

FAJARBARU BUILDER GROUP BHD (281645-U)

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT

For the 4th Quarter Ended 30 June 2011

	Individual Quarter		Cumulative Quarter	
	CURRENT YEAR QUARTER 30/06/2011	PRECEDING YEAR CORRESPONDING QUARTER 30/06/2010	CURRENT YEAR TO DATE 30/06/2011	PRECEDING YEAR CORRESPONDING PERIOD 30/06/2010
	RM'000	RM'000	RM'000	RM'000
Revenue	55,034	44,670	181,047	165,944
Cost of Sales	(49,348)	(32,273)	(154,740)	(129,447)
Gross Profit	5,686	12,397	26,307	36,497
Other Income	240	2,709	470	2,709
Interest Income	639	638	2,856	2,191
Operating Expenses	(3,494)	(2,009)	(10,805)	(8,287)
Finance Costs	(116)	-	(116)	(63)
Profit Before Tax	2,955	13,735	18,712	33,047
Tax Expenses	(893)	(3,338)	(5,008)	(8,427)
Profit for the period	2,062	10,397	13,704	24,620
Profit attributable to :				
Equity holders of the parent	2,062	10,463	13,604	24,687
Minority interests	-	(66)	100	(67)
	2,062	10,397	13,704	24,620
Weighted average no of shares ('000)	169,099	156,598	166,019	152,536
Nominal value of share (RM)	0.50	0.50	0.50	0.50
Earnings per share attributable to equity holders of the parent (sen)				
- Basic	1.22	6.68	8.19	16.18
- Diluted	1.04	5.55	6.98	13.37

(The unaudited Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Statement for the year 30 June 2010 and the accompanying explanatory notes attached to the interim financial statements)

FAJARBARU BUILDER GROUP BHD (281645-U)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the 4th Quarter Ended 30 June 2011

	Individual Quarter		Cumulative Quarter	
	CURRENT YEAR QUARTER 30/06/2011	PRECEDING YEAR CORRESPONDING QUARTER 30/06/2010	CURRENT YEAR TO DATE 30/06/2011	PRECEDING YEAR CORRESPONDING PERIOD 30/06/2010
	RM'000	RM'000	RM'000	RM'000
Profit for the period	2,062	10,397	13,704	24,620
Other comprehensive income	-	-	-	-
Total Comprehensive income:	2,062	10,397	13,704	24,620
Total comprehensive income attributable to				
Equity holders of the parent	2,062	10,463	13,604	24,687
Minority interests	-	(66)	100	(67)
	2,062	10,397	13,704	24,620
Weighted average no of shares ('000)	169,099	156,598	166,019	152,536
Nominal value of share (RM)	0.50	0.50	0.50	0.50
Earnings per share attributable to equity holders of the parent (sen)				
- Basic	1.22	6.68	8.19	16.18
- Diluted	1.04	5.55	6.98	13.37

(The unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Statement for the year 30 June 2010 and the accompanying explanatory notes attached to the interim financial statements)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2011

	AS AT END OF CURRENT QUARTER 6/30/2011 RM'000	AS AT FINANCIAL YEAR ENDED 6/30/2010 RM'000
ASSETS		
Non-current assets		
Property, Plant & Equipment	9,960	5,784
Investment properties	1,336	1,206
Land held for property development	58,188	45,262
Intangible Assets	208	208
Trade Receivables	4,837	6,415
	74,529	58,875
Current Assets		
Trade receivables	46,566	15,312
Other receivables	3,529	7,377
Tax recoverable	151	81
Cash and bank balances	94,883	124,535
	145,129	147,305
TOTAL ASSETS	219,658	206,180
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share Capital	86,346	83,105
Share Premium	3,314	10,280
Treasury Shares	(5,894)	(10,396)
Warrant Reserves	1,251	-
Other Reserves	(140)	-
ESOS Reserves	240	113
Retained profits	58,479	50,802
	143,596	133,904
Minority Interest	-	16,397
Total equity	143,596	150,301
Non-current liabilities		
Trade Payables	4,743	-
Deferred tax liabilities	8,085	7,656
	12,828	7,656
Current Liabilities		
Trade Payables	59,977	40,488
Other Payables	2,769	3,549
Taxation	488	4,186
	63,234	48,223
Total Liabilities	76,062	55,879
TOTAL EQUITY AND LIABILITIES	219,658	206,180
Net assets per share attributable to ordinary equity holders of the parent (RM)	0.8583	0.8551
No of Shares issued	167,298,528	156,600,705
Nominal value of each share (RM)	0.50	0.50

