

DAIMAN DEVELOPMENT BERHAD

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the Quarter Ended 30 September 2012

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR 1ST QTR FY2013 RM'000	PRECEDING YEAR CORRESPONDING 1ST QTR FY2012 RM'000	CURRENT YEAR CUM 1 QTR FY2013 RM'000	PRECEDING YEAR CORRESPONDING CUM 1 QTR FY2012 RM'000
Continuing Operations				
Revenue	44,959	42,783	44,959	42,783
Operating expenses	(35,593)	(31,246)	(35,593)	(31,246)
Other operating income	2,416	3,158	2,416	3,158
Profit from operations	11,782	14,695	11,782	14,695
Investing results	2,238	(7,025)	2,238	(7,025)
Profit before tax from continuing operations	14,020	7,670	14,020	7,670
Taxation	(3,830)	(3,772)	(3,830)	(3,772)
Net profit for the period from continuing operation	10,190	3,898	10,190	3,898
Other Comprehensive Income:				
Currency translation differences	(3,237)	4,619	(3,237)	4,619
Other comprehensive income for the year	(3,237)	4,619	(3,237)	4,619
Total comprehensive income for the year	6,953	8,517	6,953	8,517
Profit attributable to:				
Owners of the parent	10,190	3,898	10,190	3,898
Minority Interest	-	-	-	-
	10,190	3,898	10,190	3,898
Total comprehensive income attributable to:				
Owners of the parent	6,953	8,517	6,953	8,517
Minority Interest	-	-	-	-
	6,953	8,517	6,953	8,517
Earning per share (sen)				
Basic	4.84	1.85	4.84	1.85
Diluted	4.84	1.85	4.84	1.85

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 30 June 2012 and the accompanying explanatory notes attached to the interim financial statements)

DAIMAN DEVELOPMENT BERHAD

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As At 30 September 2012

	AS AT END OF CURRENT QUARTER 30/Sep/2012	AS AT PRECEDING FINANCIAL YEAR END 30/Jun/2012
	RM'000	RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	180,886	180,842
Investment properties	260,854	257,417
Land held for property development	373,845	373,049
Other investments	28,689	27,913
	844,274	839,221
CURRENT ASSETS		
Property development costs	90,465	90,347
Investment property held for sales	-	1,808
Inventories	4,241	5,204
Trade receivables	49,849	52,491
Other receivables	9,545	8,998
Prepayment	10,399	12,604
Tax recoverable	563	504
Other investments	83,382	64,062
Fixed Deposits	23,123	34,993
Cash and bank balances	87,640	84,428
	359,207	355,439
TOTAL ASSETS	1,203,481	1,194,660
EQUITY AND LIABILITIES		
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY		
Share capital	212,192	212,192
Reserves		
- Treasury shares	(2,468)	(2,468)
- Capital Redemption Reserve	23,064	23,064
- Revaluation reserve	119,675	119,739
- Foreign exchange reserve	(7,074)	(3,837)
- Fair value adjustment reserve	(1,088)	(1,088)
- Retained earnings	640,812	630,558
TOTAL EQUITY	985,113	978,160
NON-CURRENT LIABILITIES		
Provision for foreseeable losses for affordable housing	123,765	123,765
Deferred Taxation	18,292	18,649
Retirement Benefit Obligations	881	898
	142,938	143,312
CURRENT LIABILITIES		
Trade payables	25,398	24,225
Other payables	8,851	8,941
Tax payable	41,181	40,022
	75,430	73,188
TOTAL LIABILITIES	218,368	216,500
TOTAL EQUITY AND LIABILITIES	1,203,481	1,194,660
Net assets per share		
Net assets	985,113	978,160
Share capital (unit)		
Number of ordinary shares in issue	212,192	212,192
Less: Cumulative number of treasury shares	(1,607)	(1,607)
	210,585	210,585
Net assets per share (RM)	4.68	4.64

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 30 June 2012 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 2012

	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 2012	212,192	(2,468)	23,064	119,739	(3,837)	630,558	(1,088)	978,160
Realisation of revaluation surplus due to sales of property	-	-	-	(64)	-	64	-	-
Currency translation differences	-	-	-	-	(3,237)	-	-	(3,237)
Net income/(expense) not recognised in the income statement	-	-	-	(64)	(3,237)	64	-	(3,237)
Net profit for the period	-	-	-	-	-	10,190	-	10,190
Total comprehensive income	-	-	-	(64)	(3,237)	10,254	-	6,953
At 30 September 2012	212,192	(2,468)	23,064	119,675	(7,074)	640,812	(1,088)	985,113

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 June 2012 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 2012

