

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

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 Dec 2012

	As at 31.12.2012 (UNAUDITED)	As at 31.03.2012 (AUDITED)
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	167,942	168,501
Investment properties	296,844	296,691
Land held for development	74,616	27,443
Investment in jointly controlled entities	150,177	98,618
Available-for-sale financial assets	10,547	3,720
	<u>700,126</u>	<u>594,973</u>
Current assets		
Inventories	17,194	19,501
Property Development Costs	330,759	290,124
Trade and other receivable	147,962	180,102
Tax recoverable	3,394	3,396
Cash and Cash Equivalents	100,839	132,910
	<u>600,148</u>	<u>626,033</u>
TOTAL ASSETS	<u>1,300,274</u>	<u>1,221,006</u>
 EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share Capital	213,064	213,064
Reserves	418,896	392,489
	<u>631,960</u>	<u>605,553</u>
Non-controlling interest	0	0
Total equity	<u>631,960</u>	<u>605,553</u>
 Non-current liabilities		
Bank Borrowings	452,652	391,477
Other deferred liabilities	0	0
	<u>452,652</u>	<u>391,477</u>
Current liabilities		
Trade and other payables	83,946	85,673
Bank Borrowings	130,280	135,333
Bank Overdraft	0	0
Taxation	1,436	2,970
	<u>215,662</u>	<u>223,976</u>
Total liabilities	<u>668,314</u>	<u>615,453</u>
TOTAL EQUITY AND LIABILITIES	<u>1,300,274</u>	<u>1,221,006</u>
 Net assets per ordinary share attributable to owners of the Company (sen)	<u>148.30</u>	<u>142.11</u>

The Condensed Consolidated Statement of Financial Position 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 INCOME STATEMENT

for the 3rd quarter ended 31 December 2012

(The figures have not been audited)

	Current quarter ended 31.12.2012	Comparative quarter ended 31.12.2011	Current 9 months ended 31.12.2012	Corresponding 9 months ended 31.12.2011
	RM'000	RM'000	RM'000	RM'000
Revenue	82,192	85,601	209,235	275,998
Operating expenses	(66,751)	(66,298)	(170,353)	(216,763)
Other operating income	1,473	3,076	8,407	5,508
Profit from operations	16,914	22,379	47,289	64,743
Depreciation	(1,146)	(917)	(3,398)	-2,701
Finance costs	(6,095)	(5,195)	(17,133)	(14,912)
Share of jointly controlled entities results	<u>2,249</u>	<u>(1,680)</u>	<u>9,634</u>	<u>(3,763)</u>
Profit before taxation	11,922	14,587	36,392	43,367
Taxation	<u>(2,642)</u>	<u>(4,561)</u>	<u>(6,280)</u>	<u>(13,348)</u>
Profit for the period	<u>9,280</u>	<u>10,026</u>	<u>30,112</u>	<u>30,019</u>
Attributable to:				
Owners of the Company	9,280	10,026	30,112	30,019
Non-controlling interest	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Profit for the period	<u><u>9,280</u></u>	<u><u>10,026</u></u>	<u><u>30,112</u></u>	<u><u>30,019</u></u>
Earning per share - basic (sen)	2.18	2.35	7.07	7.04
- 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 3rd quarter ended 31 December 2012

(The figures have not been audited)

	Current quarter ended 31.12.2012	Comparative quarter ended 31.12.2011	Current 9 months ended 31.12.2012	Corresponding 9 months ended 31.12.2011
	RM'000	RM'000	RM'000	RM'000
Profit for the period	9,280	10,026	30,112	30,019
Fair value changes in available-for-sale financial asset	664	(12)	664	(392)
Foreign currency translation differences for foreign operations	(1,298)	(490)	5,219	3,091
Fair Value changes in PPE	0	0	0	0
Other comprehensive income	<u>(634)</u>	<u>(502)</u>	<u>5,883</u>	<u>2,699</u>
Total comprehensive income	<u>8,646</u>	<u>9,524</u>	<u>35,995</u>	<u>32,718</u>
Arributable to:				
Owners of the Parent	8,646	9,524	35,995	32,718
Non-controlling interest	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total comprehensive income	<u><u>8,646</u></u>	<u><u>9,524</u></u>	<u><u>35,995</u></u>	<u><u>32,718</u></u>