(The unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Statements for the year ended 30 June 2010 and the accompanying explanatory notes attached to the interim financial statements)

FAJARBARU BUILDER GROUP BHD (281645-U)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE 4TH QUARTER ENDED 30 JUNE 2011

	END OF CURRENT QUARTER 6/30/2011	END OF PRECEDING QUARTER 6/30/2010
	RM'000	RM'000
<u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
Profit before tax	18,712	33,047
Adjustments for:		
Additions of investment properties	(134)	-
Provision for bonus	-	905
Depreciation	801	801
Write off of property, plant and equipment	5	-
Impairment loss on Land held for development	612	-
Interest income	(2,856)	(2,191)
Waiver of debts from payables	(220)	-
Unwinding of trade receivables discounting	(240)	-
Unwinding of trade payables discounting	81	-
Allowance for doubtful debts	-	72
(Gain)/Loss on disposal of property, plant and equipment	(10)	(2)
Grant of equity-settled share options to employees	321	137
Operating profit/(loss) before changes in working capital	<u>17,072</u>	<u>32,769</u>
Change in working capital		
(Increase)/Decrease in receivables	(27,186)	6,049
Increase/(Decrease) in payables	25,030	(5,153)
Cash generated from/(used in) operations	<u>14,916</u>	<u>33,665</u>
Taxes paid	(8,346)	(6,099)
Net cash flow generated from/(used in) operating activities	<u>6,570</u>	<u>27,566</u>
<u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
Profit Guarantee received	5,000	2,795
Interest received	2,856	2,191
Construction expenditure on property, plant and equipment	(4,669)	-
Purchase of property, plant and equipment	(307)	(1,495)
Proceeds from disposal of property, plant and equipment	10	4
Acquisition of minority interest	(16,048)	-
Net cash outflow on acquisition of a subsidiary	(13,533)	-
Net cash generated from investing activities	<u>(26,691)</u>	<u>3,495</u>
<u>CASH FLOW FROM FINANCING ACTIVITIES</u>		
Proceed from issuance of ordinary shares	1,754	23,039
Proceeds from exercise of employee share options	3,071	240
Acquisition of treasury shares	(4,176)	(9,770)
Payment of Dividend	(10,180)	(8,789)
Net cash used in financing activities	<u>(9,531)</u>	<u>4,720</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	<u>(29,652)</u>	<u>35,781</u>
CASH AND CASH EQUIVALENTS AT 1 JULY 2010	<u>124,535</u>	<u>88,754</u>
CASH AND CASH EQUIVALENTS AT 30 JUNE 2011	<u>94,883</u>	<u>124,535</u>
<u>CASH AND CASH EQUIVALENTS COMPRISE:</u>		
Cash on hand and at banks	33,643	55,618
Deposits with licensed banks	61,240	68,917
	<u>94,883</u>	<u>124,535</u>

(The unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Statements for the year ended 30 June 2010 and the accompanying explanatory notes attached to the interim financial statements)

FAJARBARU BUILDER GROUP BHD (281645-U)

