

DAIMAN DEVELOPMENT BERHAD

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As At 30 September 2010

	AS AT END OF CURRENT QUARTER 30/Sep/2010	AS AT PRECEDING FINANCIAL YEAR END 30/Jun/2010
	RM'000	RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	116,401	116,414
Investment properties	167,991	167,876
Land held for property development	309,532	309,822
Other investments	-	3,477
	593,924	597,589
CURRENT ASSETS		
Property development costs	99,604	99,152
Inventories	23,372	27,097
Trade receivables	37,839	24,057
Other receivables	4,371	4,045
Tax recoverable	2,759	2,921
Other investments	265,635	248,000
Fixed Deposits	9,728	26,977
Cash and bank balances	7,845	6,374
	451,153	438,623
TOTAL ASSETS	1,045,077	1,036,212
EQUITY AND LIABILITIES		
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY		
Share capital	212,192	212,192
Reserves		
- Treasury shares	(2,455)	(2,455)
- Capital Redemption Reserve	23,064	23,064
- Revaluation reserve	117,000	117,090
- Foreign exchange reserve	(8,380)	(3,613)
- Retained earnings	608,782	591,094
	950,203	937,372
MINORITY INTEREST	872	1,194
TOTAL EQUITY	951,075	938,566
NON-CURRENT LIABILITIES		
Deferred Taxation	31,522	32,416
Retirement Benefit Obligations	1,959	1,927
	33,481	34,343
CURRENT LIABILITIES		
Trade payables	15,795	18,179
Other payables	5,927	6,295
Tax payable	38,799	38,829
	60,521	63,303
TOTAL LIABILITIES	94,002	97,646
TOTAL EQUITY AND LIABILITIES	1,045,077	1,036,212
Net assets per share		
Net assets	950,203	937,372
Share capital (unit)		
Number of ordinary shares in issued	212,192	212,192
Less: Cumulative number of treasury shares	(1,600)	(1,600)
	210,592	210,592
Net assets per share (RM)	4.51	4.45

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 30 June 2010 and the accompanying explanatory notes attached to the interim financial statements)

DAIMAN DEVELOPMENT BERHAD

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the Quarter Ended 30 September 2010

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR 1ST QTR FY2011 RM'000	PRECEDING YEAR CORRESPONDING 1ST QTR FY2010 RM'000	CURRENT YEAR CUM 1 QTR FY2011 RM'000	PRECEDING YEAR CORRESPONDING CUM 1 QTR FY2010 RM'000
Continuing Operations				
Revenue	35,458	35,965	35,458	35,965
Operating expenses	(28,880)	(27,417)	(28,880)	(27,417)
Other operating income	3,877	2,668	3,877	2,668
Profit from operations	10,455	11,216	10,455	11,216
Investing results	3,877	2,827	3,877	2,827
Profit before tax from continuing operations	14,332	14,043	14,332	14,043
Taxation	(1,545)	(3,325)	(1,545)	(3,325)
Net profit for the period from continuing operation	12,787	10,718	12,787	10,718
Other Comprehensive Income:				
Currency translation differences	(4,767)	-	(4,767)	-
Other comprehensive income for the year	(4,767)	-	(4,767)	-
Total comprehensive income for the year	8,020	-	8,020	-
Profit attributable to:				
Equity holders of the Company	12,791	10,724	12,791	10,724
Minority Interest	(4)	(6)	(4)	(6)
	12,787	10,718	12,787	10,718
Total comprehensive income attributable to:				
Equity holders of the Company	7,946	10,724	7,946	10,724
Minority Interest	74	(6)	74	(6)
	8,020	10,718	8,020	10,718
Earning per share (sen)				
Basic	6.07	5.09	6.07	5.09
Diluted	6.07	5.08	6.07	5.08

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 30 June 2010 and the accompanying explanatory notes attached to the interim financial statements)

DAIMAN DEVELOPMENT BERHAD

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

For the 3 Months Period Ended 30 September 2010

	Share Capital RM'000	Treasury Shares RM'000	Capital Redemption Reserve RM'000	Revaluation Reserve RM'000	Foreign Exchange Reserve RM'000	Retained Earnings RM'000	Total RM'000	Minority Interest RM'000	Total Equity RM'000
At 1 July 2010	212,192	(2,455)	23,064	117,090	(3,613)	591,094	937,372	1,194	938,566
Effect of adopting FRS 139	-	-	-	-	-	4,807	4,807	-	4,807
	212,192	(2,455)	23,064	117,090	(3,613)	595,901	942,179	1,194	943,373
Total comprehensive income	-	-	-	(90)	(4,767)	12,881	8,024	(4)	8,020
Issuance/(Redemption) of share capital	-	-	-	-	-	-	-	(318)	(318)
At 30 September 2010	212,192	(2,455)	23,064	117,000	(8,380)	608,782	950,203	872	951,075

