

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

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
As at 30 June 2012

	As at 30.06.2012 ( UNAUDITED )	As at 31.03.2012 ( AUDITED )
	RM'000	RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	168,856	168,501
Investment properties	296,846	296,691
Land held for development	40,585	27,443
Investment in jointly controlled entities	144,145	98,618
Available-for-sale financial assets	3,720	3,720
	<u>654,152</u>	<u>594,973</u>
<b>Current assets</b>		
Inventories	19,493	19,501
Property Development Costs	281,164	290,124
Trade and other receivable	154,575	180,102
Tax recoverable	3,394	3,396
Cash and Cash Equivalents	136,699	132,910
	<u>595,325</u>	<u>626,033</u>
<b>TOTAL ASSETS</b>	<u>1,249,477</u>	<u>1,221,006</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the parent</b>		
Share Capital	213,064	213,064
Reserves	409,963	392,489
	<u>623,027</u>	<u>605,553</u>
<b>Non-controlling interest</b>	0	0
<b>Total equity</b>	<u>623,027</u>	<u>605,553</u>
<b>Non-current liabilities</b>		
Bank Borrowings	399,696	391,477
Other deferred liabilities	0	0
	<u>399,696</u>	<u>391,477</u>
<b>Current liabilities</b>		
Trade and other payables	88,354	85,673
Bank Borrowings	137,044	135,333
Bank Overdraft	0	0
Taxation	1,356	2,970
	<u>226,754</u>	<u>223,976</u>
<b>Total liabilities</b>	<u>626,450</u>	<u>615,453</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>1,249,477</u>	<u>1,221,006</u>
<b>Net assets per ordinary share attributable to owners of the Parent(sen)</b>	146.21	142.11

*The Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the year ended 31st March 2012*

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

**CONDENSED CONSOLIDATED STATEMENT OF INCOME**  
**for the 1st quarter ended 30 June 2012**

( The figures have not been audited )

	Current quarter ended 30.06.2012	Comparative quarter ended 30.06.2011	Current 3 months ended 30.06.2012	Corresponding 3 months ended 30.06.2011
	RM'000	RM'000	RM'000	RM'000
<b>Revenue</b>	65,393	98,895	65,393	98,895
Operating expenses	(54,312)	(78,372)	(54,312)	(78,372)
Other operating income	5,130	1,140	5,130	1,140
Profit from operations	16,211	21,663	16,211	21,663
Depreciation	(1,108)	(885)	(1,108)	(885)
Finance costs	(5,577)	(4,870)	(5,577)	(4,870)
Share of jointly controlled entities results	<u>3,384</u>	<u>(760)</u>	<u>3,384</u>	<u>(760)</u>
<b>Profit before taxation</b>	12,910	15,148	12,910	15,148
Taxation	<u>(2,238)</u>	<u>(5,043)</u>	<u>(2,238)</u>	<u>(5,043)</u>
<b>Profit for the period</b>	<u>10,672</u>	<u>10,105</u>	<u>10,672</u>	<u>10,105</u>
<b>Arrivable to:</b>				
Owners of the Parent	10,672	10,105	10,672	10,105
Non-controlling interest	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Profit for the period</b>	<u>10,672</u>	<u>10,105</u>	<u>10,672</u>	<u>10,105</u>
Earning per share - basic ( sen )	2.50	2.37	2.50	2.37
- diluted ( sen )	-	-	-	-

*The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the year ended 31st March 2012*

## SELANGOR DREDGING BERHAD ( 4624-U)

( Incorporated in Malaysia )

### CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the 1st quarter ended 30 June 2012

( The figures have not been audited )

	Current quarter ended 30.06.2012	Comparative quarter ended 30.06.2011	Current 3 months ended 30.06.2012	Corresponding 3 months ended 30.06.2011
	RM'000	RM'000	RM'000	RM'000
<b>Profit for the period</b>	10,672	10,105	10,672	10,105
Fair value changes in available-for-sale financial asset	0	28	0	28
Foreign currency translation differences for foreign operations	6,802	4,292	6,802	4,292
Fair Value changes in PPE	0	0	0	0
<b>Other comprehensive income</b>	<u>6,802</u>	<u>4,320</u>	<u>6,802</u>	<u>4,320</u>
<b>Total comprehensive income</b>	<u>17,474</u>	<u>14,425</u>	<u>17,474</u>	<u>14,425</u>
Arributable to:				
Owners of the Parent	17,474	14,425	17,474	14,425
Non-controlling interest	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Total comprehensive income</b>	<u>17,474</u>	<u>14,425</u>	<u>17,474</u>	<u>14,425</u>