**Unaudited Condensed Consolidated Statement of Changes in Equity
For the 4th quarter ended 30 June 2011**

	Atributable to equitable holders of the Company							Minority Interest (RM'000)	Total Equity (RM'000)
	Share Capital (RM'000)	Treasury Shares (RM'000)	Non-distributable Share Premium (RM'000)	Other reserve (RM'000)	Warrant reserve (RM'000)	Employee share option reserve (RM'000)	Distributable Retained profit (RM'000)		
Balance as at 1 July 2010	83,105	(10,396)	10,280	(1,426)	1,426	113	50,802	133,904	150,301
Effects of adopting FRSI 39	-	-	-	-	-	-	(816)	(816)	(816)
At 1 July 2010, as restated	83,105	(10,396)	10,280	(1,426)	1,426	113	49,986	133,088	149,485
Income and expense items recognised directly in equity:									
- profit guarantee	-	-	-	-	-	-	5,000	5,000	5,000
Total comprehensive income	-	-	-	-	-	-	13,604	13,604	13,704
Dividends	-	-	-	-	-	-	(10,179)	(10,179)	(10,179)
Share dividend	-	8,677	(8,677)	-	-	-	-	-	-
Treasury shares purchased	-	(4,175)	-	-	-	-	(4,175)	(4,175)	(4,175)
Issue of ordinary shares:									
- pursuant to warrant exercised	1,755	-	-	175	(175)	-	-	1,755	1,755
- pursuant to ESOS exercised	1,486	-	1,711	-	-	(126)	-	3,071	3,071
Acquisition of Minority interest	-	-	-	449	-	-	-	449	449
Discount on acquisition of minority interests	-	-	-	662	-	-	-	662	662
Waiver of debts due to minority interest	-	-	-	-	-	-	-	-	-
Share based payments:									
- grant of ESOS	-	-	-	-	-	321	-	321	321
- ESOS lapsed	-	-	-	-	-	(68)	68	-	-
At 30 June 2011	86,346	(5,894)	3,314	(1,400)	1,251	240	58,479	143,596	143,593
At 1 July 2009	68,698	(5,738)	6,512	(2,150)	2,150	-	32,094	101,566	118,030
Income and expense items recognised directly in equity:									
- share transaction costs	-	-	(131)	-	-	-	-	(131)	(131)
- profit guarantee	-	-	-	-	-	-	2,794	2,794	2,794
Total comprehensive income	-	-	-	-	-	-	24,687	24,687	24,620
Transactions with owners									
Dividends	-	-	-	-	-	-	(8,789)	(8,789)	(8,789)
Share dividends	-	5,112	(5,112)	-	-	-	-	-	-
Treasury shares purchased	-	(9,770)	-	-	-	-	-	(9,770)	(9,770)
Issue of ordinary shares:									
- pursuant to warrant exercised	7,237	-	-	724	(724)	-	-	7,237	7,237
- pursuant to private placement	7,050	-	8,883	-	-	-	-	15,933	15,933
- Pursuant to Esos exercised	120	-	128	-	-	(8)	-	240	240
Share based payments:									
- grant of ESOS	-	-	-	-	-	137	-	137	137
- ESOS lapsed	-	-	-	-	-	(16)	16	-	-
Balance as at 30 June 2010	83,105	(10,396)	10,280	(1,426)	1,426	113	50,802	133,904	150,301

(The unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Statement for the year ended 30 June 2010 and the accompanying explanatory notes attached to the interim financial statements)

FAJARBARU BUILDER GROUP BHD (281645-U)

Notes to the Interim Financial Report

A1 Basis of preparation

The interim financial statements are unaudited and have been prepared in accordance with the requirements of Financial Reporting Standard (“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 of the Group for the year ended 30 June 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 year ended 30 June 2010

A2 Changes in Accounting Policies

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the audited financial statements for the financial year ended 30 June 2010, except for the adoption of the following new Financial Reporting Standards (FRSs), Amendments to FRSs and IC Interpretations with effect from 1 July 2010.

On 1 July 2010, the Group adopted the following FRSs. unless otherwise described below, the Standards and Interpretations are expected to have no significant impact on the financial position and results of the Group.

FRSs, Amendment to FRSs and Interpretations

FRS 8	Operating Segments
FRS 4	Insurance Contracts
FRS 7	Financial Instruments: Disclosures
FRS 101	Presentation of Financial Statements (revised)
FRS 123	Borrowing Costs
FRS 139	Financial Instruments: Recognition and Measurement
FRS 1	First-time Adoption of Financial Reporting Standards
FRS 3	Business Combination (revised)
FRS 127	Consolidated and Separate Financial Statements (amended)

Amendments to FRS 1: First-time Adoption of Financial Reporting Standards and Consolidated and FRS 127: Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, jointly Controlled Entity or Associate

Amendments to FRS 2: Share-based Payment – Vesting Conditions and Cancellations

Amendments to FRS 132: Financial Instruments: Presentation

Amendments to FRS 132: Classification of Rights Issues

Amendments to FRS 139: Financial Instruments: Recognition and Measurement, FRS 7 Financial Instruments: Disclosures and IC Interpretation 9: Reassessment of Embedded Derivatives

Amendments to FRSs Amendments to FRSs ‘Improvements to FRSs (2009)’

Amendments to FRS 5: Non-current Assets Held for Sale and Discontinued Operations

