

DAIMAN DEVELOPMENT BERHAD

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As At 31 December 2010

	AS AT END OF CURRENT QUARTER 31/Dec/2010 RM'000	AS AT PRECEDING FINANCIAL YEAR END 30/Jun/2010 RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	116,809	116,414
Investment properties	187,372	167,876
Land held for property development	309,756	309,822
Other investments	-	3,477
	613,937	597,589
CURRENT ASSETS		
Property development costs	78,360	99,152
Inventories	14,520	27,097
Trade receivables	58,109	24,057
Other receivables	2,315	4,045
Tax recoverable	2,302	2,921
Other investments	147,291	248,000
Fixed Deposits	140,120	26,977
Cash and bank balances	10,914	6,374
	453,931	438,623
TOTAL ASSETS	1,067,868	1,036,212
EQUITY AND LIABILITIES		
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY		
Share capital	212,192	212,192
Reserves		
- Treasury shares	(2,464)	(2,455)
- Capital Redemption Reserve	23,064	23,064
- Revaluation reserve	116,916	117,090
- Foreign exchange reserve	(8,087)	(3,613)
- Retained earnings	632,425	591,094
	974,046	937,372
MINORITY INTEREST	872	1,194
TOTAL EQUITY	974,918	938,566
NON-CURRENT LIABILITIES		
Deferred Taxation	31,781	32,416
Retirement Benefit Obligations	981	1,927
	32,762	34,343
CURRENT LIABILITIES		
Trade payables	13,119	18,179
Other payables	4,063	6,295
Tax payable	43,006	38,829
	60,188	63,303
TOTAL LIABILITIES	92,950	97,646
TOTAL EQUITY AND LIABILITIES	1,067,868	1,036,212
Net assets per share		
Net assets	974,046	937,372
Share capital (unit)		
Number of ordinary shares in issue	212,192	212,192
Less: Cumulative number of treasury shares	(1,605)	(1,600)
	210,587	210,592
Net assets per share (RM)	4.63	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 31 December 2010

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR 2ND QTR FY2011 RM'000	PRECEDING YEAR CORRESPONDING 2ND QTR FY2010 RM'000	CURRENT YEAR CUM 2 QTRS FY2011 RM'000	PRECEDING YEAR CORRESPONDING CUM 2 QTRS FY2010 RM'000
Continuing Operations				
Revenue	54,623	31,694	90,082	67,659
Operating expenses	(37,862)	(25,627)	(66,914)	(53,219)
Other operating income	7,979	1,960	12,026	4,802
Profit from operations	24,740	8,027	35,194	19,242
Investing results	5,318	2,583	9,195	5,411
Profit before tax from continuing operations	30,058	10,610	44,389	24,653
Taxation	(6,499)	(1,289)	(8,044)	(4,614)
Net profit for the period from continuing operation	23,559	9,321	36,345	20,039
Other Comprehensive Income				
Currency translation differences	293	-	(4,473)	-
Other comprehensive income for the year	293	-	(4,473)	-
Total comprehensive income for the year	23,852	-	31,872	-
Profit attributable to:				
Owners of the parent	23,560	9,227	36,349	19,951
Minority Interest	(1)	94	(4)	88
	23,559	9,321	36,345	20,039
Total comprehensive income attributable to:				
Owners of the parent	23,801	9,227	31,747	19,951
Minority Interest	51	94	125	88
	23,852	9,321	31,872	20,039
Earning per share (sen)				
Basic	11.19	4.32	17.26	9.45
Diluted	11.19	4.26	17.26	9.43

(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 6 Months Period Ended 31 December 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
	<u>212,192</u>	<u>(2,455)</u>	<u>23,064</u>	<u>117,090</u>	<u>(3,613)</u>	<u>595,901</u>	<u>942,179</u>	<u>1,194</u>	<u>943,373</u>
Total comprehensive income	-	-	-	(174)	(4,474)	36,524	31,876	(4)	31,872
Issuance/(Redemption) of share capital	-	-	-	-	-	-	-	(318)	(318)
Acquisition of treasury shares	-	(9)	-	-	-	-	(9)	-	(9)
At 31 December 2010	<u>212,192</u>	<u>(2,464)</u>	<u>23,064</u>	<u>116,916</u>	<u>(8,087)</u>	<u>632,425</u>	<u>974,046</u>	<u>872</u>	<u>974,918</u>

(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 6-Month Period Ended 31 December 2010

	31 December 2010	31 December 2009
	RM'000	RM'000
<u>Cash Flows from Operating Activities</u>		
Profit before tax	44,389	24,653
Adjustments for non-cash flow:		
Non-cash items	(12,339)	2,207
Interest income	(1,389)	(1,640)
Operating profit before changes in working capital	<u>30,661</u>	<u>25,220</u>
Changes in working capital:		
Net change in current assets	(12,675)	1,976
Net change in current liabilities	(7,293)	(876)
Cash generated from/(used in) operations	<u>10,693</u>	<u>26,320</u>
Payment of retirement benefits	(1,011)	-
Tax paid	(3,904)	(2,305)
Tax refund	-	1
Interest received	57	81
Net cash flows from/(used in) operating activities	<u>5,835</u>	<u>24,097</u>
<u>Cash Flows from Investing Activities</u>		
Equity investment	(9,900)	6,452
Other investing activities	126,548	(4,903)
Net cash generated from/(used in) investing activities	<u>116,648</u>	<u>1,549</u>
<u>Cash Flows from Financing Activities</u>		
Proceeds from shares issued	(318)	2,185
Acquisition of treasury shares	(9)	(1,074)
Net cash generated from/(used in) financing activities	<u>(327)</u>	<u>1,111</u>
Net change in Cash & Cash Equivalents	122,156	26,757
Cash & Cash Equivalents at beginning of year	33,351	34,440
Effect of changes in foreign currency	(4,473)	(2,285)
Cash & Cash Equivalents at end of year	<u><u>151,034</u></u>	<u><u>58,912</u></u>