*The Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the year ended 31st March 2012*

## SELANGOR DREDGING BERHAD ( 4624-U)

( Incorporated in Malaysia )

### CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

for the 3 months ended 30 June 2012

( 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
<b>Current 3 months ended</b>								
<b>30 June 2012</b>								
As at 1 April 2012	213,064	477	34,640	7,861	2,336	4,070	343,105	605,553
Effects of adopting FRS 139 Restated	<u>213,064</u>	<u>477</u>	<u>34,640</u>	<u>7,861</u>	<u>2,336</u>	<u>4,070</u>	<u>343,105</u>	<u>605,553</u>
Movement during the period:								
Total comprehensive income for the the period	-	-	-	-	-	6,802	10,672	17,474
Dividend paid	-	-	-	-	-	-	-	-
As at 30 June 2012	<u>213,064</u>	<u>477</u>	<u>34,640</u>	<u>7,861</u>	<u>2,336</u>	<u>10,872</u>	<u>353,777</u>	<u>623,027</u>
<b>Preceding 3 months ended</b>								
<b>30 June 2011</b>								
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	<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	-	-	-	-	28	4,292	10,105	14,425
Dividend paid	-	-	-	-	-	-	-	-
As at 30 June 2011	<u>213,064</u>	<u>477</u>	<u>34,640</u>	<u>7,861</u>	<u>2,295</u>	<u>8,670</u>	<u>315,486</u>	<u>582,493</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 2012*

## SELANGOR DREDGING BERHAD ( 4624-U)

( Incorporated in Malaysia )

### CONDENSED CONSOLIDATED CASHFLOW STATEMENT

for the 3 months ended 30 June 2012

( The figures have not been audited )

	Current 3 months ended 30.06.2012 RM'000	Corresponding 3 months ended 30.06.2011 RM'000
<b>CASHFLOW FROM OPERATING ACTIVITIES</b>		
Profit before taxation	12,910	15,148
Adjustment for :		
Non-cash items	1,108	1,006
Non-operating items ( which are investing / financing )	1,814	5,607
Operating profit before working capital changes	15,832	21,761
Changes in working capital		
Receipts from customer	45,455	42,118
Payments to supplier, contractors and employee	(7,915)	12,252
Interest paid	(5,577)	(4,870)
Income tax paid	(3,849)	(3,419)
Net cashflows from operating activities	43,946	67,842
<b>CASHFLOW FROM INVESTING ACTIVITIES</b>		
Equity investments	8	9
Other investments	(13,142)	(512)
Investment in jointly controlled entities	(35,060)	-
Purchase/Disposal of property, plant and equipment	(1,464)	(503)
Net cashflows from investing activities	(49,658)	(1,006)
<b>CASHFLOW FROM FINANCING ACTIVITIES</b>		
Dividend paid to MI Shareholders of subsidiary companies	-	-
Dividend paid to Shareholder of Company	-	-
Revolving Credit	(5,720)	(6,988)
Term Loan	15,650	(36,524)
Repayment of hire purchase liability	-	-
Net cashflows from financing activities	9,930	(43,512)
<b>NET CHANGE IN CASH &amp; CASH EQUIVALENTS</b>	4,218	23,324
<b>CASH &amp; CASH EQUIVALENTS AT BEGINNING OF THE PERIOD</b>	131,305	109,024
<b>EFFECT OF EXCHANGE RATE CHANGES</b>	(429)	777
<b>CASH &amp; CASH EQUIVALENTS AT END OF THE PERIOD</b>	135,094	133,125
Represented by:		
Cash and Cash Equivalents	136,699	134,730
less:		
Amount pledged as security for bank facilities	(1,605)	(1,605)
	135,094	133,125

*The Condensed Consolidated Cashflow Statement should be read in conjunction with the Annual Financial Report for the year ended 31st March 2012*

**SELANGOR DREDGING BERHAD (4624-U)**  
**QUARTERLY REPORT ON CONSOLIDATED RESULTS**  
**FOR THE FISRT FINANCIAL QUARTER ENDED 30 JUNE 2012**

***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 2012 except for the adoption of the following new/revised FRS effective for the financial period commencing on 1 April 2012:

