

DAIMAN DEVELOPMENT BERHAD

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the Quarter Ended 30 June 2015

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR	PRECEDING YEAR CORRESPONDING	CURRENT YEAR	PRECEDING YEAR CORRESPONDING
	4TH QTR	4TH QTR	CUM 4 QTRS	CUM 4 QTRS
	FY2015	FY2014	FY2015	FY2014
	RM'000	RM'000	RM'000	RM'000
Continuing Operations				
Revenue	25,779	56,121	185,217	166,255
Operating expenses	(32,149)	(47,515)	(173,170)	(139,619)
Other operating income	18,881	20,209	27,180	65,601
Profit from operations	12,511	28,815	39,227	92,237
Finance cost	(1,057)	-	(3,838)	-
Investing results	3,216	647	5,041	2,911
Share of loss of a joint venture	(149)	191	(250)	191
Profit before tax from continuing operations	14,521	29,653	40,180	95,339
Taxation	(1,087)	(13,505)	(14,203)	(32,421)
Net profit for the period from continuing operation	13,434	16,148	25,977	62,918
Other Comprehensive Income:				
Net loss on fair value changes available-for-sale financial assets	(2,674)	871	(2,674)	871
Revaluation of land & buildings	-	5,978	-	5,978
Currency translation differences	-	(499)	3	3,773
Other comprehensive income for the year	(2,674)	6,350	(2,671)	10,622
Total comprehensive income for the year	10,760	22,498	23,306	73,540
Profit attributable to:				
Owners of the parent	13,434	16,148	25,977	62,918
Minority Interest	-	-	-	-
	13,434	16,148	25,977	62,918
Total comprehensive income attributable to:				
Owners of the parent	10,760	22,498	23,306	73,540
Minority Interest	-	-	-	-
	10,760	22,498	23,306	73,540
Earning per share (sen)				
Basic	6.38	7.67	12.34	29.88
Diluted	6.38	7.67	12.34	29.88

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 30 June 2014 and the accompanying explanatory notes attached to the interim financial statements)

DAIMAN DEVELOPMENT BERHAD

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As At 30 June 2015

	AS AT END OF CURRENT QUARTER 30/Jun/2015	AS AT PRECEDING FINANCIAL YEAR END 30/Jun/2014
	RM'000	RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	297,676	305,819
Investment properties	331,535	314,236
Land held for property development	602,835	563,311
Other investments	29,618	29,982
Investment in joint venture	37,736	37,986
Deferred tax assets	7,527	7,757
	1,306,927	1,259,091
CURRENT ASSETS		
Property development costs	85,962	100,785
Inventories	25,514	9,762
Trade receivables	42,074	62,478
Other receivables	3,541	3,985
Prepayment	2,308	3,891
Tax recoverable	2,172	995
Other investments	8,734	1,300
Fixed deposits	21,590	17,835
Cash and bank balances	24,574	35,669
	216,469	236,700
TOTAL ASSETS	1,523,396	1,495,791
EQUITY AND LIABILITIES		
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY		
Share capital	212,192	212,192
Reserves		
- Treasury shares	(2,486)	(2,480)
- Capital redemption reserve	23,064	23,064
- Revaluation reserve	126,029	126,165
- Foreign exchange reserve	-	(493)
- Fair value adjustment reserve	(3,539)	(865)
- Retained earnings	735,919	727,142
TOTAL EQUITY	1,091,179	1,084,725
NON-CURRENT LIABILITIES		
Provision for foreseeable losses for affordable housing	235,966	190,655
Deferred tax liabilities	41,808	40,263
Borrowings	68,689	69,809
Retirement benefit obligations	865	915
	347,328	301,642
CURRENT LIABILITIES		
Trade payables	13,139	34,415
Other payables	23,386	32,782
Borrowings	9,011	-
Tax payable	39,353	42,227
	84,889	109,424
TOTAL LIABILITIES	432,217	411,066
TOTAL EQUITY AND LIABILITIES	1,523,396	1,495,791
Net assets per share		
Net assets	1,091,179	1,084,725
Share capital (unit)		
Number of ordinary shares in issue	212,192	212,192
Less: Cumulative number of treasury shares	(1,613)	(1,611)
	210,579	210,581
Net assets per share (RM)	5.18	5.15

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 30 June 2014 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 2015

