

DAIMAN DEVELOPMENT BERHAD

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the Quarter Ended 31 December 2012

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR 2ND QTR FY2013	PRECEDING YEAR CORRESPONDING 2ND QTR FY2012	CURRENT YEAR CUM 2 QTRS FY2013	PRECEDING YEAR CORRESPONDING CUM 2 QTRS FY2012
	RM'000	RM'000	RM'000	RM'000
Continuing Operations				
Revenue	46,285	33,077	91,243	75,861
Operating expenses	(36,969)	(27,984)	(72,561)	(59,232)
Other operating income	4,383	3,582	6,798	6,742
Profit from operations	13,699	8,675	25,480	23,371
Investing results	1,723	3,434	3,961	(3,592)
Profit before tax from continuing operations	15,422	12,109	29,441	19,779
Taxation	(3,848)	(2,506)	(7,678)	(6,278)
Net profit for the period from continuing operation	11,574	9,603	21,763	13,501
Other Comprehensive Income:				
Currency translation differences	(123)	(407)	(3,360)	4,212
Other comprehensive income for the year	(123)	(407)	(3,360)	4,212
Total comprehensive income for the year	11,451	9,196	18,403	17,713
Profit attributable to:				
Owners of the parent	11,574	9,603	21,763	13,501
Minority Interest	-	-	-	-
	11,574	9,603	21,763	13,501
Total comprehensive income attributable to:				
Owners of the parent	11,451	9,196	18,403	17,713
Minority Interest	-	-	-	-
	11,451	9,196	18,403	17,713
Earning per share (sen)				
Basic	5.50	4.56	10.33	6.41
Diluted	5.50	4.56	10.33	6.41

(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 31 December 2012

	AS AT END OF CURRENT QUARTER 31/Dec/2012	AS AT PRECEDING FINANCIAL YEAR END 30/Jun/2012
	RM'000	RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	181,447	180,842
Investment properties	258,158	257,417
Land held for property development	374,663	373,049
Other investments	79,554	27,913
	<u>893,822</u>	<u>839,221</u>
CURRENT ASSETS		
Property development costs	91,163	90,347
Investment property held for sales	6,130	1,808
Inventories	3,996	5,204
Trade receivables	57,887	52,491
Other receivables	3,531	8,998
Prepayment	9,564	12,604
Tax recoverable	670	504
Other investments	91,746	64,062
Fixed Deposits	19,821	34,993
Cash and bank balances	41,429	84,428
	<u>325,937</u>	<u>355,439</u>
TOTAL ASSETS	<u>1,219,759</u>	<u>1,194,660</u>
EQUITY AND LIABILITIES		
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY		
Share capital	212,192	212,192
Reserves		
- Treasury shares	(2,470)	(2,468)
- Capital Redemption Reserve	23,064	23,064
- Revaluation reserve	119,630	119,739
- Foreign exchange reserve	(7,197)	(3,837)
- Fair value adjustment reserve	(1,088)	(1,088)
- Retained earnings	652,430	630,558
TOTAL EQUITY	<u>996,561</u>	<u>978,160</u>
NON-CURRENT LIABILITIES		
Provision for foreseeable losses for affordable housing	123,765	123,765
Deferred Taxation	18,239	18,649
Retirement Benefit Obligations	914	898
	<u>142,918</u>	<u>143,312</u>
CURRENT LIABILITIES		
Trade payables	26,606	24,225
Other payables	11,534	8,941
Tax payable	42,140	40,022
	<u>80,280</u>	<u>73,188</u>
TOTAL LIABILITIES	<u>223,198</u>	<u>216,500</u>
TOTAL EQUITY AND LIABILITIES	<u>1,219,759</u>	<u>1,194,660</u>
Net assets per share		
Net assets	996,561	978,160
Share capital (unit)		
Number of ordinary shares in issue	212,192	212,192
Less: Cumulative number of treasury shares	(1,608)	(1,607)
	<u>210,584</u>	<u>210,585</u>
Net assets per share (RM)	4.73	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 6 Months Period Ended 31 December 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	-	-	-	(109)	-	109	-	-
Currency translation differences	-	-	-	-	(3,360)	-	-	(3,360)
Net income/(expense) not recognised in the income statement	-	-	-	(109)	(3,360)	109	-	(3,360)
Net profit for the period	-	-	-	-	-	21,763	-	21,763
Total comprehensive income	-	-	-	(109)	(3,360)	21,872	-	18,403
Acquisition of treasury shares	-	(2)	-	-	-	-	-	(2)
At 31 December 2012	212,192	(2,470)	23,064	119,630	(7,197)	652,430	(1,088)	996,561

(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 6-Month Period Ended 31 December 2012

