

DAIMAN DEVELOPMENT BERHAD

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

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR	PRECEDING YEAR CORRESPONDING	CURRENT YEAR	PRECEDING YEAR CORRESPONDING
	1ST QTR FY2016	1ST QTR FY2015	CUM 1 QTR FY2016	CUM 1 QTR FY2015
	RM'000	RM'000	RM'000	RM'000
Continuing Operations				
Revenue	49,525	54,465	49,525	54,465
Operating expenses	(37,353)	(49,503)	(37,353)	(49,503)
Other operating income	2,331	2,700	2,331	2,700
Profit from operations	14,503	7,662	14,503	7,662
Finance cost	(948)	(882)	(948)	(882)
Investing results	1,256	329	1,256	329
Share of loss of a joint venture	(617)	58	(617)	58
Profit before tax from continuing operations	14,194	7,167	14,194	7,167
Taxation	(4,363)	(3,257)	(4,363)	(3,257)
Net profit for the period from continuing operation	9,831	3,910	9,831	3,910
Other Comprehensive Income:				
Currency translation differences	-	1	-	1
Other comprehensive income for the year	-	1	-	1
Total comprehensive income for the year	9,831	3,911	9,831	3,911
Profit attributable to:				
Owners of the parent	9,831	3,910	9,831	3,910
Minority Interest	-	-	-	-
	9,831	3,910	9,831	3,910
Total comprehensive income attributable to:				
Owners of the parent	9,831	3,911	9,831	3,911
Minority Interest	-	-	-	-
	9,831	3,911	9,831	3,911
Earning per share (sen)				
Basic	4.67	1.86	4.67	1.86
Diluted	4.67	1.86	4.67	1.86

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 30 June 2015 and the accompanying explanatory notes attached to the interim financial statements)

DAIMAN DEVELOPMENT BERHAD

CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
As At 30 September 2015

	AS AT END OF CURRENT QUARTER 30/Sep/2015	AS AT PRECEDING FINANCIAL YEAR END 30/Jun/2015
	RM'000	RM'000
ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	292,896	297,676
Investment properties	332,240	331,535
Land held for property development	603,351	602,835
Other investments	30,011	29,618
Investment in joint venture	37,119	37,736
Deferred tax assets	7,495	7,527
	<u>1,303,112</u>	<u>1,306,927</u>
CURRENT ASSETS		
Property development costs	54,417	85,962
Inventories	51,584	25,514
Trade receivables	47,147	42,074
Other receivables	4,750	3,541
Prepayment	2,326	2,308
Tax recoverable	1,885	2,172
Other investments	40,136	8,734
Fixed deposits	17,425	21,590
Cash and bank balances	10,851	24,574
	<u>230,521</u>	<u>216,469</u>
TOTAL ASSETS	<u>1,533,633</u>	<u>1,523,396</u>
EQUITY AND LIABILITIES		
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY		
Share capital	212,192	212,192
Reserves		
- Treasury shares	(2,486)	(2,486)
- Capital redemption reserve	23,064	23,064
- Revaluation reserve	126,020	126,029
- Fair value adjustment reserve	(3,539)	(3,539)
- Retained earnings	745,759	735,919
TOTAL EQUITY	<u>1,101,010</u>	<u>1,091,179</u>
NON-CURRENT LIABILITIES		
Provision for foreseeable losses for affordable housing	235,966	235,966
Deferred tax liabilities	42,161	41,808
Borrowings	68,718	68,689
Retirement benefit obligations	900	865
	<u>347,745</u>	<u>347,328</u>
CURRENT LIABILITIES		
Trade payables	14,247	13,139
Other payables	20,110	23,386
Borrowings	11,012	9,011
Tax payable	39,509	39,353
	<u>84,878</u>	<u>84,889</u>
TOTAL LIABILITIES	<u>432,623</u>	<u>432,217</u>
TOTAL EQUITY AND LIABILITIES	<u>1,533,633</u>	<u>1,523,396</u>
Net assets per share		
Net assets	1,101,010	1,091,179
Share capital (unit)		
Number of ordinary shares in issue	212,192	212,192
Less: Cumulative number of treasury shares	(1,613)	(1,613)
	<u>210,579</u>	<u>210,579</u>
Net assets per share (RM)	5.23	5.18

(The Condensed Consolidated Statements of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 30 June 2015 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 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 2015	212,192	(2,486)	23,064	126,029	-	735,919	(3,539)	1,091,179
Realisation of revaluation surplus due to sales of property	-	-	-	(9)	-	9	-	-
Net income/(expense) not recognised in the income statement	-	-	-	(9)	-	9	-	-
Net profit for the Period	-	-	-	-	-	9,831	-	9,831
Total comprehensive income	-	-	-	(9)	-	9,840	-	9,831
At 30 September 2015	212,192	(2,486)	23,064	126,020	-	745,759	(3,539)	1,101,010

