

**LBS BINA GROUP BERHAD**

**(518482-H)**

# CONDENSED FINANCIAL STATEMENTS

**For The Period Ended**

**30 September 2010**

# (Unaudited)

|  |
| --- |
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**A1. CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**

 **- For the period ended 30 September 2010**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Note** | **Current Quarter**  | **Preceding Year Quarter**  |  | **Current Year To Date**  | **Preceding Year To Date** |
|  |  | **30.09.2010** | **30.09.2009** |  | **30.09.2010** | **30.09.2009** |
|  |  | **RM’000** | **RM’000** |  | **RM’000** | **RM’000** |
|  |  |  |  |  |  |  |
| **Revenue** |  | 79,713 | 41,709 |  | 190,429 | 125,688 |
|  |  |  |  |  |  |
| **Operating Profit**  |  | 12,833 | 3,867 |  | 24,360 | 11,288 |
|  |  |  |  |  |  |  |
| Interest Income |  | 346 | 306 |  | 742 | 995 |
| Depreciation and Amortisation |  | (3,434) | (3,525) |  | (10,192) | (10,408) |
| Finance Cost |  | (4,773) | (3,822) |  | (12,802) | (11,487) |
| Share of results of Associates  |  | (41) | (39) |  | (41) | (16) |
|  |  |  |  |  |  |  |
| **Profit/(Loss) before taxation** |  | 4,931 | (3,213) | 2,067 | (9,628) |
|  |  |  |  |  |  |  |
| Taxation | C5 | 558 | 2,203 |  | 4,699 | (711) |
|  |  |  |  |  |  |  |
| **Profit/(Loss) for the period** |  | 5,489 | (1,010) | 6,766 | (10,339) |
|  |  |  |  |  |  |
| Attributable to: - |  |  |  |  |  |  |
| Equity holders of the parent |  | 4,153 | (1,744) |  | 5,323 | (14,483) |
| Minority interest |  | 1,336 | 734 |  | 1,443 | 4,144 |
|  |  |  |  |  |  |  |
|  |  | 5,489 | (1,010) | 6,766 | (10,339) |
|  |  |  |  |  |  |
| **Earnings / (Losses) per share attributable to equity holders of the parent** | C13 |  |  |  |  |  |
| -Basic (Sen)  |  | 1.08 | (0.50) |  | 1.38 | (3.80) |
| -Diluted (Sen) |  | 1.08 | (0.50) |  | 1.38 | (3.80) |

*The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the condensed financial statements.*

**A1. CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

 **(UNAUDITED) (Cont’d)**

 **- For the period ended 30 September 2010**

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|  | **Note** | **Current Quarter**  | **Preceding Year Quarter**  |  | **Current Year To Date**  | **Preceding Year To Date** |
|  |  | **30.09.2010** | **30.09.2009** |  | **30.09.2010** | **30.09.2009** |
|  |  | **RM’000** | **RM’000** |  | **RM’000** | **RM’000** |
|  |  |  |  |  |  |  |
| Profit/(Loss) for the period |  | 5,489 | (1,010) |  | 6,766 | (10,339) |
|  |  |  |  |  |  |  |
| Other comprehensive income after tax: |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
| Exchange differences on Translation |  | (9,140) | (2,796) |  | (20,307) | (3,658) |
|  |  |  |  |  |  |  |
| Total comprehensive income for the period |  | (3,651) | (3,806) |  | (13,541)  | (13,997) |
|  |  |  |  |  |  |  |
| **Total comprehensive income** **attributable to:** |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
| Shareholders of the Company |  | (2,465) | (3,630) |  | (9,757) | (16,878) |
|  |  |  |  |  |  |  |
| Minority interest |  | (1,186) | (176) |  | (3,784) | 2,881 |
|  |  |  |  |  |  |  |
|  |  | (3,651) | (3,806) |  | (13,541) | (13,997)  |
|  |  |  |  |  |  |  |

*The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the condensed financial statements.*