	31 December 2012	31 December 2011
	RM'000	RM'000
<u>Cash Flows from Operating Activities</u>		
Profit before tax	29,441	19,779
Adjustments for non-cash flow:		
Non-cash items	(21)	8,924
Interest income	(869)	(1,161)
Operating profit before changes in working capital	<u>28,551</u>	<u>27,542</u>
Changes in working capital:		
Net change in current assets	3,427	(7,874)
Net change in current liabilities	4,976	5,907
Cash generated from/(used in) operations	<u>36,954</u>	<u>25,575</u>
Payment of retirement benefits	(50)	(190)
Tax paid	(6,151)	(5,247)
Tax refund	16	17
Interest received	266	127
Net cash flows from/(used in) operating activities	<u>31,035</u>	<u>20,282</u>
<u>Cash Flows from Investing Activities</u>		
Purchase of property, plant and equipment	(2,492)	(50,384)
Disposal of property, plant and equipment	250	366
Addition of Investment Properties	(6,795)	(57,175)
Disposal of investment properties	1,808	-
Acquisition of investments	(83,781)	(104,529)
Disposal of investments	6,177	135,804
Interest received	603	1,034
Other investing activities	(1,614)	(4,408)
Net cash generated from/(used in) investing activities	<u>(85,844)</u>	<u>(79,292)</u>
Net change in Cash & Cash Equivalents	(54,811)	(59,012)
Cash & Cash Equivalents at beginning of year	119,421	97,454
Effect of changes in foreign currency	(3,360)	4,212
Cash & Cash Equivalents at end of year	<u>61,250</u>	<u>42,654</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.

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 31 December 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.

PART A : EXPLANATORY NOTES PURSUANT TO FRS 134

6. Dividends Paid

No dividend was paid in the current financial quarter ended 31 December 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 31 December 2012 except for the following:

Shares Buy-back

1,000 ordinary shares were bought-back from the open market at an average price of RM1.96 per share during the 6-month financial period ended 31 December 2012. The total consideration paid for the purchase including transaction costs was RM1,963 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 2012 :-

	Revenue RM'000	Profit/(Loss) Before Taxation RM'000
Analysis by industry :		
Property development	68,696	31,559
Property investment	3,673	(1,491)
Non-property investment	53	(143)
Trading	14,017	1,035
Leisure and recreation	4,309	720
Others	495	(2,239)
	<u>91,243</u>	<u>29,441</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

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 2012.

12. Contingent Liabilities and Contingent Assets

The Group does not have any material contingent liabilities and contingent assets as at 31 December 2012.

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

1. Performance Review

Revenue Review

The Group's revenue for the current financial quarter under review was RM46,285,000 compared to RM33,077,000 in the corresponding financial quarter of the preceding year.

The higher revenue in the current financial quarter under review was mainly due to higher property sales of our double-storey cluster and semi-detached houses in Zone 5A at Taman Gaya, the increase in our leisure and recreation business income and higher rental income from Menara Landmark.

The Group's revenue for the 6-month financial period ended 31 December 2012 was RM91,243,000 compared to RM75,861,000 for the 6-month ended 31 December 2011.

The increase came mainly from the strong sales in our property development at Taman Gaya and from higher rental income.

Profit Review

The Group's profit before tax for the current financial quarter under review was RM15,422,000 compared to RM12,109,000 in the corresponding financial quarter of the preceding year.

The increase in the Group's profit before tax was mainly due to the higher development profits from higher property sales, partially offset by lower fair value gains on our financial investments and higher operating expenses.

The Group's profit before tax for the 6-months financial period ended 31 December 2012 was RM29,441,000 compared to RM19,779,000 for the 6-months ended 31 December 2011.

The increase came mainly from higher development profits and higher fair value gains from our financial investments partially offset by higher operating expenses.

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

The Group's profit before tax for the current financial quarter under review was RM15,422,000 compared to RM14,020,000 in the immediate preceding financial quarter.

The increase was mainly due to the higher development profits from higher property sales in the current quarter.

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.

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

	2ND QTR	FY2013 CUM 2 QTRS
	RM'000	RM'000
(a) Interest income	411	869
(b) Other income including investment income	1,034	1,696
(c) Interest expense	N/A	N/A
(d) Depreciation and amortization	(727)	(1,501)
(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	53	110
(h) Impairment of assets	N/A	N/A
(i) Foreign exchange loss	(1)	-
(j) Gain or loss on derivatives	N/A	N/A
(k) Exceptional items	N/A	N/A

N/A - Not applicable

6. Taxation

	2ND QTR	FY2013 CUM 2 QTRS
	RM'000	RM'000
Current year provision	3,905	8,091
Overprovision in prior years	(5)	(5)
Deferred taxation	(52)	(408)
	<u>3,848</u>	<u>7,678</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 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.

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 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>21,763</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>10.33</u>
Diluted earnings per share (sen)	<u>10.33</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 30/9/2012 RM'000
Total retained profits of the Group		
- Realised	589,282	579,658
- Unrealised	<u>141,874</u>	<u>139,273</u>
	731,156	718,931
Consolidation adjustments	<u>(78,726)</u>	<u>(78,119)</u>
Total Group retained profits as per consolidated accounts	<u>652,430</u>	<u>640,812</u>

By Order of the Board
WOO MIN FONG (MS)
Company Secretary
Johor Bahru
22 February 2013