

UNICO-DESA PLANTATIONS BERHAD

(Co. No. 78983-V)

**QUARTERLY REPORT ON CONSOLIDATED
RESULTS FOR THE PERIOD ENDED
30 SEPTEMBER 2012**

UNICO-DESA PLANTATIONS BERHAD (Company No 78983-V)
CONDENSED CONSOLIDATED INCOME STATEMENTS
For the financial period ended 30 September 2012
(The figures have not been audited.)

	Note	Individual Quarter		Cumulative Quarter	
		3 months ended		6 months ended	
		30 September		30 September	
		2012	2011	2012	2011
		RM'000	RM'000	RM'000	RM'000
Continuing operations					
Revenue		37,538	68,689	79,543	137,755
Cost of sales		(25,244)	(43,388)	(53,601)	(83,095)
Gross Profit		12,294	25,301	25,942	54,660
Other income		428	461	621	807
Replanting expenditure		(4,278)	(2,843)	(7,447)	(5,155)
Administrative expenses		(2,466)	(2,378)	(4,454)	(3,999)
Finance cost		(472)	(806)	(967)	(1,612)
Profit before taxation		5,506	19,735	13,695	44,701
Taxation		(1,577)	(4,611)	(3,698)	(11,065)
Profit for the financial period from continuing operations		3,929	15,124	9,997	33,636
Discontinued operations					
Profit for the financial period from discontinued operations		3,842	3,785	8,671	8,018
Adjustment to reflect the proposed Initial Public Offer price		(9,835)	-	(9,835)	-
(Loss)/Profit for the financial period from discontinued operations	A3	(5,993)	3,785	(1,164)	8,018
(Loss)/Profit for the financial period		(2,064)	18,909	8,833	41,654
(Loss)/Profit for the financial period attributable to:					
Equity holders of the Company		(2,064)	18,909	8,833	41,654
Earnings per share - basic / diluted (sen)					
From continuing operations		0.45	1.75	1.16	3.89
From discontinued operations		(0.69)	0.44	(0.13)	0.93
		(0.24)	2.19	1.03	4.82

(The Condensed Consolidated Income Statements should be read in conjunction with the audited financial statements for the financial year ended 31 March 2012)

UNICO-DESA PLANTATIONS BERHAD (Company No 78983-V)
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the financial period ended 30 September 2012
(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>	
	2012	2011	2012	2011
	RM'000	RM'000	RM'000	RM'000
(Loss)/Profit for the financial period	(2,064)	18,909	8,833	41,654
Other comprehensive loss:				
Reversal of revaluation surplus on write off of property, plant and equipment	(176)	-	(176)	-
Total comprehensive (loss)/income for the financial period	<u>(2,240)</u>	<u>18,909</u>	<u>8,657</u>	<u>41,654</u>
Total comprehensive (loss)/income for the financial period attributable to:				
Equity holders of the Company	<u>(2,240)</u>	<u>18,909</u>	<u>8,657</u>	<u>41,654</u>

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the financial year ended 31 March 2012)

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

As at 30 September 2012

(The figures have not been audited.)

	30 September 2012 RM'000	31 March 2012 RM'000
ASSETS		
Non-current assets		
Property, plant & equipment	316,826	317,010
Biological assets	473,822	473,822
Goodwill on consolidation	2,982	2,982
	793,630	793,814
Current assets		
Inventories	11,139	7,132
Receivables, deposits and prepayments	9,591	8,527
Tax recoverable	122	1,063
Deposits, cash and bank balances	12,250	31,371
	33,102	48,093
Assets of disposal group classified as held for distribution/sale to owners	187,851	187,570
Total current assets	220,953	235,663
Total assets	1,014,583	1,029,477
EQUITY AND LIABILITIES		
Share capital	216,266	216,266
Revaluation and other reserves	469,348	469,524
Retained earnings	133,848	146,642
Total equity	819,462	832,432
Non-current liabilities		
Borrowings - interest bearing	22,851	16,848
Deferred tax liabilities	48,903	49,416
	71,754	66,264
Current liabilities		
Payables	15,491	12,529
Borrowings - interest bearing	13,617	23,936
Current tax liabilities	781	6,557
Dividend payable	21,627	17,301
	51,516	60,323
Liabilities of disposal group classified as held for distribution/sale to owners	71,851	70,458
Total current liabilities	123,367	130,781
Total liabilities	195,121	197,045
Total equity and liabilities	1,014,583	1,029,477
Net assets per share (RM)	0.95	0.96