Amendments to FRS 138: Intangible Assets
Amendments to IC Interpretation 9: Reassessment of Embedded Derivatives
IC Interpretation 9: Reassessment of Embedded Derivatives
IC Interpretation 10: Interim Financial Reporting and Impairment
IC Interpretation 11: FRS 2 – Group and Treasury Share Transactions
IC Interpretation 13: Customer Loyalty Programmes
IC Interpretation 14: FRS 119 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TR i – 3: Presentation of Financial Statements of Islamic Financial Institutions
IC Interpretation 12: Service Concession Arrangements
IC Interpretation 15: Agreements for the Construction of Real Estate
IC Interpretation 16: Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17: Distribution of Non-cash Assets to Owners

FRS 8: Operating Segment

FRS 8 replaces FRS 114²⁰⁰⁴ Segment Reporting and requires a ‘management approach’, under which segment information is presented on a similar basis to that used for internal reporting purposes. As a result, the Group's external segmental reporting will be based on the internal reporting to the "chief operating decision maker", who makes decisions on the allocation of resources and assesses the performance of the reportable segments. As this is a disclosure standard, there will be no impact on the financial position or results of the Group.

FRS 101: Presentation of Financial Statements (revised)

The revised FRS 101 separates owner and non-owner changes in equity. Therefore, the consolidated statement of changes in equity will include only details of transactions with owners. All non-owner changes in equity are presented as a single line labelled as total comprehensive income. The Standard also introduces the statement of comprehensive income presenting all items of income and expense recognised in the income statement, together with all other items of recognised income and expense, either in one single statement, or in two linked statements. In addition, a statement of financial position is required at the beginning of the earliest comparative period following a change in accounting policy, the correction of an error or the reclassification of items in the financial statements. The Group has elected to present in two linked statements. This revised FRS does not have any impact on the financial position and results of the Group

FRS 139: Financial Instruments: Recognition and Measurement, FRS 7: Financial Instruments: Disclosures and Amendments to FRS 139: Financial Instruments: Recognition and Measurement, FRS 7: Financial Instruments: Disclosures

FRS 139 sets out the new requirements for the recognition and measurement of the Group's financial instruments. Financial instruments are recorded initially at fair value. Subsequent measurement of the financial instruments in the statement of financial position reflects the designation of the financial instruments. The Group determines the classification at initial recognition and for the purpose of the first adoption of the standard, as at transitional date on 1 July 2010.

FRS 7 requires new disclosures in relation to financial instruments. The Standard is considered to result in increased disclosures, both quantitative and qualitative of the Group's exposure to risks, enhanced disclosure regarding components of the Group's financial position and performance, and possible changes to the way of presenting certain items in the financial statements.

(i) Financial Assets

Financial assets are classified as financial assets at fair value through profit or loss, loans and receivables, Held-to maturity investments, Available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

The Group's financial assets include cash and bank balances, loans and receivables, and financial assets at fair value through profit or loss.

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

Financial assets at fair value through profit or loss comprise financial assets that are held for trading, including derivatives (except for a derivative that is a designated and effective hedging instrument) and financial assets that are specifically designated into this category upon initial recognition. Financial assets held for trading are derivatives (including separated embedded derivatives) or financial assets acquired principally for the purpose of selling in the near term.

Derivatives that are linked to and must be settled by delivery of unquoted equity instruments whose fair values cannot be reliably measured are measured at cost.

Financial assets at fair value through profit or loss are carried in the balance sheet at fair value with gains or losses recognized in the income statement.

(b) Loans and receivables

Prior to financial periods beginning on or after 1 July 2010, loans and receivables were initially stated at gross receivables less allowance for doubtful debts. Under FRS 139, loans and receivables are initially measured at fair value and subsequently at amortised cost using the effective interest method. Gains and losses arising from the derecognition of the loans and receivables, amortisation under the effective interest method and impairment losses are recognised in the income statement.

(ii) Financial Liabilities

Financial liabilities are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

The Group's financial liabilities include trade and other payables.

(a) Trade and other payables

Trade and other payables are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest method.

Impact on opening balance

In accordance with the transitional provisions of FRS 139, the above changes are applied prospectively and the comparatives as at 30 June 2010 are not restated. Instead, the changes have been accounted for by restating the following opening balances in the consolidated statement of financial position as at 1 July 2010.

