<u>106.4</u>
Profit before tax				
Plantations	19.7	11.1	44.7	16.1
Hire Purchase	5.1	5.9	10.7	10.9
	<u>24.8</u>	<u>17.0</u>	<u>55.4</u>	<u>27.0</u>
FFB Statistic				
FFB - Internal (mt)	65,419	60,971	133,911	114,124
FFB - External (mt)	31,738	30,169	63,110	55,770
	<u>97,157</u>	<u>91,140</u>	<u>197,021</u>	<u>169,894</u>
Other Statistics				
CPO produced (mt)	20,180	18,445	40,541	34,806
PK produced (mt)	4,373	4,330	9,085	8,265
OER (%)	20.77	20.24	20.58	20.49
KER (%)	4.50	4.75	4.61	4.86
CPO average selling price (RM/mt)	3,091	2,553	3,169	2,502
PK average selling price (RM/mt)	1,893	1,629	2,232	1,560

UNICO-DESA PLANTATIONS BERHAD (Company No 78983-V)
Notes to the Interim Financial Statements
for the first quarter ended 30 September 2011

B2 Comparison of Results with Preceding Quarter

The Group's total Profit Before Tax (PBT) for current quarter was RM24.8 mil as compared to RM30.6 mil of the immediate preceding quarter.

The 19% decrease in the Group's PBT was mainly due to:

Plantation Segment

PBT decreased by 21% from RM25.0 mil to RM19.7 mil as a result of lower internal FFB production and average selling prices in the current financial quarter.

Hire Purchase Segment

PBT decreased by 9% from RM5.6 mil to RM5.1 mil, mainly due to higher impairment allowance on hire purchase receivables.

	Individual Quarter	
	3 Months Ended	
	30.09.2011	30.06.2011
	RM'mil	RM'mil
Revenue		
Plantations	68.7	69.1
Hire Purchase	9.5	9.3
	<u>78.2</u>	<u>78.4</u>
Profit before tax		
Plantations	19.7	25.0
Hire Purchase	5.1	5.6
	<u>24.8</u>	<u>30.6</u>
FFB Statistic		
FFB - Internal (mt)	65,419	68,492
FFB - External (mt)	31,738	31,371
	<u>97,157</u>	<u>99,863</u>
Other Statistics		
CPO produced (mt)	20,180	20,361
PK produced (mt)	4,373	4,713
OER (%)	20.77	20.39
KER (%)	4.50	4.72
CPO average selling price (RM/mt)	3,091	3,257
PK average selling price (RM/mt)	1,893	2,532

UNICO-DESA PLANTATIONS BERHAD (Company No 78983-V)
Notes to the Interim Financial Statements
for the first quarter ended 30 September 2011

B3 Prospects and Outlook

The ongoing replanting programme will inevitably impact the Group's future profit. However, based on the current CPO and PK prices and the positive contribution from hire purchase segment, barring any unforeseen circumstances, the performance of the Group for the current financial year is expected to be better than last financial year.

B4 Profit Forecasts

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

B5 Taxation

Tax charge for the quarter and financial period ended 30 September 2011 are set out below:

	3 months ended 30.09.2011 RM'000	6 months ended 30.09.2011 RM'000
(a) Income Tax	5,968	13,947
(b) Deferred Taxation	(65)	(179)
	<u>5,903</u>	<u>13,768</u>

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 financial quarter under review.

B8 Status of Corporate Proposals Announced but not yet Completed

On 19 July 2011, MIDF Amanah Investment Bank Berhad, on behalf of the Board had announced that Unico-Desa Plantations Berhad ("Unico-Desa") proposes to undertake the following proposals:

(i) proposed distribution of ordinary shares in its wholly-owned subsidiary company, ELK-Desa Resources Sdn Bhd ("ELK-Desa Resources") to all shareholders of Unico-Desa by way of dividend in specie on the basis of one (1) ordinary share in ELK-Desa Resources for every ten (10) ordinary shares held in Unico-Desa;

(ii) proposed restricted offer for sale of the remaining shares in ELK-Desa Resources after the Proposed Distribution to all shareholders of Unico-Desa pursuant to the proposed listing of ELK-Desa Resources; and

(iii) proposed listing of ELK-Desa Resources on the Main Market of Bursa Securities.

The above proposals are inter-conditional upon each other.

On 18 November 2011 Extraordinary General Meeting, the above proposal was duly approved by the shareholders of the Company.

Please refer to our Company website or the Bursa Malaysia announcements website for details.