	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 2014	212,192	(2,480)	23,064	126,165	(493)	727,142	(865)	1,084,725
Realisation of revaluation surplus due to sales of property	-	-	-	(136)	-	136	-	-
Reversal of foreign exchange reserve upon liquidation of subsidiary	-	-	-	-	490	(490)	-	-
Currency translation differences	-	-	-	-	3	-	-	3
Net loss on available-for-sale financial assets	-	-	-	-	-	-	(2,674)	(2,674)
Net income/(expense) not recognised in the income statement	-	-	-	(136)	493	(354)	(2,674)	(2,671)
Net profit for the Year	-	-	-	-	-	25,977	-	25,977
Total comprehensive income	-	-	-	(136)	493	25,623	(2,674)	23,306
Dividends on ordinary shares	-	-	-	-	-	(16,846)	-	(16,846)
Acquisition of treasury shares	-	(6)	-	-	-	-	-	(6)
At 30 June 2015	212,192	(2,486)	23,064	126,029	-	735,919	(3,539)	1,091,179

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 30 June 2014 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 2015

	30 June 2015	30 June 2014
	RM'000	RM'000
<u>Cash Flows from Operating Activities</u>		
Profit before tax	40,180	95,339
Adjustments for non-cash flow:		
Non-cash items	4,318	(47,694)
Non-operating items	2,274	(1,809)
Operating profit before changes in working capital	<u>46,772</u>	<u>45,836</u>
Changes in working capital:		
Net change in current assets	25,171	(42,968)
Net change in current liabilities	(30,672)	20,538
Cash generated from/(used in) operations	<u>41,271</u>	<u>23,406</u>
Payment of retirement benefits	(248)	(52)
Tax paid	(16,585)	(14,524)
Tax refund	105	938
Interest paid	(3,946)	-
Interest received	171	129
Net cash flows from/(used in) operating activities	<u>20,768</u>	<u>9,897</u>
<u>Cash Flows from Investing Activities</u>		
Acquisition of land	-	(117,283)
Purchase of property, plant and equipment	(9,689)	(123,408)
Disposal of property, plant and equipment	247	241
Addition of Investment Properties	(1,271)	(5,210)
Acquisition of investments	(52,596)	(70,752)
Disposal of investments	46,666	169,177
Interest received	1,227	1,680
Other investing activities	(3,843)	(1,527)
Net cash generated from/(used in) investing activities	<u>(19,259)</u>	<u>(147,082)</u>
<u>Cash Flows from Financing Activities</u>		
Acquisition of treasury shares	(6)	(7)
Borrowings	8,000	70,000
Dividends paid	(16,846)	(18,952)
Net cash generated from/(used in) financing activities	<u>(8,852)</u>	<u>51,041</u>
Net change in Cash & Cash Equivalents	(7,343)	(86,144)
Cash & Cash Equivalents at beginning of year	53,504	135,875
Effect of changes in foreign currency	3	3,773
Cash & Cash Equivalents at end of year	<u>46,164</u>	<u>53,504</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 2014. 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 2014.

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 2014 except for the adoption of the following new Financial Reporting Standard ("FRS") effective for financial year beginning 1 July 2014:

- Amendments to FRS 10, FRS 12 and FRS 127 : Investment Entities
- Amendments to FRS 132: Offsetting Financial Assets and Financial Liabilities
- Amendments to FRS 136: Recoverable Amount Disclosures for Non-Financial Assets
- Amendments to FRS 139: Novation of Derivatives and Continuation of Hedge Accounting
- IC Interpretation 21 Levies
- Amendments to FRS 119: Defined Benefit Plans: Employee Contributions
- Annual Improvements to FRSs 2010-2012 Cycle
- Annual Improvements to FRSs 2011-2013 Cycle

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.

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 11: Accounting for Acquisitions of Interests in Joint operations	1 January 2016
• Amendments to FRS 116 and FRS 138: Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
• Amendments to FRS 127: Equity Method in Separate Financial Statements	1 January 2016
• Amendments to FRS 10 and FRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2016
• Amendments to FRS 101: Disclosure Initiative	1 January 2016
• Amendments to FRS 10, FRS 12 and FRS 128: Investment Entities: Applying the Consolidation Exception	1 January 2016
• Annual Improvements to FRSs 2012-2014 Cycle	1 January 2016
• FRS 9 Financial Instruments	1 January 2018

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 2017.

The Group will present its first financial statements in accordance with the MFRS Framework for the financial year beginning on 1 July 2017. 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 2015.

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 June 2015.

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 2015 except for the following:

Shares Buy-back

1,000 ordinary shares were bought-back from the open market at an average price of RM2.63 per share during the current financial quarter under review.

The total consideration paid for the purchase including transaction costs was RM2,626 and this was financed by internally generated funds.

2,000 ordinary shares were bought-back from the open market at an average price of RM2.85 per share during the 12-month financial year ended 30 June 2015. The total consideration paid for the purchase including transaction costs was RM5,691 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 2015 :-

	Profit/(Loss)	
	Revenue	Before Taxation
	RM'000	RM'000
Analysis by industry :		
Property development	113,535	41,777
Property investment	10,895	17,463
Trading	17,123	1,173
Leisure and recreation	9,415	(259)
Hospitality	33,167	(20,022)
Others	1,082	48
	<u>185,217</u>	<u>40,180</u>

9. Valuation of Property, Plant & Equipment

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 RM16,027,203.

