

DAIMAN DEVELOPMENT BERHAD

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the Quarter Ended 30 June 2014

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR	PRECEDING YEAR	CURRENT YEAR	PRECEDING YEAR
	4TH QTR	CORRESPONDING	CUM 4 QTRS	CUM 4 QTRS
	FY2014	4TH QTR	FY2014	FY2013
	RM'000	RM'000	RM'000	RM'000
Continuing Operations				
Revenue	56,121	46,958	166,255	190,454
Operating expenses	(47,515)	(44,909)	(139,619)	(165,182)
Other operating income	20,209	11,574	65,601	47,258
Profit from operations	28,815	13,623	92,237	72,530
Investing results	647	3,047	2,911	8,727
Share of profit of a joint venture	191	-	191	-
Profit before tax from continuing operations	29,653	16,670	95,339	81,257
Taxation	(13,505)	(802)	(32,421)	(12,397)
Net profit for the period from continuing operation	16,148	15,868	62,918	68,860
Other Comprehensive Income:				
Net loss on fair value changes available-for-sale financial assets	871	(648)	871	(648)
Revaluation of land & buildings	5,978	-	5,978	-
Currency translation differences	(499)	2,242	3,773	(429)
Other comprehensive income for the year	6,350	1,594	10,622	(1,077)
Total comprehensive income for the year	22,498	17,462	73,540	67,783
Profit attributable to:				
Owners of the parent	16,148	15,868	62,918	68,860
Minority Interest	-	-	-	-
	16,148	15,868	62,918	68,860
Total comprehensive income attributable to:				
Owners of the parent	22,498	17,462	73,540	67,783
Minority Interest	-	-	-	-
	22,498	17,462	73,540	67,783
Earning per share (sen)				
Basic	7.67	7.54	29.88	32.70
Diluted	7.67	7.54	29.88	32.70

(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 June 2014

	AS AT END OF CURRENT QUARTER 30/Jun/2014	AS AT PRECEDING FINANCIAL YEAR END 30/Jun/2013
	RM'000	RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	305,819	194,040
Investment properties	314,236	279,880
Land held for property development	563,311	389,780
Other investments	29,982	29,111
Investment in joint venture	37,986	-
Deferred tax assets	7,757	9,989
	1,259,091	902,800
CURRENT ASSETS		
Property development costs	100,785	82,182
Inventories	9,762	4,045
Trade receivables	62,478	54,862
Other receivables	3,985	3,739
Prepayment	3,891	8,010
Tax recoverable	995	1,179
Other investments	1,300	96,327
Fixed deposits	17,835	26,038
Cash and bank balances	35,669	109,837
	236,700	386,219
TOTAL ASSETS	1,495,791	1,289,019
EQUITY AND LIABILITIES		
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY		
Share capital	212,192	212,192
Reserves		
- Treasury shares	(2,480)	(2,473)
- Capital redemption reserve	23,064	23,064
- Revaluation reserve	126,165	119,298
- Foreign exchange reserve	(493)	(4,266)
- Fair value adjustment reserve	(865)	(1,736)
- Retained earnings	727,142	684,065
TOTAL EQUITY	1,084,725	1,030,144
NON-CURRENT LIABILITIES		
Provision for foreseeable losses for affordable housing	190,655	146,411
Deferred tax liabilities	40,263	25,808
Borrowings	69,809	-
Retirement benefit obligations	915	786
	301,642	173,005
CURRENT LIABILITIES		
Trade payables	34,415	24,625
Other payables	32,782	20,982
Tax payable	42,227	40,263
	109,424	85,870
TOTAL LIABILITIES	411,066	258,875
TOTAL EQUITY AND LIABILITIES	1,495,791	1,289,019
Net assets per share		
Net assets	1,084,725	1,030,144
Share capital (unit)		
Number of ordinary shares in issue	212,192	212,192
Less: Cumulative number of treasury shares	(1,611)	(1,609)
	210,581	210,583
Net assets per share (RM)	5.15	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 12 Months Period Ended 30 June 2014

	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	(4,266)	684,065	(1,736)	1,030,144
Revaluation of land & building	-	-	-	5,978	-	-	-	5,978
Realisation of revaluation surplus due to sales of property	-	-	-	889	-	(889)	-	-
Currency translation differences	-	-	-	-	3,773	-	-	3,773
Net loss on available-for-sale financial assets	-	-	-	-	-	-	871	871
Net income/(expense) not recognised in the income statement	-	-	-	6,867	3,773	(889)	871	10,622
Net profit for the Year	-	-	-	-	-	62,918	-	62,918
Total comprehensive income	-	-	-	6,867	3,773	62,029	871	73,540
Dividends on ordinary shares	-	-	-	-	-	(18,952)	-	(18,952)
Acquisition of treasury shares	-	(7)	-	-	-	-	-	(7)
At 30 June 2014	212,192	(2,480)	23,064	126,165	(493)	727,142	(865)	1,084,725

