

SELANGOR DREDGING BERHAD (4624-U)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 30 September 2011

	As at 30.09.2011 (UNAUDITED)	As at 31.03.2011 (AUDITED)
ASSETS	RM'000	RM'000
Non-current assets		
Property, plant and equipment	168,954	169,433
Investment properties	292,427	291,843
Land held for development	26,037	25,696
Investment in jointly controlled entities	104,257	95,804
Available-for-sale financial assets	3,281	3,611
	<u>594,956</u>	<u>586,387</u>
Current assets		
Inventories	21,654	53,290
Property Development Costs	305,061	279,388
Trade and other receivable	139,017	131,897
Tax recoverable	0	0
Cash and Cash Equivalents	113,771	110,629
	<u>579,503</u>	<u>575,204</u>
TOTAL ASSETS	<u>1,174,459</u>	<u>1,161,591</u>
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share Capital	213,064	213,064
Reserves	370,208	355,004
	<u>583,272</u>	<u>568,068</u>
Non-controlling interest	0	0
Total equity	<u>583,272</u>	<u>568,068</u>
Non-current liabilities		
Bank Borrowings	178,464	401,900
Other deferred liabilities	0	0
	<u>178,464</u>	<u>401,900</u>
Current liabilities		
Trade and other payables	79,182	59,830
Bank Borrowings	328,422	129,000
Bank Overdraft	0	0
Taxation	5,119	2,793
	<u>412,723</u>	<u>191,623</u>
Total liabilities	<u>591,187</u>	<u>593,523</u>
TOTAL EQUITY AND LIABILITIES	<u>1,174,459</u>	<u>1,161,591</u>
Net assets per ordinary share attributable to owners of the Parent(sen)	136.88	133.31

The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the year ended 31st March 2011

SELANGOR DREDGING BERHAD (4624-U)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF INCOME
for the 2nd quarter ended 30 September 2011

(The figures have not been audited)

	Current quarter ended 30.09.2011	Comparative quarter ended 30.09.2010	Current 6 months ended 30.09.2011	Preceding 6 months ended 30.09.2010
	RM'000	RM'000	RM'000	RM'000
Revenue	91,190	83,741	190,085	146,218
Operating expenses	(72,680)	(73,820)	(151,937)	(123,964)
Other operating income	1,069	767	2,120	2,076
Profit from operations	19,579	10,688	40,268	24,330
Finance costs	(4,847)	(4,415)	(9,717)	(8,972)
Investing results	223	461	312	610
Share of jointly controlled entities results	<u>(1,323)</u>	<u>2,862</u>	<u>(2,083)</u>	<u>2,260</u>
Profit before taxation	13,632	9,596	28,780	18,228
Taxation	<u>(3,744)</u>	<u>(2,481)</u>	<u>(8,787)</u>	<u>(5,419)</u>
Profit for the period	<u>9,888</u>	<u>7,115</u>	<u>19,993</u>	<u>12,809</u>
Arributable to:				
Owners of the Parent	9,888	7,115	19,993	12,809
Non-controlling interest	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Profit for the period	<u><u>9,888</u></u>	<u><u>7,115</u></u>	<u><u>19,993</u></u>	<u><u>12,809</u></u>
Earning per share - basic (sen)	2.32	1.67	4.69	3.01
- diluted (sen)	-	-	-	-

*The Condensed Consolidated Income Statement should be read in conjunction with the
Annual Financial Report for the year ended 31st March 2011*

SELANGOR DREDGING BERHAD (4624-U)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
for the 2nd quarter ended 30 September 2011
(The figures have not been audited)

