

DAIMAN DEVELOPMENT BERHAD

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
For the Quarter Ended 31 December 2011

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR 2ND QTR FY2012 RM'000	PRECEDING YEAR CORRESPONDING 2ND QTR FY2011 RM'000	CURRENT YEAR CUM 2 QTRS FY2012 RM'000	PRECEDING YEAR CORRESPONDING CUM 2 QTRS FY2011 RM'000
<b>Continuing Operations</b>				
Revenue	33,077	54,623	75,861	90,082
Operating expenses	(27,984)	(37,862)	(59,232)	(66,914)
Other operating income	3,582	7,979	6,742	12,026
Profit from operations	8,675	24,740	23,371	35,194
Investing results	3,434	5,318	(3,592)	9,195
Profit before tax from continuing operations	12,109	30,058	19,779	44,389
Taxation	(2,506)	(6,499)	(6,278)	(8,044)
Net profit for the period from continuing operation	9,603	23,559	13,501	36,345
<b>Other Comprehensive Income:</b>				
Currency translation differences	(407)	293	4,212	(4,473)
Other comprehensive income for the year	(407)	293	4,212	(4,473)
Total comprehensive income for the year	9,196	23,852	17,713	31,872
Profit attributable to:				
Owners of the parent	9,603	23,560	13,501	36,349
Minority Interest	-	(1)	-	(4)
	9,603	23,559	13,501	36,345
Total comprehensive income attributable to:				
Owners of the parent	9,196	23,801	17,713	31,747
Minority Interest	-	51	-	125
	9,196	23,852	17,713	31,872
Earning per share (sen)				
Basic	4.56	11.19	6.41	17.26
Diluted	4.56	11.19	6.41	17.26

(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 31 December 2011

	AS AT END OF CURRENT QUARTER 31/Dec/2011	AS AT PRECEDING FINANCIAL YEAR END 30/6/2011
	RM'000	RM'000
<b>ASSETS</b>		
<b>NON-CURRENT ASSETS</b>		
Property, plant and equipment	170,684	122,441
Investment properties	247,285	189,957
Land held for property development	302,092	303,544
Other investments	14,547	7,895
	734,608	623,837
<b>CURRENT ASSETS</b>		
Property development costs	88,313	73,130
Inventories	8,716	11,896
Trade receivables	49,439	46,467
Other receivables	3,411	4,516
Tax recoverable	154	1,770
Other investments	172,671	217,682
Fixed Deposits	34,914	81,897
Cash and bank balances	7,740	15,557
	365,358	452,915
<b>TOTAL ASSETS</b>	<b>1,099,966</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	(2,468)	(2,466)
- Capital Redemption Reserve	23,064	23,064
- Revaluation reserve	120,291	120,119
- Foreign exchange reserve	(6,354)	(10,566)
- Fair value adjustment reserve	(508)	(508)
- Retained earnings	650,535	636,917
<b>TOTAL EQUITY</b>	<b>996,752</b>	<b>978,752</b>
<b>NON-CURRENT LIABILITIES</b>		
Deferred Taxation	31,036	31,141
Retirement Benefit Obligations	853	977
	31,889	32,118
<b>CURRENT LIABILITIES</b>		
Trade payables	24,717	20,102
Other payables	6,873	5,582
Tax payable	39,735	40,198
	71,325	65,882
<b>TOTAL LIABILITIES</b>	103,214	98,000
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,099,966</b>	<b>1,076,752</b>
<b>Net assets per share</b>		
Net assets	996,752	978,752
Share capital (unit)		
Number of ordinary shares in issue	212,192	212,192
Less: Cumulative number of treasury shares	(1,607)	(1,606)
	210,585	210,586
Net assets per share (RM)	4.73	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 6 Months Period Ended 31 December 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 RM'000
At 1 July 2011	212,192	(2,466)	23,064	120,119	(10,566)	636,917	(508)	978,752
Realisation of revaluation surplus due to sales of property	-	-	-	172	-	117	-	289
Currency translation differences	-	-	-	-	4,212	-	-	4,212
Net income/(expense) not recognised in the income statement	-	-	-	172	4,212	117	-	4,501
Net profit for the period	-	-	-	-	-	13,501	-	13,501
Total comprehensive income	-	-	-	172	4,212	13,618	-	18,002
Acquisition of treasury shares	-	(2)	-	-	-	-	-	(2)
At 31 December 2011	212,192	(2,468)	23,064	120,291	(6,354)	650,535	(508)	996,752