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

DAIMAN DEVELOPMENT BERHAD

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:

DAIMAN DEVELOPMENT BERHAD

NOTES TO THE INTERIM FINANCIAL STATEMENTS

PART A : EXPLANATORY NOTES PURSUANT TO FRS 134

(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 31/12/2010 RM'000	As at 1/7/2010 RM'000
Statements of financial position		
Group		
Investment securities(current) - held-for-trading investments	9,356	4,807
Retained earnings	<u>9,356</u>	<u>4,807</u>
	Increase / (decrease)	
	Group	
	2011	
	RM'000	
Statements of comprehensive income		
Investing results		4,549
Profit before tax from continuing operation		4,549
Net profit for the period from continuing operation		<u>4,549</u>
		Group
		Increase /
		(decrease)
		2011
		sen per share
Earning per share:		
Basic/ Diluted		<u>2.15</u>

DAIMAN DEVELOPMENT BERHAD

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 a 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 31 December 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 31 December 2010.

DAIMAN DEVELOPMENT BERHAD

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 31 December 2010 except for the following:

Shares Buy-back

5,000 ordinary shares were bought-back from the open market at an average price of RM1.81 per share during the current financial quarter under review. The total consideration paid for the purchase including transaction costs was RM9,066 and this was financed by internally generated funds.

5,000 ordinary shares were bought-back from the open market at an average price of RM1.81 per share during the 6-month financial period ended 31 December 2010. The total consideration paid for the purchase including transaction costs was RM9,066 and this was financed by internally generated funds.

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 6-month financial period ended 31 December 2010 :-

	Revenue RM'000	Profit Before Taxation RM'000
Analysis by industry :		
Property development	73,134	33,964
Property investment	2,161	1,245
Non-property investment	588	8,443 *
Trading	10,926	624
Leisure and recreation	3,625	285
Others	1,879	512
	<u>92,313</u>	<u>45,073</u>
Eliminations	(2,231)	(684)
Consolidated	<u>90,082</u>	<u>44,389</u>

* Profits from the Non-property Investment segment include 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 31 December 2010.

12. Contingent Liabilities and Contingent Assets

The Group does not have any material contingent liabilities and contingent assets as at 31 December 2010.

DAIMAN DEVELOPMENT BERHAD

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 RM54,623,000 compared to RM31,694,000 in the preceding year's corresponding financial quarter.

The revenue of the Group for the 6-month financial period ended 31 December 2010 was RM90,082,000 compared to RM67,659,000 in the corresponding preceding 6-month financial period ended 31 December 2009.

The higher revenues for both periods were derived mainly from higher property development sales.

Profit Review

The profit before tax of the Group for the current financial quarter under review was RM30,058,000 compared to RM10,610,000 in the preceding year's corresponding financial quarter.

The profit before tax of the Group for the 6-month financial period ended 31 December 2010 was RM44,389,000 compared to RM24,653,000 in the corresponding preceding 6-month financial period ended 31 December 2009.

The increases for both periods were mainly due to higher property sales and plantation profit, fair value gain on investment property and realised and unrealised gains on financial investments.

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 RM30,058,000 compared to RM14,332,000 in the immediate preceding financial quarter ended 30 September 2010.

The increase was mainly due to higher property sales, fair value gain on investment property and gain arising from disposal of financial investment.

3. Commentary on Prospects

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

4. Profit Forecast

Not applicable.

DAIMAN DEVELOPMENT BERHAD**NOTES TO THE INTERIM FINANCIAL STATEMENTS****PART B : EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BMSB****5. Taxation**

	FY2011	
	2ND QTR RM'000	UM 2 QTRS RM'000
Current year provision	6,240	8,679
Deferred taxation	259	(635)
	<u>6,499</u>	<u>8,044</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	
	2ND QTR RM'000	UM 2 QTRS RM'000
Profit/(loss) on disposal of unquoted investment	<u>-</u>	<u>-</u>
Profit on disposal of properties	<u>-</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	
	2ND QTR RM'000	UM 2 QTRS RM'000
Total purchases	<u>26,912</u>	<u>34,089</u>
Total proceeds on disposals	<u>147,054</u>	<u>161,849</u>
Total gain on disposals	<u>2,678</u>	<u>3,031</u>

- (b) At the end of the 6-month financial period ended 31 December 2010, the value of the quoted investments was as follows:

	RM'000
At cost	<u>69,952</u>
At carrying value	<u>69,702</u>
At market value	<u>69,702</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.

DAIMAN DEVELOPMENT BERHAD

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 31 December 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 31 December 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.

Net profit after tax	RM'000 <u>36,349</u>
Weighted average number of ordinary shares: Number used in calculation of basic & diluted earnings per share	<u>210,591</u>
Basic earnings per share (sen)	<u>17.26</u>
Diluted earnings per share (sen)	<u>17.26</u>

PART C : DISCLOSURE OF REALISED AND UNREALISED PROFITS OR LOSSES

Summary of the Realised and Unrealised Profits or Losses for the current quarter and immediate preceding quarter is as follows:

	FY2011	
	2ND QTR	1ST QTR
	RM'000	RM'000
Total retained profits of the Group		
- Realised	566,200	547,784
- Unrealised	<u>129,890</u>	<u>124,323</u>
	696,090	672,107
Consolidation adjustments	<u>(63,665)</u>	<u>(63,325)</u>
Total group retained profits as per consolidated accounts	<u>632,425</u>	<u>608,782</u>

By Order of the Board
WOO MIN FONG (MS)
Company Secretary
Johor Bahru
28 February 2011