	Current quarter ended 30.09.2011	Comparative quarter ended 30.09.2010	Current 6 months ended 30.09.2011	Preceding 6 months ended 30.09.2010
	RM'000	RM'000	RM'000	RM'000
Profit for the period	9,888	7,115	19,993	12,809
Fair value changes in available-for-sale financial asset	(408)	150	(380)	147
Foreign currency translation differences for foreign operations	(711)	1,929	3,581	794
Other comprehensive income	<u>(1,119)</u>	<u>2,079</u>	<u>3,201</u>	<u>941</u>
Total comprehensive income	<u>8,769</u>	<u>9,194</u>	<u>23,194</u>	<u>13,750</u>
Arributable to:				
Owners of the Parent	12,513	9,194	26,938	13,750
Non-controlling interest	-	-	-	-
Total comprehensive income	<u>8,769</u>	<u>9,194</u>	<u>23,194</u>	<u>13,750</u>

*The Condensed Consolidated Income Statement should be read in conjunction with the
Annual Financial Report for the year ended 31st March 2011*

SELANGOR DREDGING BERHAD (4624-U)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the 6 months ended 30 September 2011
(The figures have not been audited)

	Share capital RM'000	Share premium RM'000	Revaluation reserve RM'000	Capital reserve RM'000	Fair value reserve RM'000	Exchange Fluctuation RM'000	Retained profits RM'000	Total RM'000
<u>Current 6 months ended</u> <u>30 September 2011</u>								
As at 1 April 2011	213,064	477	34,640	7,861	2,267	4,378	305,381	568,068
Effects of adopting FRS 139 Restated	<u>213,064</u>	<u>477</u>	<u>34,640</u>	<u>7,861</u>	<u>2,267</u>	<u>4,378</u>	<u>305,381</u>	<u>568,068</u>
Movement during the period:								
Total comprehensive income for the the period	-	-	-	-	(380)	3,581	19,993	23,194
Dividend paid	-	-	-	-	-	-	(7,990)	(7,990)
As at 30 September 2011	<u><u>213,064</u></u>	<u><u>477</u></u>	<u><u>34,640</u></u>	<u><u>7,861</u></u>	<u><u>1,887</u></u>	<u><u>7,959</u></u>	<u><u>317,384</u></u>	<u><u>583,272</u></u>

<u>Current 6 months ended</u> <u>30 September 2010</u>								
As at 1 April 2010	213,064	477	1,728	7,861	0	(258)	281,605	504,477
Effects of adopting FRS 139	<u>213,064</u>	<u>477</u>	<u>1,728</u>	<u>7,861</u>	<u>1,701</u>	<u>(258)</u>	<u>281,605</u>	<u>506,178</u>
Movement during the period:								
Total comprehensive income for the the period	-	-	-	-	147	794	12,809	13,750
Dividend paid	-	-	-	-	-	-	(6,392)	(6,392)
As at 30 September 2010	<u><u>213,064</u></u>	<u><u>477</u></u>	<u><u>1,728</u></u>	<u><u>7,861</u></u>	<u><u>1,848</u></u>	<u><u>536</u></u>	<u><u>288,022</u></u>	<u><u>513,536</u></u>

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31st March 2011

SELANGOR DREDGING BERHAD (4624-U)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED CASHFLOW STATEMENT

for the 6 months ended 30 September 2011

(The figures have not been audited)