**A2. CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

 **(UNAUDITED)**

 **- As at 30 September 2010**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Note | 30.09.2010**(Unaudited)****RM’000** |  | 31.12.2009(Audited & not restated)**RM’000** |
| **ASSETS** |  |  |  |  |
|  |  |  |  |  |
| Non-Current Assets |  |  |  |  |
| Property, Plant and Equipment | B10 | 69,905 |  | 79,773 |
| Capital Work-in progress |  | 3,630 |  | 2,295 |
| Prepaid Lease Payments |  | 138,849 |  | 154,520 |
| Investment Properties |  | 5,349 |  | 4,997 |
| Land and Property Development Costs |  | 423,517 |  | 419,921 |
| Investment in Associated Companies |  | 22,532 |  | 2,438 |
| Trade and other Receivables |  | 35,665 |  | 24,111 |
| Other Investments |  | 1,254 |  | 1,254 |
| Goodwill Arising from Consolidation |  | 89,900 |  | 90,125 |
|  |  | 790,601 |  | 779,434 |
|  |  |  |  |  |
| Current Assets |  |  |  |  |
| Inventories |  | 21,606 |  | 26,079 |
| Properties held for sale |  | 1,092 |  | 1,092 |
| Land and Property Development Costs |  | 121,981 |  | 121,785 |
| Trade and Other Receivables |  | 224,230 |  | 265,121 |
| Fixed Deposits with Licensed Banks |  | 30,330 |  | 51,478 |
| Cash held under Housing Development Accounts |  | 20,220 |  | 11,285 |
| Cash and Bank Balances |  | 15,168 |  | 14,307 |
|  |  | 434,627 |  | 491,147 |
|  |  |  |  |  |
| Total Assets |  | 1,225,228 |  | 1,270,581 |
|  |  |  |  |  |
|  |  |  |  |  |
| EQUITY AND LIABILITIES |  |  |  |  |
|  |  |  |  |  |
| Equity attributable to equity holders of the parent  |  |  |  |  |
| Share Capital |  | 386,553 |  | 386,553 |
| Reserves |  | 18,422 |  |  37,581 |
|  |  | 404,975 |  | 424,134 |
| Minority Interest |  | 100,263 |  | 102,286 |
| Total Equity |  | 505,238 |  | 526,420 |

**A2. CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

 **(UNAUDITED) (Cont’)**

 **- As at 30 September 2010**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | Note | 30.09.2010**(Unaudited)****RM’000** |  | 31.12.2009**(Audited & not restated)****RM’000** |
|  |  |  |  |  |
|  |  |  |  |  |
| **Non-Current Liabilities** |  |  |  |  |
| Trade and Other payables |  | 21,216 |  | 15,500 |
| Hire Purchase Payables | C9 | 2,145 |  | 2,003 |
| Bank Borrowings | C9 | 188,211 |  | 177,519 |
| Other Long Term Borrowings | C9 | 75,000 |  | 20,000 |
| Deferred Taxation |  | 79,238 |  | 83,682 |
|  |  | 365,810 |  | 298,704 |
|  |  |  |  |  |
| Current Liabilities |  |  |  |  |
| Trade and Other Payables |  | 228,937 |  | 269,030 |
| Hire Purchase Payables | C9 | 813 |  | 848 |
| Bank Overdrafts | C9 | 53,485 |  | 77,935 |
| Bank Borrowings | C9 | 32,482 |  | 37,914 |
| Other Borrowings | C9 | - |  | 15,000 |
| Provision for Taxation |  | 38,463 |  | 44,730 |
|  |  | 354,180 |  | 445,457 |
|  |  |  |  |  |
| Total Liabilities |  | 719,990 |  | 744,161 |
|  |  |  |  |  |
| Total Equity and Liabilities |  | 1,225,228 |  | 1,270,581 |
|  |  |  |  |  |
| Net Assets per share (RM) |  | 1.05 |  | 1.10 |

*The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the condensed financial statements.*

A3. CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)

 **~ For the period ended 30 September 2010**

 **Attributable to Equity Holders of the Parent**

 **< --------------------------- *Non-distributable -----------------------------------***----- >

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Share Capital****RM’000** | **Share Premium****RM’000** | **ICULS****RM’000** | **ESOS Reserve RM’000** | **Foreign Exchange Reserve** **RM’000**  | **Revaluation Reserve****RM’000** | **Warrant Reserve****RM’000** | **Accumulated** **Losses****RM’000** | **Sub-total****RM’000** | **Minority****Interest****RM’000** | **Total****Equity****RM’000** |
| At 1.1.2009 | 386,212 | 16,945 | 329 | 215 | 16,810 | 491 | 14,975 | 2,840 | 438,817 | 106,112 | 544,929 |
| Total comprehensive (loss) / profit  for the period | - | - | - | - | (2,003) | - | - | (14,875) | (16,878) | 2,881 | (13,997) |
| Realisation of subsidiary’s reserve | - | - | - | - | - | 766 | - | (766) | - | - | - |
| Realisation of Warrant Reserve on Issue of Warrants | - | - | - | - | - | - | (17) | - | (17) | - | (17) |
| Share-based payment under ESOS | - | - | - | 77 | - | - | - | - | 77 | - | 77 |
| At 30.09.2009 | 386,212 | 16,945 | 329 | 292 | 14,807 | 1,257 | 14,958 | (12,801) | 421,999 | 108,993 | 530,992 |