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the financial year ended 31 March 2012)

UNICO-DESA PLANTATIONS BERHAD (Company No 78983-V)
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the financial period ended 30 September 2012
(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 2012	865,065	216,266	469,524	-	146,642	832,432
Total comprehensive income for the financial period	-	-	(176)	-	8,833	8,657
Final dividends for financial year ended 31 March 2012	-	-	-	-	(21,627)	(21,627)
At 30 September 2012	<u>865,065</u>	<u>216,266</u>	<u>469,348</u>	<u>-</u>	<u>133,848</u>	<u>819,462</u>
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>

(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 2012)

UNICO-DESA PLANTATIONS BERHAD (Company No 78983-V)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the financial period ended 30 September 2012
(The figures have not been audited.)

	6 months ended	
	30 September	
	2012	2011
	RM'000	RM'000
Cash flows from operating activities		
Profit for the financial period	8,833	41,654
- continuing operations	9,997	33,636
- discontinued operations	(1,164)	8,018
Adjustment for items not involving the movement of cash or cash equivalents:		
Property, plant and equipment		
- depreciation	4,039	4,239
- written off	429	6
- written down	150	-
- gain on disposal	-	(57)
(Reversal of inventories written down)/inventories written down	(110)	70
Adjustment to reflect the proposed Initial Public Offer price	9,835	-
Impairment allowance on hire purchase receivables	2,846	2,834
Interest expense	2,542	3,191
Interest income	(237)	(565)
Taxation	6,649	13,768
	26,143	23,486
	34,976	65,140
Changes in working capital		
Inventories	(3,806)	(4,621)
Receivables	(14,414)	(16,919)
Payables	5,311	5,889
	(12,909)	(15,651)
Cash flow from operations	22,067	49,489
Tax paid	(11,536)	(10,568)
Tax refund	942	-
Net cash flow from operating activities	11,473	38,921
Cash flows from investing activities		
Purchase of property, plant and equipment	(4,538)	(6,210)
Proceeds from disposal of property, plant and equipment	-	57
Interest received	237	565
Net cash used in investing activities	(4,301)	(5,588)

UNICO-DESA PLANTATIONS BERHAD (Company No 78983-V)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the financial period ended 30 September 2012
(The figures have not been audited.)

	6 months ended	
	30 September	
	2012	2011
	RM'000	RM'000
Cash flows from financing activities		
Repayment of term loans	(7,516)	(6,896)
Repayment of block discounting	(8,693)	(7,781)
Draw down of block discounting	7,201	10,845
Interest paid	(2,536)	(3,205)
Dividends paid to shareholders of the Company	(17,301)	(17,301)
Net cash used in financing activities	(28,845)	(24,338)
Net (decrease)/increase in cash and cash equivalents during the financial period	(21,673)	8,995
Cash and cash equivalents at beginning of financial year	31,828	39,556
Add : Reclassified to Liabilities of Disposal group classified as held for distribution/sale to owners	1,907	1,766
Cash and cash equivalents at end of financial period	<u>12,062</u>	<u>50,317</u>
<u>Composition of Cash and cash equivalents</u>		
Deposits, cash and bank balances	12,250	56,330
Bank overdraft	(188)	(6,013)
	<u>12,062</u>	<u>50,317</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the financial year ended 31 March 2012)

UNICO-DESA PLANTATIONS BERHAD (Company No 78983-V)

Notes to the Interim Financial Statements
for the second quarter ended 30 September 2012

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 2012.

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.

