

DAMANSARA**REALTY BERHAD**

4030-D

(Incorporated in Malaysia)

**UNAUDITED QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED
30 SEPTEMBER 2012****Consolidated Statement of Comprehensive Income**

| | Individual quarter-3 | | Cumulative quarter-3 | |
|--|-----------------------|-----------------------|-----------------------|-----------------------------------|
| | 30-Sep-2012 RM'000 | 30-Sep-2011 RM'000 | 30-Sep-2012 RM'000 | Restated 30-Sep-2011 RM'000 |
| Revenue | 46,491 | 52,210 | 149,280 | 149,602 |
| Cost of sales | (35,824) | (42,424) | (119,698) | (118,858) |
| Gross profit | 10,667 | 9,786 | 29,582 | 30,744 |
| Interest income | 14 | 88 | 55 | 115 |
| Other income | 1,899 | 257 | 2,933 | 3,225 |
| Depreciation | (927) | (1,470) | (3,298) | (3,920) |
| Employee benefits expense | (3,702) | (3,781) | (10,821) | (11,253) |
| Other operating expenses | (5,977) | (5,092) | (14,049) | (15,183) |
| Operating profit/(loss) | 1,974 | (212) | 4,402 | 3,728 |
| Finance cost | (1,345) | (442) | (3,964) | (1,980) |
| Profit/(Loss) before tax | 629 | (654) | 438 | 1,748 |
| Income tax expenses | (466) | (537) | (1,158) | (1,300) |
| Profit/(Loss) for the period | 163 | (1,191) | (720) | 448 |
| Attributable to: | | | | |
| Equity holders of the Company | 174 | (667) | (636) | 202 |
| Minority interest | (11) | (524) | (84) | 246 |
| | 163 | (1,191) | (720) | 448 |
| Earnings per share attributable to equity holders of the Company: | | | | |
| Basic earnings per share (Sen) | 0.07 | (0.27) | (0.25) | 0.08 |
| Diluted earnings per share (Sen) | - | - | - | - |

These condensed consolidated statements of comprehensive income should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

**DAMANSARA
REALTY BERHAD**

4030-D

(Incorporated in Malaysia)

UNAUDITED QUARTERLY REPORT FOR THE FINANCIAL PERIOD ENDED

30 SEPTEMBER 2012

Consolidated Statement of Comprehensive Income

| | Individual quarter-3 | | Cumulative quarter-3 | |
|---|----------------------|---------------------|----------------------|---------------------------------|
| | 30-Sep-12 RM'000 | 30-Sep-11 RM'000 | 30-Sep-12 RM'000 | Restated 30-Sep-11 RM'000 |
| Profit/(Loss) For The Period | 163 | (1,191) | (720) | 448 |
| Other Comprehensive Income/(Loss) For The Period, Net Of Income Tax | - | - | - | - |
| Total Comprehensive Income For The Period, Net Of Income Tax | 163 | (1,191) | (720) | 448 |
| Total Comprehensive Income Attributable To: | | | | |
| Owners of the Company | 174 | (667) | (636) | 202 |
| Minority interest | (11) | (524) | (84) | 246 |
| | 163 | (1,191) | (720) | 448 |

Note: 1 - Included in the Total Comprehensive Income for the period are the followings:-

| | | | | |
|--|---------|---------|---------|---------|
| Interest Income | 14 | 88 | 55 | 115 |
| Other Income Including Investment Income | 1,899 | 257 | 2,933 | 3,225 |
| Interest Expenses | (1,345) | (442) | (3,964) | (1,980) |
| Depreciation and Amortization | (927) | (1,470) | (3,298) | (3,920) |
| Provision For/Write Off of Receivables | - | - | - | - |
| Provision For/Write Off of Inventories | - | - | - | - |
| Gain/Loss on Disposal of Quoted and Unquoted Investment or Properties | - | - | - | - |
| Impairment of Assets | - | - | - | - |
| Gain/Loss on Foreign Exchange | - | - | - | - |
| Gain/Loss on Derivatives | N/A | N/A | N/A | N/A |

N/A: Not Applicable

These condensed consolidated statements of comprehensive income should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