A3. CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED) (CONT’D)

 **~ For the period ended 30 September 2010**

 **Attributable to Equity Holders of the Parent**

 **< --------------------------- *Non-distributable -----------------------------------***----- >

|  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Share Capital****RM’000** | **Share Premium****RM’000** | **ESOS Reserve RM’000** | **Foreign Exchange Reserve** **RM’000**  | **Revaluation Reserve****RM’000** | **Warrant Reserve****RM’000** | **Fair Value Reserve****RM’000** | **Accumulated** **Losses****RM’000** | **Sub-total****RM’000** | **Minority****Interest****RM’000** | **Total****Equity****RM’000** |
| At 1.1.2010 As previously stated | 386,553 | 16,945 | 317 | 19,217 | 773 | 14,952 | - | (14,623) | 424,134 | 102,286 | 526,420 |
| Effect of adopting FRS 139 | - | - | - | - | - | - | (9,506) | - | (9,506) | 1,761 | (7,745) |
| As restated | 386,553 | 16,945 | 317 | 19,217 | 773 | 14,952 | (9,506) | (14,623) | 414,628 | 104,047 | 518,675 |
| Total comprehensive (loss) / profit for the period | - | - | - | (15,080) | - | - | - | 5,323 | (9,757) | (3,784) | (13,541) |
| Share-based payment under ESOS | - | - | 104 | - | - | - | - | - | 104 | - | 104 |
| At 30.9.2010 | 386,553 | 16,945 | 421 | 4,137 | 773 | 14,952 | (9,506) | (9,300) | 404,975 | 100,263 | 505,238 |

*The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the condensed financial statements.*

**A4. CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW (UNAUDITED)**

 **-For the period ended 30 September 2010**

|  |  |  |
| --- | --- | --- |
|  | **30.09.2010****RM’000** | **30.09.2009****RM’000** |
|  |  |  |
| Net cash used in operating activities | (6,926) | (36,719) |
|  |  |  |
| Net cash used in investing activities | (24,201) | (2,026) |
|  |  |  |
| Net cash generated from/(used in) financing activities | 64,278 | (20,231) |
|  |  |  |
| Net increase/(decrease) in cash and cash equivalents | 33,151 | (58,976) |
|  |  |  |
| Cash and cash equivalents at beginning of financial period | (21,180) | 31,508 |
|  |  |  |
| Transfer (to)/from debt service reserve accounts | (1) | 31 |
|  |  |  |
| **Effect of exchange rate changes** | (3,060) | (605) |
|  |  |  |
| Cash and cash equivalents at end of financial period | 8,910 | (28,042) |

Closing balance of cash and cash equivalents comprises: -

|  |  |  |
| --- | --- | --- |
| Fixed deposits with licensed banks | 30,330 | 33,992 |
| Cash held under Housing Development Accounts | 20,220 | 11,213 |
| Cash and bank balances | 15,167 | 8,150 |
| Bank overdrafts | (53,485) | (78,039) |
|  | 12,232 | (24,684) |
| Less : Fixed deposits pledged Sinking Fund / Cash Collateral pledged | (3,322)(0) | (2,767)(591) |
|  | 8,910 | (28,042) |

*The condensed consolidated statement of cash flow should be read in conjunction with the audited financial statements for the period ended 31 December 2009 and the accompanying explanatory notes attached to the condensed financial statements.*

**NOTES TO THE CONDENSED FINANCIAL STATEMENTS (UNAUDITED)**

**B1. Basis of Preparation**

The condensed financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The condensed financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2009. These explanatory notes attached to the condensed financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2009.

**B2. Changes in Accounting Policies**

The Group and the Company has adopted the following applicable Financial Reporting Standards (“FRSs”) issued by the Malaysian Accounting Standards Board that are mandatory for the current financial period:

|  |  |  |
| --- | --- | --- |
|  |  | Effective date for financial periods beginning on or after |
| FRS 8 | Operating Segments | 1 July 2009 |
| FRS 4 | Insurance Contracts | 1 January 2010 |
| FRS 7 | Financial Instruments: Disclosures | 1 January 2010 |
| FRS 101 | Presentation of Financial  Statements | 1 January 2010 |
| FRS 123 | Borrowing Costs | 1 January 2010 |
| FRS 139 | Financial Instruments: Recognition and Measurement | 1 January 2010 |
| Amendments to FRS 2 | Share-based Payment-Vesting Conditions and Cancellations | 1 January 2010 |
| Amendments to FRS 132 | Financial Instruments: Presentation | 1 January 2010 |
| IC Interpretation 10 | Interim Financial Reporting and Impairment | 1 January 2010 |
| IC Interpretation 11 | FRS 2 - Group and Treasury Share Transactions | 1 January 2010 |
| IC Interpretation 13 | Customer Loyalty Programmes | 1 January 2010 |
| IC Interpretation 14 | FRS 119 - The Limit on a defined Benefit Asset, Minimum Funding Requirements and their Interaction | 1 January 2010 |