(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 6-Month Period Ended 31 December 2011**

	<b>31 December 2011</b>	<b>31 December 2010</b>
	<b>RM'000</b>	<b>RM'000</b>
<u>Cash Flows from Operating Activities</u>		
Profit before tax	19,779	44,389
Adjustments for non-cash flow:		
Non-cash items	8,924	(12,339)
Interest income	(1,161)	(1,389)
Operating profit before changes in working capital	<u>27,542</u>	<u>30,661</u>
Changes in working capital:		
Net change in current assets	(7,874)	(12,675)
Net change in current liabilities	5,907	(7,293)
Cash generated from/(used in) operations	<u>25,575</u>	<u>10,693</u>
Payment of retirement benefits	(190)	(1,011)
Tax paid	(5,247)	(3,904)
Tax refund	17	-
Interest received	127	57
Net cash flows from/(used in) operating activities	<u>20,282</u>	<u>5,835</u>
<u>Cash Flows from Investing Activities</u>		
Purchase of property, plant and equipment	(50,384)	(1,528)
Disposal of property, plant and equipment	366	299
Addition of Investment Properties	(57,175)	(187)
Disposal of investment properties	-	85
Acquisition of investments	(104,529)	(46,298)
Disposal of investments	135,804	162,879
Interest received	1,034	1,332
Other investing activities	(4,408)	66
Net cash generated from/(used in) investing activities	<u>(79,292)</u>	<u>116,648</u>
<u>Cash Flows from Financing Activities</u>		
Proceeds from shares issued	-	(318)
Acquisition of treasury shares	(2)	(9)
Net cash generated from/(used in) financing activities	<u>(2)</u>	<u>(327)</u>
Net change in Cash & Cash Equivalents	(59,012)	122,156
Cash & Cash Equivalents at beginning of year	97,454	33,351
Effect of changes in foreign currency	4,212	(4,473)
Cash & Cash Equivalents at end of year	<u>42,654</u>	<u>151,034</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 Malaysian Financial Reporting Standards (MFRS)**

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.

The Group will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 30 June 2012. In presenting its first MFRS financial statements, the Group will be required to restate the financial position as at 1 July 2011 to amounts reflecting the application of MFRS Framework.

The Group has started a preliminary assessment of the differences between FRS and accounting standards under the MFRS Framework and is in the process of assessing the financial effects of the differences. Accordingly, the financial position as disclosed in these financial statements for the financial period ended 31 December 2011 could be different if prepared under the MFRS Framework.

## 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 31 December 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 31 December 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 31 December 2011 except for the following:

###### Shares Buy-back

1,000 ordinary shares were bought-back from the open market at an average price of RM1.97 per share during the current financial quarter under review and the 6-month financial period ended 31 December 2011. The total consideration paid for the purchase including transaction costs was RM1,973 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 2011 :-

	Revenue RM'000	Profit/(Loss) Before Taxation RM'000
Analysis by industry :		
Property development	55,244	22,884
Property investment	2,104	400
Non-property investment	396	(4,764) *
Trading	14,066	1,307
Leisure and recreation	3,880	(201)
Others	171	153
	<u>75,861</u>	<u>19,779</u>

\* Losses from the Non-property Investment segment include unrealised loss on financial investments and partially offset by 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**

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 2011.

**12. Contingent Liabilities and Contingent Assets**

The Group does not have any material contingent liabilities and contingent assets as at 31 December 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 RM33,077,000 compared to RM54,623,000 in the preceding year's corresponding financial quarter.

