



BINA  
DARULAMAN  
BERHAD

(332945-X)

## **INTERIM FINANCIAL STATEMENTS**

*- For The Quarter and Period of Nine Months Ending 30 September 2011 -*

## Condensed consolidated statement of comprehensive income

For the Nine-Month Ended 30 September 2011 - unaudited

	Not e	3 months ended 30 September		9 months ended 30 September	
		2011 RM	2010 RM	2011 RM	2010 RM
<b>Continuing operations</b>					
Revenue	9	<b>70,360,030</b>	37,065,307	<b>142,513,234</b>	119,741,837
Cost of sales		<b>(58,000,008)</b>	(31,369,771)	<b>(113,878,915)</b>	(101,884,091)
<b>Gross profit</b>		<b>12,360,022</b>	5,695,536	<b>28,634,319</b>	17,857,746
Other income		<b>1,889,758</b>	2,393,147	<b>5,117,300</b>	8,469,361
Marketing and distribution		<b>(248,336)</b>	(229,183)	<b>(924,633)</b>	(545,582)
Administrative expenses		<b>(3,542,035)</b>	(3,270,079)	<b>(10,669,387)</b>	(9,919,056)
Other expenses		<b>(787,675)</b>	(24,781)	<b>(992,700)</b>	(31,929)
<b>Result from operating activities</b>	9	<b>9,671,734</b>	4,564,640	<b>21,164,899</b>	15,830,540
Finance costs		<b>(1,416,621)</b>	(1,798,460)	<b>(4,463,718)</b>	(5,742,118)
Share of profit from project management		-	-	-	50,350
<b>Profit before taxation</b>		<b>8,255,113</b>	2,766,180	<b>16,701,181</b>	10,138,772
Income tax expense	20	<b>(2,415,418)</b>	(657,654)	<b>(4,496,954)</b>	(2,910,557)
<b>Total comprehensive income for the period</b>		<b>5,839,695</b>	2,108,526	<b>12,204,227</b>	7,228,215
Attributable to:					
Owners of the parent		<b>5,842,233</b>	2,110,158	<b>12,205,307</b>	7,233,248
Minority interests		<b>(2,538)</b>	(1,632)	<b>(1,080)</b>	(5,033)
<b>Total comprehensive income for the period</b>		<b>5,839,695</b>	2,108,526	<b>12,204,227</b>	7,228,215
Earnings per share attributable to equity holders of the parent (sen)					
Basic	28	<b>8.02</b>	3.18	<b>16.76</b>	10.92

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 September 2011- unaudited

	Note	30.9.2011 RM	31.12.2010 RM
<b>Non-current Assets</b>			
Property, plant & equipment	11	61,933,139	64,890,786
Land held for development		100,624,822	95,291,910
Investment properties		143,820	146,520
Investment in unincorporated joint venture		727,910	727,910
Investment securities		559,201	619,200
Trade receivables		111,536,642	70,793,167
Deferred tax assets		12,873	49,424
		<u>275,538,407</u>	<u>232,518,917</u>
<b>Current assets</b>			
Property development costs		22,846,365	22,201,173
Inventories		12,059,834	13,362,257
Trade and other receivables		106,929,868	113,590,267
Tax recoverable		4,402,608	3,647,979
Cash & bank balances		71,968,575	85,805,874
		<u>218,207,250</u>	<u>238,607,550</u>
<b>TOTAL ASSETS</b>		<u>493,745,657</u>	<u>471,126,467</u>
<b>EQUITY AND LIABILITIES</b>			
Share capital		72,815,856	72,815,856
Other reserves		17,062,137	17,072,415
Retained profits		134,136,614	125,754,139
		<u>224,014,607</u>	<u>215,642,410</u>
<b>Minority interest</b>		<u>8,091,065</u>	<u>8,082,210</u>
<b>Total equity</b>		<u>232,105,672</u>	<u>223,724,620</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 Financial Position (cont')