	As at 30.06.10 RM'000	Reclassification RM'000	Effect of FRS 139 RM'000	As at 01.07.10 RM'000
Consolidated statement of financial position				
Assets				
Receivable (Non-Current)	6,415	-	(1,598)	4,817
Other Investments	208	(208)	-	-
Intangible Assets	-	208	-	208
Liabilities				
Trade Payables (Current)	40,489	(7,786)	-	32,703
Trade Payables (Non-Current)	-	7,786	(782)	7,004
Equity				
Retained Profits	50,799	-	(816)	49,983

Amendments to FRSs 'Improvements to FRSs (2009)' - FRS 140: Investment property

FRS 140 Investment Property: Property under construction or development for future use as an investment property is classified as investment property. Where the fair value model is applied, such property is measured at fair value. If fair value cannot be reliably determined, the Investment under construction will be measured at cost until such time as fair value can be determined or construction is complete. The Group has previously accounted for such assets using the cost model. The amendment also includes changes in terminology in the Standard to be consistent with FRS 108. The change will be applied prospectively.

A3 Annual report

The auditors' report on the financial statements for the year ended 30 June 2010 was not qualified.

A4 Seasonal or cyclical factors

The operations of the Group are not subject to seasonality / cyclicity of operations.

A5 Unusual items

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

A6 Changes in estimates

Not applicable.

A7 Debt and equity securities

There were no other issuance, cancellation, repurchase, resale and repayment of debts and equity securities during the quarter under review other than the exercise of Employees' Share Option Scheme ("ESOS") of 30,000 shares. As at 30 June 2011, a total of 23,294,750 new ordinary shares of RM0.50 each have been issued, upon the exercise of 20,082,750 warrants and ESOS of 3,212,000 shares.

The details of shares held as treasury shares for the period ended 30 June 2011 are as follows:

	Number of Treasury shares	Total Considerations RM
Balance as at 31 March 2011	3,001,447	3,267,529
Repurchased during the quarter	2,391,100	2,626,949
Balance as at 30 June 2011	5,392,547	5,894,478

The shares purchased are being held as treasury shares in accordance with Section 67A of the Companies Act, 1965.

A8 Dividend paid

A Share Dividend of One (1) Treasury Share for every twenty (20) existing ordinary shares of RM0.50 each held for the current financial year ending 30 June 2011 was distributed on 28 September 2010. A total of 8,021,023 Treasury Shares were distributed with the original purchased cost of RM8,676,997.43, which has been deducted from the Share Premium account.

An interim single tier dividend of 12% (6.0 sen per share) on 168,659,628 ordinary shares of RM0.50 each amounting to RM10,179,577.68 for the current financial year ending 30 June 2011 was paid on 18 March 2011.

A9 Carrying amount of revalued assets

The valuation of property, plant and equipment has been brought forward without amendment from the financial statement for the year ended 30 June 2010.

A10 Segment reporting

The analysis of results and assets employed by activity is shown below:

	<u>Revenue</u> (RM'000)	<u>Profit Before Tax</u> (RM'000)
Construction	181,047	20,111
Investment holding	-	(1,518)
Property development	-	119
	<u>181,047</u>	<u>18,712</u>

No segmental information is provided on a geographical basis as the Group's activities are conducted wholly in Malaysia.

A11 Events subsequent to the balance sheet date

There were no material events subsequent to the end of the period under review that have not been reflected in the quarterly financial statements except as stated under Note B9.

A12 Changes in composition of the Group

Potential Region Sdn Bhd became a wholly owned subsidiary of the Group with effect from 1 November 2010.

Temasek Perkasa Sdn Bhd and Renowaja Sdn Bhd were the acquired wholly owned subsidiary companies of the Group with effect from 12 November 2010.

Details on acquisition of these companies were disclosed under Note B9 of this report.

A13 Capital commitments

There were no capital commitments for the purchase of property, plant and equipment in the interim financial statement as at 30 June 2011.

A14 Changes in contingent liabilities or contingent assets

There were no changes in the contingent liabilities or assets of the Group since the last annual balance sheet to the date of this announcement.

Additional information required by the Listing Requirements of Bursa Malaysia Securities Berhad

B1 Review of performance

	Current Quarter ended 30/06/11 (RM'000)	Preceding Year Quarter ended 30/06/10 (RM'000)
Revenue	55,034	44,670
Consolidated Profit before tax	2,955	13,735
Consolidated Profit after tax	2,062	10,397

The Group recorded higher revenue of RM55.034 million for the quarter under review compared to RM44.670 million the preceding year corresponding quarter.