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 June 2010 and the accompanying explanatory notes attached to the interim financial statements)

DAIMAN DEVELOPMENT BERHAD**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS****For the 3-Month Period Ended 30 September 2010**

	30 September 2010	30 September 2009
	RM'000	RM'000
<u>Cash Flows from Operating Activities</u>		
Profit before tax	14,332	14,043
Adjustments for non-cash flow:		
Non-cash items	(2,524)	490
Interest income	(413)	(756)
Operating profit before changes in working capital	<u>11,395</u>	<u>13,777</u>
Changes in working capital:		
Net change in current assets	(10,835)	2,072
Net change in current liabilities	(2,753)	(148)
Cash generated from/(used in) operations	<u>(2,193)</u>	<u>15,701</u>
Tax paid	(2,319)	(1,304)
Tax refund	13	1
Interest received	12	33
Net cash flows from/(used in) operating activities	<u>(4,487)</u>	<u>14,431</u>
<u>Cash Flows from Investing Activities</u>		
Equity investment	(2,367)	1,095
Other investing activities	(3,839)	(3,136)
Net cash generated from/(used in) investing activities	<u>(6,206)</u>	<u>(2,041)</u>
<u>Cash Flows from Financing Activities</u>		
Proceeds from shares issued	(318)	130
Acquisition of treasury shares	-	(232)
Net cash generated from/(used in) financing activities	<u>(318)</u>	<u>(102)</u>
Net change in Cash & Cash Equivalents	(11,011)	12,288
Cash & Cash Equivalents at beginning of year	33,351	34,440
Effect of changes in foreign currency	(4,767)	(927)
Cash & Cash Equivalents at end of year	<u><u>17,573</u></u>	<u><u>45,801</u></u>

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the accompanying explanatory notes attached to the interim financial statements)

NOTES TO THE INTERIM FINANCIAL STATEMENTS

PART A : EXPLANATORY NOTES PURSUANT TO FRS 134

1. Basis of Preparation

The interim financial statements of the Company have been prepared on a historical cost basis, except for freehold land and buildings included under property, plant and equipment and investment properties that have been measured at their fair value.

The interim financial statements are unaudited and have been prepared in compliance with the requirements of FRS 134: Interim Financial Reporting and Paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 30 June 2010. These explanatory notes attached to the interim financial statements explains the changes in the financial position and performance of the Group since the year ended 30 June 2010.

2. Significant Accounting Policies

2.1 Changes in accounting policy and effects arising from adption of new FRS

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 30 June 2010 except for the adoption of the following new Financial Reporting Standard ("FRS") effective for financial year beginning 1 July 2010:

- FRS 1: First-time Adoption of Financial Reporting Standards
- FRS 3: Business Combinations (revised)
- FRS 4: Insurance Contracts
- FRS 7: Financial Instruments Disclosures
- FRS 101: Presentation of Financial Statements
- FRS 123: Borrowing Costs
- FRS 127: Consolidated and Separate Financial Statements (amended)
- FRS 139: Financial Instruments: Recognition and Measurement
- Amendments to FRS 1: First-time Adoption of Financial Reporting Standards and FRS 127 Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate
- Amendments to FRS 2: Share-based Payment: Vesting Conditions and Cancellations
- Amendments to FRS 5: Non-current Assets Held Sale and Discontinued Operations
- Amendments to FRS 132: Financial Instruments: Presentation (Paragraphs 11, 16, 95A, 97AA, 97AB and 97E)
- Amendments to FRS 138: Intangible Assets
- Amendments to FRS 139: Financial Instruments: Recognition and Measurement, FRS 7: Financial Instruments: Disclosures and IC Interpretation 9: Reassessment of Embedded Derivatives
- Amendments to FRSs 'Improvements to FRSs (2009)'
- Amendments to IC Interpretation 9: Reassessment of Embedded Derivatives
- IC Interpretation 9: Reassessment of Embedded Derivatives
- IC Interpretation 10: Interim Financial Reporting and Impairment
- IC Interpretation 11: FRS 2 - Group and Treasury Share Transactions
- IC Interpretation 12: Service Concession Arrangements
- IC Interpretation 13: Customer Loyalty Programmes
- IC Interpretation 14: FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
- IC Interpretation 16: Hedges of a Net Investment in a Foreign Operation
- IC Interpretation 17: Distributions of Non-cash Assets to Owners
- TR i-3: Presentation of Financial Statements of Islamic Financial Institutions

Adoption of the above standards and interpretations did not have any significant effect on the financial performance or position of the Group and the Company except for those discussed below:

NOTES TO THE INTERIM FINANCIAL STATEMENTS

(i) FRS 101: Presentation of Financial Statements (revised)

The revised FRS 101 introduces changes in the presentation and disclosures of financial statements. The revised Standard separates owner and non-owner changes in equity. The Statement of changes in equity includes only details of transactions with owners, with all non-owner changes in equity presented as a single line. The Standard also introduces the statement of comprehensive income, presenting all items of income and expense recognised in income statement, together with all other items or recognised income and expense, either in one single statement, or in two linked statements. The Group and the Company have elected to present this statement as one single statement. In addition, a statement of financial position is required at the beginning of the earliest comparative period following a change in accounting policy, the correction of an error or the reclassification of items in the financial statements. This revised FRS does not have any impact on the financial position and results of the Group and the Company.