Lower Group revenue in current financial quarter under review compared to the preceding year's corresponding financial quarter was mainly due to lower property sales particularly in Zone 5B 2-storey cluster houses and semi-detached houses in Taman Gaya; and the higher revenue in the preceding financial quarter from sales at Vila Bintang Indah which comprised of bungalow lots and completed bungalow units.

The revenue of the Group for the 6-month financial period ended 31 December 2011 was RM75,861,000 compared to RM90,082,000 in the corresponding preceding 6-month financial period ended 31 December 2010.

Lower Group revenue for the 6-month financial period under review was mainly due to lower property sales particularly in Zone 5B 2-storey cluster houses and semi-detached houses in Taman Gaya and the higher revenue in preceding financial quarter was derived from sales at Vila Bintang Indah which comprised bungalow lots and completed bungalow units.

###### Profit Review

The profit before tax of the Group for the current financial quarter under review was RM12,109,000 compared to RM30,058,000 in the preceding year's corresponding financial quarter.

The profit from the Group's development business decreased by 45% in the current financial quarter under review compared to the preceding year's corresponding financial quarter was mainly due to lower property sales particularly in Zone 5B 2-storey cluster houses and semi-detached houses in Taman Gaya and lower realised gain on financial investment, whereas the higher revenue in the preceding financial quarter was derived from sales at Vila Bintang Indah which comprised bungalow lots and completed bungalow units and fair value gain on investment properties .

The profit before tax of the Group for the 6-month financial period ended 31 December 2011 was RM19,779,000 compared to RM44,389,000 in the corresponding preceding 6-month financial period ended 31 December 2010.

The decrease was mainly due to lower property sales and fair value changes on financial investment, comprising fair value losses and loss on disposal of 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 RM12,109,000 compared to RM7,670,000 in the immediate preceding financial quarter ended 30 September 2011.

The increase was mainly due to the fair value gains and higher dividend income received from financial investment.

##### 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.

**DAIMAN DEVELOPMENT BERHAD****NOTES TO THE INTERIM FINANCIAL STATEMENTS****PART B : EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BMSB****5. Notes to the Statement of Comprehensive Income**

	2ND QTR	FY2012 CUM 2 QTRS
	RM'000	RM'000
(a) Interest income	224	648
(b) Other income including investment income	1,834	2,675
(c) Interest expense	N/A	N/A
(d) Depreciation and amortization	(582)	(1,158)
(e) Provision for and write off of receivables	N/A	N/A
(f) Provision for and write off of inventories	N/A	N/A
(g) Loss on disposal of quoted or unquoted investments or properties	(789)	(683)
(h) Impairment of assets	N/A	N/A
(i) Foreign exchange gain	181	240
(j) Gain or loss on derivatives	N/A	N/A
(k) Exceptional items (with details)	N/A	N/A

N/A - Not applicable

**6. Taxation**

	2ND QTR	FY2012 CUM 2 QTRS
	RM'000	RM'000
Current year provision	2,498	6,383
Deferred taxation	8	(105)
	<u>2,506</u>	<u>6,278</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 items and foreign source losses.

**7. 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.

**8. Group Borrowings and Debt Securities**

There were no Group borrowings and debt securities as at the end of the financial quarter ended 31 December 2011.

**9. Off Balance Sheet Financial Instruments**

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

**10. Material Litigation**

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

**DAIMAN DEVELOPMENT BERHAD**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

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

**11. Dividend**

No dividend has been declared for the current financial quarter ended 31 December 2011.

**12. 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>13,501</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>6.41</u>
Diluted earnings per share (sen)	<u>6.41</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 31.12.2012 RM'000	As at 30.09.2011 RM'000
Total retained profits of the Group		
- Realised	604,109	590,950
- Unrealised	<u>121,900</u>	<u>121,332</u>
	726,009	712,282
Consolidation adjustments	<u>(75,474)</u>	<u>(71,387)</u>
Total group retained profits as per consolidated accounts	<u>650,535</u>	<u>640,895</u>

**By Order of the Board**  
**WOO MIN FONG (MS)**  
**Company Secretary**  
**Johor Bahru**  
**28 February 2012**