As at 30 September 2011- unaudited

	Note	30.9.2011 RM	31.12.2010 RM
<b>Non-current liabilities</b>			
Loans and borrowings	24	111,700,102	121,816,038
Deferred tax liabilities		3,627,620	3,561,947
		<u>115,327,722</u>	<u>125,377,985</u>
<b>Current liabilities</b>			
Loans and borrowings	24	38,766,933	22,658,986
Trade and other payables		106,902,966	98,998,960
Income tax payable		619,087	344,873
Dividend payable		23,277	21,043
		<u>146,312,263</u>	<u>122,023,862</u>
<b>Total liabilities</b>		<u>261,639,985</u>	<u>247,401,847</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>493,745,657</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 Nine-Month Ended 30 September 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	8,092	205,757
Dividend paid	-	-	-	(3,475)	(3,475)	-	(3,475)
Total comprehensive income	-	-	-	7,233	7,233	(5)	7,228
<b>At 30 September 2010</b>	<b>66,196</b>	<b>15,892</b>	<b>10</b>	<b>119,325</b>	<b>201,423</b>	<b>8,087</b>	<b>209,510</b>
At 1 January 2011 :	72,816	17,062	10	125,754	215,642	8,082	223,724
Reserves written off	-	-	(10)	-	(10)	-	(10)
Dividend paid	-	-	-	(3,823)	(3,823)	-	(3,823)
Total comprehensive income	-	-	-	12,205	12,205	10	12,215
<b>At 30 September 2011</b>	<b>72,816</b>	<b>17,062</b>	<b>-</b>	<b>134,136</b>	<b>224,014</b>	<b>8,092</b>	<b>232,106</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 Nine-Month Ended 30 September 2011 - unaudited

	9 months ended	
	30.9.2011 RM	30.9.2010 RM
Net cash generated from / (used in) operating activities	(17,138,669)	(4,973,535)
Net cash generated from investing activities	1,299,206	3,820,279
Net cash generated from / (used in) financing activities	4,050,191	(11,152,530)
<b>NET INCREASE/(DECREASE) IN CASH &amp; CASH EQUIVALENTS</b>	<b>(11,789,272)</b>	<b>(12,305,786)</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>69,102,225</b>	<b>56,293,707</b>
*Cash & cash equivalents at end of the financial period comprise the following:		
	<b>As at 30.9.2011</b>	<b>As at 30.9.2010</b>
Cash & bank balances	71,968,575	59,337,243
Bank overdraft (included within short term borrowing in Note 24)	(132,916)	(110,102)
	71,835,659	59,227,141
Less: Deposits pledged	(2,733,434)	(2,933,434)
	<b>69,102,225</b>	<b>56,293,707</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.

**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE  
QUARTER AND YEAR TO DATE ENDED 30<sup>th</sup> SEPTEMBER 2011**

**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 with 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 for this interim financial statements are consistent with those of the audited financial statements for the year ended 31 December 2010 except for the adoption of the relevant new Financial Reporting Standards (FRSs) amendments to FRSs and IC Interpretations that are effective for annual periods beginning on or after 1 January 2011 and 1 July 2011 respectively.

The adoption of the new FRSs, amendments to FRSs and IC Interpretations does not have any material impact on the financial position and results of the Group.

### **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 of amounts previously reported that have had a material effect in the current quarter.

### **6. Seasonal 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**

The final dividend of 7% less 25% tax for the financial year ended 31 December 2010 amounting to RM3,822,832 as approved during Annual General Meeting on 8 June 2011 was paid on 20 July 2011.

### **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 September 2011</b>							
<b>Revenue</b>							
External Sales	33,443,791	38,646,323	61,321,356	4,080,154	-	5,021,610	142,513,234
Inter-segment sales	683,528	4,910,888	110,241	135,103	948	(5,840,708)	-
<b>Total revenue</b>	<b>34,127,319</b>	<b>43,557,211</b>	<b>61,431,597</b>	<b>4,215,257</b>	<b>948</b>	<b>(819,098)</b>	<b>142,513,234</b>
<b>Results</b>							
Segment result	4,943,962	7,400,641	7,281,815	(116,317)	(214,516)	2,244,291	21,539,876
Unallocated corporate expenses							(374,977)
Profit from operations							21,164,899
Finance costs							(4,463,718)
Income tax expense							(4,496,954)
<b>Net profit for the year</b>							<b>12,204,227</b>

## **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**

The valuations of property, plant and equipment were brought forward without amendment from the previous audited financial statements.