In November 2011, the MASB Board issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards ("MFRS") in conjunction with its plan to converge with International Financial Reporting Standards in 2012. The MFRS Framework is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 "Agriculture" and IC Interpretation 15 "Agreements for the Construction of Real Estate", including its parent, significant investor and venture (herewith called "Transitioning Entities"). Transitioning Entities will be allowed to defer adoption of the new MFRS Framework for an additional two years. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2014. The Group is categorised under Transitioning Entities.

Accordingly, in the financial year beginning 1 April 2012, the Group will continue to apply the Financial Reporting Standards framework.

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 2012 except for the adoption of new FRSs, amendments and IC interpretations that are mandatory for the Group for the financial year beginning 1 April 2012.

On 1 April 2012, the Group adopted the following FRSs, Amendments to FRSs and IC Interpretations :

FRS 139	Financial Instruments : recognition and measurement
FRS 124 (revised)	Related party disclosures
Amendments to FRS 7	Financial Instruments : Disclosures on transfers of financial assets
Amendments to FRS 112	Income Taxes
IC Interpretation 19	Extinguishing financial liabilities with equity instruments
IC Interpretation 14	FRS 119 - The limit on a defined benefit assets, minimum funding requirements and their interaction

Application of the above standards, amendments to published standards and interpretations to existing standards are not expected to have a material impact on the financial statements of the Group.

UNICO-DESA PLANTATIONS BERHAD (Company No 78983-V)

Notes to the Interim Financial Statements
for the second quarter ended 30 September 2012

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

Pursuant to the proposed listing of the wholly owned subsidiary ELK-Desa Resources referred to in Note B6, the Group's investment in that subsidiary will be distributed or sold. Accordingly, in accordance with the Group's accounting policy the carrying value at the end of the reporting quarter has been adjusted by RM9.8 mil to reflect the offer price for proposed restricted offer for sale and the Initial Public Offer (IPO) price of RM1.16 per share of ELK-Desa Resources.

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

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.

A6 Dividend Paid

There was no dividend paid during the current financial quarter ended 30 September 2012.

UNICO-DESA PLANTATIONS BERHAD (Company No 78983-V)

Notes to the Interim Financial Statements
for the second quarter ended 30 September 2012

A7 Segment Reporting

Segment reporting for the period-to-date ended 30.09.2012

	Plantations (Continuing Operations) RM'000	Hire Purchase (Discontinued Operations) RM'000	Group RM'000
Revenue	79,543	20,450	99,993
Profit from operations	14,662	13,198	27,860
Finance cost	(967)	(1,575)	(2,542)
Profit before taxation	13,695	11,623	25,318
Taxation	(3,698)	(2,952)	(6,650)
Net profit	9,997	8,671	18,668
Adjustment to reflect the proposed Initial Public Offer price	-	(9,835)	(9,835)
Profit/(Loss) for the financial period	9,997	(1,164)	8,833

Segment reporting for the period-to-date ended 30.09.2011

	Plantations (Continuing Operations) RM'000	Hire Purchase (Discontinued Operations) RM'000	Group 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 taxation	44,701	10,721	55,422
Taxation	(11,065)	(2,703)	(13,768)
Profit for the financial period	33,636	8,018	41,654

A8 Subsequent 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 second quarter ended 30 September 2012

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 2012.

A11 Capital Commitments

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

	30.09.2012	30.09.2011
	RM'000	RM'000
Property, plant and equipment: Authorised and contracted	<u>4,758</u>	<u>8,238</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 2012

B1 Review Of Performance

During the current financial quarter, the plantation segment and hire purchase segment (discontinued operations) have made profit after tax of RM3.9 mil and RM3.8 mil respectively.

Pursuant to the proposed listing of the wholly owned subsidiary ELK-Desa Resources, a RM9.8 mil adjustment was made to the assets of ELK-Desa Resources Group to reflect the offer price and Initial Public Offer (IPO) price of RM1.16 per share of ELK-Desa Resources. This has resulted in a loss after tax from the hire purchase segment (discontinued operations) of RM6.0 mil.

As a result, the Group recorded a loss after tax of RM2.1 mil for the current financial quarter.