FRS 124 : Related Party Disclosures (revised)  
 IC Interpretation 19 : Extinguishing Financial Liabilities with Equity Instruments

*Amendments to:*

FRS 1 : Severe Hyperinflation and Removal of Fixed Dates for First-time adopters (revised)  
 FRS 7 : Disclosures - Transfers of Financial Assets  
 FRS 112 : Income Taxes - Deferred Tax : Recovery of Underlying Assets  
 IC Interpretation 14 : Prepayments of a Minimum Funding Requirement

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

The Group has not adopted the following standards and interpretations that have been issued but not yet effective:

	Effective for annual periods beginning on or after
FRS 9 Financial Instruments	1 January 2015
FRS10 Consolidated Financial Statements	1 January 2013
FRS 11 Joint arrangements	1 January 2013
FRS 12 Disclosure if Interests in Other Entities	1 January 2013
FRS 13 Fair Value Measurement	1 January 2013
FRS 119 Employment Benefits (revised)	1 January 2013
FRS 127 (2011) Separate Financial Statements	1 January 2013
FRS 128 (2011) Investment in Associates and Joint Ventures	1 January 2013
IC Interpretation 20 : Stripping Costs in the Production Phase of a Surface Mine	1 January 2013

*Amendments to:*

FRS 1 : Government Loans	1 January 2013
FRS 7 : Disclosures – Offsetting Financial Assets and Financial Liabilities	1 January 2013
FRS 9 : Mandatory Effective Date of FRS 9 and Transition Disclosures	1 January 2015
FRS 101 : Presentation of Items of Other Comprehensive Income (revised)	1 July 2012
FRS 132 : Offsetting Financial Assets and Financial Liabilities	1 January 2014

## **Malaysian Financial Reporting Standards (“MFRS”)**

On 19 November 2011, the Malaysian Accounting Standards Board (“MASB”) issued a new MASB approved accounting framework, the MFRS. The MFRS 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 subject to the application of MFRS 141 Agriculture (“MFRS 141”) and IC Interpretation 15 Instruments Agreements for Construction of Real Estate (“IC 15”), including its parent, significant investor and venture (here in referred to as “Transitioning Entities”). Transitioning Entities will be allowed to defer adoption of the new MFRS for an additional one year.

On 30 June 2012, MASB announced that the Transitioning Entities are allowed to extend their deferment on the adoption of MFRS Framework for another year. As such, the MFRS Framework will be mandatory for all companies for annual period beginning on or after 1 January 2014.

The Group falls within the definition of Transitioning Entities and has opted to defer adoption of the new MFRS to 1 January 2014. Accordingly, the Group will be required to prepare its first MFRS financial statements for the year ending 31 March 2015. In presenting its first MFRS financial statements, the Group will quantify the financial effects of the differences between the current FRS and MFRS. The majority of the adjustments required on transition will be made, retrospectively, against opening retained earnings.

Accordingly, the consolidated financial performance and financial position as disclosed in these financial statements for the year ended 31 March 2012 could be different if prepared under the MFRS.

### **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 June 2012.

### **A7. Dividend Paid**

There was no payment of dividend during the current financial quarter and year-to-date ended 30 June 2012.

**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 Investment	Hotel Operations	Property Development	Property Support Services	Investment Holding	Others	Consolidated
<b>RM'000</b>							
<b>REVENUE</b>							
External Sales	5,083	6,251	54,059	0	0	0	65,393
Inter-segment Sales	266	0	0	73	0	(339)	0
<b>Total revenue</b>	<b>5,349</b>	<b>6,251</b>	<b>54,059</b>	<b>73</b>	<b>0</b>	<b>(339)</b>	<b>65,393</b>
<b>RESULTS</b>							
Segment results	2,655	206	9,716	(600)	1,597	0	13,574
Unallocated corporate (expenses)/income							1,529
<b>Operating profit</b>							<b>15,103</b>
Finance cost, net							(5,577)
Share on net profits/(loss) of associated company			3,384				3,384
Income taxes							(2,238)
<b>Profit for the period</b>							<b>10,672</b>

*(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 2012.

**A10. Material Events Subsequent to the End of the Period**

There are no material events subsequent to 30 June 2012 up to the date of this announcement that has not been reflected in the financial statements as at 30 June 2012.