## **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 September 2011 are as follows:

	<u>RM</u>
Approved and contracted for	2,685,831
Approved but not contracted for	<u>3,968,022</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 are no material events subsequent to the financial period ended 30 September 2011 up to the date of this report.

## 15. Significant Related Party Transactions

	<b>9 months ended 30.09.2011 RM</b>
Tributes charges by the holding corporation	104,197
Estate agency fee charges by a related company, Kumpulan Ladang-Ladang Perbadanan Kedah Sdn. Bhd.	153,712
Sales to related party	561,516
Progress billings charged to holding corporation	-
	<b>819,425</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 third quarter ended 30 September 2011, the Group recorded revenue of RM70.3 million. The revenue is higher by RM33.3 million or 90% compared to RM37 million achieved in the same corresponding period of last year. Similarly, the Group's profit before tax of RM 8.3 million is significantly higher compared to the RM 2.7 million posted in the same corresponding period of last year.

All core activities of the Group performed better contributing higher revenue and profit margins.

### 17. Variation of Results Against Preceding Quarter

	<b>Current quarter ended 30 September 2011 RM</b>	<b>Preceding quarter ended 30 June 2011 RM</b>
Revenue	<b>70,360,030</b>	37,583,003
Profit Before Taxation	<b>8,255,113</b>	4,186,316

In comparison with the preceding quarter ended 30 June 2011, the Group registered higher revenue of RM70.3 million as compared to RM37.6 million registered in the preceding quarter. Similarly, the Group profit before tax of RM8.2 million is significantly higher compared to RM4.2 million posted in the preceding quarter.

The favorable result was mainly due to higher progress billings from on-going construction projects and increase in the take-up rate of properties launched.

## 18. Current Year Prospects

For the next three months, the Group expects to continue to focus on its existing core businesses. The construction and quarry / road construction divisions will concentrate on completing all on-going projects as scheduled. The Property Division will focus on clearing stocks in the various schemes launched during the year.

Barring unforeseen circumstances, the Group expects the financial results for 2011 to be comparable to the previous year.

## 19. Variance from Profit Forecast or Profit Guarantee

Not applicable for the financial period ended 30 September 2011.

## 20. Income Tax Expense

	9 months ended 30 September 2011 RM	9 months ended 30 September 2010 RM
Malaysian income tax	4,496,954	2,910,557

The Group's effective tax rate for the current period was 27%. The effective tax rate was higher than the statutory tax rate primarily due to certain expenses not being deductible for tax purposes.



## 21. Quoted Securities

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

## 22. Unquoted Investment and Properties

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

## 23. Status of Corporate Proposals

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

## 24. Group borrowings and Debt Securities

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

	Short-term RM	Long-term RM
Term loans	38,333,332	111,200,110
Bank Overdraft	132,916	-
Hire Purchase	300,685	499,992
<b>TOTAL</b>	<b>38,766,933</b>	<b>111,700,102</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 September 2011.

## 28. Earnings Per Share

### a. Basic earnings per share

	3 months ended 30.9.2011 RM	9 months ended 30.9.2011 RM
Profit attributable to owners of the Parent	5,842,233	12,205,307
Weighted average number of ordinary shares in issue	72,815,856	72,815,856
Basic earnings per share (sen)	8.02	16.76

### b. Diluted earnings per share

Not applicable.

## 29. Disclosure of Realised and Unrealised Retained Earnings

	As at 30 September 2011 RM'000	As at 31 December 2010 RM'000
Total retained earnings of the Company and subsidiaries:		
-Realised	130,964	122,808
-Unrealised	3,173	2,946
Total retained earnings	134,137	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 23<sup>rd</sup> October 2011.