



## **INTERIM FINANCIAL STATEMENTS**

*- For The Quarter and Period of Six Months Ending 30 June 2011 -*

# BINA DARULAMAN BERHAD

332945-X  
(Incorporated in Malaysia)

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## Condensed consolidated statement of comprehensive income

For the Six-Month Ended 30 June 2011 - unaudited

	Note	3 months ended 30 June		6 months ended 30 June	
		2011 RM	2010 RM	2011 RM	2010 RM
<b>Continuing operations</b>					
Revenue	9	<b>37,583,003</b>	33,815,163	<b>72,153,204</b>	82,676,530
Cost of sales		<b>(29,490,790)</b>	(27,207,096)	<b>(55,878,907)</b>	(70,514,320)
<b>Gross profit</b>		<b>8,092,213</b>	6,608,067	<b>16,274,297</b>	12,162,210
Other income		<b>1,749,030</b>	3,266,616	<b>3,227,542</b>	6,076,214
Marketing and distribution		<b>(442,037)</b>	(167,222)	<b>(676,297)</b>	(316,399)
Administrative expenses		<b>(3,717,034)</b>	(3,380,180)	<b>(7,127,351)</b>	(6,649,887)
Other expenses		<b>(1,062)</b>	(5,480)	<b>(205,025)</b>	(6,238)
<b>Result from operating activities</b>	9	<b>5,681,110</b>	6,321,801	<b>11,493,166</b>	11,265,900
Finance costs		<b>(1,494,794)</b>	(2,211,965)	<b>(3,047,097)</b>	(3,943,658)
Share of profit from project management		-	50,350	-	50,350
<b>Profit before taxation</b>		<b>4,186,316</b>	4,160,186	<b>8,446,069</b>	7,372,592
Income tax expense	20	<b>(957,383)</b>	(905,946)	<b>(2,081,536)</b>	(2,252,903)
<b>Total comprehensive income for the period</b>		<b>3,228,933</b>	3,254,240	<b>6,364,533</b>	5,119,689
Attributable to:					
Owners of the parent		<b>3,228,777</b>	3,256,177	<b>6,363,075</b>	5,123,090
Minority interests		<b>157</b>	(1,937)	<b>1,458</b>	(3,401)
<b>Total comprehensive income for the period</b>		<b>3,228,933</b>	3,254,240	<b>6,364,533</b>	5,119,689
Earnings per share attributable to equity holders of the parent (sen)					
Basic	28	<b>4.43</b>	4.91	<b>8.74</b>	7.74

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

## Condensed Consolidated Statement of Financial Position

As at 30 June 2011- unaudited

	<b>Note</b>	<b>30.6.2011 RM</b>	<b>31.12.2010 RM</b>
<b>Non-current Assets</b>			
Property, plant & equipment	11	62,606,619	64,890,786
Land held for development		99,803,573	95,291,910
Investment properties		144,720	146,520
Investment in unincorporated joint venture		727,910	727,910
Investment securities		735,200	619,200
Trade receivables		92,470,238	70,793,167
Deferred tax assets		12,873	49,424
		<b>256,501,133</b>	<b>232,518,917</b>
<b>Current assets</b>			
Property development costs		25,023,917	22,201,173
Inventories		12,923,998	13,362,257
Trade and other receivables		86,748,405	113,590,267
Tax recoverable		4,523,688	3,647,979
Cash & bank balances		81,959,759	85,805,874
		<b>211,179,767</b>	<b>238,607,550</b>
<b>TOTAL ASSETS</b>		<b>467,680,900</b>	<b>471,126,467</b>
<b>EQUITY AND LIABILITIES</b>			
Share capital		72,815,856	72,815,856
Other reserves		17,062,137	17,072,415
Retained profits		132,120,126	125,754,139
		<b>221,998,119</b>	<b>215,642,410</b>
<b>Minority interest</b>		<b>8,090,687</b>	<b>8,082,210</b>
<b>Total equity</b>		<b>230,088,806</b>	<b>223,724,620</b>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

## Condensed Consolidated Statement of Financial Position (cont')

As at 30 June 2011- unaudited

	Note	30.6.2011 RM	31.12.2010 RM
<b>Non-current liabilities</b>			
Loans and borrowings	24	95,377,262	121,816,038
Deferred tax liabilities		3,513,199	3,561,947
		<u>98,890,461</u>	<u>125,377,985</u>
<b>Current liabilities</b>			
Loans and borrowings	24	37,716,888	22,658,986
Trade and other payables		100,971,852	98,998,960
Income tax payable		-	344,873
Dividend payable		12,893	21,043
		<u>138,701,633</u>	<u>122,023,862</u>
<b>Total liabilities</b>		<u>237,592,094</u>	<u>247,401,847</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>467,680,900</u>	<u>471,126,467</u>