In the opinion of the Directors, the results for the financial period under review have not been affected by any transaction or event of a material or unusual nature except item mentioned under B2 below.

B2 Variation of result against preceding quarter

	Current Quarter ended 30/06/11 (RM'000)	Preceding Quarter ended 31/03/11 (RM'000)
Revenue	55,034	39,820
Consolidated Profit before tax	2,955	2,945
Consolidated Profit after tax	2,062	2,098

The Group registered a profit before tax of RM2.955 million for the current quarter as compared to the preceding quarter profit before tax of RM2.945 million. The profit recorded in the current quarter was contributed from construction activities and an impairment loss on land for development of RM 0.6 million was provided.

B3 Current year prospects

The Group has submitted several tenders and the Directors are confident that the Group would be able to secure some contracts.

B4 Profit forecast

Not applicable.

B5 Profit guarantee

In the Proposed Settlement, Mr. Koh Se Lian @ Koh Kim Seong's profit guarantee for the total amount of RM19,103,951.72 is to pay to the Company, RM14,904,720.05 by installments and the balance of RM4,199,249.07 is to be paid subject to conditions stipulated in the Proposed Settlement.

As announced on 22 June 2010, the Board has accepted the Defendant's settlement proposal to settle the balance of six (6) quarterly installments for the total amount of Ringgit Malaysia Five Million Five Hundred Eighty Nine Thousand Two Hundred Sixty Nine and Cents Sixty Five (RM5,589,269.65) by an early settlement of Ringgit Malaysia Five Million (RM5,000,000.00) to be paid in three (3) installments within four (4) months.

As at 18 August 2010, all 3 installments totaling RM5,000,000 was fully settled and the accumulated installment payments received from Mr. Koh Se Lian @ Koh Kim Seong amounted to RM 14,315,450.40. The aforesaid Proposed Settlement is duly completed.

The Official Receiver from the Jabatan Insolvensi, Wilayah Persekutuan has been appointed as liquidator for Cashrep Holdings Sdn. Bhd. and Cita Jati Sdn. Bhd., being the two other promoters of the group liable for the profit guarantee.

B6 Income tax

Income tax includes:

	Individual Quarter		Cumulative Quarter	
	3 months Ended 30.06.2011 RM'000	3 months Ended 30.06.2010 RM' 000	12 months Ended 30.06.2011 RM'000	12 months Ended 30.06.2010 RM'000
Current period's provision	956	3,333	5,071	8,422
Under/(Over) provision in prior years	(493)	5	(493)	5
	463	3,338	4,578	8,427
Deferred taxation	430	-	430	-
	893	3,338	5,008	8,427

The taxation charged on the Group's profit is disproportionate with the statutory tax rate mainly due to depreciation and interest not allowable for taxation purposes.

B7 Unquoted investments and properties

There were no transactions on sale of investment and / or properties.

B8 Quoted securities

There were no transactions on quoted securities for the financial period under review.

B9 Status of corporate proposals announced

There were no other corporate proposals announced during the financial period to date other than the following:

- 1) **Investment in Temasek Perkasa Sdn Bhd**
On 31 May 2010, FBGB announced that the Company had on 27 May 2010 entered into a Sale Shares Agreement ("the Agreement") with Ahmad Bin Patong, Abdulla Hamid Bin Manap and Rahadian Mahmud Bin Mohammad Khalil ("the Vendors) to acquire 100,000 ordinary shares of RM1.00 each representing 100% of the issued and paid-up capital of Temasek Perkasa Sdn. Bhd. ("TPSB") (Company No. 851265-T) for a total consideration of RM15,000,000.00 and subject to valuation report.

The acquisition was completed on 12 November 2010 with the final consideration of RM13,500,000.00 only based on the valuation report. With the completion of the acquisition, TPSB, and Renowaja Sdn Bhd, a wholly owned subsidiary of TPSB, is now subsidiary of the Company.