	Current 6 months ended 30.09.2011	Preceding 6 months ended 30.09.2010
	RM'000	RM'000
CASHFLOW FROM OPERATING ACTIVITIES		
Profit before taxation	28,780	18,228
Adjustment for :		
Non-cash items	2,036	2,182
Non-operating items (which are investing / financing)	10,874	6,102
Operating profit before working capital changes	41,690	26,512
Changes in working capital		
Net change in current assets	2,465	21,288
Net change in current liabilities	12,787	9,779
Net cashflows from operating activities	56,942	57,579
CASHFLOW FROM INVESTING ACTIVITIES		
Equity investments	(8,559)	150
Other investments	(1,407)	(105,597)
Net cashflows from investing activities	(9,966)	(105,447)
CASHFLOW FROM FINANCING ACTIVITIES		
Dividend paid to MI Shareholders of subsidiary companies	-	-
Dividend paid to Shareholder of Company	(7,990)	(6,392)
Revolving Credit	(11,564)	(17,857)
Term Loan	(15,039)	79,468
Interest paid	(9,732)	(8,999)
Repayment of hire purchase liability	-	-
Net cashflows from financing activities	(44,325)	46,220
NET CHANGE IN CASH & CASH EQUIVALENTS	2,651	25,057
CASH & CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	109,024	65,740
EFFECT OF EXCHANGE RATE CHANGES	480	804
CASH & CASH EQUIVALENTS AT END OF THE PERIOD	112,155	91,601
Represented by:		
Cash and Cash Equivalents	113,771	66,501
less:		
Amount pledged as security for bank facilities	(1,616)	(1,605)
	112,155	64,896

The Condensed Consolidated Cashflow Statement should be read in conjunction with the Annual Financial Report for the year ended 31st March 2011

SELANGOR DREDGING BERHAD (4624-U)
QUARTERLY REPORT ON CONSOLIDATED RESULTS
FOR THE SECOND FINANCIAL QUARTER ENDED 30 SEPTEMBER 2011

Part A - Selected Explanatory Notes pursuant to Financial Reporting Standard 134 ("FRS 134")

A1. Accounting Policies and Method of Computation

The interim financial report has been prepared in accordance with FRS 134 - Interim Financial Reporting and Chapter 9 Part K of the Listing Requirements of Bursa Malaysia Securities Berhad. The same accounting policies and method of computation are followed in the interim financial statements as compared with the most recent annual financial statements for the year ended 31 March 2011 except for the adoption of the following new/revised FRS effective for the financial period commencing on 1 April 2011:

FRS 3: Business Combinations (revised)

FRS 127: Consolidated and Separate Financial Statements (revised)

IC Interpretation 4 : Determining whether an Arrangement contains a Lease

IC Interpretation 12 : Service Concession Arrangement

IC Interpretation 16 : Hedges of Net Investment in a Foreign Operation

IC Interpretation 17 : Distribution of Non-cash Assets to Owners

IC Interpretation 18 : Transfer of Assets from Customer

Amendments to:

FRS 2 : Share Based Payment

FRS 5 : Non-current Assets Held for Sale and Discontinued Operations

FRS 7 : Improving Disclosures about Financial Statement

FRS 138 : Intangible Assets – Additional consequential amendments arising from revised FRS 3

IC Interpretation 9 : Reassessment of Embedded Derivatives – Scope of IC Interpretation 9 and revised FRS 3

The adoption of the above pronouncement does not have significant impact on the financial statement of the Group.

A2. Audit Report of Preceding Annual Financial Statements

The Group's preceding annual financial statements were reported without any qualification.

A3. Seasonality or Cyclicity of Operations

The business operations of the Group are generally not affected by seasonal or cyclical factors except for the hotel operations which are generally affected by major festive seasons.

A4. Unusual items affecting Assets, Liabilities, Equity, Net Income or Cashflows

There are no unusual items affecting assets, liabilities, equity, net income or cashflows during the financial year under review.

A5. Change in Estimate

There were no material changes in estimates reported in prior interim periods of the current financial year or in prior financial years which have a material effect in the current interim period.

A6. Debt and Equity Securities

There were no issuance and repayment of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares during the current financial quarter and year-to-date ended 30 September 2011.

A7. Dividend Paid

A first and final dividend of 7,989,895.76 for the year ended 31 March 2011 was paid during the current financial quarter.

