

DAIMAN DEVELOPMENT BERHAD

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
For the Quarter Ended 30 SEPTEMBER 2011

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR 1ST QTR FY2012 RM'000	PRECEDING YEAR CORRESPONDING 1ST QTR FY2011 RM'000	CURRENT YEAR CUM 1 QTR FY2012 RM'000	PRECEDING YEAR CORRESPONDING CUM 1 QTR FY2011 RM'000
<b>Continuing Operations</b>				
Revenue	42,783	35,458	42,783	35,458
Operating expenses	(31,246)	(28,880)	(31,246)	(28,880)
Other operating income	3,158	3,877	3,158	3,877
Profit from operations	14,695	10,455	14,695	10,455
Investing results	(7,025)	3,877	(7,025)	3,877
Profit before tax from continuing operations	7,670	14,332	7,670	14,332
Taxation	(3,772)	(1,545)	(3,772)	(1,545)
Net profit for the period from continuing operation	3,898	12,787	3,898	12,787
<b>Other Comprehensive Income:</b>				
Currency translation differences	4,619	(4,767)	4,619	(4,767)
Other comprehensive income for the year	4,619	(4,767)	4,619	(4,767)
Total comprehensive income for the year	8,517	8,020	8,517	8,020
Profit attributable to:				
Owners of the parent	3,898	12,791	3,898	12,791
Minority Interest	-	(4)	-	(4)
	3,898	12,787	3,898	12,787
Total comprehensive income attributable to:				
Owners of the parent	8,517	7,946	8,517	7,946
Minority Interest	-	74	-	74
	8,517	8,020	8,517	8,020
Earning per share (sen)				
Basic	1.85	6.07	1.85	6.07
Diluted	1.85	6.07	1.85	6.07

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 30 June 2011 and the accompanying explanatory notes attached to the interim financial statements)

DAIMAN DEVELOPMENT BERHAD

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
As At 30 SEPTEMBER 2011

	AS AT END OF CURRENT QUARTER 30/Sep/2011 RM'000	AS AT PRECEDING FINANCIAL YEAR END 30/Jun/2011 RM'000
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	122,088	122,441
Investment properties	249,587	189,957
Land held for property development	300,282	303,544
Other investments	17,517	7,895
	<b>689,474</b>	<b>623,837</b>
<b>CURRENT ASSETS</b>		
Property development costs	82,477	73,130
Inventories	7,795	11,896
Trade receivables	51,551	46,467
Other receivables	4,330	4,516
Tax recoverable	152	1,770
Other investments	221,734	217,682
Fixed Deposits	22,810	81,897
Cash and bank balances	6,965	15,557
	<b>397,814</b>	<b>452,915</b>
<b>TOTAL ASSETS</b>	<b>1,087,288</b>	<b>1,076,752</b>
<b>EQUITY AND LIABILITIES</b>		
<b>EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY</b>		
Share capital	212,192	212,192
Reserves		
- Treasury shares	(2,466)	(2,466)
- Capital Redemption Reserve	23,064	23,064
- Revaluation reserve	120,039	120,119
- Foreign exchange reserve	(5,947)	(10,566)
- Fair value adjustment reserve	(508)	(508)
- Retained earnings	640,895	636,917
<b>TOTAL EQUITY</b>	<b>987,269</b>	<b>978,752</b>
<b>NON-CURRENT LIABILITIES</b>		
Deferred Taxation	31,028	31,141
Retirement Benefit Obligations	903	977
	<b>31,931</b>	<b>32,118</b>
<b>CURRENT LIABILITIES</b>		
Trade payables	23,088	20,102
Other payables	5,873	5,582
Tax payable	39,127	40,198
	<b>68,088</b>	<b>65,882</b>
<b>TOTAL LIABILITIES</b>	<b>100,019</b>	<b>98,000</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,087,288</b>	<b>1,076,752</b>
<b>Net assets per share</b>		
Net assets	987,269	978,752
Share capital (unit)		
Number of ordinary shares in issue	212,192	212,192
Less: Cumulative number of treasury shares	(1,606)	(1,606)
	<b>210,586</b>	<b>210,586</b>
Net assets per share (RM)	4.69	4.65