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

## Condensed Consolidated Statement of Changes in Equity

For the Six-Month Ended 30 June 2011 - unaudited

	Attributable to owners of the parent				Total RM'000	Minority interests RM'000	Total Equity RM'000
	Share capital RM'000	Share premium RM'000	Foreign currency translation reserve RM'000	Retained earnings RM'000			
At 1 January 2010	66,196	15,892	10	115,338	197,436	8,092	205,528
Effect of adopting FRS 139	-	-	-	229	229	-	229
At 1 January 2010, restated	66,196	15,892	10	115,567	197,665	-	205,757
Total comprehensive income	-	-	-	5,123	5,123	(3)	5,120
<b>At 30 June 2010</b>	<b>66,196</b>	<b>15,892</b>	<b>10</b>	<b>120,690</b>	<b>202,788</b>	<b>8,089</b>	<b>210,877</b>
At 1 January 2011 :	72,816	17,062	10	125,754	215,642	8,082	223,725
Reserves written off	-	-	(10)	-	(10)	-	(10)
Total comprehensive income	-	-	-	6,366	6,366	8	6,354
<b>At 30 June 2011</b>	<b>72,816</b>	<b>17,062</b>	<b>0</b>	<b>132,120</b>	<b>221,998</b>	<b>8,090</b>	<b>230,089</b>

The condensed consolidated statements of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

## Condensed Consolidated Statement of Cash Flows

For the Six-Month Ended 30 June 2011 - unaudited

	6 months ended	
	30.6.2011 RM	30.6.2010 RM
Net cash generated from operating activities	6,082,617	1,690,425
Net cash generated from investing activities	1,522,098	642,427
Net cash used in financing activities	(9,321,222)	(10,154,681)
<b>NET INCREASE/(DECREASE) IN CASH &amp; CASH EQUIVALENTS</b>	<b>(1,716,507)</b>	<b>(7,821,829)</b>
<b>CASH &amp; CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD</b>	<b>80,891,497</b>	<b>68,599,493</b>
<b>CASH &amp; CASH EQUIVALENTS AT END OF FINANCIAL PERIOD*</b>	<b>79,174,990</b>	<b>60,777,664</b>
*Cash & cash equivalents at end of the financial period comprise the following:		
	As at 30.6.2011	As at 30.6.2010
Cash & bank balances	81,959,759	63,845,352
Bank overdraft (included within short term borrowing in Note 24)	(51,334)	(134,249)
	81,908,425	63,711,103
Less: Deposits pledged	(2,733,435)	(2,933,438)
	<b>79,174,990</b>	<b>60,777,664</b>

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.

## **Part A – Explanatory Notes Pursuant to FRS 134**

### **1. Basis of Preparation**

The interim financial statements other than for financial instruments, have been prepared under the historical cost convention. Financial instruments have been fair valued in accordance to FRS 139 Financial Instruments: Recognition and Measurement.

The interim 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 the Bursa Malaysia Securities Berhad (“Bursa”).

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2010. These explanatory notes attached to the interim 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 financial year ended 31 December 2010.

### **2. Significant Accounting Policies**

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2010.

### **3. Auditors’ Report on Preceding Annual Financial Statements**

The auditors’ report on the financial statements for the year ended 31 December 2010 was not subject to any qualification.



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

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the financial period.

#### **5. Changes in Estimates**

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

#### **6. Comment About Seasonality or Cyclical Factors**

The Group's products and services are generally dependent on the Malaysian economy, government policies and weather (on the construction activities).

#### **7. Dividends Paid**

There were no dividends paid during the quarter.

#### **8. Debt and Equity Securities**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities in the current quarter.

## 9. Segmental Information

	Property Development RM	Quarrying and road paving RM	Construction RM	Operation of golf resort and hotel RM	Trading RM	Adjustment/ Elimination/ RM	Consolidated RM
<b>30 June 2011</b>							
<b>Revenue</b>							
External Sales	14,850,094	26,205,675	24,838,679	2,923,044	-	3,335,712	72,153,204
Inter- segment sales	455,685	3,319,881	88,424	89,130	948	(3,954,068)	-
<b>Total revenue</b>	<b>15,305,779</b>	<b>29,525,556</b>	<b>24,927,103</b>	<b>3,012,174</b>	<b>948</b>	<b>(618,356)</b>	<b>72,153,204</b>
<b>Results</b>							
Segment result	2,068,561	5,040,040	3,073,937	132,607	(211,824)	1,731,322	11,834,643
Unallocated corporate expenses							<u>(341,477)</u>
Profit from operations							11,493,166
Finance costs							(3,047,097)
Income tax expense							(2,081,536)
<b>Net profit for the year</b>							<u><b>6,364,533</b></u>

## 10. Changes in Composition of the Group

There were no changes in the composition of the Group during the financial period including business combination, acquisition or disposal of subsidiary and long-term investment, restructuring and discontinuing operation.

## 11. Property, Plant and Equipment

There were no valuation for property, plant and equipment of the Group during the financial period.