UNICO-DESA PLANTATIONS BERHAD (Company No 78983-V)
Notes to the Interim Financial Statements
for the first quarter ended 30 September 2011

B9 Group Borrowings

The Group's borrowings as at 30 September 2011 are as follows: -

	As at 30.09.2011 RM'000	As at 31.03.2011 RM'000
<u>Plantations Segment</u>		
Bank Overdraft	6,013	0
Term Loans		
- within 1 year	37,090	10,502
- later than 1 year	25,535	56,977
	<u>62,625</u>	<u>67,479</u>
Total Borrowings for Plantations segment	<u>68,638</u>	<u>67,479</u>
<u>Hire Purchase Segment</u>		
Bank Overdraft	2,307	2,845
Term Loans		
- within 1 year	6,168	5,126
- later than 1 year	26,290	29,374
	<u>32,458</u>	<u>34,500</u>
Block Discounting Payables		
- within 1 year	8,330	10,430
- later than 1 year	18,136	12,986
	<u>26,466</u>	<u>23,416</u>
Total Borrowings for Hire Purchase segment	<u>61,231</u>	<u>60,761</u>
<u>Group Borrowings by Type</u>		
Bank Overdraft	8,320	2,845
Term Loans	95,083	101,979
Block Discounting Payables	26,466	23,416
	<u>129,869</u>	<u>128,240</u>

All borrowings as at 30 September 2011 were secured.

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

B10 Off Balance Sheet Financial Instruments

The Group does not have any off balance sheet financial instruments.

B11 Pending Material Litigation

(1) WRIT OF SUMMONS SERVED ON UNICO-DESA PLANTATIONS BERHAD – KUALA LUMPUR HIGH COURT (COMMERCIAL DIVISION) SUIT NO. D1-22-1853-2008

Reference is made to the Company's announcement dated 21 October 2008 in respect of the above matter.

The Defendants have filed their respective written submissions in reply to the Plaintiff's written submissions dated 22 August 2011. Thereafter, a date for the decision will be fixed by the Court and notified to the parties.

(2) PETITION AND SUMMONS FOR DIRECTIONS SERVED ON UNICO-DESA PLANTATIONS BERHAD - KUALA LUMPUR HIGH COURT (COMMERCIAL DIVISION) SUIT NO. D-26-39-2009

Reference is made to the Company's announcements dated 8 July 2009 and 10 July 2009 in respect of the above matter.

On 8 July 2011, the petition was dismissed with costs of RM100,000 to the Company, RM100,000 to the 10th respondent and RM200,000 to the 3rd to 8th and 11th respondents collectively.

The court found, amongst others, that:-

- a) the impugned transactions are regular and are not tainted with illegality ; and
- b) the Petitioners' claim is baseless and devoid of any merit.

The Company was, on 22 July 2011, served with a Notice of Appeal by the Petitioners' solicitors with respect to the said decision of 8 July 2011. To date, the appeal has not been fixed for hearing.

The Company's solicitors are of the opinion that the Company has a good chance of success in defending the appeal.

B12 Dividend

No interim dividend has been declared for the current financial quarter ended 30 September 2011.

UNICO-DESA PLANTATIONS BERHAD (Company No 78983-V)
 Notes to the Interim Financial Statements
 for the first quarter ended 30 September 2011

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.

	Quarter ended 30.09.2011	Quarter ended 30.09.2010	Year to date ended 30.09.2011	Year to date ended 30.09.2010
Basic Net Profit (RM'000)	18,909	12,982	41,654	20,466
Weighted average number of ordinary shares (units)	865,065,461	865,065,461	865,065,461	865,065,461
Basic earnings per share (sen)	2.19	1.50	4.82	2.37

B14 Audit Report For The Preceding Annual Financial Statements

The audited financial statements of the Group for the preceding financial year ended 31 March 2011 was not qualified.

B15 Retained Earnings

The following analysis of realised and unrealised retained earnings is prepared in accordance with the guidance issued by the Malaysian Institute of Accountants in the prescribed format by Bursa Malaysia Securities Berhad.

	As at 30.09.2011 RM'000	As at 31.03.2011 RM'000
Total retained earnings of the Group and its subsidiaries		
- Realised	243,491	222,897
- Unrealised	(4,967)	(5,113)
	<u>238,524</u>	<u>217,784</u>
Consolidation adjustments	(97,020)	(96,307)
Total retained earnings	<u>141,504</u>	<u>121,477</u>