

UNICO-DESA PLANTATIONS BERHAD

(Co. No. 78983-V)

**QUARTERLY REPORT ON CONSOLIDATED
RESULTS FOR THE PERIOD ENDED
31 MARCH 2013**

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

CONDENSED CONSOLIDATED INCOME STATEMENTS

For the financial period ended 31 March 2013

(The figures have not been audited.)

	Individual Quarter		Cumulative Quarter	
	3 months ended		12 months ended	
	31 March		31 March	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
Continuing operations				
Revenue	38,204	49,319	166,909	252,185
Cost of sales	(23,448)	(26,760)	(103,949)	(147,057)
Gross Profit	14,756	22,559	62,960	105,128
Other income	197	435	940	1,795
Replanting expenditure	(3,643)	(3,270)	(15,018)	(12,087)
Administrative expenses	(3,140)	(3,041)	(9,376)	(10,179)
Finance cost	(510)	(638)	(2,005)	(3,025)
Profit before taxation	7,660	16,045	37,501	81,632
Taxation	(2,811)	(4,551)	(10,868)	(21,824)
Profit for the financial period from continuing operations	4,849	11,494	26,633	59,808
Discontinued operations				
Profit for the financial period from discontinued operations	-	4,442	11,402	15,943
Adjustment to reflect the Initial Public Offer price	-	-	(12,566)	-
Profit/(Loss) for the financial period from discontinued operations	-	4,442	(1,164)	15,943
Profit for the financial period	4,849	15,936	25,469	75,751
Profit for the financial period attributable to:				
Equity holders of the Company	4,849	15,936	25,469	75,751
Earnings per share - basic / diluted (sen)				
From continuing operations	0.56	1.33	3.08	6.91
From discontinued operations	-	0.51	(0.13)	1.84
	0.56	1.84	2.95	8.75

(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 31 March 2013
(The figures have not been audited.)

	Individual Quarter		Cumulative Quarter	
	3 months ended		12 months ended	
	31 March		31 March	
	2013	2012	2013	2012
	RM'000	RM'000	RM'000	RM'000
Profit for the financial period	4,849	15,936	25,469	75,751
Other comprehensive loss:				
Reversal of revaluation surplus on write off of property, plant and equipment	(318)	(71)	(494)	(301)
Reversal of revaluation surplus on write off of biological assets	-	(870)	-	(870)
Transferred of reserves upon disposal of investment	-	-	(764)	-
Reserves transferred to Retained Earnings	-	-	764	-
Other comprehensive loss for the financial period	(318)	(941)	(494)	(1,171)
Total comprehensive income for the financial period	4,531	14,995	24,975	74,580
Total comprehensive income for the financial period attributable to: Equity holders of the Company	4,531	14,995	24,975	74,580

(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 31 March 2013

(The figures have not been audited.)

	31 March 2013 RM'000	31 March 2012 RM'000
ASSETS		
Non-current assets		
Property, plant & equipment	315,254	317,010
Biological assets	473,822	473,822
Goodwill on consolidation	2,982	2,982
	792,058	793,814
Current assets		
Inventories	11,676	7,132
Receivables, deposits and prepayments	6,763	8,527
Tax recoverable	122	1,063
Deposits, cash and bank balances	22,410	31,371
	40,971	48,093
Assets of disposal group classified as held for distribution/sale to owners	-	187,570
Total current assets	40,971	235,663
Total assets	833,029	1,029,477
EQUITY AND LIABILITIES		
Share capital	215,000	216,266
Revaluation and other reserves	469,532	469,524
Retained earnings	45,253	146,642
Total equity	729,785	832,432
Non-current liabilities		
Borrowings - interest bearing	23,353	16,848
Deferred tax liabilities	49,096	49,416
	72,449	66,264
Current liabilities		
Payables	13,198	12,529
Borrowings - interest bearing	14,328	23,936
Current tax liabilities	3,269	6,557
Dividend payable	-	17,301
	30,795	60,323
Liabilities of disposal group classified as held for distribution/sale to owners	-	70,458
Total current liabilities	30,795	130,781
Total liabilities	103,244	197,045
Total equity and liabilities	833,029	1,029,477
Net assets per share (RM)	0.85	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 31 March 2013
(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	-	-	(494)	-	26,233	25,739
Final dividend for financial year ended 31 March 2012	-	-	-	-	(21,627)	(21,627)
Dividend in Specie	-	-	-	-	(100,337)	(100,337)
Purchase of treasury shares	-	-	-	(5,658)	-	(5,658)
Cancellation of treasury shares	(5,065)	(1,266)	1,266	5,658	(5,658)	-
At 31 March 2013	<u>860,000</u>	<u>215,000</u>	<u>470,296</u>	<u>-</u>	<u>45,253</u>	<u>730,548</u>
At 1 April 2011	883,200	220,800	466,161	(11,658)	121,477	796,780
Total comprehensive income for the financial period	-	-	(1,171)	-	75,751	74,580
Final dividend for financial year ended 31 March 2011	-	-	-	-	(21,627)	(21,627)
Interim dividend for financial year ended 31 March 2012	-	-	-	-	(17,301)	(17,301)
Cancellation of treasury shares	(18,135)	(4,534)	4,534	11,658	(11,658)	-
At 31 March 2012	<u>865,065</u>	<u>216,266</u>	<u>469,524</u>	<u>-</u>	<u>146,642</u>	<u>832,432</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 31 March 2013
(The figures have not been audited.)