(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 12-Month Period Ended 30 June 2014

	30 June 2014	30 June 2013
	RM'000	RM'000
<u>Cash Flows from Operating Activities</u>		
Profit before tax	95,339	81,257
Adjustments for non-cash flow:		
Non-cash items	(47,694)	(33,700)
Interest income	(1,809)	(1,607)
Operating profit before changes in working capital	<u>45,836</u>	<u>45,950</u>
Changes in working capital:		
Net change in current assets	(42,968)	18,800
Net change in current liabilities	20,538	12,441
Cash generated from/(used in) operations	<u>23,406</u>	<u>77,191</u>
Payment of retirement benefits	(52)	(244)
Tax paid	(14,524)	(15,809)
Tax refund	938	149
Interest received	129	342
Net cash flows from/(used in) operating activities	<u>9,897</u>	<u>61,629</u>
<u>Cash Flows from Investing Activities</u>		
Acquisition of land	(117,283)	-
Purchase of property, plant and equipment	(123,408)	(17,959)
Disposal of property, plant and equipment	241	436
Addition of Investment Properties	(5,210)	(20,297)
Disposal of Investment Properties	-	35,885
Acquisition of investments	(70,752)	(135,332)
Disposal of investments	169,177	108,739
Interest received	1,680	1,265
Other investing activities	(1,527)	(1,684)
Net cash generated from/(used in) investing activities	<u>(147,082)</u>	<u>(28,947)</u>
<u>Cash Flows from Financing Activities</u>		
Acquisition of treasury shares	(7)	(5)
Borrowings	70,000	-
Dividends paid	(18,952)	(15,794)
Net cash generated from/(used in) financing activities	<u>51,041</u>	<u>(15,799)</u>
Net change in Cash & Cash Equivalents	(86,144)	16,883
Cash & Cash Equivalents at beginning of year	135,875	119,421
Effect of changes in foreign currency	3,773	(429)
Cash & Cash Equivalents at end of year	<u>53,504</u>	<u>135,875</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
- 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 Group have not adopted the following standards and interpretations that have been issued but not yet effective:

	Effective for annual periods beginning on or after
• Amendments to FRS 10, FRS 12 and FRS 127	1 January 2014
• Amendments to FRS 132: Offsetting Financial Assets and Financial Liabilities	1 January 2014
• Amendments to FRS 136: Recoverable Amount Disclosures for Non-Financial Assets	1 January 2014
• Amendments to FRS 139: Novation of Derivatives and Continuation of Hedge Accounting	1 January 2014
• IC Interpretation 21 Levies	1 January 2014
• Amendments to FRS 119: Defined Benefit Plans: Employee Contributions	1 July 2014
• Annual Improvements to FRSs 2010-2012 Cycle	1 July 2014
• Annual Improvements to FRSs 2011-2013 Cycle	1 July 2014
• Amendments to FRS 11: Accounting for Acquisitions of Interests in Joint operations	1 January 2016
• FRS 9 Financial Instruments (IFRS 9 issued by IASB in November 2009)	To be announced
• FRS 9 Financial Instruments (IFRS 9 issued by IASB in October 2010)	To be announced
• FRS 9 Financial Instruments: Hedge Accounting and amendments to FRS 9, FRS 7 and FRS 139	To be announced
• Amendments to FRS 9 (IFRS 9 issued by IASB in November 2009), FRS 9 (IFRS 9 issued by IASB in October 2010) and FRS 7	To be announced

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 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 year ended 30 June 2014.

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 June 2014.

DAIMAN DEVELOPMENT BERHAD

NOTES TO THE INTERIM FINANCIAL STATEMENTS

PART A : EXPLANATORY NOTES PURSUANT TO FRS 134

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 year ended 30 June 2014 except for the following:

Shares Buy-back

1,000 ordinary shares were bought-back from the open market at an average price of RM3.38 per share during the current financial quarter under review.

The total consideration paid for the purchase including transaction costs was RM3,375 and this was financed by internally generated funds.

2,000 ordinary shares were bought-back from the open market at an average price of RM3.36 per share during the 12-month financial year ended 30 June 2014. The total consideration paid for the purchase including transaction costs was RM6,710 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 12-month financial year ended 30 June 2014 :-

	Profit/(Loss)	
	Revenue	Before Taxation
	RM'000	RM'000
Analysis by industry :		
Property development	118,008	96,950
Property investment	8,800	3,297
Trading	29,193	2,241
Leisure and recreation	9,033	(180)
Hospitality	-	(6,843)
Others	1,221	(126)
	<u>166,255</u>	<u>95,339</u>

9. Valuation of Investment Properties

Investment properties have been revalued in the current financial year by an independent valuer on an open market value basis.

