DAYA MATERIALS BERHAD

Company No. 636357-W
(Incorporated in Malaysia)

Quarterly Report
30 June 2011

DAYA MATERIALS BERHAD

(Company No: 636357-W)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED INCOME STATEMENT

QUARTERLY REPORT ON THE RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2011

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDING PERIOD
	30.6.2011	30.6.2010	30.6.2011	30.6.2010
	RM'000	RM'000	RM'000	RM'000
Revenue	70,413	52,406	121,059	87,825
Cost of Sales	(58,328)	(41,938)	(102,059)	(69,672)
Gross Profit	12,085	10,468	19,000	18,153
Other Income	1,271	910	3,151	1,509
Operating Expenses	(5,530)	(4,683)	(9,640)	(9,138)
Profit from operations	7,826	6,695	12,511	10,524
Finance Costs	(1,082)	(530)	(2,036)	(1,000)
Profit before tax	6,744	6,165	10,475	9,524
Income tax expense	(1,990)	(1,735)	(3,031)	(2,733)
Profit for the period	4,754	4,430	7,444	6,791
Attributable to :				
Equity holders of the Company	4,732	4,398	7,420	6,751
Non-controlling interests	22	32	24	40
	4,754	4,430	7,444	6,791
Earnings per share (sen):				
Basic	0.42	0.52	0.66	0.81
Diluted*	0.41 *	0.53 *	0.66 *	0.79 *

* The dilution of the earnings per share is due to the dilutive potential ordinary shares pursuant to the conversion of Redeemable Convertible Secured Loan Notes.

The accompanying notes form an integral part of, and should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2010.

DAYA MATERIALS BERHAD

(Company No: 636357-W)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

QUARTERLY REPORT ON THE RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2011

(The figures have not been audited)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPONDIN-G QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPONDIN-G PERIOD
	30.6.2011	30.6.2010	30.6.2011	30.6.2010
	RM'000	RM'000	RM'000	RM'000
Profit for the period	4,754	4,430	7,444	6,791
Total comprehensive income for the period, net of tax	4,754	4,430	7,444	6,791
Total comprehensive income for the period attributable to:				
Equity holders of the Company	4,732	4,398	7,420	6,751
Non-controlling interests	22	32	24	40
	4,754	4,430	7,444	6,791

The accompanying notes form an integral part of, and should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2010.

DAYA MATERIALS BERHAD

(Company No: 636357-W)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2011

(The figures have not been audited)

	UNAUDITED AS AT END OF CURRENT QUARTER 30.6.2011 RM'000	AUDITED AS AT END OF FINANCIAL YEAR 31.12.2010 RM'000
Non Current Assets		
Property, plant and equipment	91,110	90,866
Investment property	1,218	1,225
Intangible assets	83,491	83,491
Investment in jointly controlled entities	811	1,061
Other receivable	1,544	1,809
	178,174	178,452
Current Assets		
Inventories	13,585	13,428
Trade receivables	48,844	47,641
Other receivables	33,443	9,614
Other current assets	8,168	5,040
Tax recoverable	5,330	3,562
Financial assets at fair value through profit or loss	194	159
Cash and cash equivalents	48,099	34,153
	157,663	113,597
Current Liabilities		
Trade payables	16,696	10,372
Other payables	29,225	25,206
Provisions	1,400	2,321
Tax payables	4,788	2,393
Loans and borrowings	27,779	14,568
	79,888	54,860
Net Current Assets	77,775	58,737
	255,949	237,189
Financed by:		
Share capital	119,915	109,673
Reserves	85,431	66,924
	205,346	176,597
Non-controlling interests	663	559
	206,009	177,156
Non Current Liabilities		
Other payables	3,000	5,000
Deferred tax liabilities	917	1,086
Loans and borrowings	46,023	53,947
	49,940	60,033
	255,949	237,189
Net assets per share (sen)	17.12	16.10

The accompanying notes form an integral part of, and should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2010.

DAYA MATERIALS BERHAD

(Company No: 636357-W)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

QUARTERLY REPORT ON THE RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2011

(The figures have not been audited)

<----------------------------Attributable to Equity Holders of the Company---------------------------->

		Non-Distributable -			Distributable reserve			
	Share capital RM'000	**Share premium RM'000**	**Equity component of RCSLN RM'000**	**Foreign Currency Transalation Reserve RM'000**	**Retained earnings RM'000**	**Total RM'000**	**Non-controlling interests RM'000**	**Total Equity RM'000**
Balance as at 1 January 2010	82,630	18,184	443	-	41,543	142,800	681	143,481
Total comprehensive income for the period	-	-	-	-	2,353	2,353	8	2,361
Transactions with owners:								
Effect on equity component of RCSLN	-	-	75	-	-	75	-	75
Balance as at 31 March 2010	82,630	18,184	518	-	43,896	145,228	689	145,917
Total comprehensive income for the period	-	-	-	-	4,398	4,398	32	4,430
Transactions with owners:								
Effect on equity component of RCSLN	-	-	93	-	-	93	-	93
Conversion of RCSLN	1,451	1,549	(91)	-	-	2,909	-	2,909
Private placements	3,980	3,912	-	-	-	7,892	-	7,892
Acquisition of subsidiaries	-	-	-	-	-	-	96	96
Dividends paid	-	-	-	-	(45)	(45)	-	(45)
Balance as at 30 June 2010	88,061	23,645	520	-	48,249	160,475	817	161,292
Total comprehensive income for the period	-	-	-	-	4,382	4,382	16	4,398
Transactions with owners:								
Effect on equity component of RCSLN	-	-	110	-	-	110	-	110
Issuance of bonus shares	17,612	(17,612)	-	-	-	-	-	-
Transaction costs	-	(83)	-	-	-	(83)	-	(83)
Disposal of a subsidiary	-	-	-	-	-	-	(90)	(90)
Dividends paid	-	-	-	-	(2,082)	(2,082)	-	(2,082)
Balance as at 30 September 2010	105,673	5,950	630	-	50,549	162,802	743	163,545
Total comprehensive income for the period	-	-	-	192	5,820	6,012	2	6,014
Transactions with owners:								
Private placements	4,000	4,060	-	-	-	8,060	-	8,060
Issuance of bonus shares	-	-	-	-	-	-	-	-
Disposal of a subsidiary	-	-	-	-	-	-	-	-
Dividends paid	-	-	-	-	-	-	(186)	(186)
Effect on equity component of RCSLN	-	(12)	(265)	-	-	(277)	-	(277)
Balance as at 31 December 2010	109,673	9,998	365	192	56,369	176,597	559	177,156
Balance as at 1 January 2011	109,673	9,998	365	192	56,369	176,597	559	177,156
Total comprehensive income for the period	-	-	-	(18)	2,688	2,670	2	2,672
Transactions with owners:								
Conversion of RCSLN	1,742	1,258	(78)	-	-	2,922	-	2,922
Private placements	500	625	-	-	-	1,125	-	1,125
Issuance of shares to non-controlling interests	-	-	-	-	-	-	80	80
Balance as at 31 March 2011	111,915	11,881	287	174	59,057	183,314	641	183,955
Total comprehensive income for the period	-	-	-	-	4,732	4,732	22	4,754
Transactions with owners:								
Private placements	8,000	9,300	-	-	-	17,300	-	17,300
Balance as at 30 June 2011	119,915	21,181	287	174	63,789	205,346	663	206,009