	30 September 2012	30 September 2011
	RM'000	RM'000
<u>Cash Flows from Operating Activities</u>		
Profit before tax	14,020	7,670
Adjustments for non-cash flow:		
Non-cash items	(478)	8,912
Interest income	(458)	(650)
Operating profit before changes in working capital	<u>13,084</u>	<u>15,932</u>
Changes in working capital:		
Net change in current assets	5,112	(5,844)
Net change in current liabilities	1,083	4,839
Cash generated from/(used in) operations	<u>19,279</u>	<u>14,927</u>
Payment of retirement benefits	(50)	(107)
Tax paid	(3,101)	(3,356)
Tax refund	15	17
Interest received	137	37
Net cash flows from/(used in) operating activities	<u>16,280</u>	<u>11,518</u>
<u>Cash Flows from Investing Activities</u>		
Purchase of property, plant and equipment	(836)	(244)
Disposal of property, plant and equipment	15	7
Addition of Investment Properties	(3,405)	(59,631)
Disposal of investment properties	1,808	-
Acquisition of investments	(21,491)	(65,654)
Disposal of investments	2,682	43,691
Interest received	321	614
Other investing activities	(795)	(2,599)
Net cash generated from/(used in) investing activities	<u>(21,701)</u>	<u>(83,816)</u>
Net change in Cash & Cash Equivalents	(5,421)	(72,298)
Cash & Cash Equivalents at beginning of year	119,421	97,454
Effect of changes in foreign currency	(3,237)	4,619
Cash & Cash Equivalents at end of year	<u>110,763</u>	<u>29,775</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 2012. 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 2012.

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 2012 except for the adoption of the following new Financial Reporting Standard ("FRS") effective for financial year beginning 1 July 2012:

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

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:

Amendments to FRS 7: Transfers of Financial Assets

The amendments require additional disclosure about financial assets that have been transferred but not derecognised to enable the user of the Company's financial statements to understand the relationship with those assets that have not been derecognised and their associated liabilities. In addition, the amendments require disclosures about continuing involvement in derecognised assets to enable the user to evaluate the nature of, and risks associated with, the entity's continuing involvement in those derecognised assets. The amendments affect disclosure only and have no impact on the Group's financial position or performance.

Amendments to FRS 112: Deferred Tax: Recovery of Underlying Assets

The amendments clarified the determination of deferred tax on investment property measured at fair value. The amendments introduce a rebuttable presumption that deferred tax on investment property measured using the fair value model in FRS 140 should be determined on the basis that its carrying amount will be recovered through sale. Furthermore, they introduce the requirement that deferred tax on non-depreciable assets that are measured using the revaluation model in FRS 116 to be always measured on a sale basis of that asset.

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

The amendments to FRS 101 change the grouping of items presented in Other Comprehensive Income. Items that could be reclassified (or "recycled") to profit or loss at a future point in time (for example, upon derecognition or settlement) would be presented separately from items that will never be reclassified. The amendments affect presentation only and have no impact on the Group's financial position or performance.

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 which are effective for financial periods beginning on or after 1 January 2013, have not been applied:

- 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
- Amendments to FRS 7: Disclosures - Offsetting Financial Assets and Financial Liabilities

The directors expect that the adoption of the standards and interpretations above will have no material impact on the financial statements in the period of initial application, except as disclosed below:

FRS 12 Disclosure of interests in Other Entities

FRS 12 includes all disclosure requirements for interests in subsidiaries, joint arrangements, associates and structured entities. A number of new disclosures are required. This standard affects disclosures only and has no impact on the Group's financial position or performance.

FRS 13 Fair Value Measurement

FRS 13 establishes a single source of guidance under FRS for all fair value measurements. FRS 13 does not change when an entity is required to use fair value, but rather provides guidance on how to measure fair value under FRS when fair value is required or permitted. The Group is currently assessing the impact of adoption of FRS13.

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 referred as "Transitioning Entities"). The adoption of the MFRS Framework by Transitioning Entities is deferred by another year and hence, will be mandatory only for annual financial period beginning on or after 1 January 2014.

The Group will present its first financial statements in accordance with the MFRS Framework for the financial year beginning on 1 July 2014. The Group is currently in the process of determining the impact arising from the initial application of MFRS Framework. Before the effective date, the Group will continue to prepare its financial statement in accordance with the FRS framework.

3. Nature and Amount of Unusual Items

There were no unusual item or transaction reported for the financial period ended 30 September 2012.

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.

DAIMAN DEVELOPMENT BERHAD

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

6. Dividends Paid

No dividend was paid in the current financial quarter ended 30 September 2012.