	12 months ended	
	31 March	
	2013	2012
	RM'000	RM'000
Cash flows from operating activities		
Profit for the financial period	25,469	75,751
- continuing operations	26,633	59,808
- discontinued operations	(1,164)	15,943
Adjustment for items not involving the movement of cash or cash equivalents:		
Biological assets written off	-	432
Property, plant and equipment		
- depreciation	8,054	8,190
- written off	930	468
- gain on disposal	-	(135)
Inventories written down	81	163
Adjustment to reflect the Initial Public Offer price	12,566	-
Impairment allowance on hire purchase receivables	4,200	6,645
Interest expense	4,079	6,158
Interest income	(518)	(1,218)
Taxation	14,658	27,405
	44,050	48,108
	69,519	123,859
Changes in working capital		
Inventories	(4,686)	490
Receivables	(12,369)	(24,154)
Payables	2,469	180
	(14,586)	(23,484)
Cash flow from operations	54,933	100,375
Tax paid	(17,004)	(23,623)
Tax refund	942	9
Net cash flow from operating activities	38,871	76,761
Cash flows from investing activities		
Purchase of property, plant and equipment	(7,717)	(14,777)
Proceeds from disposal of property, plant and equipment	-	135
Proceeds from insurance claim	137	-
Proceeds from Investment	15,663	-
Interest received	518	1,218
Net cash from/(used in) investing activities	8,601	(13,424)

UNICO-DESA PLANTATIONS BERHAD (Company No 78983-V)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the financial period ended 31 March 2013
(The figures have not been audited.)

	12 months ended	
	31 March	
	2013	2012
	RM'000	RM'000
Cash flows from financing activities		
Repayment of term loans	(16,615)	(31,893)
Drawdown of term loans	10,000	-
Repayment of block discounting	(11,559)	(15,876)
Draw down of block discounting	11,281	21,793
Interest paid	(4,072)	(6,161)
Purchase of treasury shares	(5,658)	-
Dividend paid to shareholders of the Company	(38,928)	(38,928)
Net cash used in financing activities	(55,551)	(71,065)
Net decrease in cash and cash equivalents during the financial period	(8,079)	(7,728)
Cash and cash equivalents at beginning of financial year	31,828	39,556
Add : Reclassified to discontinued operations	(1,339)	(529)
Cash and cash equivalents at end of financial period	<u>22,410</u>	<u>31,299</u>
<u>Composition of Cash and cash equivalents</u>		
Deposits, cash and bank balances	22,410	31,299
	<u>22,410</u>	<u>31,299</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 fourth quarter ended 31 March 2013

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 fourth quarter ended 31 March 2013

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

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, the Company repurchased 5,065,461 shares from the open market at an average price of RM1.12 per share and the total repurchase cost was RM5.7 million.

On 21 February 2013, the Company cancelled its entire 5,065,461 treasury shares. Consequently, the issued and paid up capital of the Company reduced to RM215 million comprising of 860,000,000 ordinary shares of RM0.25 each.

Except for the above, there were no issuance and repayment of debt and equity securities, share buy-back, share cancellations and resale of treasury shares.

A6 Dividend Paid

On 31 October 2012, the Company paid a single-tier final dividend of 2.50 sen per RM0.25 share on 865,065,461 ordinary shares amounting to RM21.6 mil. The dividend, which was in respect of the financial year ended 31 March 2012 was approved by the members at the AGM.