A8. Segment Revenue and Segment Result By Business Segments

(a) Primary reporting format – business segment

All the operations of the Group are organised in Malaysia into six main business segments:

- (i) Property investments - letting of industrial and commercial properties
- (ii) Property development - property development
- (iii) Hotel operations - operation of hotel and related services
- (iv) Investment holding - holding of shares in quoted and non-quoted companies
- (v) Property Support Service - providing support service to purchasers of properties developed by the SDB Group
- (vi) Others - provision of management services and trading

Transactions between segments were entered into in the normal course of business and were established on terms and conditions that are not materially different from that obtainable in transactions with unrelated parties. The effects of such inter-segmental transactions are eliminated on consolidation.

	Property Investments	Hotel Operations	Property Developments	Property Support Service	Investment Holding	Others	Consolidated
RM'000							
REVENUE							
External Sales	9,726	11,733	168,626	0	0	0	190,085
Inter-segment Sales	473	0	0	152	0	(625)	0
Total revenue	10,199	11,733	168,626	152	0	(625)	190,085
RESULTS							
Segment results	4,087	166	39,561	(747)	593	(221)	43,439
Unallocated Corporate expense							(3,171)
Operating profit							40,268
<u>Profit from Investing activities</u>							
-Dividend income					54		54
-Interest income					177		177
-Gain on liquidation of subsidiary co.					0		0
- Gain on disposal of Investment Property					0		0
- Gain/(Loss) on other investments					81		81
Fair Value Adjustment					0		0
Finance cost, net							(9,717)
Share of profits of jointly controlled entities			(2,083)				(2,083)
Income taxes							(8,787)
Profit for the period							19,993

(b) Secondary reporting format – geographical segment

The operations of the Group are substantially carried out in Malaysia except for SDB Australia Pty Ltd and SDB Hotels Pty Ltd which are incorporated in Australia and SDB Asia Pte Ltd and SDB UK Pte Ltd which is incorporated in Singapore.

A9. Valuation of property, plant and equipment

The valuations of property, plant and equipment have been brought forward without amendments from the most recent annual financial statements for the year ended 31 March 2011.

A10. Material Events Subsequent to the End of the Period

There are no material events subsequent to 30 September 2011 up to the date of this announcement that has not been reflected in the financial statements as at 30 September 2011.

A11. Effects of Changes in the Composition of the Group

For the financial year to date there are no changes in the composition of the Group.

A12. Changes in Contingent Liabilities and Contingent Assets

The Group does not have any contingent liabilities and contingent assets as at the last annual balance sheet date up to the current financial year to date.

Part B - Selected Explanatory Notes pursuant to Appendix 9B of the Bursa Malaysia Securities Berhad Listing Requirements

B1. Review of Performance of the Company and its Principal Subsidiaries

For the 6 months ended 30 September 2011, the Group achieved a higher turnover and net profit of RM190.09 million and RM19.99 million compared to RM146.22 million and RM12.81 million in the corresponding period last year. This was mainly attributable to higher work progress achieved in 20trees West, Five Stones and Gilstead Two, Singapore.

B2. Material Changes in Profit Before Tax of the Current Quarter compared to the Preceding Quarter

For the quarter ended 30 September 2011, the Group registered lower profit before tax of RM13.63 million compared to RM15.15 million recorded in its preceding quarter ended 30 June 2011. The lower profit was mainly due to the completion of JIA in the preceding quarter.

B3. Prospects for the Current/Future Financial Year

The outlook for the remainder of Financial Year 2012 is expected to remain challenging from uncertainties in the global financial crisis in the West. However, with unrecognized revenue of approximately RM700 million in hand, the Group expects the current financial year performance to be satisfactory.

B4. Variance of Actual Profit from Forecast Profit and Shortfall in Profit Guarantee

Not Applicable.

B5. Taxation

Tax charge comprises the following:-

	Current Quarter 30/09/2011 RM'000	Financial Year to Date 30/09/2011 RM'000
- current taxation	3,744	8,787
- associated companies	0	0
- deferred taxation	0	0
- under/(over) provision in prior years		
- Current	0	0
- Deferred	0	0
	<u>3,744</u>	<u>8,787</u>

For the current quarter, the Group's taxation was higher compared to the statutory rate mainly due to certain expenses being disallowed for tax purposes.