(ii) FRS 139: Financial Instruments: Recognition and Measurement

The new Standard on FRS139: Financial Instruments: Recognition and Measurement establishes principles for recognising and measuring financial assets, financial liabilities and some contracts to buy and sell non-financial items. The Group and the Company have adopted FRS 139 prospectively on 1 July 2010 in accordance with the transition provisions. The effect arising from the adoption of this Standard has been accounted for by adjusting the opening balance of retained earnings as at 1 July 2010. Comparatives are not restated. The details of the changes in accounting policies and the effects arising from the adoption of FRS 139 are discussed below:

- Equity instruments

Prior to 1 July 2010, the Group classified its investments in equity instruments which were held for trading purposes as marketable securities. Such investments were carried at cost less impairment losses. Upon the adoption of FRS 139, these investments are designated at 1 July 2010 as financial assets at fair value through profit or loss. The adjustments to their previous carrying amounts are recognised as adjustments to the opening balance of retained earnings as at 1 July 2010.

The following are effects arising from the above changes in accounting policies:

	Increase / (decrease)	
	As at 30/9/2010 RM'000	As at 1/7/2010 RM'000
Statements of financial position		
Group		
Investment securities(current) - held-for-trading investments	7,647	4,807
Retained earnings	<u>7,647</u>	<u>4,807</u>
Company		
Investment securities(current) - held-for-trading investments	942	2,650
Retained earnings	<u>942</u>	<u>2,650</u>
	Increase / (decrease)	
	Group 2011 RM'000	Company 2011 RM'000
Statements of comprehensive income		
Investing results	2,840	(1,708)
Profit before tax from continuing operation	2,840	(1,708)
Net profit for the period from continuing operation	<u>2,840</u>	<u>(1,708)</u>
		Group Increase / (decrease) 2011 sen per share
Earning per share:		
Basic/ Diluted		<u>1.34</u>

NOTES TO THE INTERIM FINANCIAL STATEMENTS

PART A : EXPLANATORY NOTES PURSUANT TO FRS 134

2.2 Standards and interpretations issued but not yet effective

The following new FRSs, Amendments to certain Standards and IC Interpretation were issued but not yet effective and have not been applied by the Group and the Company, which are effective for financial periods beginning on or after 1 January 2011:

- Amendment to FRS 1: First-time adoption of Financial Reporting Standards - Limited exemption for comparative FRS 7: Disclosures for First-time Adopters
- Amendment to FRS 7: Financial Instruments Disclosures - Improving disclosures about Financial Instruments
- Additional Exemptions for First-time Adopters (Amendments to FRS 1)
- IC Interpretation 4: Determining whether an Arrangement contains a Lease
- IC Interpretation 18: Transfers of Assets from Customers
- TR 3: Guidance on Disclosure of Transition to IFRSs
- TR i-4: Shariah Compliant Sale Contracts

The Group and the Company plan to adopt the above pronouncements when they become effective in the respective financial period. These pronouncements do not have significant impact to the financial statements of the Group and the Company upon their initial application.

3. Nature and Amount of Unusual Items

There were no unusual item or transaction reported for the financial period ended 30 September 2010.

4. Changes In Estimates

There were no material effect on changes in estimates in the current financial quarter under review.

5. Seasonal or Cyclical Factors

The Group's core business comprises property developments and property investments which are not seasonal but cyclical in nature.

6. Dividends Paid

No dividend was paid in the current financial quarter ended 30 September 2010.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

PART A : EXPLANATORY NOTES PURSUANT TO FRS 134

7. Issuance and Repayment of Debts and Equity Securities

There were no issuances, repurchases, resale and repayments of debt and equity securities for the financial period ended 30 September 2010 except for the following:

Shares Buy-back

There were no shares buy-back by the Company from the open market during the current financial quarter under review.

The shares bought-back, other than those previously cancelled, are held as treasury shares in accordance with Section 67A of the Companies Act 1965.