Damansara Realty Berhad (4030-0)
Condensed Consolidated Statement of Financial Position

| | As at 30-Sep-2012 | Restated As at 31-Dec-2011 |
|--|------------------------|----------------------------------|
| | RM'000 | RM'000 |
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 16,049 | 16,499 |
| Land held for property development | 214,178 | 214,198 |
| Investment properties | 7,092 | 6,879 |
| Associates* | - | - |
| Deferred tax assets | 607 | 651 |
| Other investments | 101 | 101 |
| Goodwill on consolidation | 1,408 | 1,409 |
| | <u>239,435</u> | <u>239,737</u> |
| Current assets | | |
| Property development costs | - | - |
| Inventories | 3,392 | 3,689 |
| Trade receivables and other receivables | 62,970 | 54,614 |
| Other current assets | 311 | 2,841 |
| Other investments | - | - |
| Cash and bank balances | 17,562 | 26,809 |
| | <u>84,235</u> | <u>87,953</u> |
| TOTAL ASSETS | <u>323,670</u> | <u>327,690</u> |
| EQUITY AND LIABILITIES | | |
| Current liabilities | | |
| Provisions | 3,456 | 3,456 |
| Loans and borrowings | 10,846 | 12,361 |
| Trade and other payables | 91,186 | 97,287 |
| | <u>105,488</u> | <u>113,104</u> |
| Net current assets | <u>(21,253)</u> | <u>(25,151)</u> |
| Non-current liabilities | | |
| Loans and borrowings | 5,545 | 3,308 |
| Deferred tax liabilities | 1,176 | 1,208 |
| Trade and other payables | 96,867 | 94,467 |
| | <u>103,588</u> | <u>98,983</u> |
| Total Liabilities | <u>209,076</u> | <u>212,037</u> |
| Net assets | <u>114,594</u> | <u>115,603</u> |
| Equity attributable to owners of the parent | | |
| Share capital | 125,070 | 125,070 |
| Share premium | 156 | 156 |
| Accumulated losses | (21,017) | (20,381) |
| Merger Reserve | 9,000 | 9,000 |
| Capital reserve | 72 | 72 |
| Exchange reserve | (177) | 112 |
| Other reserve | - | - |
| Shareholders' equity | <u>113,104</u> | <u>114,029</u> |
| Non-controlling interests | 1,490 | 1,574 |
| Total equity | <u>114,594</u> | <u>115,603</u> |
| TOTAL EQUITY AND LIABILITIES | <u>323,670</u> | <u>327,690</u> |
| Net Assets Attributable to owners of the Company | <u>114,594</u> | <u>115,603</u> |
| Net Assets Per Share Attributable to Owners of the Company (RM) | <u>0.458</u> | <u>0.462</u> |

* After taking into account of accumulated impairment losses, the Group's investments in several associated companies have nil book value.

These condensed consolidated statements of financial position should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

Damansara Realty Berhad (4030-D)
Condensed Consolidated Statement of Cash Flow

| | 9-months ended 30-Sep-2012 RM'000 | 9-months ended 30-Sep-2011 RM'000 |
|---|--|--|
| Cash flow from operating activities | | |
| Receipt from customers | 138,457 | 198,927 |
| Unrealised loss on foreign exchange | (289) | (31) |
| Payment to creditors and employees | (140,159) | (166,277) |
| Cash generated from operation | (1,991) | 32,619 |
| Tax (paid) / refunded | (1,146) | (595) |
| Interest income received | 55 | 87 |
| Interest paid | (4,039) | - |
| Net cash generated from operating activities | (7,121) | 32,111 |
| Cash flow from investing activity | | |
| Purchase of property, plant and equipment | - | - |
| Proceed from disposal of property, plant and equipment | (2,848) | (3,274) |
| Purchase of subsidiaries | - | - |
| Net cash used in investing activities | (2,848) | (3,274) |
| Cash flow from financing activities | | |
| Repayment of hire purchase | 4,286 | (2,930) |
| Repayment of borrowings | (3,564) | (22,831) |
| Net cash used in financing activities | 722 | (25,761) |
| Increase/(decrease) in cash and cash equivalents | (9,247) | 3,076 |
| Cash and cash equivalents as at 1 January | 26,809 | 23,926 |
| Cash and cash equivalents as at 30 September | 17,562 | 27,002 |

These condensed consolidated statements of cash flows should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

DAMANSARA REALTY BERHAD (4030-D)

A NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2012

A1 BASIS OF PREPARATION

This quarterly report is unaudited and has been prepared in accordance with the requirements of Financial Reporting Standard ("FRS") 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Securities"). The interim financial report should be read in conjunction with the accompanying explanatory notes to these interim financial statement. These explanatory notes 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 year ended 31 December 2011.