**NOTES TO THE CONDENSED FINANCIAL STATEMENTS (UNAUDITED)**

|  |  |  |
| --- | --- | --- |
|  |  | Effective date for financial periods beginning on or after |
|  |  |  |
| Amendments to FRS1, First-time Adoption Financial Reporting Standards and FRS 127, Consolidated and Separate Financial Statements - Cost of an investment in a subsidiary, Jointly Controlled Entity or Associate | 1 January 2010 |
|  |  |  |
| Amendments to FRS 139, Financial Instruments: Recognition and Measurement, FRS 7, Financial Instruments: Disclosures and IC Interpretation 9,  Reassessment of Embedded Derivatives | 1 January 2010 |
|  |  |  |
| Amendments to FRSs contained in the document entitled  “Improvements to FRSs (2009)” | 1 January 2010 |

Other than the application of FRS 8, FRS101, Amendments to FRS 118 and FRS 139, the application of new FRSs, Amendments to FRSs and interpretations that are effective for the financial statements commencing on 1 January 2010 did not result in any significant changes in the accounting policies and presentation of financial results of the Group.

 (i) FRS 8 Operating Segments

 FRS 8 requires segment information to be presented on a similar basis to that used for internal reporting purposes. As a result, the Group’s segment reporting had been presented based on the internal reporting to the chief operating decision maker who makes decision on the allocation of resources and assesses the performance of the reportable segments. This standard does not have any impact on the financial position of the Group.

(ii) FRS101 Presentation of Financial Statements

 FRS 101 requires the separation of owner and non-owner changes in equity. Therefore, the current consolidated statement of changes in equity only includes details of transactions with owners. All non-owner changes in equity, if any, will presented as a single line labelled as total comprehensive income. Comparative information, with exception of the requirements under FRS139, has been re-presented in conformity with the relevant standard.

 In addition, FRS 101 has introduced new title on the financial statements. Statement of Financial Position has replaced Balance Sheets, Statement of Comprehensive Income has replaced Income Statements and Statement of Cash Flows has replaced Cash Flow Statements. This Standard does not have any material impact on the financial position and results of the Group.

**NOTES TO THE CONDENSED FINANCIAL STATEMENTS (UNAUDITED)**

(iii) FRS 139 Financial Instruments: Recognition and Measurement

FRS 139 establishes the principles for the recognition and measurement of financial assets and financial liabilities including circumstances under which hedge accounting is permitted. The Group determines the classification at initial recognition and for the purpose of the first-time adoption of the standard, as at transitional date on 1 January 2010.

The Group categories financial instruments as follows:

Financial assets

(i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss category comprise equity investments that are initially measured at fair value. Any subsequent gain or loss arising from changes in fair value of the financial assets are recognised through profit or loss. The fair values of investments that are actively traded in organised financial markets are determined by reference to the relevant Exchange’s quoted market bid prices at the close of business on the reporting date. For investments that do not have quoted market prices in an active market, the fair values are measured based on the net tangible assets of the latest available financial statements.

(ii) Loans and receivables

 Loans and receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest rate (“EIR”) method. Gains and losses arising from the derecognition of the loans and receivables, EIR amortisation and impairment loss are recognised in profit or loss.

Financial liabilities

All financial liabilities are initially measured at fair value and are subsequently measured at amortised cost, using the effective interest method.

**NOTES TO THE CONDENSED FINANCIAL STATEMENTS (UNAUDITED)**

Impact on opening balance

In accordance with the transitional provisions of FRS139, the above changes have been applied prospectively and the comparatives as at 31 December 2009 have not been restated. The changes have been accounted by the Group by restating the following opening balances in the statement of financial position as at 1 January 2010.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | As previously stated RM’000 | ReclassificationRM’000 | Effect on adoption of FRS139RM’000 | As restated RM’000 |
| **Non-Current Assets** |  |  |  |  |
| Trade receivables | - | 26,620 | (10,091) | 16,529 |
| Other receivables | 24,111 | - | (1,610) | 22,501 |
|  |  |  |  |  |
| **Non-Current Liabilities** |  |  |  |  |
| Trade payables | 15,500 | 43,883 | (5,719) | 53,664 |
|  |  |  |  |  |
| **Current Assets** |  |  |  |  |
| Trade receivables | 167,184 | (26,620) | (12,299) | 128,265 |
| Other receivables | 93,427 | - | (10,120) | 83,307 |
|  |  |  |  |  |
| **Current Liabilities** |  |  |  |  |
| Trade payables | 149,512 | (43,883) | (3,208) | 102,421 |
| Other payables | 119,519 | - | (17,448) | 102,071 |
|  |  |  |  |  |
| **Equity** |  |  |  |  |
| Reserves | (14,623) | - | (9,506) | (24,129) |
| Minority Interest | 102,286 | - | 1,761 | 104,047 |