B6. Profits/(losses) on sale of Unquoted Investments and/or Properties

There were no profits or losses on sale of investments and/or properties outside the ordinary course of the Group's business for the financial year under review.

B7. Quoted Securities

(a) Total purchases and disposals of quoted securities are as follows:-

	Current Quarter 30/09/2011 RM'000	Financial Year to Date 30/09/2011 RM'000
Total Purchase Consideration	111	111
Total Sales Proceeds	138	140
Total profit/(loss) on disposal	79	81

(b) Total investments in quoted securities as at 30 September 2011 are as follows:-

	RM'000
(i) at cost	1,570
(ii) at carrying value / book value	3,281
(iii) at market value	3,281

B8. Status of Corporate Proposal

- (a) Since the last balance sheet date, there were no corporate proposals announced.
(b) Status of utilization of proceeds raised from any corporate proposal – Not Applicable.

B9. Group Borrowings and Debts Securities

Total Group borrowings as at 30 September 2011 are as follows:-

	RM'000
<i>Long Term Bank Borrowings</i>	
<i>Secured:-</i>	
Revolving Credit	96,250
Term Loan	282,636
Repayments due within the next 12 months	<u>(198,542)</u>
Sub-Total	<u>180,344</u>
<i>Unsecured:-</i>	
Revolving Credit	8,000
Repayments due within the next 12 months	<u>(4,000)</u>
Sub-Total	<u>4,000</u>
<i>Short Term Bank Borrowings</i>	
<i>Secured:-</i>	
Bank Overdrafts	0
Revolving credits	55,000
Bankers' Acceptance	0
Current portion of long term borrowing	<u>198,542</u>
Sub-Total	<u>253,542</u>
<i>Unsecured:-</i>	
Bank overdrafts	0
Revolving Credits	65,000
Current portion of long term borrowing	<u>4,000</u>
Sub-Total	<u>69,000</u>
Total	<u>506,886</u>

There were no borrowings or debt securities denominated in foreign currencies except for the followings:

	SGD'000	equivalent RM'000
Borrowings denominated in foreign currency	33,900	83,180

B10. Off Balance Sheet Financial Instruments

Since the last annual balance sheet date, the Group does not have any financial instruments with off balance sheet risk up to the date of this quarterly report.

B11. Material Litigation

There were no significant changes in material litigation since the last annual balance sheet date.

B12. Dividend

No interim dividend has been recommended in respect of the current financial period.

B13. Realised and Unrealised Profits and Losses

The retained profits of the Group as at 30 September 2011 and 31 March 2011 is analysed as follows:

	30-Sep-2011 RM'000	31-Mar-2011 RM'000
Total retained profits of the Company and it's subsidiaries:		
- Realised	151,800	133,894
- Unrealised	178,217	176,908
	330,017	310,802
Total share of retained profits from jointly controlled entities:		
- Realised	(2,949)	(1,586)
- Unrealised	0	0
	(2,949)	(1,586)
	327,068	309,216
Less: Consolidation adjustment	(9,683)	(3,835)
Total Group retained profit	317,385	305,381

B14. Earnings Per Share

Basic earnings per share is calculated by dividing the Group's net profit for the period by the weighted average number of ordinary shares in issue during the period, disclosed as follows:-

	Current quarter ended 30/09/2011	Comparative quarter ended 30/09/2010	Current 6 months ended 30/09/2011	Preceding 6 months ended 30/09/2010
(i) Net profit for the period (RM'000)	9,888	7,115	19,993	12,809
(ii) Weighted average number of ordinary shares in issue ('000)	426,127	426,127	426,127	426,127
Basic earnings per share (sen)	2.32	1.67	4.69	3.01

The company does not have any dilutive potential ordinary shares outstanding as at 30 September 2011. Accordingly, no diluted earnings per share is presented.