The accompanying notes form an integral part of, and should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2010.

DAYA MATERIALS BERHAD

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CONDENSED CONSOLIDATED CASH FLOW STATEMENT
QUARTERLY REPORT ON THE RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2011

(The figures have not been audited)

	Note	UNAUDITED CURRENT YEAR TO DATE 30.6.2011 RM'000	AUDITED FOR THE YEAR ENDED 31.12.2010 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		10,475	22,733
Adjustments for:			
Share of results of joint ventures		-	(311)
Discount on convertible loan notes		27	114
Amortisation on intangible assets		-	60
Depreciation on property, plant and equipment		2,399	4,037
Depreciation on investment property		7	15
Gain on disposal of property, plant & equipment		(1,430)	(1,206)
Property, plant and equipment written off		24	33
Gain on disposal of a subsidiary	(i)	-	(89)
Fair value gain on marketable securities		(35)	(19)
Bad debts written off		-	160
Dividend income		-	(1)
Finance costs		2,036	3,149
Interest income		(510)	(787)
Unrealised foreign exchange (gain) / loss		(6)	272
Allowance for impairment		-	1,598
Operating profit before working capital changes		12,987	29,759
Changes in working capital:			
Net change in inventories		(157)	(4,801)
Net change in trade and other receivables		(24,759)	(27,409)
Other current assets		(3,128)	4,036
Net change in trade and other payables		8,343	1,263
Provisions		(921)	1,653
Cash generated from operations		(7,635)	4,502
Finance cost paid		(2,036)	(3,149)
Income tax paid		(2,554)	(8,017)
Net Cash Used In Operating Activities		(12,225)	(6,664)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(2,633)	(30,867)
Proceeds from disposal of property, plant and equipment		1,396	1,436
Purchase of marketable securities		-	(110)
Acquisition of subsidiaries	(ii)	-	(26,284)
Proceeds from disposal of a subsidiary	(i)	-	202
Decrease / (Increase) in pledged deposits placed with licensed banks		(1,264)	(8,765)
Distribution of profits from a jointly controlled entity		250	-
Dividend received		-	1
Interest received		510	787
Net Cash Generated From / (Used In) Investing Activities		(1,741)	(63,599)

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(Incorporated in Malaysia)

CONDENSED CONSOLIDATED CASH FLOW STATEMENT
QUARTERLY REPORT ON THE RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2011

(The figures have not been audited)

	UNAUDITED CURRENT YEAR TO DATE 30.6.2011 RM'000	AUDITED FOR THE YEAR ENDED 31.12.2010 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of loans and borrowings	(2,926)	(9,782)
Proceeds from loans and borrowings	10,508	37,338
Proceeds from issuance of shares	18,425	16,936
Transaction costs paid for issuance of bonus shares	-	(1,079)
Issuance of shares to non-controlling interests	80	-
Dividends paid	-	(2,268)
Net Cash Generated From Financing Activities	26,087	41,145
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS	12,121	(29,118)
Effect of exchange rate fluctuations on cash held	(17)	192
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE PERIOD/YEAR	14,358	43,284
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD/YEAR	26,462	14,358
CASH AND CASH EQUIVALENTS AT END OF THE PERIOD/YEAR		
Cash and bank balances	25,152	10,615
Fixed deposits with licenced banks	21,410	21,115
Short term investments	1,537	2,422
Bank overdraft	(2,770)	(2,192)
	45,329	31,961
Less: Deposits pledged	(18,867)	(17,603)
	26,462	14,358

(i) In previous year, the Group had, on 18 August 2010 announced the completion of the disposal of 1,800 ordinary shares of RM1.00 each in OCI Energy Services Sdn. Bhd. ("OCIES") representing 100% of the issued and paid-up share capital of OCIES by Daya OCI Sdn. Bhd. (formerly known as OCI Energy Sdn. Bhd.) ("DOCI"), a direct wholly owned subsidiary of Daya Materials Berhad, Kamalukhair Bin Abdullah and Zaidi Bin Ayub to Ombak Marine Group Sdn. Bhd. for a total cash consideration of RM201,529.

The assets and liabilities of the disposed subsidiary are as follows:

	UNAUDITED CURRENT YEAR TO DATE 30.6.2011 RM'000	AUDITED FOR THE YEAR ENDED 31.12.2010 RM'000
Property, plant and equipment	-	4
Trade and other receivables	-	1,000
Tax recoverable	-	200
Trade and other payables	-	(1,000)
Deferred tax liabilities	-	(1)
	-	203
Less: Non-controlling interests	-	(90)
	-	113
Gain on disposal of a subsidiary	-	89
Consideration received, satisfied in cash / Net cash inflows	-	202

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CONDENSED CONSOLIDATED CASH FLOW STATEMENT

QUARTERLY REPORT ON THE RESULTS FOR THE SECOND QUARTER ENDED 30 JUNE 2011

(The figures have not been audited)

(ii) In previous year, the Group had, on 14 June 2010 acquired 5,000,000 ordinary shares of RM1.00 each representing 100% of the issued and paid-up capital of DOCI for a cash consideration of RM28,000,000.