Business combinations involving entities under common control are accounted for by applying the pooling of interest method. The assets and liabilities of the combining entities are reflected at their carrying amounts reported in the consolidated financial statements of the controlling holding company. Any difference between the consideration paid and the share capital of the "acquired" entity is reflected within equity as merger reserve. The statement of comprehensive income reflects the results of the combining entities for the interim period, irrespective of when the combination takes place. Comparatives are presented as if the entities have always been combined since the date the entities had come under common control.

On 1 January 2012, the Group adopted the following new and amended standards and interpretations mandatory for annual financial periods beginning on or after 1 January 2012.

- IC Interpretation 19 Extinguishing Financial Liabilities with Equity Instruments
- Amendments to IC Interpretation 14: Prepayments of a Minimum Funding Requirement
- Amendments to FRS 1: Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters
- Amendments to FRS 7: Transfers of Financial Assets
- Amendments to FRS 112: Deferred Tax: Recovery of Underlying Assets
- FRS 124 Related Party Disclosures

Adoption of the above standards and interpretation did not have any effect on the financial performance or position of the Group.

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

DAMANSARA REALTY BERHAD (4030-D)

**A NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER
AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2012**

A1 BASIS OF PREPARATION (CONT'D)

Effective for annual period beginning on or after 1 July 2012

- Amendments to FRS 101: Presentation of Items of Other Comprehensive Income

Effective for annual period beginning on or after 1 January 2013

- FRS 9 Financial Instruments
- FRS 10 Consolidated Financial Statements
- FRS 11 Joint Arrangements
- FRS 12 Disclosure of interests in Other Entities
- FRS 13 Fair Value Measurement
- FRS 119 Employee Benefits
- FRS 127 Separate Financial Statements
- FRS 128 Investment in Associate and Joint Ventures
- IC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine

Malaysian Financial Reporting Standards (MFRS Framework)

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (MFRS Framework).

The MFRS Framework 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 that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer (herein called 'Transitioning Entities').

Transitioning Entities will be allowed to defer adoption of the new MFRS Framework for an additional one year. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2013.

DAMANSARA REALTY BERHAD (4030-D)

**A NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER
AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2012**

A1 BASIS OF PREPARATION (CONT'D)

The Group falls within the scope definition of Transitioning Entities and accordingly, will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 31 December 2013. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

The Group has not completed its assessment of the financial effects of the differences between Financial Reporting Standards and accounting standards under the MFRS Framework. Accordingly, the consolidated financial performance and financial position as disclosed in these financial statements for the year ended 31 December 2011 could be different if prepared under the MFRS Framework.

The Group considers that it is achieving its scheduled milestones and expects to be in a position to fully comply with the requirements of the MFRS Framework for the financial year ending 31 December 2013.

A2 AUDITORS' REPORT OF THE PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements for the year ended 31 December 2011 was not qualified.

A3 SEASONALITY OR CYCLICALITY OF OPERATIONS

The business operations of the Group were not significantly affected by any seasonal cyclical factors.

**A4 UNUSUAL ITEMS AFFECTING ASSETS, LIABILITIES, EQUITY, NET INCOME OR
CASH FLOWS**

There were no items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size or incidence for the current quarter and/or financial year-to-date.

DAMANSARA REALTY BERHAD (4030-D)

**A NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER
AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2012**

A5 SIGNIFICANT ESTIMATES AND CHANGES IN ESTIMATES

There was no changes in estimates that have had any material effect on the financial year-to-date results.

A6 DEBT AND EQUITY SECURITIES

There was no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the financial year-to-date.

A7 DIVIDEND PAID

No dividend was paid or declared during the current financial year-to-date.