**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 3 months ended 30 June 2012, the Group achieved a lower turnover of RM65.39 million but a higher net profit of RM10.67 million compared to RM98.90 million and RM10.11 million in the corresponding period last year. The lower turnover was mainly attributable to sales of 20trees stock and the completion of JIA, Singapore in the corresponding period last year. For these 3 months, higher net profit was mainly due to work progress achieved in Gilstead Two, Singapore and utilization of tax losses brought forward.

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

For the quarter ended 30 June 2012, the Group registered lower profit before tax of RM12.91 million compared to RM18.62 million recorded in its preceding quarter ended 31 March 2012. The lower profit was mainly due to the revaluation of the Group's investment properties in last quarter resulting in net surplus of RM5.42 million.

**B3. Prospects for the Current/Future Financial Year**

The outlook for coming year is expected to remain challenging from uncertainties arising from the European debts crisis. However, with unbilled sales of approximately RM731 million in hand, the Group expects the next 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 30/06/2012 RM'000	Financial Year to Date 30/06/2012 RM'000
- current taxation	2,238	2,238
- associated companies	0	0
- deferred taxation	0	0
- under/(over) provision in prior years		
- Current	0	0
- Deferred	0	0
	<u>2,238</u>	<u>2,238</u>

For the current quarter, the Group's taxation was lower compared to the statutory rate mainly due to utilization of tax loss brought forward.

**B6. 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.

**B7. Group Borrowings and Debts Securities**

Total Group borrowings as at 30 June 2012 are as follows:-

	RM'000
<i>Long Term Bank Borrowing</i>	
<i>Secured:</i>	
Revolving Credit	140,544
Term Loan	272,196
Repayments due within the next 12 months	(17,044)
Sub-Total	<u>395,696</u>
<i>Unsecured:</i>	
Revolving Credit	4,000
Term Loan	0
Repayments due within the next 12 months	0
Sub-Total	<u>4,000</u>
<i>Short Term Bank Borrowing</i>	
<i>Secured:</i>	
Revolving Credit	55,000
Term Loan	0
Current portion of long term borrowing	17,044
Sub-Total	<u>72,044</u>
<i>Unsecured:</i>	
Revolving Credit	65,000
Term Loan	0
Current portion of long term borrowing	0
Sub-Total	<u>65,000</u>
Total	<u>536,740</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	84,896

**B8. Material Litigation**

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

**B9. Dividend**

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

**B10. Realised and Unrealised Profits and Losses**

The retained profits of the Group as at 30 June 2012 and 31 March 2012 is analysed as follows:

	30/Jun/2012 RM'000	31/Mar/2012 RM'000
Total retained profits of the Company and it's subsidiaries:		
- Realised	171,862	164,512
- Unrealised	185,453	187,196
	357,315	351,708
Total share of retained profits from jointly controlled entities:		
- Realised	2,720	(664)
- Unrealised	(1,387)	(1,387)
	1,333	(2,051)
	358,648	349,657
Less: Consolidation adjustment	(4,871)	(6,552)
Total Group retained profit	353,777	343,105

**B11. 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 30/06/2012	Comparative quarter ended 30/06/2011	Current 3 months ended 30/06/2012	Corresponding 3 months ended 30/06/2011
(i) Net profit for the period ( RM'000 )	10,672	10,105	10,672	10,105
(ii) Weighted average number of ordinary shares in issue ( '000 )	426,127	426,127	426,127	426,127
Basic earnings per share (sen)	2.50	2.37	2.50	2.37

The company does not have any dilutive potential ordinary shares outstanding as at 30 June 2012. Accordingly, no diluted earnings per share is presented.

**B12. Profit for the Period**

	Individual Quarter		Cumulative Quarter	
	Current quarter ended	Comparative quarter ended	Current months ended	3 Corresponding months ended
	30.06.2012	30.06.2011	30.06.2012	30.06.2011
	RM'000	RM'000	RM'000	RM'000
Profit for the period is arrived at after crediting:				
Interest Income	25	77	25	77
Other Income	1,881	823	1,881	823
Foreign Exchange Gain	3,224	238	3,224	238
Gain on disposal of quoted investment	0	2	0	2
and after charging:				
Interest expense	5,577	4,870	5,577	4,870
Depreciation	1,108	885	1,108	885
Provision for/write off of receivables	0	0	0	0
Provision for/write off of inventories	0	0	0	0
Foreign Exchange Loss	0	0	0	0