8. Segmental Reporting

Segment information for the 3-month financial period ended 30 September 2010 :-

	Revenue RM'000	Profit Before Taxation RM'000
Analysis by industry :		
Property development	26,937	7,207
Property investment	1,078	604
Non-property investment	337	6,224 *
Trading	5,631	408
Leisure and recreation	1,653	44
Others	874	211
	<u>36,510</u>	<u>14,698</u>
Eliminations	(1,052)	(366)
Consolidated	<u><u>35,458</u></u>	<u><u>14,332</u></u>

* Profits from the Non-property Investment segment comprise mainly of unrealised gain on financial investments and foreign exchange gains.

9. Valuation of Property, Plant & Equipment

There were no amendments to the valuation of property, plant and equipment brought forward from the previous annual financial statements.

10. Subsequent Material Events

There were no material events subsequent to the end of the reporting quarter and at the date of this announcement.

11. Changes in the Composition of the Group

There were no changes in the composition of the Group during the current financial quarter ended 30 September 2010.

12. Contingent Liabilities and Contingent Assets

The Group does not have any material contingent liabilities and contingent assets as at 30 September 2010.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

PART B : EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BMSB

1. Performance Review

Revenue Review

The revenue of the Group for the current financial quarter under review was RM35,458,000 compared to RM35,965,000 in the preceding year's corresponding financial quarter.

Principal contributors to revenue in both periods are property development and building materials sales.

Profit Review

The profit before tax of the Group for the current financial quarter under review was RM14,332,000 compared to RM14,043,000 in the preceding year's corresponding financial quarter.

With the adoption of FRS139 the financial investments were marked to market giving rise to an unrealised gain of RM2.8 million. This was offset by lower profit from the sale of properties.

2. Comparison with Immediate Preceding Quarter's Profit Before Tax

The profit before tax of the Group for the current financial quarter under review was RM14,332,000 compared to RM5,333,000 in the immediate preceding financial quarter ended 30 June 2010.

The increase was mainly due to higher property sales and plantation profit, favourable foreign exchange and unrealised gain on financial investments.

3. Commentary on Prospects

The Board foresees the financial results of the Group for the financial year ending 30 June 2011 to be satisfactory given the challenging business environment.

4. Profit Forecast

Not applicable.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

PART B : EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BMSB

5. Taxation

	FY2011	
	1ST QTR	CUM 1 QTR
	RM'000	RM'000
Current year provision	2,439	2,439
Underprovision in prior years	-	-
Deferred taxation	(894)	(894)
	<u>1,545</u>	<u>1,545</u>

Domestic income tax is calculated at the Malaysian statutory tax rate of 25% on the estimated assessable profit for the year. Taxation for other jurisdictions is calculated at the rates prevailing in the respective jurisdictions. The lower effective tax rate is due to some non-taxable and foreign source incomes.

6. Profit on Disposal of Unquoted Investments and/or Properties

	FY2011	
	1ST QTR	CUM 1 QTR
	RM'000	RM'000
Profit/(loss) on disposal of unquoted investment	<u>-</u>	<u>-</u>
Profit on disposal of properties	<u>20</u>	<u>20</u>

7. Purchase and Disposal of Quoted Securities

- (a) Summary of the purchase and disposal of quoted securities for the current quarter and financial year-to-date is as follows:

	FY2011	
	1ST QTR	CUM 1 QTR
	RM'000	RM'000
Total purchases	<u>7,177</u>	<u>7,177</u>
Total proceeds on disposals	<u>14,795</u>	<u>14,795</u>
Total gain on disposals	<u>353</u>	<u>353</u>

- (b) At the end of the 3-month financial period ended 30 September 2010, the value of the quoted investments was as follows:

	RM'000
At cost	<u>188,404</u>
At carrying value	<u>188,501</u>
At market value	<u>188,501</u>

8. Status of Corporate Proposals

- (a) Status of Corporate Proposals

There is no announced corporate proposal which is not completed as at the date of this Quarterly Report.

- (b) Status of Utilisation of Proceeds

Not applicable.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

PART B : EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BMSB

9. Group Borrowings and Debt Securities

There were no Group borrowings and debt securities as at the end of the financial year ended 30 September 2010.

10. Off Balance Sheet Financial Instruments

There is no financial instrument with off balance sheet risk as at the date of this Quarterly Report.

11. Material Litigation

There is no pending material litigation as at the date of this Quarterly Report.

12. Dividend

No dividend has been declared for the current financial quarter ended 30 September 2010.

13. Earnings Per Share

The basic and diluted earnings per share have been calculated based on the consolidated net profit after tax for the financial period by using the weighted average number of ordinary shares in issue during the financial period.

	RM'000
Net profit after tax	<u>12,791</u>
Weighted average number of ordinary shares:	
Number used in calculation of basic & diluted earnings per share	<u>210,592</u>
Basic earnings per share (sen)	<u>6.07</u>
Diluted earnings per share (sen)	<u>6.07</u>

By Order of the Board
WOO MIN FONG (MS)
Company Secretary
Johor Bahru
24 November 2010