The assets and liabilities arising from the acquisition of the subsidiaries are as follows:

	UNAUDITED CURRENT YEAR TO DATE 30.6.2011 RM'000	**AUDITED FOR THE YEAR ENDED 31.12.2010 RM'000**
Property, plant and equipment	-	3,715
Investment property	-	937
Investment in joint venture	-	750
Trade and other receivables	-	6,645
Cash and cash equivalents	-	4,054
Trade and other payables	-	(5,470)
Tax payables	-	(448)
Loans and borrowings	-	(1,778)
Deferred tax liabilities	-	(1)
Fair value of net assets	-	8,404
Less: Non-controlling interests	-	(96)
	-	8,308
Goodwill on acquisitions	-	22,030
Consideration paid, satisfied in cash	-	30,338
Cash and cash equivalents acquired	-	(4,054)
Net cash outflows	-	26,284

The accompanying notes form an integral part of, and should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2010.

A EXPLANATORY NOTES PURSUANT TO FRS 134 INTERIM FINANCIAL REPORTING

A1 Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134 “Interim Financial Reporting” and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia").

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2010. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2010.

A2 Significant Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended 31 December 2010, except for the adoption of the following new Financial Reporting Standards (FRSs), Amendments to FRSs and Interpretations:

(i) Adoption of FRSs, Amendments to FRSs and IC Interpretations

FRSs and Interpretations	Effective for financial periods beginning on or after
FRS 1 First-time Adoption of Financial Reporting Standards	1 July 2010
FRS 3 Business Combinations (Revised)	1 July 2010
Amendments to FRS 2 Share-based Payment	1 July 2010
Amendments to FRS 5 Non-current Assets Held for Sale and Discontinued Operations	1 July 2010
Amendments to FRS 127 Consolidated and Separate Financial Statements	1 July 2010
Amendments to FRS 138 Intangible Assets	1 July 2010
Amendments to IC Interpretation 9 Reassessment of Embedded Derivatives	1 July 2010
IC Interpretation 12 Service Concession Arrangements	1 July 2010
IC Interpretation 16 Hedges of a Net Investment in a Foreign Operation	1 July 2010
IC Interpretation 17 Distributions of Non-cash Assets to Owners	1 July 2010
Amendments to FRS 132: Classification of Rights Issues	1 March 2010
Amendments to FRS 1: Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters	1 January 2011
Amendments to FRS 7: Improving Disclosures about Financial Instruments	1 January 2011
Amendments to FRSs contained in the document entitled "Improvement to FRSs (2010)"	1 January 2011

FRSs and Interpretations (continued)

IC Interpretation 4 Determining whether an Arrangement contains a Lease	1 January 2011
IC Interpretation 18 Transfer of Assets from Customers	1 January 2011
IC Interpretation 19 Extinguishing Financial Liabilities with Equity Instruments	1 July 2011
Prepayments of a Minimum Funding Requirement (Amendments to IC Interpretation 14)	1 July 2011
FRS 124 Related Party Transactions	1 January 2012
IC Interpretation 15 Agreements for the Construction of Real Estate	1 January 2012

(ii) Application of FRSs

The directors expect that the adoption of the standards and interpretations above will have no material impact on the financial statements in the period of initial application except for the below:

a) FRS 7 Financial Instruments: Disclosures

Prior to 1 January 2010, information about financial instruments was disclosed in accordance with the requirements of FRS 132 Financial Instruments: Disclosure and Presentation. FRS 7 introduces new disclosures to improve the information about financial instruments. It requires the disclosure of qualitative and quantitative information about exposure to risks arising from financial instruments, including specified minimum disclosures about credit risk, liquidity risk and market risk, including sensitivity analysis to market risk.

The Group and the Company have applied FRS 7 prospectively in accordance with the transitional provisions. Hence, the new disclosures have not been applied to the comparatives. The new disclosures are included throughout the Group's and the Company's financial statements for the year ended 31 December 2010.

b) FRS 8 Operating Segments

FRS 8, which replaces FRS 114 Segment Reporting, specifies how an entity should report information about its operating segments, based on information about the components of the entity that is available to the chief operating decision maker for the purposes of allocating resources to the segments and assessing their performance. The Standard also requires the disclosure of information about the products and services provided by the segments, the geographical areas in which the Group operates, and revenue from the Group's major customers. The Group concluded that the reportable operating segments determined in accordance with FRS 8 are the same as the business segments previously identified under FRS 114. The Group has adopted FRS 8 retrospectively.

A2 Significant Accounting Policies (Continued)

c) FRS 101 Presentation of Financial Statements (Revised)

The revised FRS 101 introduces changes in the presentation and disclosures of financial statements. The revised Standard separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transactions with owners, with all non-owner changes in equity presented as a single line. The Standard also introduces the statement of comprehensive income, with all items of income and expense recognised in income statements, together with all other items of income and expense recognised directly in equity, either in one single statement, or in two linked statements. The Group and the Company have elected to present this statement as two linked statements.

In addition, a statement of financial position is required at the beginning of the earliest comparative period following a change in accounting policy, the correction of an error or the classification of items in the financial statements.

The revised FRS 101 also requires the Group to make new disclosures to enable users of the financial statements to evaluate the Group's objectives, policies and processes for managing capital.

d) FRS 139 Financial Instruments: Recognition and Measurement

FRS 139 establishes principles for recognising and measuring financial assets, financial liabilities and some contracts to buy and sell non-financial items. The Group and the Company have adopted FRS 139 prospectively on 1 January 2010 in accordance with the transitional provisions. The effects arising from the adoption of this Standard has been accounted for by adjusting the opening balance of retained earnings as at 1 January 2010. Comparatives are not restated. The details of the changes in accounting policies and the effects arising from the adoption of FRS 139 are discussed below:

- Impairment of trade receivables

  Prior to 1 January 2010, provision for doubtful debts was recognised when it was considered uncollectible. Upon the adoption of FRS 139, an impairment loss is recognised when there is objective evidence that an impairment loss has been incurred. The amount of the loss is measured as the difference between the receivable's carrying amount and the present value of the estimated future cash flows discounted at the receivable's original effective interest rate.