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A NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2012 (CONT'D)

A8 SEGMENTAL INFORMATION

| | PROPERTY DEVELOPMENT | | PROPERTY SERVICES | | OTHERS | | ADJUSTMENTS AND ELIMINATIONS | | PER CONSOLIDATED | |
|-------------------------------|----------------------|-----------|-------------------|-----------|-----------|-----------|------------------------------|-----------|------------------|-----------|
| | 30-Sep-12 | 30-Sep-11 | 30-Sep-12 | 30-Sep-11 | 30-Sep-12 | 30-Sep-11 | 30-Sep-12 | 30-Sep-11 | 30-Sep-12 | 30-Sep-11 |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Revenue: | | | | | | | | | | |
| - External sales | 9,732 | 1,859 | 139,545 | 147,741 | 3 | 2 | - | - | 149,280 | 149,602 |
| - Inter company sales | - | - | - | - | 1,723 | 1,808 | (1,723) | (1,808) | - | - |
| Total revenue | 9,732 | 1,859 | 139,545 | 147,741 | 1,726 | 1,810 | (1,723) | (1,808) | 149,280 | 149,602 |
| Results: | | | | | | | | | | |
| Interest Income | 18 | 78 | 37 | 37 | - | - | - | - | 55 | 115 |
| Dividend Income | - | - | - | - | - | - | - | - | - | - |
| Depreciation and amortisation | 34 | 49 | 3,229 | 3,591 | 35 | 280 | - | - | 3,298 | 3,920 |
| Segment profit/(loss) | (1,607) | (2,270) | 5,247 | 5,523 | (3,202) | (1,505) | - | - | 438 | 1,748 |
| Assets : | | | | | | | | | | |
| Segment assets | 235,983 | 243,353 | 81,803 | 92,804 | 116,513 | 175,341 | (110,629) | (153,759) | 323,670 | 357,739 |
| Segment liabilities | 208,290 | 240,503 | 112,657 | 74,512 | 156,715 | 148,188 | (268,586) | (224,569) | 209,076 | 238,634 |

DAMANSARA REALTY BERHAD (4030-D)

A NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2012 (CONT'D)

A9 VALUATIONS OF PROPERTY, PLANT AND EQUIPMENT

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

A10 MATERIAL EVENTS SUBSEQUENT TO THE END OF THE INTERIM PERIOD

There were no material events subsequent to the end of the interim period that has not been reflected in the financial statements for the current quarter under review, save as disclosed as per section B6.

A11 CHANGE IN THE COMPOSITION OF THE GROUP

The Company on 28 September 2012, have completed all conditions precedent as stipulated on the relevant agreements in respect of the acquisition of TMR Urusharta (M) Sdn Bhd, Metro Parking (M) Sdn Bhd and HC Duraclean Sdn Bhd (further details are set out in Section B6). Accordingly, the following comparative amounts of the Group for the period ended 30 September 2011, have been reclassified to conform with current quarter's presentation:

| | As Previously Stated RM'000 30-Sep-11 | Adjustment RM'000 | As Restated RM'000 30-Sep-11 |
|--|--|----------------------|------------------------------------|
| Statement of Comprehensive Income | | | |
| Revenue | 6,927 | 142,675 | 149,602 |
| Cost of sales | (4,873) | (113,985) | (118,858) |
| Other income | 2,741 | 484 | 3,225 |
| Depreciation | (369) | (3,551) | (3,920) |
| Employee benefits expense | (1,961) | (9,292) | (11,253) |
| Other operating expenses | (4,191) | (10,992) | (15,183) |
| Finance cost | (934) | (1,046) | (1,980) |
| Income tax | (282) | (1,018) | (1,300) |

A NOTES TO THE INTERIM FINANCIAL REPORT FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2012 (CONT'D)