**NOTES TO THE CONDENSED FINANCIAL STATEMENTS (UNAUDITED)**

The Group and the Company have not adopted earlier the following amendments to FRSs which have been issued as at the date of authorisation of these financial statements and will be effective for the financial periods as stated below:

|  |  |  |
| --- | --- | --- |
|  |  | Effective date for financial periods beginning on or after |
|  |  |  |
|  |  |
| Amendments to FRS 132, Financial Instruments :  Presentation | 1 March 2010 |
| FRS 1 | First-time Adoption of Financial Reporting Standards | 1 July 2010 |
| FRS 3 | Business Combinations | 1 July 2010 |
| FRS 127 | Consolidated & Separate  Financial Statements | 1 July 2010 |
| Amendments to FRS 2 | Share-based Payment | 1 July 2010 |
| Amendments to FRS 5 | Non-current Assets Held for Sale and Discontinued Operations | 1 July 2010 |
| Amendments to  FRS 138 | Intangible Assets | 1 July 2010 |
| IC Interpretation 12 | Service Concession Arrangements | 1 July 2010 |
| IC Interpretation 16 | Hedges of a Net Investment in a Foreign Operation | 1 July 2010 |
| IC Interpretation 17 | Distributions of Non-cash Assets to Owners | 1 July 2010 |
|  |  |  |
| Amendments to IC Interpretation 9 Reassessment of Embedded  Derivatives | 1 July 2010 |
| Amendment to  FRS 1 | Limited Exemption from  Comparative FRS 7 Disclosures for First-time Adopters | 1 January 2011 |
| Amendment to  FRS 1 | Additional Exemptions for First- time Adopters | 1 January 2011 |
| Amendment to  FRS 2 | Group Cash-settled Share-based Payment Transactions | 1 January 2011 |
| Amendment to  FRS 7 | Improving Disclosures about  Financial Instruments | 1 January 2011 |
| IC Interpretation 4 | Determining whether an Arrangement  contains a Lease | 1 January 2011 |
| IC Interpretation 18 | Transfers of Assets from Customers | 1 January 2011 |
| IC Interpretation 15 | Agreements for Construction of Real Estate | 1 January 2012 |

**NOTES TO THE CONDENSED FINANCIAL STATEMENTS (UNAUDITED)**

**B3. Auditors’ Report on Preceding Annual Financial Statements.**

The auditors’ report on the financial statements for the year ended 31 December 2009 was not qualified.

**B4. Seasonal or Cyclical Factors**

The operations of the Group during the quarter have not been affected by any material seasonal or cyclical factors.

**B5. Unusual Items due to their Nature, Size or Incidence**

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows because of their nature, size and incidence during the current quarter under review.

**B6. Changes in Estimates**

There were no changes in estimates that have had a material effect in the current quarter results.

**B7.** **Debt and Equity Securities**

There were no changes in the debts and equity securities during the quarter under review.

**B8.** **Dividends Paid**

No interim dividend has been paid during the quarter.

**NOTES TO THE CONDENSED FINANCIAL STATEMENTS (UNAUDITED)**

**B9. Segmental Information**

The segmental information of the Group for the current quarter and year-to-date was summarised as below: -

1. Analysis by activities

|  |  |  |
| --- | --- | --- |
|  | **Revenue RM (‘000)** | **Result RM(‘000)** |
|  | Current Quarter | Year To Date | Current Quarter | Year To Date |
| Property Development  | 75,167 | 169,026 | 37,931 | 85,190 |
| Trading | 4,814 | 16,299 | (4,821) | (16,330) |
| Construction (Note 1) | 36,204 | 87,737 | (26,386) | (56,591) |
| Management & Investment  | 1,541 | 4,901 | 3,814 | 2,851 |
| Golf Course & Club House (Note 2) | 4,674 | 16,556 | (1,154) | (927) |
| Others  | 70 | 158 | 15 | (25) |
| Inter-segment elimination | (42,757) | (104,248) | - | - |
|  | 79,713 | 190,429 | 9,399 | 14,168 |
| Unallocated ItemsInterest Income |  |  |  | 742 |
| Finance Cost |  |   |  | (12,802) |
| Share of results of Associates |  |  |  | (41) |
| Loss before taxation |  |  |  | 2,067 |
| Taxation |  |  |  | 4,699 |
| Profit after taxation |  |  |  | 6,766 |
| Minority Interest |  |  |  | (1,443) |
| Profit attributable to shareholders |  |  |  | 5,323 |