  As at 1 January 2010, the Group and the Company have remeasured the allowance for impairment losses as at that date in accordance with FRS 139. There is no adjustment to the opening balance of retained profits as at that date required for the impairment of trade receivables.

(ii) Application of FRSs (Continued)

d) FRS 139 Financial Instruments: Recognition and Measurement (Continued)

- Financial guarantee contracts

  During the current and prior years, the Company provided financial guarantees to banks in connection with bank loans and other banking facilities granted to its subsidiaries. The Company did not provide for such guarantees in the income statements unless it was more likely than not that the guarantees would be called upon. The guarantees were disclosed as contingent liabilities. Upon the adoption of FRS 139, all unexpired financial guarantees issued by the Company are recognised as financial liabilities and are measured at their initial fair value less accumulated amortisation as at 1 January 2010.

  At the reporting date, the Company has reassessed the financial guarantee contracts in accordance with FRS 139. There is no fair value adjustment required for the financial guarantee granted to its subsidiaries.

e) Amendments to FRS 117 Leases

Prior to 1 January 2010, all leases of land and buildings where the title is not expected to pass to the lessee by the end of the lease term and the lessee normally does not receive substantially all of the risks and rewards incidental to ownership, were classified by the Group as operating lease and where necessary, the minimum lease payments or the up-front payments made were allocated between the land and the buildings elements in proportion to the relative fair values for leasehold interests in the land element and buildings element of the lease at the inception of the lease. The up-front payment represented prepaid lease payments and were amortised on a straight-line basis over the lease term.

The amendments to FRS 117 Leases clarify that leases of land and buildings are classified as operating or finance leases in the same way as leases of other assets. They also clarify that the present value of the residual value of the property in a lease with a term of several decades would be negligible and accounting for the land element as a finance lease in such circumstances would be consistent with the economic position of the lessee. Hence, the adoption of the amendments to FRS 117 has resulted in certain unexpired land leases to be reclassified as finance leases. The Group has applied this change in accounting policy in accordance with the transitional provisions of the Amendments to FRS 117. At 1 January 2010, the Group reassessed the lease classification on the basis of the facts and circumstances existing on that date and recognised certain leasehold land held for own use as property, plant and equipment at their fair values on that date. The difference between such fair values and the unamortised carrying amount as at that date is recognised in retained profits.

The following are effects to the statement of financial position as at 31 December 2010 arising from the above change in accounting policy:

	2010 **RM'000**
Increase/(decrease) in :	
Property, plant and equipment	4,741
Prepaid land lease payments	(4,741)

A3 Seasonal or cyclical factors

The Group's interim operations were not subject to any seasonal or cyclical factors.

A4 Unusual items affecting assets, liabilities, equity, net income or cash flows

There were no items or events that arose, which affected assets, liabilities, equity, net income or cash flows, that are unusual by reason of their nature, size or incidence in the quarter under review.

A5 Changes in estimates, significant accounting estimates and judgements

There were no changes in the nature and estimates of amounts reported which have a material effect on the results in the quarter under review.

A6 Debt and equity securities

There were no significant issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the quarter under review except for:-

(1) 60,000,000 new ordinary shares of RM0.10 each issued pursuant to the Private Placement were listed on Bursa Malaysia on 1 July 2011.

A7 Dividends paid

The following dividend was declared and paid during the previous quarter and financial period ended:

	30.6.2011	**31.12.2010**
Final dividends for the financial year	31 December 2010	31 December 2009
Approved and declared on	20 June 2011	21 May 2010
Date paid	15 July 2011	16 July 2010
Number of ordinary shares on which dividends were paid	1,199,158,544	867,614,118
Amount per share	0.24 sen single tier dividend	0.32 sen less 25% taxation
Net dividends paid (RM)	2,877,981	2,082,275

A8 Segment information

Segmental reporting of the Group's result for the financial year-to-date is as follows:

Business Segment	Polymer RM'000	Oil & Gas RM'000	Technical Services RM'000	Others RM'000	Total RM'000
Revenue	10,408	31,764	78,887	-	121,059
Segment Results	1,099	7,579	2,038	(176)	10,540
Unallocated Results					1,971
Profit from Operations					12,511
Finance Costs					(2,036)
Profit Before Tax					10,475
Taxation					(3,031)
Profit AfterTax					7,444

Geographical Segment

	Revenue RM'000
Malaysia	120,864
Foreign Countries	195
Consolidated	121,059

A9 Valuation of property, plant and equipment

The Group did not revalue any of its property, plant and equipment from previous annual financial statements.

A10 Subsequent Events

Save for Section B9, there were no material events subsequent to the current financial quarter ended 30 June 2011 up to the date of this report which is likely to substantially affect the results of the operations of the Group.

A11 Changes in the composition of the Group

There were no changes in the composition of the Group for the quarter under review.

A12 Contingent Assets and Contingent Liabilities

As at 30 June 2011, the Company provides corporate guarantees up to a total amount of RM155,789,515 to licensed banks for banking facilities granted to certain subsidiaries. Consequently, the Company is contingently liable for the amount of banking facilities utilised by these subsidiaries totalling RM55,782,830.

As at 30 June 2011, the Company also provides corporate guarantees up to a total amount of RM6,350,000 to third parties for supply of goods and services for certain subsidiaries. Consequently, the Company is contingently liable for the amount owing by these subsidiaries to the third parties totalling RM397,430.

There were no material contingent assets as at the date of this report.

A13 Capital Commitments

	RM'000
Contracted and not provided for:	10,658
Approved but not contracted for:	12,605

A14 Related Party Transactions

The related party transactions of the Group have been entered into in the normal course of business. Listed below are the significant transactions and balances with related parties of the Group during the current financial period.