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 June 2015.

12. Contingent Liabilities and Contingent Assets

The Group does not have any material contingent liabilities and contingent assets as at 30 June 2015.

NOTES TO THE INTERIM FINANCIAL STATEMENTS

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

1. Performance Review

Current Quarter vs. Corresponding Quarter of the Preceding Year

The Group's revenue for the current financial quarter under review was RM25,779,000 compared to RM56,121,000 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 sales in Taman Daiman Jaya and Taman Gaya and also lower trading revenue, but partially offset by revenue contributed by hospitality division.

The Group's profit before tax for the current financial quarter under review was RM14,521,000 compared to RM29,653,000 in the corresponding financial quarter of the preceding year.

The decrease in the Group's profit before tax compared to the corresponding financial quarter of the preceding year was due to lower property development net income and higher operating costs from hospitality division.

Current Financial Year vs. Preceding Financial Year

The Group's revenue for the 12-month financial year ended 30 June 2015 was RM185,217,000 compared to RM166,255,000 for the 12-month ended 30 June 2014.

The increase was mainly due to revenue contributed by hospitality division, the higher property sales in Taman Perindustrian Murni Senai and higher rental income from property investment division, but partially offset by lower trading revenue and also lower property sales in Taman Gaya and Taman Daiman Jaya.

The Group's profit before tax for the 12-months financial year ended 30 June 2015 was RM40,180,000 compared to RM95,339,000 for the 12-months ended 30 June 2014.

The lower Group's profit before tax is because, included in the preceding year was a one time accounting gain pursuant to the joint venture agreement with Publiq Development Group Sdn Bhd (Formerly known as Rainbow Crest Sdn Bhd). The decrease is also due to higher operating costs from hospitality division, lower profit from property development business from lower properties sales and lower fair value gains on investment properties.

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

The Group's profit before tax for the current financial quarter under review was RM14,521,000 compared to RM11,764,000 in the immediate preceding financial quarter.

The increase in the Group's profit before tax was mainly due to higher fair value gains on investment properties and lower hotel operation losses, but partially offset by lower profit from property development business from lower property sales in Taman Gaya, Taman Daiman Jaya and Taman Perindustrian Murni Senai.

3. Commentary on Prospects

Barring any unforeseen circumstances, the Board is cautiously optimistic about the financial results of the Group for the financial year ending 30 June 2016, given the challenging business environment.

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**

	FY2015	
	4TH QTR RM'000	CUM 4 QTRS RM'000
(a) Interest income	409	1,398
(b) Other income including investment income	2,855	3,728
(c) Interest expense	(1,057)	(3,838)
(d) Depreciation and amortization	(4,506)	(17,691)
(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 / (Loss) on disposal of quoted or unquoted investments or properties	26	(55)
(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

	FY2015	
	4TH QTR RM'000	CUM 4 QTRS RM'000
Current year income tax provision	708	12,497
Overprovision in prior years	(39)	(70)
Deferred taxation	418	1,776
	<u>1,087</u>	<u>14,203</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 lower effective tax rate for the current financial quarter is mainly due to income not subject to taxation.

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

The details of the Group borrowings are as follows:

	Secured RM'000	Unsecured RM'000	Total RM'000
Short term borrowings	1,000	8,011	9,011
Medium term borrowings	68,689	-	68,689
	<u>69,689</u>	<u>8,011</u>	<u>77,700</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 27 August 2015 for approval at the forthcoming Annual General Meeting.
- (2) First and Final Single Tier Ordinary Dividend : 5 sen
- (3) Financial Year 2014's first and final single tier ordinary dividend was 8 sen.
- (4) Date of payment of the first and final single tier ordinary dividend will be on 30 December 2015.
- (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 2015 is 5 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>25,977</u>
Weighted average number of ordinary shares:	
Number used in calculation of basic & diluted earnings per share	<u>210,580</u>
Basic earnings per share (sen)	<u>12.34</u>
Diluted earnings per share (sen)	<u>12.34</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 30/6/2015 RM'000	As at 31/3/2015 RM'000
Total retained profits of the Group		
- Realised	637,264	628,210
- Unrealised	190,992	178,096
	<u>828,256</u>	<u>806,306</u>
Consolidation adjustments	(92,337)	(83,842)
Total Group retained profits as per consolidated accounts	<u>735,919</u>	<u>722,464</u>

By Order of the Board
WOO MIN FONG (MS)
Company Secretary
Johor Bahru
27 August 2015