2) **Investment in Potential Region Sdn Bhd**

The Company had on 12 July 2010 entered into a Share Sale Agreement ("the Agreement") with the following parties Dato' Chua Tiong Moon, Mary Tan @ Tan Hui Ngoh, Koh Koo Kee @ Koh Ah Fook ("the Vendors) to acquire 348,255 ordinary shares of RM1.00 each representing 49.75% of the issued and paid-up capital of Potential Region Sdn. Bhd. (Company No. 229098-H) ("PRSB") for a total consideration of RM16,000,000.00. The acquisition was completed on 1 November 2010 and PRSB is a wholly owned subsidiary of the Company effectively 1 November 2010.

3) **Proposed Private Placement**

On 27 July 2011, OSK Investment Bank Berhad ("OSK"), on behalf of the Company, had announced the proposal to undertake a private placement of up to 10% of the issued and paid-up capital of the Company to investor(s) to be identified and at an issue price to be fixed later, after receipt of the approval from the relevant authorities for the Proposed Private Placement.

Barring any unforeseen circumstances and subject to all required approvals being obtained, the Proposed Private Placement is expected to be completed by the third quarter of 2011.

Subsequently on 3 August 2011, Bursa Malaysia Securities Berhad has approved the listing and quotation of up to 20,152,460 new ordinary shares of RM0.50 each to be issued pursuant to the Proposed Private Placement.

4) **Proposed Acquisition of Land by Fajarbaru Land Sdn. Bhd.**

On 5 August 2011, OSK Investment Bank Berhad ("OSK"), on behalf of the Company, had announced that Fajarbaru Land Sdn. Bhd., a wholly-owned subsidiary of the Company, had on 5 August 2011 entered into an option to purchase agreement with Perwira Bintang Resources Sdn Bhd for the proposed acquisition by FLSB of a piece of freehold land measuring 2.749 hectares (approximately 295,900 square feet) held under Title No. GM 1408, Lot No. 796, Mukim of Petaling, District of Kuala Lumpur, State of Wilayah Persekutuan Kuala Lumpur for a total cash consideration of RM39,946,500 ("Proposed Acquisition of Puchong Land").

Barring any unforeseen circumstances and subject to approval from shareholders at an extraordinary general meeting to be convened, any other relevant authorities and/or approvals, if necessary, as well as the fulfillment of all conditions precedent as set out in the Agreement, the Proposed Acquisition of Puchong Land is expected to be completed by the fourth quarter of 2011.

5) **Proposed Acquisition of Land by Wajatex Sdn. Bhd.**

On 9 August 2011, the Company had announced that Wajatex Sdn Bhd, an indirect wholly owned subsidiary of the Company, had on 9 August 2011 entered into a conditional sale and purchase agreement with Jalar Bakti Sdn Bhd for the proposed acquisition of a piece of freehold land measuring approximately 9,330.935 square meters held under Geran 5441, Lot 76, Seksyen 76, Bandar Kuala Lumpur, Daerah Kuala Lumpur, Negeri Wilayah Persekutuan for a total cash consideration of RM23,600,000 ("Proposed Acquisition of Sentul Land").

Barring any unforeseen circumstances and subject fulfillment of all conditions precedent as set out in the Agreement, the Proposed Acquisition of Sentul Land is expected to be completed by the first quarter of 2012.

B10 Borrowings

The Group does not have any borrowings during the quarter under review.

B11 Off balance sheet financial instruments

The Group does not have any financial instrument with off balance sheet risk as at 30 June 2011.

B12 Changes in material litigation

Save as disclosed below, neither the Company nor any of its subsidiary companies is engaged in any material litigation, claims or arbitration either as plaintiff or defendant as at the date of this announcement and the Directors do not have any knowledge of any proceedings pending or threatened against the Company or its subsidiary companies or of any facts likely to give rise to any proceedings which might materially affect the position or business of the Group:

- 1) Fajarbaru Builder Sdn. Bhd. (Formerly known as Syarikat Pembinaan Fajar Baru (Rembau) Sdn. Bhd.) ("FBSB") v Carrier (Malaysia) Sdn Bhd

Shah Alam High Court Suit No. MT2-22-92-2001 commenced on 20 February 2001. FBSB commenced action of claiming for reimbursement of import duty and other storage and customs clearance fees paid by FBSB amounting to RM1,051,589.40 on air conditioners supplied by Carrier (Malaysia) Sdn Bhd to FBSB. FBSB applied for summary judgment against Carrier (Malaysia) Berhad and it was dismissed by the Court on 16 September 2002. Subsequently FBSB filed an appeal against the decision of the Court. On 18 March 2005, at the appeal hearing, the Learned Judge dismissed the appeal with cost.