	Transaction for the period ended 30.6.2011 RM'000	Balance as at 30.6.2011 RM'000	Transaction for the period ended 30.6.2010 RM'000	Balance as at 30.6.2010 RM'000
Interest income charged on housing loan to a director	61	2,067	-	-
Housing loan to a director	-	-	2,720	2,561

B EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OFBURSA MALAYSIA FOR THE MAIN MARKET

B1 Review of performance

Current Year Quarter versus Preceding Year Corresponding Quarter

The Group achieved higher revenue of RM70.413 million for the quarter ended 30 June 2011, an increase of 34.36% from RM52.406 million recorded in the previous year corresponding quarter. The higher revenue was mainly due to the increase in revenue from oil & gas and technical services segments. However, the Group had only recorded a profit before tax of RM6.744 million for the quarter ended 30 June 2011, which represents 9.39% increase from RM6.165 million recorded in the previous year corresponding quarter due to the nature of lower margin in the technical services industry.

Current Year-to-Date versus Preceding Year Corresponding Quarter

The Group achieved revenue of RM121.058 million for the period ended 30 June 2011, an increase of 37.84% from RM87.825 million recorded in the previous financial period ended 30 June 2010. The increase was mainly attributed to the higher revenue contribution from the technical services segment and oil & gas segment. The Group recorded a profit before tax of RM10.475 million for the period ended 30 June 2011, which represents an increase of 9.99% over RM9.524 million recorded for previous financial period ended 30 June 2010. The improved performance was mainly attributable to the profit contributed by oil & gas segment with the acquisition of Daya OCI Sdn Bhd but offset with lower profits from polymer segment due to the weaker market condition in the polymer industry,

B2 Variation of results against preceding quarter

	Quarter ended 30.6.2011 RM'000	Quarter ended 31.3.2011 RM'000
Revenue	70,413	50,646
Profit before tax	6,744	3,730

For the quarter ended 30 June 2011, the Group achieved higher revenue of RM70.413 million, an increase of 39.03% as compared to RM50.646 million recorded in the preceding quarter. The higher revenue was mainly attributed to the higher contribution from the oil & gas and technical services segments. The Group recorded a profit before tax of RM6.744 million, an increase of 80.80% as compared to RM3.730 million in the preceding quarter, primarily due to higher profits and margin from oil & gas and technical services segments.

B3 Prospects

The Board expects the positive financial performance of the Group to continue in the coming period particularly from its oil & gas and technical services divisions. The Group is expected to benefit from several new contracts secured recently in the oil & gas and technical services divisions. Among those contracts are:

(i) Supply of Methanol Synthesis Catalysts and Desulphurisation Catalysts with the contract value of approximately EURO 6.467 milion.

(ii) Provision of manpower, equipment tools and consumables for removal of sludge from Cargo Oil Tanks with a contract value approximately RM1.7 million.

(iii) Engineering and construction of an industrial facility in Penang with a contract value of approximately RM120 million.

The Group is also exploring several business opportunities in the upstream oil & gas sector, including production chemicals, marine and manpower services. The Board believes that this, coupled with the Group's ongoing marketing efforts in the oil & gas and technical services divisions, will bear fruits in the coming quarters

The Board is of the view that the Group's operational results for the financial year ending 2011 will be satisfactory, barring any unforeseen circumstances.

B4 Profit forecast

Not applicable.

B5 Income tax expenses

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPON-DING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPON-DING PERIOD
	30.6.2011	30.6.2010	30.6.2011	30.6.2010
	RM'000	RM'000	RM'000	RM'000
In respect of the current period:				
Malaysian income tax	1,984	1,735	3,169	2,733
Deferred tax expense / (income)	6	-	(138)	-
	1,990	1,735	3,031	2,733

The Group's effective tax rate for the quarter under review was higher than the statutory income tax rate mainly due to certain expenses which are not deductible for tax purposes.

B6 Sale of unquoted investments and properties

There were no disposals of unquoted investments and properties during the quarter under review.

B7 Other Current Assets

	Note	AS AT END OF CURRENT QUARTER 30.6.2011 RM'000	PRECEDING YEAR CORRESPON-DING PERIOD 30.6.2010 RM'000
Amount due from customers on contracts	(i)	7,608	5,509
Prepayments		560	457
		8,168	5,966

(i) The amount due from customers on contracts is further illustrated as follow:-

	AS AT END OF CURRENT QUARTER 30.6.2011 RM'000	PRECEDING YEAR CORRESPON-DING PERIOD 30.6.2010 RM'000
Aggregate costs incurred to date	246,393	160,001
Add: Attributable profits	53,959	30,593
	300,352	190,594
Less: Progress billings	(292,744)	(185,084)
	7,608	5,509

B8 Financial Assets at fair value through profit or loss

	AS AT END OF CURRENT QUARTER	PRECEDING YEAR CORRESPON-DING PERIOD
	30.6.2011	30.6.2010
	RM'000	RM'000
At fair value		
Quoted securities	194	37

The investment in quoted securities are summarised below:-

	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPON-DING PERIOD
	30.6.2011	30.6.2010
	RM'000	RM'000
Total investment at		
Cost	126	26
Carrying value / Market value	194	37

There were no purchases and disposals of quoted securities during the quarter under review.

B9 Status of corporate proposals

The status of a corporate proposal announced by the Company and completed are summarised below:

(i) Purchase of commercial property for total consideration of RM2,757,700

On 13 January 2011, the Board announced that its wholly owned subsidiary company, Daya Urusharta Sdn Bhd. ("DUSB") had on 13 January 2011, entered into five Sale and Purchase Agreements (“SPA”) with Koperasi Permodalan Felda Malaysia Berhad (Koop Negara: 39) (“the Vendor”) for the proposed acquisition of five (5) units of office suites of a stratified mixed commercial development known as SOLARIS DUTAMAS in Dutamas, Daerah Kuala Lumpur with a total net area of approximately 466 square meters ("Properties") for a total cash consideration of RM2,757,700.00.

DUSB has collected the keys of the said properties from the Vendor in end of July 2011.

The status of corporate proposals announced by the Company but not completed as at 19 August 2011, being the latest practicable date not earlier than 7 days from the date of issue of this quarterly report is summarised below:

(i) Proposed ESOS and Shares Buy-Back

On 22 December 2008, the Board announced that the Company has proposed to undertake the following:-

a. Proposed establishment of an employees' share option scheme ("ESOS") for the eligible directors and employees of DMB and its subsidiary companies ("Proposed ESOS"); and

b. Proposed authority for the company to purchase up to ten per cent (10%) of its issued and paid-up share capital ("Proposed Share Buy-Back").