A11 CHANGE IN THE COMPOSITION OF THE GROUP (CONT'D)

| | As Previously Stated RM'000 31-Dec-11 | Adjustment RM'000 | As Restated RM'000 31-Dec-11 |
|---|--|----------------------|------------------------------------|
| Statement of Financial Position | | | |
| Property, plant and equipment | 2,756 | 13,743 | 16,499 |
| Land held for property development | 37,386 | 176,812 | 214,198 |
| Investment properties | 7,750 | (871) | 6,879 |
| Deferred tax assets | 370 | 281 | 651 |
| Other investments | 148 | (47) | 101 |
| Goodwill on consolidation | 631 | 778 | 1,409 |
| Property development cost | 173,597 | (173,597) | - |
| Inventories | 283 | 3,406 | 3,689 |
| Trade receivables and other receivables | 29,838 | 24,776 | 54,614 |
| Other current assets | 15,769 | (12,928) | 2,841 |
| Cash and bank balances | 14,561 | 12,248 | 26,809 |
| Loan & borrowings | 2,849 | 12,820 | 15,669 |
| Trade and other payables | 176,779 | 14,975 | 191,754 |
| Deferred tax liabilities | - | 1,208 | 1,208 |
| Accumulated losses | (23,886) | 3,505 | (20,381) |
| Merger reserves | - | 9,000 | 9,000 |
| Exchange Reserves | - | 112 | 112 |
| Non-controlling interests | 2,018 | (444) | 1,574 |

A12 CHANGES IN CONTINGENT LIABILITIES OR CONTINGENT ASSETS

There were no changes in Contingent Liabilities or Contingent Assets during the current quarter under review except as disclosed in Section B8.

DAMANSARA REALTY BERHAD (4030-D)

B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2012.

B1 REVIEW OF THE PERFORMANCE OF THE COMPANY AND ITS PRINCIPAL SUBSIDIARIES

For the current cumulative quarter under review, the Group recorded a total revenue of RM149.28 million (2011: RM149.60 million) with a net loss of RM0.72 million (net profit of RM0.45 million in 2011).

The major factors affecting the financial performance of the Group in the current cumulative quarter are as follows:-

- 1 The Group recorded a higher revenue in Property Development from RM1.86 million in 2011 to RM9.73 million in 2012. The revenue was contributed from sales of land in Taman Damansara Aliff, Johor Bahru. The Group recorded a lower revenue in Property Services from RM147.74 million to RM139.55 million due to several service contracts expiring during the year.

The Group's gross profit has reduced from RM30.74 million in 2011 to RM29.58 million in 2012 in line with the reduction in revenue.

- 2 Finance cost has increased from RM1.98 million to RM3.96 million. Finance costs comprised mainly of unwinding of discount of RM2.7 million arising from modification of the terms of repayment of a trade payable in year 2012.

B2 MATERIAL CHANGES IN THE QUARTERLY RESULTS COMPARED TO THE IMMEDIATE PRECEDING QUARTER

For the current quarter under review, the Group recorded a profit before tax of RM0.63 million compared to the immediate preceding quarter's profit before tax of RM0.30 million. The profit before tax in the current quarter compared to the immediate preceding quarter was mainly due non-recurrent income from recovery of debt settlement in the current quarter under review.

DAMANSARA REALTY BERHAD (4030-D)

B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2012 (CONT'D).

B3 CURRENT YEAR'S PROSPECTS

The Group is expected to sustain its performance in the current financial year due to following:

- 1 Additional revenue from property development activities is expected to be realised in 4th quarter 2012.
- 2 Higher contribution from property services division.

B4 PROFIT FORECAST/PROFIT GUARANTEE

The Company is not subject to any profit forecast or profit guarantee requirement.

B5 INCOME TAX EXPENSE

| | <u>Individual quarter-3</u> | | <u>Cumulative quarter-3</u> | |
|-------------|-----------------------------|------------------|-----------------------------|------------------|
| | <u>30-Sep-12</u> | <u>30-Sep-11</u> | <u>30-Sep-12</u> | <u>30-Sep-11</u> |
| | <i>RM'000</i> | <i>RM'000</i> | <i>RM'000</i> | <i>RM'000</i> |
| Current tax | (466) | (537) | (1,158) | (1,300) |
| | <u>(466)</u> | <u>(537)</u> | <u>(1,158)</u> | <u>(1,300)</u> |

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DAMANSARA REALTY BERHAD (4030-D)

B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2012 (CONT'D).