The performance of the Group continuing operations are as below:-

Plantations Segment (Continuing Operations)

Profit before tax (PBT) decreased by 72% to RM5.5 mil (FY2013-Q2) as compared to RM19.7 mil (FY2012-Q2) was mainly due to lower internal FFB production and further aggravated by lower average CPO and PK selling prices in the current financial quarter.

The reduction in Group FFB yield was in line with the Sabah FFB yield recorded in the second quarter and the lower average selling price was the result of the depressed oil palm commodities price.

	Individual Quarter		Cumulative Quarters	
	3 Months Ended		6 Months Ended	
	30.09.2012	30.09.2011	30.09.2012	30.09.2011
	RM'mil	RM'mil	RM'mil	RM'mil
Revenue				
Plantations (Continuing Operations)	37.5	68.7	79.5	137.8
Profit before tax				
Plantations (Continuing Operations)	5.5	19.7	13.7	44.7
FFB Statistic				
FFB - Internal (mt)	50,578	65,419	94,585	133,911
FFB - External (mt)	16,823	31,738	29,520	63,110
	<u>67,401</u>	<u>97,157</u>	<u>124,105</u>	<u>197,021</u>
Other Statistics				
CPO produced (mt)	13,836	20,180	25,502	40,541
PK produced (mt)	2,977	4,373	5,782	9,085
OER (%)	20.53	20.77	20.55	20.58
KER (%)	4.42	4.50	4.66	4.61
CPO average selling price (RM/mt)	2,947	3,091	3,052	3,169
PK average selling price (RM/mt)	1,528	1,893	1,696	2,232

UNICO-DESA PLANTATIONS BERHAD (Company No 78983-V)

Notes to the Interim Financial Statements
for the second quarter ended 30 September 2012

B2 Comparison of Results with Preceding Quarter

The Group loss after tax recorded in the current financial quarter as compared to the profit after tax in the preceding quarter was mainly due to the adjustment as highlighted under Note B1.

The performance of the Group continuing operations are as below:-

Plantations Segment (Continuing Operations)

Profit before tax decreased by 33% from RM8.2 mil to RM5.5 mil was mainly due to lower average CPO and PK selling prices.

	Individual Quarter	
	3 Months Ended	
	30.09.2012	30.06.2012
	RM'mil	RM'mil
Revenue		
Plantations (Continuing Operations)	37.5	42.0
Profit before tax		
Plantations (Continuing Operations)	5.5	8.2
FFB Statistic		
FFB - Internal (mt)	50,578	44,007
FFB - External (mt)	16,823	12,697
	<u>67,401</u>	<u>56,704</u>
Other Statistics		
CPO produced (mt)	13,836	11,666
PK produced (mt)	2,977	2,806
OER (%)	20.53	20.57
KER (%)	4.42	4.95
CPO average selling price (RM/mt)	2,947	3,152
PK average selling price (RM/mt)	1,528	1,874

UNICO-DESA PLANTATIONS BERHAD (Company No 78983-V)

Notes to the Interim Financial Statements
for the second quarter ended 30 September 2012

B3 Prospects and Outlook

The overall profitability of our plantations segment are very much dependent on the trend of crude palm oil prices and also biological aspect of the palm which are not within our control.

In general, the oil palm industry in Sabah has registered a significant decrease in FFB yield as the palm has entered a less productive point in their cycle after a series of bumper crop in the previous years.

In line with the industry, the Group expects its FFB yield to be lower for the current financial year. In addition, due to the proposed listing, the hire purchase segment (discontinued operations) will cease to contribute to the Group's profit after the Initial Public Offer.

Therefore the Group's profit for the current financial year will not be able to match previous year profit.

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 2012 are set out below:

	3 months ended 30.09.2012	6 months ended 30.09.2012
	RM'000	RM'000
<u>Plantation Segment (Continuing Operations)</u>		
- Income Tax	1,684	4,162
- Deferred Taxation	(107)	(464)
	<u>1,577</u>	<u>3,698</u>

The effective tax rate of the Group for the current period was higher than the statutory tax rate due to certain expenses are not deductible for tax purposes.