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 2012 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 2012 :-

Analysis by industry :	Revenue	Profit/(Loss)
	RM'000	Before Taxation RM'000
Property development	33,694	15,168
Property investment	1,844	(878)
Non-property investment	29	39
Trading	7,192	703
Leisure and recreation	1,987	198
Others	213	(1,210)
	<u>44,959</u>	<u>14,020</u>

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

- (a) On 19 July 2012, a wholly-owned subsidiary of the Company, Daiman Properties Sdn. Bhd. has entered into a conditional sale and purchase agreement to dispose off 5 pieces of land held under GRN 211709 to GRN 211713, all situated in the Mukim of Serkat for a total consideration of RM32,926,687. A Letter of Consent dated 12 October 2012 has been issued by the Estate Board.
- (b) On 24 October 2012, a wholly-owned subsidiary of the Company, Evotherm International Ltd. entered into a Subscription Agreement to subscribe for 25,000 units at US\$1,000 per unit amounting to US\$25 million in the CapitaLand China Housing Fund ("CCVHF"), representing 11.6% of the aggregate committed capital of CCVHF. A first subscription call of USD16.1 million was received on 16 November 2012, payable on or before 7 December 2012.
- (c) The proposed acquisition by Daman Impian Sdn Bhd, a wholly-owned subsidiary of the Company, of a freehold land held under HS(D) 375296 PTD 113308 to HS(D) 375423 PTD 113435 with a nett area of 85.848 acres being part of the gross area of 146.394 acres and another freehold land measuring an area of 93.64 acres held under HS(D) 485010 PTD 153883, all situated in the Mukim of Tebrau, District of Johor Bahru, Johor from Johor Land Berhad for a total consideration of RM64,463,280 is now deemed null and void because the Conditions Precedent as per Section 2.4(b)(iii) of the Proposed Acquisition announcement dated 11 June 2012 was not fulfilled.

DAIMAN DEVELOPMENT BERHAD

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

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 2012.

12. Contingent Liabilities and Contingent Assets

The Group does not have any material contingent liabilities and contingent assets as at 30 September 2012.

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 RM44,959,000 compared to RM42,783,000 in the preceding year's corresponding financial quarter.

Higher Group revenue in current financial quarter under review compared to the preceding year's corresponding financial quarter was mainly due to higher property sales in Taman Perindustrian Murni Senai which comprised of 1 1/2 storey semi-detached factory and 3-storey shop office land. Higher rental income from Property Investment Division also contributed to the increase in revenue from Menara Landmark.

Profit Review

The profit before tax of the Group for the current financial quarter under review was RM14,020,000 compared to RM7,670,000 in the preceding year's corresponding financial quarter.

The increase was mainly due to the effect of a fair value gain on financial investments in the current quarter versus a fair value loss on financial investments in the preceding year's corresponding quarter, partially offset by higher operating expenses.

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 RM14,020,000 compared to RM13,091,000 in the immediate preceding financial quarter ended 30 June 2012.

The increase was mainly due to the impact of provision for foreseeable losses in respect of affordable houses following the adoption of FRSIC 17 in the immediately preceding quarter, lower operating expenses in the current quarter partially offset by lower operating income.

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 2013 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

	FY2013	
	1ST QTR RM'000	CUM 1 QTR RM'000
(a) Interest income	458	458
(b) Other income including investment income	662	662
(c) Interest expense	N/A	N/A
(d) Depreciation and amortization	(774)	(774)
(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) Gain on disposal of quoted or unquoted investments or properties	57	57
(h) Impairment of assets	N/A	N/A
(i) Foreign exchange loss	1	1
(j) Gain or loss on derivatives	N/A	N/A
(k) Exceptional items	N/A	N/A

N/A - Not applicable

6. Taxation

	FY2013	
	1ST QTR RM'000	CUM 1 QTR RM'000
Current year provision	4,186	4,186
Deferred taxation	(356)	(356)
	<u>3,830</u>	<u>3,830</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 30 September 2012.

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 30 September 2012.

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>10,190</u>
Weighted average number of ordinary shares: Number used in calculation of basic & diluted earnings per share	<u>210,585</u>
Basic earnings per share (sen)	<u>4.84</u>
Diluted earnings per share (sen)	<u>4.84</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 30.09.2012 RM'000	As at 30.06.2012 RM'000
Total retained profits of the Group		
- Realised	579,658	568,185
- Unrealised	<u>139,273</u>	<u>140,181</u>
	718,931	708,366
Consolidation adjustments	<u>(78,119)</u>	<u>(77,808)</u>
Total Group retained profits as per consolidated accounts	<u>640,812</u>	<u>630,558</u>

By Order of the Board
WOO MIN FONG (MS)
Company Secretary
Johor Bahru
27 November 2012