## 12. Capital Commitments

The amount of commitments for the purchase of property, plant & equipment not provided for in the interim financial statements as at 30 June, 2011 is as follows:

	<u>RM</u>
Approved and contracted for	719,423
Approved but not contracted for	<u>6,006,628</u>

## 13. Changes in Contingent Liabilities

There were no changes in contingent liabilities since the last financial year ended 31 December 2010.

## 14. Material Subsequent Events to the Reporting Date

There were no material events subsequent to the financial period ended 30 June 2011 up to the date of this report.

## 15. Significant Related Party Transactions

	<b>6 months ended 30.06.2011 RM</b>
Tributes charges by the holding corporation	67,542
Estate agency fee charges by a related company, Kumpulan Ladang-Ladang Perbadanan Kedah Sdn. Bhd.	97,746
Sales to related party	296,316
Progress billings charged to holding corporation	-
	<b>461,604</b>

## Part B – Explanatory Notes Pursuant to Chapter 9, Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

### 16. Review of Performance

For the second quarter ended 30 June 2011, the Group recorded a revenue of RM37.6 million. The revenue is higher by RM3.8 million or 11% compared to RM33.8 million achieved in the same corresponding period of last year. Property development performed better whereas demand for quarry products was sluggish and construction activities recorded lower progress billings.

Similarly, the Group's profit before tax of RM 4.19 million is higher compared to RM4.16 million posted in the same corresponding period of last year. This is due to better margins from the property, construction and quarry divisions.

### 17. Variation of Results Against Preceding Quarter

	<b>Current quarter ended 30 June 2011 RM</b>	<b>Preceding quarter ended 31 March 2011 RM</b>
Revenue	<b>37,583,003</b>	34,570,201
Profit Before Taxation	<b>4,186,316</b>	4,259,753

In comparison with the preceding quarter ended 31 March 2011, the Group registered a higher revenue of RM37.6 million as compared to RM34.6 million registered in the preceding quarter due to higher progress billings from construction and quarry divisions.

The Group profit before tax of RM4.2 million is slightly lower compared to RM4.3 million posted in the preceding quarter due to an increase in administrative expenses for the quarter.

## 18. Current Year Prospects

For the financial year 2011, the Group expects to continue to focus on its existing core businesses. The construction division will concentrate on completing all on-going projects as scheduled. The quarry and road division expects contracts for the state roads maintenance to be rolled out during the second half of this year. The Group also plans to launch a few property projects including condominium during the year in addition to improving sale of ongoing schemes.

Barring unforeseen circumstances, the Group expects the financial results for 2011 to be satisfactory.

## 19. Variance from Profit Forecast or Profit Guarantee

Not applicable for the financial period ended 30 June 2011.

## 20. Income Tax Expense

	<b>6 months ended 30 June 2011 RM</b>	<b>6 months ended 30 June 2010 RM</b>
Malaysian income tax	<b>2,081,536</b>	2,252,903

The effective tax rate for six months ended 30 June 2011 was 25%. For the previous corresponding period, the effective tax rate was higher than the statutory tax rate due to losses of certain subsidiaries not being set off fully against group taxable profits.

## 21. Quoted Securities

There were no purchase or disposal of quoted securities during the period ended 30<sup>th</sup> June 2011.

## 22. Unquoted Investment and Properties

There were no disposal of unquoted investment or properties during the quarter under review.

## 23. Status of Corporate Proposals

There was no pending corporate proposal during the quarter under review.

## 24. Group borrowings and Debt Securities

Total loans and borrowings as at 30 June 2011 was as follows:

	<b>Short-term RM</b>	<b>Long-term RM</b>
Term loans	37,333,332	94,865,596
Bank Overdraft	51,334	-
Hire Purchase	332,222	511,666
<b>TOTAL</b>	<b>37,716,888</b>	<b>95,377,262</b>

## 25. Off Balance Sheet Financial Instruments

During the quarter and up to the date of this report, the Group did not enter into any contracts involving off balance sheet financial instruments.

## 26. Material Litigation

There were no major changes in pending material litigation, since the last annual balance sheet date of 31<sup>st</sup> December 2010.

## 27. Dividends

No interim dividend has been declared for the current quarter ended 30 June 2011.

## 28. Earnings Per Share

### a. Basic earnings per share

	<b>3 months ended 30.6.2011 RM</b>	<b>6 months ended 30.6.2011 RM</b>
Profit attributable to owners of the Parent	3,228,777	6,363,075
Weighted average number of ordinary shares in issue	72,815,856	72,815,856
Basic earnings per share (sen)	4.43	8.74

### b. Diluted earnings per share

Not applicable.

## 29. Disclosure of Realised and Unrealised Retained Earnings

	<b>As at 30 June 2011 RM'000</b>	<b>As at 31 December 2010 RM'000</b>
Total retained earnings of the Company and subsidiaries:		
-Realised	128,947	122,808
-Unrealised	3,173	2,946
Total retained earnings	132,120	125,754

## 30. Authorization for Issue

The interim financial statements were authorized for issue by the Board of Directors in accordance with a resolution of the directors on 24<sup>th</sup> July 2011.