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 30 June 2011 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 2011

	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	Fair Value Adjustment Reserve RM'000	Total Equity RM'000
At 1 July 2011	212,192	(2,466)	23,064	120,119	(10,566)	636,917	(508)	978,752
Total comprehensive income	-	-	-	(80)	4,619	3,978	-	8,517
At 30 September 2011	212,192	(2,466)	23,064	120,039	(5,947)	640,895	(508)	987,269

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 June 2011 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 2011**

	<b>30 September 2011</b>	<b>30 September 2010</b>
	<b>RM'000</b>	<b>RM'000</b>
<u>Cash Flows from Operating Activities</u>		
Profit before tax	7,670	14,332
Adjustments for non-cash flow:		
Non-cash items	8,912	(2,524)
Interest income	(650)	(413)
Operating profit before changes in working capital	<u>15,932</u>	<u>11,395</u>
Changes in working capital:		
Net change in current assets	(5,844)	(10,835)
Net change in current liabilities	4,839	(2,753)
Cash generated from/(used in) operations	<u>14,927</u>	<u>(2,193)</u>
Payment of retirement benefits	(107)	-
Tax paid	(3,356)	(2,319)
Tax refund	17	13
Interest received	37	12
Net cash flows from/(used in) operating activities	<u>11,518</u>	<u>(4,487)</u>
<u>Cash Flows from Investing Activities</u>		
Equity investment	(18,285)	(2,367)
Other investing activities	(65,531)	(3,839)
Net cash generated from/(used in) investing activities	<u>(83,816)</u>	<u>(6,206)</u>
<u>Cash Flows from Financing Activities</u>		
Proceeds from shares issued	-	(318)
Net cash generated from/(used in) financing activities	<u>-</u>	<u>(318)</u>
Net change in Cash & Cash Equivalents	(72,298)	(11,011)
Cash & Cash Equivalents at beginning of year	97,454	33,351
Effect of changes in foreign currency	4,619	(4,767)
Cash & Cash Equivalents at end of year	<u>29,775</u>	<u>17,573</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 2011. 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 2011.

#### **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 2011 except for the adoption of the following new Financial Reporting Standard ("FRS") effective for financial year beginning 1 July 2011:

- FRS 7: Disclosures for First-time Adopters
- Amendments to FRS 7: Improving disclosures about Financial Instruments
- IC Interpretation 18: Transfer of Assets from Customers
- Improvements to FRSs issued in 2010
- IC Interpretation 19: Extinguishing Financial Liabilities with Equity Instruments
- Amendments to IC Interpretation 14: Prepayment of a Minimum Funding Requirement

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:

##### **2.2 Standards and interpretations issued but not yet effective**

The following which are effective for financial periods beginning on or after 1 January 2012, have not been applied:

- IC Interpretation 15: Agreements for the Construction of Real Estate
- FRS 124: Related Party Disclosures (Revised)

Except for the changes in new disclosures required under the impact of IC Interpretation 15, the directors expect that the adoption of the other standards and interpretations above will have no material impact on the financial statements in the period of initial application.

## DAIMAN DEVELOPMENT BERHAD

### NOTES TO THE INTERIM FINANCIAL STATEMENTS PART A : EXPLANATORY NOTES PURSUANT TO FRS 134

#### 3. Nature and Amount of Unusual Items

There were no unusual item or transaction reported for the financial period ended 30 September 2011.

#### 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 2011.

#### 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 2011 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 2011 :-

	Revenue RM'000	Profit/(Loss) Before Taxation RM'000
Analysis by industry :		
Property development	32,637	11,871
Property investment	851	584
Non-property investment	198	(5,783) *
Trading	7,290	675
Leisure and recreation	1,807	155
Others	-	168
	<u>42,783</u>	<u>7,670</u>

\* Losses from the Non-property Investment segment include unrealised loss on financial investments and foreign exchange gains.