*The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with
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 9 months ended 31 December 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
Current 9 months ended								
31 December 2012								
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	213,064	477	34,640	7,861	2,336	4,070	343,105	605,553
Movement during the period:								
Total comprehensive income					664	5,219	30,112	35,995
for the the period	-	-	-	-	-	-	(9,588)	(9,588)
Dividend paid								
As at 31 December 2012	213,064	477	34,640	7,861	3,000	9,289	363,629	631,960
Preceding 9 months ended								
31 December 2011								
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								-
	213,064	477	34,640	7,861	2,267	4,378	305,381	568,068
Movement during the period:								
Total comprehensive income					(392)	3,091	30,019	32,718
for the the period	-	-	-	-	-	-	(7,990)	(7,990)
Dividend paid								
As at 31 December 2011	213,064	477	34,640	7,861	1,875	7,469	327,410	592,796

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 STATEMENT OF CASH FLOWS

for the 9 months ended 31 December 2012

(The figures have not been audited)

	Current 9 months ended 31.12.2012 RM'000	Corresponding 9 months ended 31.12.2011 RM'000
CASHFLOW FROM OPERATING ACTIVITIES		
Profit before taxation	36,391	43,367
Adjustment for :		
Non-cash items	3,364	2,701
Non-operating items (which are investing / financing)	7,122	16,474
Operating profit before working capital changes	46,877	62,542
Changes in working capital		
Receipts from customer	12,879	386
Payments to supplier, contractors and employee	(16,299)	25,947
Interest paid	(16,595)	(15,205)
Income tax paid	(7,812)	(11,877)
Net cashflows from operating activities	19,050	61,793
CASHFLOW FROM INVESTING ACTIVITIES		
Equity investments	-	63
Other investments	(53,261)	(1,776)
Investment in jointly controlled entities	(35,060)	(8,613)
Purchase/Disposal of property, plant and equipment	(2,481)	(2,035)
Net cashflows from investing activities	(90,802)	(12,361)
CASHFLOW FROM FINANCING ACTIVITIES		
Dividend paid to MI Shareholders of subsidiary companies	-	-
Dividend paid to Shareholder of Company	(9,588)	(7,990)
Revolving Credit	(18,204)	21,700
Term Loan	70,850	(55,246)
Repayment of hire purchase liability	-	-
Net cashflows from financing activities	43,058	(41,536)
NET CHANGE IN CASH & CASH EQUIVALENTS	(28,694)	7,896
CASH & CASH EQUIVALENTS AT BEGINNING OF THE PERIOD	131,305	109,024
EFFECT OF EXCHANGE RATE CHANGES	(3,377)	317
CASH & CASH EQUIVALENTS AT END OF THE PERIOD	99,234	117,237
Represented by:		
Cash and Cash Equivalents	100,839	118,852
less:		
Amount pledged as security for bank facilities	(1,605)	(1,615)
	99,234	117,237

The Condensed Consolidated Statement of Cash Flows 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 THIRD FINANCIAL QUARTER ENDED 31 DECEMBER 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 period to-date ended 31 December 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 period-to-date ended 31 December 2012.

A7. Dividend Paid

A first and final dividend of RM9,587,874.72 for the year ended 31 March 2012 was paid during the last financial period to-date.

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.

RM'000	Property Investment	Hotel Operations	Property Development	Property Support Services	Investment Holding	Others/ Elimination	Consolidated
REVENUE							
External Sales	15,294	20,392	173,440	109	0	0	209,235
Inter-segment Sales	798	0	0	532	0	(1,330)	0
Total revenue	<u>16,092</u>	<u>20,392</u>	<u>173,440</u>	<u>641</u>	<u>0</u>	<u>(1,330)</u>	<u>209,235</u>
RESULTS							
Segment results	5,845	1,763	38,639	(1,140)	5,258	(5,126)	45,239
Unallocated corporate (expenses)/income							<u>(1,348)</u>
Operating profit							43,891
Finance cost, net							(17,133)
Share on net profits/(loss) of associated company			9,634				9,634
Income taxes							<u>(6,280)</u>
Profit for the period							<u>30,112</u>

(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

Save for the following item, there are no material events subsequent to 31 December 2012 up to the date of this announcement that has not been reflected in the financial statements as at 31 December 2012 :-

On 8 February 2013, SDB Properties Sdn. Bhd. ("SDBP"), a wholly-owned subsidiary of the Company, had entered into an Agreement ("Agreement") with Yong Poh Kon ("YPK") to acquire the following two (2) pieces of vacant leasehold land for a purchase price of Ringgit Malaysia Twenty Four Million and Fifty Thousand (RM24,050,000.00) only ("Purchase Price") or Ringgit Malaysia Twenty Three Million One Hundred Ninety Eight Thousand and Seven Hundred Forty Nine (RM23,198,749.00) only ("Discounted Purchase Price"):-

- (i) A land held under PM 23, Lot 1223 ("Lot 1223"); and
- (ii) A land held under PM 17, Lot 1230 ("Lot 1230"),

both in Kampong Klang Gates Baru, Mukim of Hulu Kelang, Daerah Gombak, Negeri Selangor Darul Ehsan, (collectively referred to as "said Lands").
(The above are hereinafter collectively referred to as "Acquisition").