(ii) Analysis by geographical

|  |  |  |
| --- | --- | --- |
|  | **Revenue RM (‘000)** | **Result RM(‘000)** |
|  | Current Quarter  | Year To Date | Current Quarter | Year To Date |
| Malaysia | 117,796 | 278,121 | 13,133 | 16,982 |
| Hong Kong & China  | 4,674 | 16,556 | (3,734) | (2,814) |
| Inter-segment elimination | (42,757) | (104,248) | - | - |
|  | 79,713 | 190,429 | 9,399 | 14,168 |

*Note : (1) The loss in construction segment was due to elimination of inter-segment transactions.*

 *(2) The year-to-date results is derived after charging depreciation and amortization of RM8.456 million.*

**NOTES TO THE CONDENSED FINANCIAL STATEMENTS (UNAUDITED)**

**B10.** **Property, Plant and Equipment**

 There was no fair value adjustment of property plant and equipment during the quarter.

**B11.** **Changes in Composition of the Group**

|  |  |
| --- | --- |
| *(i)* | On 29 July 2010, LBS Bina Holdings Sdn Bhd (“LBS”) has disposed of its Eleven (11) ordinary shares of RM1.00 each representing 11% equity interest of Bayu Cergas Sdn Bhd (“BCSB”), a company incorporated in Malaysia for a total cash consideration of Ringgit Malaysia Eleven (RM11.00) only. Consequently, LBS’s shareholding in BCSB has reduced from 51% to 40% and BCSB ceased as subsidiary of LBS. |
| *(ii)* | On 31 July 2010, LBS has increased its paid up capital from 3,000,000 to 198,336,000 ordinary shares of RM1.00 each. The Company has subscribed all its shareholdings in LBS. |
| *(iii)* | On 12 August 2010, LBS has disposed of all its shareholding of Four Million Fifty Thousand (4,050,000) ordinary shares of RM1.00 each representing 9% equity interest in Jasa Vista Sdn Bhd (“JVSB”), a company incorporated in Malaysia for a total cash consideration of Ringgit Malaysia One (RM1.00) only.  |
| *(iv)* | On 28 September 2010, LBS has acquired 35,000 ordinary shares of RM1.00 each representing 35% equity interest in Astana Modal (M) Sdn Bhd (“AMSB”), a company incorporated in Malaysia for a total cash consideration of Ringgit Malaysia Nineteen Million Six Hundred Thirty Five Thousand (RM19,635,000.00) only.  |

Other than above, there were no changes in the composition of the Group during the quarter under review.

**B12. Events subsequent to the Balance Sheet Date**

|  |
| --- |
| On 22 October 2010, LBGB has through its wholly-owned subsidiaries, Lamdeal Consolidated Development Limited (“LCDL) and Lamdeal Golf & Country Club Limited (“LGCCL”) signed a Letter of Intent with Zhuhai Special Economic Zone Long Yi Enterprises Company (“Long Yi”) regarding Long Yi’s intention to buy and LCDL’s and LGCCL’s intentions to dispose of their respective 10% interest in the joint venture companies, namely Zhuhai International Circuit Consolidated Development Limited (“ZIC Property”) and Zhuhai International Circuit Golf & Country Club Limited (“ZIC Golf”) for an aggregate cash consideration of RMB200 million only (“Proposed Disposal”). |

Other than above, there were no events subsequent to the Balance Sheet Date during the quarter under review.

**NOTES TO THE CONDENSED FINANCIAL STATEMENTS (UNAUDITED)**

**B13. Commitments**

|  |  |  |
| --- | --- | --- |
|  | **30.09.2010 (RM’000)** | **30.09.2009 (RM’000)** |
| Approved and contracted forJoint Venture agreement | 53,206 | 61,092 |

**B14. Contingent Liabilities and Contingent Assets**

|  |  |  |
| --- | --- | --- |
|  | **30.09.2010 (RM’000)** | **30.09.2009 (RM’000)** |
| Bank Guarantee issued for the purpose of property development | 8,818 | 17,928 |
| Corporate guarantees given to suppliers of goodsfor credit terms granted to subsidiary companies | 7,900 | 6,900 |
|  | 16,718 | 24,828 |

There were no contingent assets as at the date of these condensed financial statements.