The revaluation exercise gave rise to a fair value gain of RM17,741,849.

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

During the current quarter, the Company completed the acquisition of Sin Yue Holdings Sdn. Bhd. (SYHSB) as a result of which, SYHSB is incorporated in the consolidated financial statements in this announcement.

12. Contingent Liabilities and Contingent Assets

The Group does not have any material contingent liabilities and contingent assets as at 30 June 2014.

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 RM56,121,000 compared to RM46,958,000 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 development revenue in Taman Daiman Jaya and higher trading revenue.

The Group's revenue for the 12-month financial year ended 30 June 2014 was RM166,255,000 compared to RM190,454,000 for the 12-month ended 30 June 2013. The decrease was mainly due to the lower property sales in Taman Gaya and also in Taman Perindustrian Murni Senai.

Profit Review

The Group's profit before tax for the current financial quarter under review was RM29,653,000 compared to RM16,670,000 in the corresponding financial quarter of the preceding year.

The increase in the Group's profit before tax was mainly due to higher profit from the property development business and higher fair value gains on investment properties.

The Group's profit before tax for the 12-months financial year ended 30 June 2014 was RM95,339,000 compared to RM81,257,000 for the 12-months ended 30 June 2013.

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 and higher fair value gains on investment properties, partially offset by lower profit from the property development business from lower sales. Additionally there was a gain on disposal of investment properties in the preceding year.

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

The Group's profit before tax for the current financial quarter under review was RM29,653,000 compared to RM10,700,000 in the immediate preceding financial quarter.

The increase in the Group's profit before tax was mainly due to higher profit from the property development business from higher property sales in Taman Gaya in the current financial quarter and higher fair value gains on investment properties.

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 2015 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	
	4TH QTR	CUM 4 QTRS
	RM'000	RM'000
(a) Interest income	511	1,809
(b) Other income including investment income	8	2,681
(c) Interest expense	N/A	N/A
(d) Depreciation and amortization	(1,200)	(4,526)
(e) Provision for and write off of receivables	N/A	N/A
(f) Provision for and write off of inventories	1	1
(g) Gain / (Loss) on disposal of quoted or unquoted investments or properties	(10)	3,090
(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	
	4TH QTR	CUM 4 QTRS
	RM'000	RM'000
Current year income tax provision	5,390	15,313
Underprovision in prior years	-	421
Deferred tax in respect of RPGT arising from fair value gains on investment properties	10,056	10,056
Deferred taxation on other timing difference	(1,941)	6,631
	<u>13,505</u>	<u>32,421</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 income tax rate for the current financial quarter is mainly due to the non tax deductible items and unrelieved losses before tax in certain subsidiaries.

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

	RM'000
Medium term borrowings (secured)	70,000
Add : Interest payable	382
Less : Transaction costs	(573)
	<u>69,809</u>

The borrowing is denominated in Ringgit Malaysia.

DAIMAN DEVELOPMENT BERHAD

NOTES TO THE INTERIM FINANCIAL STATEMENTS

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

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.

11. Dividend

- (1) A first and final single tier ordinary dividend has been recommended by the Board on 29 August 2014 for approval at the forthcoming Annual General Meeting.
- (2) First and Final Single Tier Ordinary Dividend : 8 sen
- (3) Financial Year 2013's first and final ordinary dividend was 12 sen gross less tax at 25%.
- (4) Date of payment of the first and final single tier ordinary dividend will be on 30 December 2014.
- (5) In respect of deposited securities, entitlement to dividends will be determined and announced at a later date.
- (6) The total proposed dividend for the Financial Year 2014 is 8 sen.

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 year by using the weighted average number of ordinary shares in issue during the financial year.

	RM'000
Net profit after tax	<u>62,918</u>
Weighted average number of ordinary shares:	
Number used in calculation of basic & diluted earnings per share	<u>210,582</u>
Basic earnings per share (sen)	<u>29.88</u>
Diluted earnings per share (sen)	<u>29.88</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 30/6/2014 RM'000	As at 31/3/2014 RM'000
Total retained profits of the Group		
- Realised	633,874	636,308
- Unrealised	177,474	155,871
	<u>811,348</u>	<u>792,179</u>
Consolidation adjustments	(84,206)	(80,133)
Total Group retained profits as per consolidated accounts	<u>727,142</u>	<u>712,046</u>

By Order of the Board
WOO MIN FONG (MS)
Company Secretary
Johor Bahru
29 August 2014