The hearing was completed on 1 July 2009 and the Shah Alam High Court has on 3 September 2009 dismissed FBSB's claim with costs.

FBSB on 1 October 2009 filed a Notice of Appeal against the Shah Alam High Court's decision and on 25 March 2010, filed and served the record of appeal in the Court of Appeal at Putrajaya.

The matter was subsequently settled with payment of RM50,000.00 to Carrier (Malaysia) Sdn Bhd as agreed costs in lieu of taxation and FBSB had withdrawn its appeal at the Court of Appeal on 28 February 2011.

- 2) Yap Thiam Choy v FBSB (Suit No. 52-648-98) was instituted against FBSB at the Temerloh Sessions Court on 24th August 1998 and subsequently the case was transferred to the Shah Alam Sessions Court on 16 July 2001 under Suit No : 2-52-1851-2001.

The plaintiff, Yap Thiam Choy filed a suit against FBSB for the amount of RM228,454.77 plus interest and costs in respect of floor concreting works done by the plaintiff. FBSB is counterclaiming interalia for the amount of RM42,337.10 (special damages) and Liquidated and Ascertained Damages to the amount of RM2,146,383.00. In view of FBSB's counterclaim which is more than RM250,000.00 and pursuant to FBSB's application to the Shah Alam High Court in Originating Summons 24-1801-2006, the Shah Alam High Court had on 15 January 2007 ordered that the Shah Alam Sessions Court Suit No.2-52-1851-2001 be transferred to the Shah Alam High Court. Suit No.22-1279-2009 and the plaintiff had passed away on 15 October 2009. The Plaintiff's solicitors has filed an application to discharge themselves as solicitors for the Plaintiff which is now fixed for mention on 22 September 2011.

FBSB's solicitors are of the opinion that FBSB has a probable chance of succeeding in its Defence.

B13 Dividend

An interim single tier dividend of 12% (6.0 sen per share) on 168,659,628 ordinary shares of RM0.50 each amounting to RM10,179,577.68 for the current financial year ending 30 June 2011 was declared on 27 January 2011 and paid on 18 March 2011.

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

B14 Earnings per share

The **basic earnings per share** is calculated by dividing the net profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issued at the end of the period.

The **diluted earnings per share** is calculated by dividing the net profit attributable to equity holders of the Company for the current individual quarter and the current cumulative quarter by the adjusted weighted average number of ordinary shares in issue during the current individual quarter and the current cumulative quarter plus the weighted average number of ordinary shares which deemed to be issued on conversion of 25,016,025 remaining warrants and exercise of 3,817,500 ESOS into ordinary shares.

	Individual Quarter		Cumulative Quarter	
	3 months Ended 30.06.2011	3 months Ended 30.06.2010	12 months Ended 30.06.2011	12 months Ended 30.06.2010
	RM'000	RM' 000	RM000	RM'000
Net profit attributable to equity holders of the Company	2,062	10,463	13,604	24,687
Weighted Average Number of shares at the end of the period ('000)	169,099	156,598	166,019	152,536
Adjusted for assumed conversion of Warrants & ESOS to shares ('000)	28,833	32,049	28,833	32,049
Adjusted number of ordinary shares in issue and issuable ('000)	197,932	188,647	194,852	184,585
Nominal value of share (RM)	0.50	0.50	0.50	0.50
Basic earnings per share (sen)	1.22	6.68	8.19	16.18
Diluted earnings per share (sen)	1.04	5.55	6.98	13.37

B15 Realised and Unrealised Profits

The breakdown of accumulated profits of the Group as at the reporting date, into realised and unrealised profit, pursuant to the directive, is as follows:

	30 June 2011 RM'000
Total accumulated profit of the Company and it's subsidiaries	
- Realised	82,540
- Unrealised	(386)
	82,154
Less: Consolidation adjustments	23,678
Total group retained profit as per consolidated accounts	58,476

B16 Authorisation for issue

The Board of Directors authorised the issue of this unaudited interim financial report on 24 August 2011.

By Order of the Board
Fajarbaru Builder Group Bhd (281645-U)

Ooi Leng Chooi
Finance Director

Kuala Lumpur
24 August 2011