No shareholder approval is required for the above mentioned Acquisition.

A11. Effects of Changes in the Composition of the Group

There are no changes in the composition of the Group for the financial period to-date.

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 period 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 9 months ended 31 December 2012, the Group achieved a lower turnover of RM209.23 million but a higher net profit of RM30.11 million compared to RM276.00 million and RM30.02 million respectively in the corresponding period to-date last year. The lower turnover was mainly attributable to completion of 20Trees West project in last quarter and slow work progress in Five Stones project. The higher net profit was mainly due to work progress achieved in Gilstead Two and OKIO (both projects are developed by 50% jointly controlled entity), Singapore, and utilization of tax losses brought forward and development cost savings achieved.

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

For the quarter ended 31 December 2012, the Group registered a slightly higher profit before tax of RM11.92 million compared to RM11.56 million recorded in its immediate preceding quarter ended 30 September 2012. The higher profit was mainly due to better work progress achieved in By The Sea in Penang.

B3. Prospects for the Current/Future Financial Year

The outlook for coming year is expected to remain challenging from uncertainties arising from the European debt crisis. However, with unbilled sales of approximately RM862 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 31/12/2012 RM'000	Financial period to-date 31/12/2012 RM'000
- current taxation	2,642	6,280
- associated companies	0	0
- deferred taxation	0	0
- under/(over) provision in prior years		
- Current	0	0
- Deferred	0	0
	<u>2,642</u>	<u>6,280</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 31 December 2012 are as follows:-

	RM'000
<i>Long Term Bank Borrowing</i>	
<i>Secured:</i>	
Revolving Credit	126,000
Term Loan	325,151
Repayments due within the next 12 months	<u>(10,280)</u>
Sub-Total	<u>440,871</u>
<i>Unsecured:</i>	
Revolving Credit	4,000
Term Loan	0
Repayments due within the next 12 months	<u>0</u>
Sub-Total	<u>4,000</u>
<i>Short Term Bank Borrowing</i>	
<i>Secured:</i>	
Revolving Credit	62,780
Term Loan	0
Current portion of long term borrowing	<u>10,280</u>
Sub-Total	<u>73,060</u>
<i>Unsecured:</i>	
Revolving Credit	65,000
Term Loan	0
Current portion of long term borrowing	<u>0</u>
Sub-Total	<u>65,000</u>
Total	<u>582,931</u>

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

	SGD'000	equivalent RM'000
Borrowings denominated in foreign currency	33,900	84,852

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 31 December 2012 and 31 March 2012 are analysed as follows:

	31/12/2012 RM'000	31/03/2012 RM'000
Total retained profits of the Company and its subsidiaries:		
- Realised	174,103	164,512
- Unrealised	185,453	187,196
	359,556	351,708
Total share of retained profits from jointly controlled entities:		
- Realised	6,458	(664)
- Unrealised	(1,387)	(1,387)
	5,071	(2,051)
	364,627	349,657
Less: Consolidation adjustment	(998)	(6,552)
Total Group retained profits	363,629	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 31/12/2012	Comparative quarter ended 31/12/2011	Current 9 months ended 31/12/2012	Corresponding 9 months ended 31/12/2011
(i) Net profit for the period (RM'000)	9,280	10,026	30,112	30,019
(ii) Weighted average number of ordinary shares in issue ('000)	426,127	426,127	426,127	426,127
Basic earnings per share (sen)	2.18	2.35	7.07	7.04

The company does not have any dilutive potential ordinary shares outstanding as at 31 December 2012. Accordingly, no diluted earnings per share is presented.

B12. Profit for the Period

	Current quarter ended 31.12.2012 RM'000	Comparative quarter ended 31.12.2011 RM'000	Current 9 months ended 31.12.2012 RM'000	Corresponding 9 months ended 31.12.2011 RM'000
Profit for the period is arrived at after crediting:				
Interest Income	168	(7)	409	170
Other Income	301	3,083	3,564	5,678
Foreign Exchange Gain	1,078	0	4,434	345
Gain on disposal of quoted investment	0	11	74	92
and after charging:				
Interest expense	6,095	5,195	17,133	14,912
Depreciation	1,146	917	3,398	2,701
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