On 14 December 2012, due to the successful listing of the wholly owned subsidiary ELK-Desa Resources Bhd, a total of 86,497,815 ordinary shares in ELK-Desa Resources Bhd amounting to RM100.3 mil which is equivalent to 11.60 sen per RM0.25 share were distributed as dividend in specie to the shareholders on the basis of one (1) ordinary share in ELK-Desa Resources Bhd for every ten (10) ordinary shares held in Unico-Desa Plantations Bhd on 19 November 2012.

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

Notes to the Interim Financial Statements
for the fourth quarter ended 31 March 2013

A7 Segment Reporting

Segment reporting for the period-to-date ended 31.03.2013

	Plantations (Continuing Operations) RM'000	Hire Purchase (Discontinued Operations) RM'000	Group RM'000
Revenue	166,909	27,186	194,095
Profit from operations	39,506	17,266	56,772
Finance cost	(2,005)	(2,074)	(4,079)
Profit before taxation	37,501	15,192	52,693
Taxation	(10,868)	(3,790)	(14,658)
Net profit	26,633	11,402	38,035
Adjustment to reflect the Initial Public Offer price	-	(12,566)	(12,566)
Profit/(Loss) for the financial period	26,633	(1,164)	25,469

Segment reporting for the period-to-date ended 31.03.2012

	Plantations (Continuing Operations) RM'000	Hire Purchase (Discontinued Operations) RM'000	Group RM'000
Revenue	252,185	38,604	290,789
Profit from operations	84,657	24,656	109,313
Finance cost	(3,025)	(3,132)	(6,157)
Profit before taxation	81,632	21,524	103,156
Taxation	(21,824)	(5,581)	(27,405)
Profit for the financial period	59,808	15,943	75,751

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 fourth quarter ended 31 March 2013

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:

	31.03.2013	31.03.2012
	RM'000	RM'000
Property, plant and equipment:		
Authorised and contracted	<u>1,698</u>	<u>4,057</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 fourth quarter ended 31 March 2013

B1 Review Of Performance

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

Plantations Segment (Continuing Operations)

Profit before tax (PBT) decreased by 52% to RM7.7 mil (FY2013-Q4) as compared to RM16.1 mil (FY2012-Q4) was mainly due to depressed oil palm commodities price. However, the effect due to the lower oil palm commodities price was mitigated by higher internal FFB production.

	Individual Quarter		Cumulative Quarters	
	3 Months Ended		12 Months Ended	
	31.03.2013	31.03.2012	31.03.2013	31.03.2012
	RM'mil	RM'mil	RM'mil	RM'mil
Revenue				
Plantations (Continuing Operations)	38.2	49.3	166.9	252.2
Profit before tax				
Plantations (Continuing Operations)	7.7	16.1	37.5	81.6
FFB Statistic				
FFB - Internal (mt)	58,925	50,628	226,444	253,380
FFB - External (mt)	21,065	13,695	74,935	103,316
	<u>79,990</u>	<u>64,323</u>	<u>301,379</u>	<u>356,696</u>
Other Statistics				
CPO produced (mt)	16,019	13,211	61,282	73,327
PK produced (mt)	3,893	3,149	14,378	16,751
OER (%)	20.03	20.54	20.33	20.56
KER (%)	4.87	4.90	4.77	4.70
CPO average selling price (RM/mt)	2,173	3,104	2,643	3,099
PK average selling price (RM/mt)	1,107	1,922	1,327	2,013

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

Notes to the Interim Financial Statements
for the fourth quarter ended 31 March 2013

B2 Comparison of Results with Preceding Quarter

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

Plantations Segment (Continuing Operations)

Profit before tax decreased by 52% from RM16.1 mil to RM7.7 mil was due to lower FFB production and lower average selling price for CPO in the current quarter.

	Individual Quarter	
	3 Months Ended	
	31.03.2013	31.12.2012
	RM'mil	RM'mil
Revenue		
Plantations (Continuing Operations)	38.2	49.2
Profit before tax		
Plantations (Continuing Operations)	7.7	16.1
FFB Statistic		
FFB - Internal (mt)	58,925	72,934
FFB - External (mt)	21,065	24,350
	<u>79,990</u>	<u>97,284</u>
Other Statistics		
CPO produced (mt)	16,019	19,762
PK produced (mt)	3,893	4,703
OER (%)	20.03	20.31
KER (%)	4.87	4.83
CPO average selling price (RM/mt)	2,173	2,522
PK average selling price (RM/mt)	1,107	1,067

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

Notes to the Interim Financial Statements
for the fourth quarter ended 31 March 2013

B3 Prospects and Outlook

The oil palm industry will continue to face challenges such as fluctuations in oil palm commodities prices, changing weather pattern, inflationary pressure on operation cost due to implementation of minimum workers wage rate. The overall profitability of our plantations segment are very much dependent on crude palm oil prices and also biological aspect of the palm which are mainly not within our control.