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

	30 September 2015	30 September 2014
	RM'000	RM'000
<u>Cash Flows from Operating Activities</u>		
Profit before tax	14,194	7,167
Adjustments for non-cash flow:		
Non-cash items	4,948	6,316
Non-operating items	548	499
Operating profit before changes in working capital	<u>19,690</u>	<u>13,982</u>
Changes in working capital:		
Net change in current assets	(1,591)	11,048
Net change in current liabilities	(2,168)	(19,442)
Cash generated from/(used in) operations	<u>15,931</u>	<u>5,588</u>
Payment of retirement benefits	(11)	(120)
Tax paid	(3,730)	(3,446)
Tax refund	196	-
Interest paid	(919)	(1,017)
Interest received	80	1
Net cash flows from/(used in) operating activities	<u>11,547</u>	<u>1,006</u>
<u>Cash Flows from Investing Activities</u>		
Purchase of property, plant and equipment	116	(2,944)
Disposal of property, plant and equipment	48	1
Addition of Investment Properties	(832)	(479)
Disposal of Investment Properties	319	-
Acquisition of investments	(49,504)	-
Disposal of investments	18,650	947
Interest received	284	322
Other investing activities	(516)	(2,039)
Net cash generated from/(used in) investing activities	<u>(31,435)</u>	<u>(4,192)</u>
<u>Cash Flows from Financing Activities</u>		
Borrowings	2,000	500
Net cash generated from/(used in) financing activities	<u>2,000</u>	<u>500</u>
Net change in Cash & Cash Equivalents	(17,888)	(2,686)
Cash & Cash Equivalents at beginning of year	46,164	53,504
Effect of changes in foreign currency	-	1
Cash & Cash Equivalents at end of year	<u>28,276</u>	<u>50,819</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 2015. 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 2015.

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 2015 except for the adoption of the following new Financial Reporting Standard ("FRS") effective for financial year beginning 1 July 2015:

- 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)

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 called 'Transitioning Entities').

Transitioning Entities are allowed to defer adoption of the new MFRS Framework. Consequently, adoption of the MFRS Framework by Transitioning Entities will be mandatory for annual periods beginning on or after 1 January 2018.

The Group and Company fall within the scope definition of Transitioning Entities and accordingly, will be required to prepare financial statements using the MFRS Framework in its first MFRS financial statements for the year ending 30 June 2019. In presenting its first MFRS financial statements, the Group and Company will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits. The Group and Company are in the midst of assessing the impact of adopting the MFRS Framework.

3. Nature and Amount of Unusual Items

There were no unusual item or transaction reported for the financial period ended 30 September 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 September 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 period ended 30 September 2015 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 2015 :-

Analysis by industry :	Profit/(Loss)	
	Revenue	Before
	RM'000	Taxation
		RM'000
Property development	29,773	15,686
Property investment	2,997	1,479
Trading	2,779	(81)
Leisure and recreation	2,116	(179)
Hospitality	11,596	(2,724)
Others	264	13
	<u>49,525</u>	<u>14,194</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 2015.

12. Contingent Liabilities and Contingent Assets

The Group does not have any material contingent liabilities and contingent assets as at 30 September 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 RM49,525,000 compared to RM54,465,000 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 and lower trading revenue, but partially offset by higher revenue contributed by hospitality and property investment division.

The Group's profit before tax for the current financial quarter under review was RM14,194,000 compared to RM7,167,000 in the corresponding financial quarter of the preceding year.

The increase in the Group's profit before tax compared to the corresponding financial quarter of the preceding year, was mainly attributable to higher property development and property investment profit and also lower loss from hospitality division.

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

The Group's profit before tax for the current financial quarter under review was RM14,194,000 compared to RM14,521,000 in the immediate preceding financial quarter.

The slight decrease in the Group's profit before tax was mainly due to the fair value gains on investment properties in the immediate preceding quarter, but partially offset by higher profit from property development business in Taman Gaya and Taman Paloh; and also lower loss from hospitality division.

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

	FY2016	
	1ST QTR	CUM 1 QTR
	RM'000	RM'000
(a) Interest income	365	365
(b) Other income including investment income	904	904
(c) Interest expense	(948)	(948)
(d) Depreciation and amortization	(4,527)	(4,527)
(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	223	223
(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

	FY2016	
	1ST QTR	CUM 1 QTR
	RM'000	RM'000
Current year income tax provision	3,946	3,946
Underprovision in prior years	2	2
Real property gain tax	29	29
Deferred taxation	386	386
	<u>4,363</u>	<u>4,363</u>

Domestic income tax is calculated at the Malaysian statutory tax rate of 24% 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 for the current financial quarter is mainly due to movements in deferred taxation and the non tax deductible items

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.

DAIMAN DEVELOPMENT BERHAD**NOTES TO THE INTERIM FINANCIAL STATEMENTS****PART B : EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BMSB****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	10,012	11,012
Medium term borrowings	68,718	-	68,718
	<u>69,718</u>	<u>10,012</u>	<u>79,730</u>

The borrowing is denominated in Ringgit Malaysia.

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

No dividend has been declared for the current financial quarter ended 30 September 2015.

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>9,831</u>
Weighted average number of ordinary shares: Number used in calculation of basic & diluted earnings per share	<u>210,579</u>
Basic earnings per share (sen)	<u>4.67</u>
Diluted earnings per share (sen)	<u>4.67</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 30/9/2015 RM'000	As at 30/6/2015 RM'000
Total retained profits of the Group		
- Realised	647,911	637,264
- Unrealised	<u>190,530</u>	<u>190,992</u>
	838,441	828,256
Consolidation adjustments	<u>(92,682)</u>	<u>(92,337)</u>
Total Group retained profits as per consolidated accounts	<u><u>745,759</u></u>	<u><u>735,919</u></u>

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