B6 STATUS OF CORPORATE PROPOSAL

On 28 June 2012, the shareholders of the Company have approved the following transaction comprised the restructuring scheme:-

- i) proposed acquisition of approximately 75% equity interest in HC Duraclean Sdn Bhd.
- ii) proposed acquisition of 100% equity interest in Metro Parking (M) Sdn Bhd ("Metro Parking").
- iii) proposed acquisition of 75% equity in TMR Urusharta (M) Sdn Bhd ("TMR Urusharta")
- iv) proposed settlement of outstanding amounts owing by Metro Parking. and
- v) proposed redemption of redeemable unsecured loan stocks by TMR Urusharta.

On 28 September 2012, all conditions precedent as stipulated in the relevant agreement entered into the proposal have been fulfilled, Accordingly, the proposal have become unconditional, save for the followings:

- Damansara Realty Berhad ("DBhd") also on 19 October 2012, mutually agreed with Halmi Jasmin ("Halmi") to extend the completion date of the proposed acquisition of his 10% equity interest in Metro Parking to a date not later that 31 December 2012.
- The proposed Metro settlement of outstanding amounts owing by Metro Parking will only be implemented upon completion of the proposed acquisition of 90% of equity interest in Metro Parking and the proposed acquisition of 10% equity interest in Metro Parking.

On 19 October 2012, the listing and quotation of 57,906,174 new DBhd shares on the Main Market of Bursa Malaysia Securities Berhad have been completed pursuant to the proposed HC Duraclean acquisition, the proposed TMR acquisition, the proposed TMR redemption and the proposed acquisition of 90% equity interest in Metro Parking.

DAMANSARA REALTY BERHAD (4030-D)

B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2012 (CONT'D).

B7 BORROWINGS AND DEBT SECURITIES

Group borrowings as at 30 September 2012 are as follows:

| | <i>RM'000</i> |
|--|--------------------|
| Short term | |
| Bank Overdraft (secured) | 2,275 |
| Term Loan (secured) | 1,903 |
| Advanced from shareholders of a subsidiary (unsecured) | 1,944 |
| Redeemable Unsecured Loan Stocks | 3,583 |
| Hire purchase (secured) | 1,141 |
| | <hr/> 10,846 <hr/> |
| Long term | |
| Term Loan (secured) | 4,013 |
| Hire purchase (secured) | 1,532 |
| | <hr/> 5,545 <hr/> |

There was no debt securities issued as at 30 September 2012.

B8 CHANGES IN MATERIAL LITIGATION

Since the last quarter report ended 30 June 2012, the followings are the changes:

a) **Pembinaan Kota Laksamana (Melaka) Sdn Bhd & Anor. (v) DBhd & Anor.**

The Company had on 18 September 2006 filed an application seeking damages for losses incurred due to the injunction taken out by PKL restraining the sale of Regency Hotel (now known as Selesa Beach Resort Port Dickson) to Puteri Hotels Sdn Bhd. On 29 June 2011, the Senior Assistant Registrar ("SAR") of the High Court awarded a sum of RM13 million to be paid to the Company with interest of 8% per annum from 30.9.2004 until date of full realization. PKL has filed an appeal against the decision of the SAR and on 14 December 2011, the High Court allowed the appeal. The Company has on 22 December 2011 subsequently filed an appeal at the Court of Appeal. On 26 April 2012, the Court of Appeal unanimously decided that the Company's application for leave to assess damages was properly filed and heard before the SAR, hence, the High Court Judge erred in his decision. The matter was reverted back to the High Court and has been fixed for case management on 30 November 2012.

DAMANSARA REALTY BERHAD (4030-D)

B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2012 (CONT'D).

B8 CHANGES IN MATERIAL LITIGATION (CONT'D)

b) Bungsar Hill Holdings Sdn Bhd & Anor. (v) DBhd

Bungsar Hill had filed a suit against the Company claiming for unpaid Quit Rent and Assessment under the PDA. On 14 September 2011, the Court recorded judgement whereby the Company is obligated to pay the quit rent and assessment, the amount of which is to be assessed by the Court. The matter has been fixed for hearing on 20 March 2013.