**DAIMAN DEVELOPMENT BERHAD**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS  
PART A : EXPLANATORY NOTES PURSUANT TO FRS 134**

**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**

Further to the announcement made by the Company on 15 August 2011, regarding the acquisition of the hotel tower forming part of the commercial project known as Menara Landmark Johor Bahru by its wholly-owned subsidiary, Daiman Properties Sdn Bhd, the said transaction is now completed by the full payment of the balance of the purchase price amounting to RM39,600,000 on 11 November 2011.

**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 2011.

**12. Contingent Liabilities and Contingent Assets**

The Group does not have any material contingent liabilities and contingent assets as at 30 September 2011.

## 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 RM42,783,000 compared to RM35,458,000 in the preceding year's corresponding financial quarter.

The higher revenue for the current financial quarter under review was mainly from sales of three-storey shop offices, 1 1/2-storey terrace warehouse and 3 plots of 1 acre land at Taman Perindustrian Murni Senai; double-storey terrace and cluster houses at Daiman Jaya; double-storey terrace and cluster houses and three-storey shop offices at Taman Gaya. Higher building material sales in the Trading Division also contributed to the increase in revenue.

###### Profit Review

The profit before tax of the Group for the current financial quarter under review was RM7,670,000 compared to RM14,332,000 in the preceding year's corresponding financial quarter.

The underlying profit from the Group's development business improved by 43% in the current financial quarter under review compared to the preceding year's corresponding financial quarter but, however, the profit was partially offset by the fair value adjustment on the 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 RM7,670,000 compared to RM14,649,000 in the immediate preceding financial quarter ended 30 June 2011.

The underlying profit from the Group's development business improved by 17% in the current financial quarter under review compared to the immediate preceding financial quarter but, however, the profit was partially offset by the fair value adjustment on the financial investments.

##### 3. Commentary on Prospects

The Board is confident that, barring unforeseen circumstances, the financial results of the Group for the financial year ending 30 June 2012 will be satisfactory.

##### 4. Profit Forecast

Not applicable.

##### 5. Taxation

	1ST QTR	FY2012 CUM 1 QTR
	RM'000	RM'000
Current year provision	3,885	3,885
Deferred taxation	(113)	(113)
	<u>3,772</u>	<u>3,772</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 higher effective tax rate is due to some non-tax deductible and foreign source losses.



**DAIMAN DEVELOPMENT BERHAD**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

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

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

	1ST QTR RM'000	FY2012 CUM 1 QTR RM'000
Profit/(loss) on disposal of unquoted investment	<u>-</u>	<u>-</u>
Profit on disposal of properties	<u>-</u>	<u>-</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:

	1ST QTR RM'000	FY2012 CUM 1 QTR RM'000
Total purchases	<u>47,300</u>	<u>47,300</u>
Total proceeds on disposals	<u>43,691</u>	<u>43,691</u>
Total gain on disposals	<u>118</u>	<u>118</u>

- (b) At the end of the 3-month financial period ended 30 September 2011, the value of the quoted investments was as follows:

	RM'000
At cost	<u>143,268</u>
At carrying value	<u>140,509</u>
At market value	<u>140,509</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.

**9. Group Borrowings and Debt Securities**

There were no Group borrowings and debt securities as at the end of the financial quarter ended 30 September 2011.

**DAIMAN DEVELOPMENT BERHAD**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

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

**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 2011.

**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>3,898</u>
Weighted average number of ordinary shares: Number used in calculation of basic & diluted earnings per share	<u>210,586</u>
Basic earnings per share (sen)	<u>1.85</u>
Diluted earnings per share (sen)	<u>1.85</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:

	As at 30.09.2011 RM'000	As at 30.06.2011 RM'000
Total retained profits of the Group		
- Realised	590,950	580,736
- Unrealised	<u>121,332</u>	<u>127,351</u>
	712,282	708,087
Consolidation adjustments	<u>(71,387)</u>	<u>(71,170)</u>
Total group retained profits as per consolidated accounts	<u>640,895</u>	<u>636,917</u>

**By Order of the Board**  
**WOO MIN FONG (MS)**  
**Company Secretary**  
**Johor Bahru**  
**24 November 2011**