For the financial period ended 30 September 2012, the income tax for the discontinued operations amounting to RM3.0 mil was recorded as part of the (loss)/Profit for the financial period from discontinued operations.

UNICO-DESA PLANTATIONS BERHAD (Company No 78983-V)

Notes to the Interim Financial Statements
for the second quarter ended 30 September 2012

B6 Status of Corporate Proposals Announced but not yet Completed

We refer to the announcements dated 19 July 2011, 18 November 2011, 27 April 2012, 15 May 2012, 18 September 2012, 3 October 2012, 8 October 2012, 24 October 2012, 1 November 2012, 12 November 2012 and 21 November 2012 made in relation to the Proposals.

(i) Proposed distribution of 86,506,546 ordinary shares in its wholly-owned subsidiary company, ELK-Desa Resources Berhad ("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 at an entitlement date to be determined ("Proposed Distribution");

(ii) Proposed non-renounceable restricted offer for sale of the remaining shares in ELK-Desa Resources after the Proposed Distribution on a pro rata basis to all shareholders of Unico-Desa at an entitlement date pursuant to the proposed listing of ELK-Desa Resources; and

(iii) Proposed listing of ELK-Desa Resources on the Main Market of Bursa Malaysia Securities Berhad ("Proposed Listing").

(Collectively referred to as the "Proposals")

On 27 April 2012, MIDF Amanah Investment Bank Berhad has submitted on behalf of ELK-Desa Resources, a wholly-owned subsidiary company of Unico-Desa, the applications in relation to the Proposed Listing to the Securities Commission ("SC"), Take-Overs and Mergers Division of the SC, the Ministry of International Trade and Industry and Bursa Malaysia Securities Berhad.

On 27 April 2012, an application for the Proposed Distribution has also been submitted to the SC.

On 9 May 2012, the Ministry of International Trade and Industry has approved the Proposals.

On 14 September 2012, the SC has vide its letter approved the Proposed Distribution cum Listing under subsection 212(5) of the Capital Market and Services Act 2007 ("CMSA") and the equity requirement for the public companies, subject to the conditions as attached in the 18 September 2012 announcement. In addition, the listing prospectus of ELK-Desa Resources has been approved-in-principle for registration.

On 3 October 2012, the Board of Directors of Unico-Desa has resolved the following:

(i) the non-renounceable restricted offer for sale of 13,493,454 ordinary shares of RM1.00 each in ELK-Desa Resources will be offered at an offer price of RM1.16 per share; and

(ii) the public issue of 25,000,000 new ordinary shares of RM1.00 each in ELK-Desa Resources in relation to the Listing will be issued at an issue price of RM1.16 per share.

On 4 October 2012, the Bursa Malaysia Securities Berhad has vide its letter approved the admission to the Official List and the listing and quotation of the entire issued and paid-up share capital of ELK-Desa Resources of RM125,000,000 comprising 125,000,000 ordinary shares of RM1.00 each in ELK-Desa Resources on the "Finance" sector of the Main Market of Bursa Malaysia Securities Berhad.

UNICO-DESA PLANTATIONS BERHAD (Company No 78983-V)

Notes to the Interim Financial Statements
for the second quarter ended 30 September 2012

B6 Status of Corporate Proposals Announced but not yet Completed (cont'd)

On 24 October 2012, ELK-Desa Resources had executed an underwriting agreement with MIDF Amanah Investment Bank Bhd and JF Apex Securities Berhad to underwrite 25,000,000 ELK-Desa Resources shares which comprise 20.0% of the total ELK-Desa Resources shares to be issued pursuant to the Listing.

On 1 November 2012, the Company has announced the entitlement date for the proposed distribution and restricted offer for sale.

On 12 November 2012, the prospectus in relation to the Proposals has been duly registered with the Securities Commission and lodged with the Registrar of Companies. On the even date, the company has also announced the important relevant dates for the restricted offer for sale.