c) DBhd & Anor. (v) Ibsul Holdings Sdn Bhd

The Company and Tebing Aur Sdn Bhd ("TASB") had filed a summons against Ibsul Holdings Sdn Bhd ("IHSB") claiming a sum of RM3.6 million being the balance progress claim submitted to IHSB under the sub-contract for Jelutong project which was terminated in April 2006. On 18 July 2012, the Court has dismissed the Company's application for Summary Judgement with costs. The matter shall be proceeded for full trial and has been fixed for case management on 8 January 2013.

d) Tebing Aur Sdn. Bhd. (v) WWE Holdings Berhad

A subsidiary of the Company, Tebing Aur Sdn Bhd ("TASB") has on 30 May 2008 filed a legal suit against WWE Holdings Berhad ("WWE") for non-payment of claims amounting to RM8.1 million for work done on the sewerage treatment plant project in Jelutong, Pulau Pinang. TASB has successfully obtained a Mareva Injunction to freeze the sum of RM10 million payable by the Malaysian Government to WWE to be deposited into an escrow account pending disposal of the suit. Since the monies were already paid to WWE, on 31 July 2009, WWE deposited the sum of RM10 million into the escrow account established at RHB Bank. On 20 November 2012, the Court allowed TASB's claim with costs, the amount of which to be assessed by an independent Quantity Surveyor ("QS") Consultant. The Court has further dismissed WWE's counter claim with costs with the order that no deduction is allowed for back charges and defective works.

DAMANSARA REALTY BERHAD (4030-D)

B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2012 (CONT'D).

B8 CHANGES IN MATERIAL LITIGATION (CONT'D)

e) Fine Mist Sdn Bhd (in liquidation) (v) Damansara Realty (Johor) Sdn Bhd

On 5 March 2012, Fine Mist Sdn Bhd (in liquidation) ("FMSB"), a contractor engaged by a subsidiary of the Company, Damansara Realty (Johor) Sdn Bhd ("DRJ") to carry out construction works at Taman Damansara Aliff, Johor Bahru issued a demand for a sum of RM456,059 being the amount due for the works done by FMSB. DRJ has disputed the amount since there were certain expenditures paid by DRJ on behalf of FMSB which have not been taken into consideration in respect of the amount claimed. Despite the dispute, FMSB's solicitors has on 9 August 2012 served a winding-up petition against DRJ. The Company's solicitors has advised that the winding-up action taken by FMSB is premature since the amount claimed is a disputed debt and has not been adjudicated in Court. Based on the aforesaid, the Company has instructed its solicitors to set aside the said petition. DRJ and FMSB have agreed for mutual settlement of the matter and Consent Order was recorded in Court on 28 November 2012. On the said case management date, the Company and FMSB have agreed for a mutual settlement of the matter. Court order has been recorded in court whereby both FMSB's petition and DRJ's application to set aside the petition was withdrawn with no order as to costs and with no liberty to file afresh.

B9 DIVIDEND

The Directors did not recommend any dividend for the current quarter under review.

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DAMANSARA REALTY BERHAD (4030-D)

B ADDITIONAL INFORMATION REQUIRED BY THE BURSA MALAYSIA'S LISTING REQUIREMENTS FOR THE THIRD QUARTER AND FINANCIAL PERIOD ENDED 30 SEPTEMBER 2012 (CONT'D).

B10 EARNINGS PER SHARE ("EPS")

| | Cumulative 9 months | |
|--|----------------------------|------------------|
| | 30-Sep-12 | 30-Sep-11 |
| a) Basic EPS | | |
| Net profit/(loss) attributable to ordinary shareholders ('000) | (636) | 202 |
| Weighted average number of ordinary shares in issue ('000) | 250,140 | 250,140 |
| Basic earnings per ordinary share (Sen) | (0.25) | 0.08 |

Basic earnings per share is calculated by dividing the net profit/(loss) for the quarter by the weighted average number of ordinary shares in issue during the current quarter under review.

b) Diluted EPS

Diluted earnings per share is calculated by dividing the net profit/(loss) for the quarter by the weighted average number of ordinary shares in issue after taking into consideration all dilutive potential ordinary shares in issue. Diluted earnings per share is not applicable.

BY ORDER OF THE BOARD

**JAMALLUDIN BIN KALAM [LS 0002710]
HASLINDA BINTI MD NOR @ MOHD NOAH [LS 0005697]
Secretary
Johor Bahru
29 NOVEMBER 2012**