The shareholders of DMB had approved the Proposed ESOS and Proposed Share Buy-Back at the extraordinary general meeting convened on 26 February 2009.

On 22 April 2010, the Board announced that the Company is seeking its shareholders approval for the Proposed Share Buy-Back Renewal. The Company had already seeked approval for the Proposed Share Buy-Back Renewal from the shareholders at the Seventh AGM held on 21 May 2010.

(ii) Incorporation of a joint venture company, Daya NCHO Sdn. Bhd.

On 15 March 2011, the Board announced that Daya Clarimax Sdn. Bhd. ("DCLX"), a wholly owned subsidiary of the Company had on 22 February 2011 acquired one (1) ordinary share of RM1.00 in Daya NCHO Sdn. Bhd. ("DNSB"), for a total cash consideration of RM1.00 from Chai Churn Hwa. On 15 March 2011 DCLX has further subscribed 599,999 ordinary shares of RM1.00 each in DNSB through capitalisation of an amount of RM599,999 out of the total fixed assets transferred from DCLX. Subsequent to this, DNSB is expected to increase its paid-up share capital to RM1,000,000 divided into 1,000,000 ordinary shares of RM1.00 each arising from the subscription of shares by its shareholders, DCLX (60%) and the joint venture partner, NCHO Sdn. Bhd. ("NSB") (40%) in accordance with the provisions of the Joint Venture Agreement dated 27 January 2011 entered into between DCLX and NSB.

B9 Status of corporate proposals (Continued)

(iii) Proposed Private Placement

On 11 May 2011, the Board announced that the Company proposes to issue up to 238,000,000 new ordinary shares of RM0.10 each in DMB ("DMB Shares") representing up to 20.89% of the existing issued and paid-up share capital of the Company through a private placement exercise ("Proposed Private Placement").

On 11 May 2011, DMB accepted offer letters from Ganjaran Lebar Sdn Bhd, Robert Lee Yee Seng and Lim Soon Foo to subscribe for an aggregate of 110,000,000 Placement Shares.

The balance of the Placement Shares of up to 128,000,000 Placement Shares shall be placed to third party investor(s) ("Placee(s)") to be identified at a later stage, in accordance with Paragraph 6.04(c) of the Main Market Listing Requirements of Bursa Securities. Placees shall also be person(s) or party(ies) who/which qualify under Schedules 6 and 7 of the Capital Markets and Services Act 2007.

On 27 May 2011, the Board announced that Bursa Malaysia had, via its letter dated 26 May 2011, approved DMB's application for the listing of the placement shares in respect of the Proposed Private Placement.

On 17 June 2011, the Board announced that Ministry of International Trade and Industry ("MITI") had, via its letter dated 17 June 2011, informed that it has no objections to the Proposed Private Placement.

On 20 June 2011, the Board announced that the shareholders of DMB have, at the EGM held on the same day, approved the Proposed Private Placement.

On 27 June 2011, the Board announce that DMB had on 24 June 2011 received a letter from one of its Identified Placees, Ganjaran Lebar Sdn Bhd ("Ganjaran Lebar"), informing DMB that Ganjaran Lebar has declined to take up the placement of 50,000,000 new ordinary shares of RM0.10 each in DMB ("Placement Shares") at the subscription price of RM0.22 per Placement Share due to uncertain market conditions. The Board will endeavour to identify other potential placees to take up the said placement shares.

On 27 June 2011, a total of 60,000,000 ordinary shares of RM0.10 each in DMB ("DMB Shares") were placed out to identified investors at an issue price of RM0.22 per share.

B10 Status of utilisation of proceeds

(i) Private Placement Proceeds- Year 2010

The Company raised approximately RM22.461 million from its private placement exercise proposed in year 2010.

As at 30 June 2011, the Company has utilised the funds raised as follows:-

	Proceeds from Placement Shares RM'000[i]	Actual Utilisation RM'000	Intended Time Frame For Utilisation	Deviation Amount RM'000	Deviation %
Future acquisitions and expansion	21,461	17,061	within 12 months	4,400	21%
Defraying of expenses incidental to the Proposed Private Placement[ii]	1,000	1,000	within 1 month	-	0%
Total	**22,461** [iii]	**18,061**		**4,400**	**21%**

(a) Any difference between the indicative proceeds above and the actual proceeds raised from the Proposed Private Placement (depending on the number of Placement Shares and the issue price of the Placement Shares) shall be adjusted from the future synergistic acquisitions and expansion.

(b) Any variation to the estimated expenses will be adjusted to/ from the working capital.

(c) As at 30 June 2011, DMB has placed out first tranche of 26,800,000 placement shares, at an issue price of RM0.22 per share, raising RM5,896,000 and second tranche of 13,000,000 placement shares, at an issue price of RM0.23 per share raising RM2,990,000, third tranche of 30,000,000 placement shares, at an issue price of RM0.20 per share, raising RM6,000,000, fourth tranche of 10,000,000 placement shares, at an issue price of RM0.205 per share raising RM2,050,000, fifth tranche of 5,000,000 placement shares, at an issue price of RM0.225 per share raising RM1,125,000 and sixth tranche of 20,000,000 placement shares, at an issue price of RM0.22 per share raising RM4,400,000.

B10 Status of utilisation of proceeds (Continued)

(ii) Private Placement Proceeds- Year 2011

The Company raised approximately RM13.2 million from its private placement exercise proposed in year 2011.

As at 30 June 2011, the Company has utilised the funds raised as follows:-

	Proceeds from Proposed Placement Shares RM'000[i]	Proceeds from Placement Shares RM'000	Actual Utilisation RM'000	Intended Time Frame For Utilisation	Deviation Amount RM'000	Deviation %
Future synergistic acquisitions and expansion	44,000	4,840	-	within 12 months	4,840	100%
Working Capital[ii]	5,610	5,610		within 12 months	5,610	100%
Defraying of expenses incidental to the Proposed Private Placement[iii]	2,750	2,750	150	within 1 month	2,600	95%
Total	52,360	13,200 [iv]	150		13,050	99%

(a) Any difference between the indicative proceeds above and the actual proceeds raised from the Proposed Private Placement (depending on the number of Placement Shares and the issue price of the Placement Shares) shall be adjusted from the proceeds used for future synergistic acquisitions and expansion.

