

DAIMAN DEVELOPMENT BERHAD

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the Quarter Ended 30 September 2013

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR 1ST QTR FY2014 RM'000	PRECEDING YEAR CORRESPONDING 1ST QTR FY2013 RM'000	CURRENT YEAR CUM 1 QTR FY2014 RM'000	PRECEDING YEAR CORRESPONDING CUM 1 QTR FY2013 RM'000
Continuing Operations				
Revenue	28,021	44,959	28,021	44,959
Operating expenses	(26,058)	(35,593)	(26,058)	(35,593)
Other operating income	39,524	2,416	39,524	2,416
Profit from operations	41,487	11,782	41,487	11,782
Investing results	2,207	2,238	2,207	2,238
Profit before tax from continuing operations	43,694	14,020	43,694	14,020
Taxation	(11,143)	(3,830)	(11,143)	(3,830)
Net profit for the period from continuing operation	32,551	10,190	32,551	10,190
Other Comprehensive Income:				
Currency translation differences	2,120	(3,237)	2,120	(3,237)
Other comprehensive income for the year	2,120	(3,237)	2,120	(3,237)
Total comprehensive income for the year	34,671	6,953	34,671	6,953
Profit attributable to:				
Owners of the parent	32,551	10,190	32,551	10,190
Minority Interest	-	-	-	-
	32,551	10,190	32,551	10,190
Total comprehensive income attributable to:				
Owners of the parent	34,671	6,953	34,671	6,953
Minority Interest	-	-	-	-
	34,671	6,953	34,671	6,953
Earning per share (sen)				
Basic	15.46	4.84	15.46	4.84
Diluted	15.46	4.84	15.46	4.84

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 30 June 2013 and the accompanying explanatory notes attached to the interim financial statements)

DAIMAN DEVELOPMENT BERHAD

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2013

	AS AT END OF CURRENT QUARTER 30/Sep/2013	AS AT PRECEDING FINANCIAL YEAR END 30/Jun/2013
	RM'000	RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	216,752	194,040
Investment properties	281,021	279,880
Land held for property development	389,887	389,780
Other investments	29,111	29,111
Investment in Joint Venture	37,831	-
Deferred tax assets	10,175	9,989
	964,777	902,800
CURRENT ASSETS		
Property development costs	90,699	82,182
Inventories	3,353	4,045
Trade receivables	41,211	54,862
Other receivables	6,879	3,739
Prepayment	7,526	8,010
Tax recoverable	1,353	1,179
Other investments	78,084	96,327
Fixed Deposits	17,355	26,038
Cash and bank balances	122,251	109,837
	368,711	386,219
TOTAL ASSETS	1,333,488	1,289,019
EQUITY AND LIABILITIES		
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY		
Share capital	212,192	212,192
Reserves		
- Treasury shares	(2,473)	(2,473)
- Capital Redemption Reserve	23,064	23,064
- Revaluation reserve	119,264	119,298
- Foreign exchange reserve	(2,147)	(4,267)
- Fair value adjustment reserve	(1,736)	(1,736)
- Retained earnings	716,651	684,066
TOTAL EQUITY	1,064,815	1,030,144
NON-CURRENT LIABILITIES		
Provision for foreseeable losses for affordable housing	146,411	146,411
Deferred tax liabilities	35,038	25,808
Retirement Benefit Obligations	831	786
	182,280	173,005
CURRENT LIABILITIES		
Trade payables	25,553	24,625
Other payables	21,467	20,982
Tax payable	39,373	40,263
	86,393	85,870
TOTAL LIABILITIES	268,673	258,875
TOTAL EQUITY AND LIABILITIES	1,333,488	1,289,019
Net assets per share		
Net assets	1,064,815	1,030,144
Share capital (unit)		
Number of ordinary shares in issue	212,192	212,192
Less: Cumulative number of treasury shares	(1,609)	(1,609)
	210,583	210,583
Net assets per share (RM)	5.06	4.89

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 30 June 2013 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 2013

	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 2013	212,192	(2,473)	23,064	119,298	(4,267)	684,066	(1,736)	1,030,144
Realisation of revaluation surplus due to sales of property	-	-	-	(34)	-	34	-	-
Currency translation differences	-	-	-	-	2,120	-	-	2,120
Net income/(expense) not recognised in the income statement	-	-	-	(34)	2,120	34	-	2,120
Net profit for the period	-	-	-	-	-	32,551	-	32,551
Total comprehensive income	-	-	-	(34)	2,120	32,585	-	34,671
At 30 September 2013	212,192	(2,473)	23,064	119,264	(2,147)	716,651	(1,736)	1,064,815

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 June 2013 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 2013