**NOTES TO THE CONDENSED FINANCIAL STATEMENTS (UNAUDITED)**

**B15. Significant Related Party Transactions**

The significant related party transactions for the current year were summarised as below:-

|  |  |
| --- | --- |
| Related Parties | **Amount****RM’000** |
| *Contractor Fee Paid/ Payable to* |  |
| Sun Engineering & Construction Sdn Bhd | 1,212 |
| Syarikat Jati Pemborong Am Sdn Bhd | 2,061 |
|  |  |
| *Sales of development properties to* |  |
| Mohd Fazil bin Shafie | 210 |
| Hasnorliza Binti Abu Hassan | 1,340 |
|  |  |
| *Provision of services as advocates* *and solicitors by* |  |
|  Messrs. Steven Tai, Wong & Partners | 455 |
|  Messrs. Rashid Asari & Co. | 39 |
|  |  |
| *Rental paid/payable to* |  |
| Datin Seri Liew Boon | 25 |
| Wong Poh Lean | 18 |
| Jitumesra Sdn Bhd | 16 |
|  |  |
| *Provision of services as insurance consultant to* |  |
| Syarikat Jati Pemborong Am Sdn Bhd | 2 |
| Duta Omega Sdn Bhd | 2 |
|  |  |
| *Rental income received/receivable from* |  |
| Messrs. Steven Tai, Wong & Partners | 5 |

These transactions have been entered into in the normal course of business and established on commercial terms.

C. ADDITIONAL INFORMATION REQUIRED BY

- BURSA MALAYSIA’S LISTING REQUIREMENTS

**C1. Review of Performance**

The Group has registered a revenue of RM 190.4 million and profit after tax of RM 6.7 million for the period ended 30 September 2010. The revenue has increased by 52% and profit after tax has increased by 165% as compared to previous year corresponding period.

**C2. Variation of Results Against Preceding Quarter**

For the current quarter, the Group has recorded revenue of RM 79.7 million and profit after tax of RM 5.5 million. The revenue has increased by 13% and profit after tax has increased by 708% as compared to the preceding quarter ended 30 June 2010.

**C3. Prospects Commentary**

In view of the positive trend in the property market, the Group is developing more medium and also high end projects to cater for the demand.

**C4. Profit Forecast and Profit Guarantee**

The Company has not issued any profit forecast to the public and has not given any profit guarantee for the year.

**C5. Taxation**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Current Quarter****30.09.2010****RM’000** | **Preceding Year Quarter 30.09.2009****RM’000** | **Current Year To Date 30.09.2010****RM’000** | **Preceding Year To Date****30.09.2009****RM‘000** |
| Current year taxation | (527) | (1,994) | (3,390) | 2,005 |
| Deferred tax | (31) | (209) | (1,309) | (1,294) |
| Total income tax expense | (558) | (2,203) | (4,699) | 711 |

The current quarter taxation credit was due to adjustment of over provision of tax in previous year.

**C6. Unquoted Investments and Properties**

There were no material profits/loss on any sale of unquoted investments and/or properties respectively for the current quarter and financial year-to-date.

C. ADDITIONAL INFORMATION REQUIRED BY

- BURSA MALAYSIA’S LISTING REQUIREMENTS

**C7. Quoted Investments**

There were no purchases or disposals of quoted investments during the current quarter and financial year-to-date.

**C8. Status of Corporate Proposal Announced**

The following is the corporate proposal that has been announced by the Company but not completed as at 23 November 2010, the latest practicable date which shall not be earlier than 7 days from the date of this announcement:-

|  |  |
| --- | --- |
| *(i)* | On 14 August 2007, the Company has entered into a Memorandum of Undertaking (“MOU”) with Lodha Developers Private Limited (“Lodha”) for the strategic collaboration to submit an Expression of Interest (“EOI”) for the development of one of the five sectors of the Dharavi Slum Rehabilitation Project in Mumbai, India. The MOU would enable the Company to pursue opportunities in the growing property market in India.On 14 January 2008, we were notified by Lodha that we have been short listed by the Slum Rehabilitation Authority of the Dharavi Project for submission of tender to bid for the Dharavi Project.The financial bidding for all the 5 sectors which was in July 2009 has been postponed until further notice by the Slum Rehabilitation Authority.  |

|  |  |
| --- | --- |
| *(ii)* | On 22 October 2010, LBGB has through its wholly-owned subsidiaries, Lamdeal Consolidated Development Limited (“LCDL) and Lamdeal Golf & Country Club Limited (“LGCCL”) signed a Letter of Intent with Zhuhai Special Economic Zone Long Yi Enterprises Company (“Long Yi”) regarding Long Yi’s intention to buy and LCDL’s and LGCCL’s intentions to dispose of their respective 10% interest in the joint venture companies, namely Zhuhai International Circuit Consolidated Development Limited (“ZIC Property”) and Zhuhai International Circuit Golf & Country Club Limited (“ZIC Golf”) for an aggregate cash consideration of RMB200 million only (“Proposed Disposal”).The parties involved are in the midst of drafting the final agreement with regards to the Proposed Disposal. |

