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DESPITE satisfactory rubber and oil palm crops harvested during the first quarter and firm commodity prices, Malakoff's chairman Mr A Charton is cautious of the company's prospects this year because of higher Opec oil prices which might kindle uncertain economic conditions.

For the year ended Dec. 31, 1978, Malakoff reported a pre-tax profit of $9.17 million up 12 per cent from $8.21 million previously.

The higher profit was due mainly to a sharp first fruit bunch (FFB) crop recovery and higher commodity prices in the second half.

Malakoff's total oil palm FFB crop harvested in the second half rose by 32 per cent to 27,515 tonnes (20,774 tonnes previously) compared with a sharp 40 compared with a sharp 10 per cent decline to 12,551 tonnes at the interim stage.

Similarly, its rubber production recovered marginally to 4,600 tonnes after a 6 per cent shortfall to 3,200 tonnes at half-time.

As a result, Malakoff only suffered marginal declines of 4 per cent in FFB output to 40,066 tonnes and 2 per cent in total rubber output to 8,000 tonnes last year.

Moreover, the crop shortfalls were more than offset by higher prices for rubber and oil palm. As a result total sales revenue rose by 10 per cent to M$32.42 million.

Rubber prices remained fairly constant last year averaging $2.17 per kg compared with $2.03 cents in 1977. The average palm oil price was $1,311 per tonne against $1,250 previously.

At the attributable level, the company's profits swelled by 86 per cent to $9 million ($4.84 million), largely as a result of a huge extraordinary surplus of $3.976 million ($351,669 derived from the sale of its plantation land on Broome estate).

The remaining 31.5 hectares of the Bangi-division of Broome estate was sold at an average price of $11,500 per 0.45 hectare last year, and the whole Sungei Marap division, totalling 286 hectares, was sold for $4.992 million, Mr Charton revealed.

To compensate for the loss of revenue from the sale of Sungei Marap, Mr Charton said about $4.7 million of the company's large surplus funds was used last year to purchase Windsor Estate, near Taiping.

Windsor Estate comprises 820 hectares of which 615 hectares have been planted with rubber and 175 hectares with oil palms. It also has a modern, fully equipped SMR block rubber factory. Since its acquisition last June 1, Windsor has reported a pre-tax profit of $418,000.