(b) Working capital is for the DMB Group's operating and administrative expenses.

(c) Any variation to the estimated expenses will be adjusted to/ from the proceeds used for working capital.

(d) As at 30 June 2011, DMB has placed out first tranche of 60,000,000 placement shares, at an issue price of RM0.22 per share, raising RM13,200,000.

B11 Group's borrowings and debt securities

The Group's borrowings are as follows:

	Note	Payable within 12 months RM'000	Payable after 12 months RM'000	Total Outstanding RM'000
Trade facilities (Secured)		12,962	-	12,962
Hire purchases (Secured)		975	2,180	3,155
Overdraft (Unsecured)		2,770	-	2,770
Term loans (Secured)		11,072	33,083	44,155
Redeemable Convertible Secured Loan Notes ("RCSLN")	(i)	-	10,760	10,760
		27,779	46,023	73,802

B11 Group's borrowings and debt securities (Continued)

The bank borrowings and other facilities are secured by way of :-

(a) legal charges over subsidiaries freehold land and buildings;

(b) corporate guarantee by the Company;

(c) a debenture over all assets of certain subsidiaries;

(d) a pledge on the Company and subsidiaries' fixed deposits; and

(e) a pledge of 100% unquoted shares over the entire issued and paid-up capital of certain subsidiaries with a carrying amount of RM112,308,946.

The bank borrowings and other facilities are denoted in local currency.

(i) The proceeds received from the issue of the RCSLN have been split between the liability component and the equity component, representing the fair value of the conversion option. The RCSLN are accounted for the balance sheets of the Group as follows:

	CUMULATIVE QUARTER	
	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPON-DING PERIOD
	30.6.2011	30.6.2010
	RM'000	RM'000
Nominal value	11,000	17,000
Add: Discount on convertible notes	142	52
Less: Unamortised discount	(382)	(691)
	10,760	16,361

The amounts recognised in balance sheets of the Group may be analysed as follows:-

	CUMULATIVE QUARTER	
	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPON-DING PERIOD
	30.6.2011	30.6.2010
	RM'000	RM'000
Liability component:-		
Nominal value of the convertible notes	11,000	17,000
Add: Discount on convertible notes	142	52
	11,142	17,052
Equity component, net of deferred tax	(287)	(518)
Deferred tax liabiliy	(95)	(173)
	10,760	16,361

B12 Off balance sheet financial instruments

There were no off-balance sheet financial instruments as at 19 August 2011, being the latest practicable date not earlier than 7 days from the date of issue of this quarterly report.

B13 Material litigations

Save for the following, there were no material litigations involving the Group since the last financial year ended 31 December 2010 to 19 August 2011, being the latest practicable date not earlier than 7 days from the date of issue of this quarterly report.

(i) On 25 March 2008, Daya Secadyme Sdn Bhd ("DSSB") filed a civil suit against (i) Mohd Akbar B Hj. Johari, (ii) AJ Premier Holdings Sdn Bhd, (iii) Aims Mission Sdn Bhd, (iv) Global Max Trading Sdn Bhd and (v) Azrul Bin Mohd Nasir trading as Rasa Indah Trading ("Defendants") vide KL High Court Civil Suit No.D3-22-380-2008. The claim against the 1st, 2nd and 3rd Defendants is based on fraudulent misrepresentation and/or fraud perpetrated in conspiracy with the other Defendants, and alternatively for monies had and received, and against the 4th and 5th Defendants on fraud perpetrated in conspiracy with the other Defendants. The amount claimed is RM1,942,000 with interest at 8.00% p.a. thereupon from judgment to settlement, and the legal costs of the proceedings. An application filed by the 5th Defendant to strike out the writ of summons and statement of claim was dismissed with costs 30 April 2009.

A Mareva Injunction was obtained on an ex parte basis on 7 April 2008 to freeze the bank accounts of all the Defendants. On 23 April 2008, the Court had ordered that the Mareva Injunction be continued subject to certain variations, where the 1st, 2nd and 5th Defendants respectively were entitled to withdraw fixed amounts of money every month from the relevant accounts for the expenses. The Mareva Injunction was confirmed on an inter parte basis by the Court on 21 February 2011. The Solicitors for the 1st and 2nd Defendants have withdrawn their appeal to the Court of Appeal from this Order.

The matter was fixed for trial on the 11 and 12 August 2011. Only the 1st and 2nd defendants are still represented by Counsel. Counsel for the 3rd and 5th Defendants have discharged themselves from acting for the respective Defendants.

On the 11 August 2011, the 1st and 2nd Defendants consented to Judgment on terms contained in a Consent Order. The 1st and 2nd Defendants have agreed to pay a sum of RM1,200,000 by way of four (4) installments, RM100,000 on or before 31 December 2011, RM370,000 on or before 31 December 2012, RM365,000 on or before 31 December 2013 and RM365,000 on or before 31 December 2014. In default of any one of these installments, the 1st and 2nd Defendants become liable for the payment of the entire sum claimed of RM1,942,250 less any installments paid. The 1st and 2nd Defendants have also agreed to provide security for the installments payments in the form of titles to properties up to the value of RM300,000 on or before 31 December 2011 and RM900,000 on or before 30 June 2012 in default of which the entire sum due on the installments shall fall due as at the date of default.

The trial proceeded against the 3rd, 4th and 5th Defendants who did not appear in Court and deferred the decision to the 16 August 2011, when the Court granted Judgment against the 3rd, 4th and 5th defendants for the sum claimed of RM1,942,000.

B13 Material litigations (Continued)

(ii) DSSB was served with a Notification of Civil Proceedings (pursuant to Section 106 of the Income Tax Act, 1967) dated 21 October 2008 by the Inland Revenue Board for the recovery of income tax amounting to RM357,728.85, as a debt due to the Government ("Notification").

Vide the Notification, DSSB was duly informed that a summons and a statement of claim would be served on DSSB in due course.

DSSB is currently seeking clarification and discussing with the IRB in respect of the disputed tax amount of RM357,728.85 pursuant to the Notification, of which the Board believes has been previously settled with the IRB. The Board is of the considered opinion that it is likely for the IRB to withdraw the Notification or to discontinue any action once a mutual agreement of a settlement is reached between DSSB and the IRB.