C. ADDITIONAL INFORMATION REQUIRED BY

- BURSA MALAYSIA’S LISTING REQUIREMENTS

**C9. Borrowings and Debts Securities**

Total Group borrowings as at year-to-date were as follows: -

|  |  |  |
| --- | --- | --- |
| (a)  | *Secured Bank Borrowings* | **RM‘000** |
|  | Bridging loans | 84,820 |
|  | Term loans | 105,358 |
|  | Bank overdrafts | 53,485 |
|  | Revolving credits | 30,515 |
|  | Hire Purchase | 2,958 |
|  |  | 277,136 |
|  |  |  |
|  | Short term | 86,780 |
|  | Long term | 190,356 |
|  |  | 277,136 |
| (b) | *Other Borrowings* |  |
|  | ICP/IMTN | 75,000 |
|  |  |  |
|  | Short term | - |
|  | Long term | 75,000 |
|  |  | 75,000 |
|  |  |  |
| (c) | Total Borrowings | 352,136 |

|  |  |
| --- | --- |
|  (d) | *Total Group borrowings and debts* |
|  |  | **Secured****RM‘000** | **Unsecured****RM‘000** | **Total** **RM‘000** |
|  | Short term | 86,780 | - | 86,780 |
|  | Long term | 265,356 | - | 265,557 |
|  |  | 352,136 | - | 352,136 |
|  |  |  |  |  |
| (e) | *Foreign borrowings in Ringgit Malaysia equivalent* |
|  |  |  |  |  |
|  | U.S. Dollar | RM23.9 million |  |  |

**C10. Off Balance Sheet Financial Instruments**

There were no Off Balance Sheet Financial Instruments as at the date of the condensed financial statements.

C. ADDITIONAL INFORMATION REQUIRED BY

- BURSA MALAYSIA’S LISTING REQUIREMENTS

**C11. Material Litigation**

There were no material litigation during the quarter, which has a material effect on the financial position of the Group.

**C12. Dividends**

No interim dividend has been paid or declared by the Company for the current quarter.

**C13. Earnings Per Share (“EPS”)**

*(i) Basic Earnings Per Share*

The calculation of the basic earnings per share is based on the net profit / (loss) attributable to the equity holders of the parent and weighted average number of ordinary shares in issue during the period:-

|  |  |  |
| --- | --- | --- |
|  | **Cumulative Period****30.09.2010****RM’000** | **Cumulative Period****30.09.2009RM’000** |
|  |  |  |
| Profit / (Loss) attributable to equity holders of the parent | 5,323 | (14,483) |
|  |  |  |
| Weighted average number of ordinary shares in issue | 386,553 | 385,195 |
|  |  |  |
| Basic earnings / (losses) per share (sen) | 1.38 | (3.80) |

C. ADDITIONAL INFORMATION REQUIRED BY

- BURSA MALAYSIA’S LISTING REQUIREMENTS

**C13. Earnings Per Share (“EPS”) (cont’d)**

 *(ii) Diluted Earnings Per Share*

The calculation of the diluted earnings per share is based on the adjusted net profit / (loss) attributable to the equity holders of the parent and adjusted weighted average number of ordinary shares in issue during the period have been adjusted for the dilutive potential ordinary shares:-

|  |  |  |
| --- | --- | --- |
|  | **Cumulative Period****30.09.2010****RM’000** | **Cumulative Period****30.09.2009RM’000** |
|  |  |  |
| Profit / (Loss) attributable to equity holders of the parent | 5,323 | (14,483) |
| Add: - |  |  |
| - Coupon Interest of ICULS  | - | 8 |
|  |  |  |
| Adjusted Profit / (Loss) attributable to equity holders  of the parent | 5,323 | (14,475) |
|  |  |  |
| Weighted average number of ordinary shares  | 386,553 | 385,195 |
| Effect on incremental shares on conversion of ICULS | - | 341 |
| Adjusted weighted average number of ordinary shares  in issue | 386,553 | 385,536 |
|  |  |  |
| Diluted earnings / (losses) per share (sen) | 1.38 | (3.80) |

**By Order of the Board,**

**Cynthia Lim Mooi Pang**

**Executive Director**

30 November 2010