	30 September 2013	30 September 2012
	RM'000	RM'000
<u>Cash Flows from Operating Activities</u>		
Profit before tax	43,694	14,020
Adjustments for non-cash flow:		
Non-cash items	(37,569)	(478)
Interest income	(357)	(458)
Operating profit before changes in working capital	<u>5,768</u>	<u>13,084</u>
Changes in working capital:		
Net change in current assets	1,958	5,112
Net change in current liabilities	1,412	1,083
Cash generated from/(used in) operations	<u>9,138</u>	<u>19,279</u>
Payment of retirement benefits	-	(50)
Tax paid	(3,172)	(3,101)
Tax refund	11	15
Interest received	41	137
Net cash flows from/(used in) operating activities	<u>6,018</u>	<u>16,280</u>
<u>Cash Flows from Investing Activities</u>		
Purchase of property, plant and equipment	(23,981)	(836)
Disposal of property, plant and equipment	85	15
Addition of Investment Properties	(886)	(3,405)
Disposal of investment properties	-	1,808
Acquisition of investments	668	(21,491)
Disposal of investments	19,498	2,682
Interest received	316	321
Other investing activities	(106)	(795)
Net cash generated from/(used in) investing activities	<u>(4,406)</u>	<u>(21,701)</u>
Net change in Cash & Cash Equivalents	1,612	(5,421)
Cash & Cash Equivalents at beginning of year	135,874	119,421
Effect of changes in foreign currency	2,120	(3,237)
Cash & Cash Equivalents at end of year	<u>139,606</u>	<u>110,763</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 2013. 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 2013.

2. Significant Accounting Policies

2.1 Changes in accounting policy and effects arising from adoption of new FRS

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 30 June 2013 except for the adoption of the following new Financial Reporting Standard ("FRS") effective for financial year beginning 1 July 2013:

- 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
- Amendment to IC Interpretation 2 Members' Shares in co-operative entities and Similar Instruments [(Improvements to FRSs (2012))]
- IC Interpretation 20 Stripping Costs in the Production Phase of a Surface Mine
- Amendments to FRS 1: Government Loans
- Amendments to FRS 7: Disclosures - Offsetting Financial Assets and Financial Liabilities
- Amendments to FRS 10, FRS 11 and FRS 12

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:

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.

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 2014, have not been applied:

- Amendments to FRS 132 Financial Instruments: [Presentation Improvements to FRSs (2012)]
- Amendments to FRS 134 Interim Financial Reporting [Improvements to FRSs (2012)]
- FRS 9 Financial Instruments

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:

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 2015.

The Group will present its first financial statements in accordance with the MFRS Framework for the financial year beginning on 1 July 2015. 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 2013.

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 2013.

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 2013 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 2013 :-

	Revenue RM'000	Profit/(Loss) Before Taxation RM'000
Analysis by industry :		
Property development	18,463	45,353
Property investment	2,026	(683)
Non-property investment	28	25
Trading	5,172	485
Leisure and recreation	2,020	(80)
Others	312	(1,406)
	<u>28,021</u>	<u>43,694</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 30 September 2013.

12. Contingent Liabilities and Contingent Assets

The Group does not have any material contingent liabilities and contingent assets as at 30 September 2013.

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 Group's revenue for the current financial quarter under review was RM28,021,000 compared to RM44,959,000 in the corresponding financial quarter of the preceding year.

The lower revenue in the current financial quarter under review was mainly due to lower property development revenue from existing projects whereby most of the sales were completed in the preceding year. Lower building material sales from Trading Division also contributed to the lower revenue.

Profit Review

The Group's profit before tax for the current financial quarter under review was RM43,694,000 compared to RM14,020,000 in the corresponding financial quarter of the preceding year.

The increase in the Group's profit before tax was mainly due to the gain arising from the accounting for the 12.3 acres land to be jointly developed pursuant to the joint venture agreement with Rainbow Crest Sdn Bhd, partially offset by lower profit from the property development business from lower sales.

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

The Group's profit before tax for the current financial quarter under review was RM43,694,000 compared to RM16,670,000 in the immediate preceding financial quarter.

The increase in the Group's profit before tax was mainly due to the gain arising from the accounting for the 12.3 acres land to be jointly developed pursuant to the joint venture agreement with Rainbow Crest Sdn Bhd, partially offset by lower profit from the property development business from lower sales.

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 2014 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**

	FY2014	
	1ST QTR	CUM 1 QTR
	RM'000	RM'000
(a) Interest income	357	357
(b) Other income including investment income	1,697	1,697
(c) Interest expense	N/A	N/A
(d) Depreciation and amortization	(1,151)	(1,151)
(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	119	119
(h) Impairment of assets	N/A	N/A
(i) Foreign exchange loss	N/A	N/A
(j) Gain or loss on derivatives	N/A	N/A
(k) Exceptional items	N/A	N/A

N/A - Not applicable

6. Taxation

	FY2014	
	1ST QTR	CUM 1 QTR
	RM'000	RM'000
Current year provision	2,099	2,099
Deferred taxation	9,044	9,044
	<u>11,143</u>	<u>11,143</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 deferred taxation charge is in respect of the accounting gain arising from the 12.3 acres land to be jointly developed pursuant to the joint venture agreement with Rainbow Crest Sdn Bhd.

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 2013.

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 2013.

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>32,551</u>
Weighted average number of ordinary shares: Number used in calculation of basic & diluted earnings per share	<u>210,583</u>
Basic earnings per share (sen)	<u>15.46</u>
Diluted earnings per share (sen)	<u>15.46</u>

DAIMAN DEVELOPMENT BERHAD

NOTES TO THE INTERIM FINANCIAL STATEMENTS

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 30/9/2013 RM'000	As at 30/6/2013 RM'000
Total retained profits of the Group		
- Realised	640,414	636,735
- Unrealised	<u>157,889</u>	<u>129,709</u>
	798,303	766,444
Consolidation adjustments	<u>(81,652)</u>	<u>(82,379)</u>
Total Group retained profits as per consolidated accounts	<u><u>716,651</u></u>	<u><u>684,065</u></u>

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