(iii) a) Daya CMT Sdn Bhd ("DCMT") has on 15 September 2009 brought a civil suit against Biz-Markas Sdn Bhd ("1st Defendant") and Reapfield Properties (S.J) Sdn Bhd ("2nd Defendant") (collectively "Defendants") vide High Court in Malaya at Kuala Lumpur, Writ of Summons No. S22-663-2009 for breach of contract following the 1st Defendant's refusal to proceed with the sale of the land identified as Lot 20, Jalan Teknologi, Taman Sains Selangor 1, Kota Damansara, Selangor Darul Ehsan ("the said Land") for the purchase consideration of RM9,067,500.00. An earnest deposit was paid by DCMT amounting to RM181,350.00. DCMT sought specific performance against the Defendants or in the alternative, special and general damages for breach of contract. This matter is now fixed for further case management on 16 November 2011 at the Kuala Lumpur High Court.

By an Amended Defence and Counter Claim dated 7 December 2009, the 1st Defendant counter claimed by seeking declarations, among others, that the 2nd Defendant is not their agent to sell the property, that there is no valid agreement to sell the property, that the 2nd Defendant has committed fraud against them, that the Plaintiff and the 2nd Defendant had conspired to cause losses to them (which the 1st Defendant did not plead for losses that they have incurred), that the 2nd Defendant to incur the losses claimed by the Plaintiff and general damages again the 2nd defendant. The Plaintiff filed a Reply and Defence to Counter-Claim dated 21 December 2009 to the 1st Defendant's Amended Defence and Counter-Claim.

DCMT filed an injunction application on 3 September 2010 against 1st Defendant to restraint them from selling or transferring the said Land until the disposal of the Writ. The court dismissed the application on 28 September 2010 with costs of RM5,000.00 to the 1st Defendant. There is no further appeal.

The 1st Defendant filed a striking out application of DCMT's civil suit against the Defendants dated 15 October 2010. The Court allowed the suit against the 1st Defendant's to be struck off with costs of RM5,000.00 to the 1st Defendant. There is no further appeal.

The outcome of the case against the 2nd Defendant for damages will depend on the evidence adduced at trial.

b) Daya CMT Sdn Bhd ("DCMT") has on 3 September 2010 filed an application to extend the private caveat against Perbadanan Kemajuan Negeri Selangor ("PKNS") ("Defendant") vide High Court in Malaya at Kuala Lumpur, Originating Summons No.S21-231-2010. DCMT has entered a private caveat on the said Land on 19 October 2009 pending the transfer of the said Land. DCMT was served with a notice of an application to remove the private caveat by the Defendant on 2 August 2010. The Defendant is the registered proprietor of the said Land. The court dismissed DCMT's application on 28 September 2010 with costs of RM500.00 to the Defendant. There is no further appeal.

B14 Proposed Dividends

No interim dividend has been declared for the current quarter under review.

The Company is pleased to propose a final single tier dividend of 2.4% in respect of the financial year ended 31 December 2010. These final dividend payable has been approved by shareholders at the Eighth Annual General Meeting and has been paid on 15 July 2011.

B15 Earnings per share

a) Basic earnings per share

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPON DING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPON-DING PERIOD
	30.6.2011	30.6.2010	30.6.2011	30.6.2010
Net profit for the period attributable to ordinary equity holders of the company (RM'000)	4,732	4,398	7,420	6,751
Weighted average number of shares in issue ('000)	1,135,862	839,697	1,124,787	833,035
Basic earnings per share (sen)	0.42	0.52	0.66	0.81

b) Diluted earnings per share

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER	PRECEDING YEAR CORRESPON DING QUARTER	CURRENT YEAR TO DATE	PRECEDING YEAR CORRESPON-DING PERIOD
	30.6.2011	30.6.2010	30.6.2011	30.6.2010
Net profit for the period attributable to ordinary equity holders of the company (RM'000)	4,732	4,398	7,420	6,751
Effect of dilution (RM'000)	58	117	58	171
Adjusted net profit for the period attributable to ordinary equity holders of the company (RM'000)	4,790	4,515	7,478	6,922
Weighted average number of shares in issue ('000)	1,135,862	839,697	1,124,787	833,035
Effect of dilution ('000)	33,695	18,616	16,940	45,296
Adjusted weighted average number of shares in issue ('000)	1,169,556	858,312	1,141,728	878,331
Diluted earnings per share (sen)	0.41	0.53	0.66	0.79

B16 Realised and Unrealised Profits/Losses

On 25 March 2010, Bursa Malaysia Securities Berhad ("Bursa Malaysia") issued a directive to all listed issuers pursuant to Paragraphs 2.06 and 2.23 of Bursa Malaysia Main Market Listing Requirements. The directive requires all listed issuers to disclose the breakdown of the unappropriated profits or accumulated losses as at the end of the reporting period, into realised and unrealised profits or losses.

On 20 December 2010, Bursa Malaysia further issued guidance on the disclosure and the format required.

The breakdown of the retained earnings of the Group as at the reporting date, into realised and unrealised profits, pursuant to the directive, is as follows:

	CUMULATIVE QUARTER	
	AS AT	AS AT
	30.6.2011	31.12.2010
	RM'000	RM'000
Total retained earnings of DMB and its subsidiaries:		
- Realised profits	93,079	84,534
- Unrealised profits	158	396
	93,237	84,930
Less: Consolidated adjustments	(29,448)	(28,561)
Total group retained earnings as per consoildated accounts	63,789	56,369

The determination of realised and unrealised profits is based on the Guidance of Special Matter No. 1, Determination of Realised and Unrealised Profits or Losses in the Context of Disclosure Pursuant to Bursa Malaysia Securities Berhad Listing Requirements, issued by the Malaysian Institute of Accountants on 20 December 2010.

The disclosure of realised and unrealised profits above is solely for complying with the disclosure requirements stipulated in the directive of Bursa Malaysia and should not be applied for any other purposes.

B17 Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 December 2010 was unqualified.

By Order of the Board

DATO' MAZLIN BIN MD JUNID
VICE CHAIRMAN

Date: 23 August 2011