On 21 November 2012, the Company has announced that the prospectus in relation to the listing of ELK-Desa Resources has been despatched.

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

B7 Group Borrowings

	As at 30.09.2012 RM'000	As at 31.03.2012 RM'000
<u>Plantations Segment (Continuing Operations)</u>		
Bank Overdraft	188	72
Term Loans		
- within 1 year	13,429	23,864
- later than 1 year	22,851	16,848
	<u>36,280</u>	<u>40,712</u>
	<u>36,468</u>	<u>40,784</u>

All borrowings as at 30 September 2012 were secured.

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

As at 30 September 2012, the borrowings for the discontinued operations amounting to RM56.9 mil was recorded as part of the liabilities of disposal group classified as held for distribution/sale to owners.

UNICO-DESA PLANTATIONS BERHAD (Company No 78983-V)

Notes to the Interim Financial Statements
for the second quarter ended 30 September 2012

B8 Pending Material Litigation

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.

A notice of appeal was served on the Company on 22 July 2011 and no hearing date has been fixed by the Court.

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

B9 Dividend

As announced on 1 November 2012, pursuant to the Distribution, entitled shareholders of Unico-Desa will receive one (1) ordinary share in ELK-Desa Resources for every ten (10) ordinary shares held in Unico-Desa held based on the total issued and paid-up share capital of Unico-Desa of 865,065,461 ordinary shares of RM0.25 each as at 5.00 p.m. on 19 November 2012.

Fractional entitlement will be disregarded and the aggregate of such fractions will be included and form part of the Restricted Offer for Sale to all shareholders of Unico-Desa.

UNICO-DESA PLANTATIONS BERHAD (Company No 78983-V)

Notes to the Interim Financial Statements
for the second quarter ended 30 September 2012

B10 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.

	Quarter ended 30.09.2012	Quarter ended 30.09.2011	Year to date ended 30.09.2012	Year to date ended 30.09.2011
Profit after taxation from continuing operations (RM'000)	3,929	15,124	9,997	33,636
Profit after taxation from discontinued operations (RM'000)	(5,993)	3,785	(1,164)	8,018
Weighted average number of ordinary shares (units)	865,065,461	865,065,461	865,065,461	865,065,461
Basic earnings per share (sen)				
From continuing operations	0.45	1.75	1.16	3.89
From discontinued operations	(0.69)	0.44	(0.13)	0.93
	<u>(0.24)</u>	<u>2.19</u>	<u>1.03</u>	<u>4.82</u>

B11 Audit Report For The Preceding Annual Financial Statements

The audited financial statements of the Group for the preceding financial year ended 31 March 2012 was not qualified.

B12 Note to the Statement of Comprehensive Income

	3 months ended 30.09.2012 RM'000	6 months ended 30.09.2012 RM'000
Charging/(crediting):		
(a) Interest Income	(90)	(237)
(b) Other income including investment income	(432)	(558)
(c) Interest expense	1,259	2,542
(d) Depreciation and amortization	2,013	4,039
(e) Impairment allowance on hire purchase receivables	1,763	2,846
(f) inventories written down/(Reversal of Inventories written down)	121	(110)
(g) Gain or loss on disposal of quoted or unquoted investment or properties	N/A	N/A
(h) Impairment of assets	0	150
(i) Foreign exchange gain or loss	N/A	N/A
(j) Gain or loss on derivatives	N/A	N/A
(k) Exceptional items (Please refer to Note A3 for details)	9,835	9,835

UNICO-DESA PLANTATIONS BERHAD (Company No 78983-V)

Notes to the Interim Financial Statements
for the second quarter ended 30 September 2012

B13 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 30.09.2012 RM'000	As at 31.03.2012 RM'000
Total retained earnings of the Group and its subsidiaries		
- Realised	234,863	247,278
- Unrealised	(4,805)	(4,966)
	<u>230,058</u>	<u>242,312</u>
Consolidation adjustments	(96,210)	(95,670)
Total retained earnings	<u><u>133,848</u></u>	<u><u>146,642</u></u>