However, these effects can be mitigated through our continuous replanting programme to improve our FFB yield and hence we are still cautiously optimistic on the Group's performance in the next 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 31 March 2013 are set out below:

	3 months ended 31.03.2013	12 months ended 31.03.2013
	RM'000	RM'000
<u>Plantation Segment (Continuing Operations)</u>		
- Income Tax	2,540	11,047
- Deferred Taxation	271	(179)
	<u>2,811</u>	<u>10,868</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.

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

Notes to the Interim Financial Statements
for the fourth quarter ended 31 March 2013

B6 Status of Corporate Proposals Announced

On 18 December 2012, the Proposals has been completed following the successful listing of ELK-Desa Resources Bhd ("ELK-DESA") on the Main Market of Bursa Malaysia Securities Berhad.

Accordingly, ELK-DESA ceased to be a subsidiary of Unico-Desa Plantations Bhd.

As at 31 March 2013, the RM15.7 million proceeds raised from the Restricted Offer For Sale are fully utilised as follows:

Purpose	Proposed utilisation RM'000	Actual utilisation RM'000	Deviation RM'000	Remarks
(i) Expenses incurred for the Proposals	500	718	218	The deviation was due to the additional cost incurred for advisor fees.
(ii) Working Capital	15,152	14,934	(218)	
Total	<u>15,652</u>	<u>15,652</u>	<u>-</u>	

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

B7 Group Borrowings

	As at 31.03.2013 RM'000	As at 31.03.2012 RM'000
<u>Plantations Segment (Continuing Operations)</u>		
Bank Overdraft	-	72
Term Loans		
- within 1 year	14,328	23,864
- later than 1 year	23,353	16,848
	<u>37,681</u>	<u>40,712</u>
	<u>37,681</u>	<u>40,784</u>

All borrowings as at 31 March 2013 were secured.

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

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

Notes to the Interim Financial Statements
for the fourth quarter ended 31 March 2013

B8 Pending Material Litigation

There are no material litigations.

B9 Dividend

The Board of Directors recommended a single-tier final dividend in respect of the current financial year ended 31 March 2013 of 2.50 sen (2012: 2.50 sen) per ordinary share of RM0.25 each. The proposed final dividend is subject to the approval of members at the forthcoming Annual General Meeting. The dates of entitlement and payment will be determined later.

In addition to the 11.60 sen dividend in specie distributed on 14 December 2012, the total dividend for the current financial year will be 14.10 sen (2012: 4.50 sen).

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 31.03.2013	Quarter ended 31.03.2012	Year to date ended 31.03.2013	Year to date ended 31.03.2012
Profit after taxation from continuing operations (RM'000)	4,849	11,494	26,633	59,808
Profit after taxation from discontinued operations (RM'000)	-	4,442	(1,164)	15,943
Weighted average number of ordinary shares (units)	861,485,573	865,065,461	864,182,749	865,065,461
Basic earnings per share (sen)				
From continuing operations	0.56	1.33	3.08	6.91
From discontinued operations	-	0.51	(0.13)	1.84
	<u>0.56</u>	<u>1.84</u>	<u>2.95</u>	<u>8.75</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.

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

Notes to the Interim Financial Statements
for the fourth quarter ended 31 March 2013

B12 Note to the Statement of Comprehensive Income

	3 months ended 31.03.2013 RM'000	12 months ended 31.03.2013 RM'000
Charging/(crediting):		
(a) Interest Income	(180)	(518)
(b) Other income including investment income	(17)	(648)
(c) Interest expense	510	4,079
(d) Depreciation and amortization	2,001	8,054
(e) Impairment allowance on hire purchase receivables	-	4,200
(f) inventories written down	37	81
(g) Gain or loss on disposal of quoted or unquoted investment or properties	-	-
(h) Impairment of assets	(13)	-
(i) Foreign exchange gain or loss	N/A	N/A
(j) Gain or loss on derivatives	N/A	N/A
(k) Exceptional items	-	12,566

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 31.03.2013 RM'000	As at 31.03.2012 RM'000
Total retained earnings of the Group and its subsidiaries		
- Realised	112,656	247,278
- Unrealised	(7,330)	(4,966)
	<u>105,326</u>	<u>242,312</u>
Consolidation adjustments	(60,073)	(95,670)
Total retained earnings	<u>45,253</u>	<u>146,642</u>