



**LBS BINA GROUP BERHAD**  
**(518482-H)**  
**(Incorporated in Malaysia)**

**Interim Financial Report**

**31 March 2012**

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**LBS BINA GROUP BERHAD (518482-H)**

**CONDENSED CONSOLIDATED INCOME STATEMENT (UNAUDITED)**

**- For the period ended 31 March 2012**

	Note	Individual Quarter		Cumulative Period	
		Current Year Quarter 31.03.2012 RM'000	Preceding Year Quarter 31.03.2011 RM'000	Current Year To date 31.03.2012 RM'000	Preceding Year To date 31.03.2011 RM'000
Revenue		111,569	76,461	111,569	76,461
Cost of sales		(77,416)	(41,686)	(77,416)	(41,686)
Gross profit		34,153	34,775	34,153	34,775
Interest Income		482	524	482	524
Other operating income		1,367	793	1,367	793
Operating expenses		(17,881)	(17,555)	(17,881)	(17,555)
Finance costs		(4,443)	(3,592)	(4,443)	(3,592)
Share of results of associates		(13)	(128)	(13)	(128)
Profit before taxation		13,665	14,817	13,665	14,817
Taxation	B5	(5,062)	(3,765)	(5,062)	(3,765)
Profit for the period		8,603	11,052	8,603	11,052
Attributable to: -					
Owners of the Parent		6,287	9,458	6,287	9,458
Non-controlling interests		2,316	1,594	2,316	1,594
		8,603	11,052	8,603	11,052

**Earnings per share attributable to Owners of the Parent**

-Basic (sen)	B10	1.63	2.45	1.63	2.45
-Diluted (sen)	B10	1.63	2.45	1.63	2.45

*The condensed consolidated income statement should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial report.*

**LBS BINA GROUP BERHAD (518482-H)****CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**- For the period ended 31 March 2012**

	Individual Quarter		Cumulative Period	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Quarter	To date	To date
	31.03.2012	31.03.2011	31.03.2012	31.03.2011
	RM'000	RM'000	RM'000	RM'000
Profit for the period	8,603	11,052	8,603	11,052
Other comprehensive income, net of tax:				
Foreign currency translation difference	(6,851)	(2,028)	(6,851)	(2,028)
Total comprehensive income for the period	<u>1,752</u>	<u>9,024</u>	<u>1,752</u>	<u>9,024</u>
<b>Total comprehensive income attributable to:</b>				
Owners of the Parent	827	7,634	827	7,634
Non-controlling interests	925	1,390	925	1,390
	<u>1,752</u>	<u>9,024</u>	<u>1,752</u>	<u>9,024</u>

*The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial report.*

**LBS BINA GROUP BERHAD (518482-H)**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)**

**- As at 31 March 2012**

	Note	31.03.2012 (Unaudited) RM'000	31.12.2011 (Audited) RM'000
<b><u>ASSETS</u></b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	A10	206,360	214,116
Capital work-in progress		7,785	6,745
Investment properties		5,220	5,251
Land and property development costs		486,160	484,575
Investment in associated companies		2,703	2,586
Trade and other receivables		45,076	45,791
Other investments		1,254	1,254
Goodwill arising from consolidation		118,720	120,488
		873,278	880,806
<b>Current Assets</b>			
Inventories		16,391	17,850
Land and property development costs		59,932	70,518
Accrued billings in respect of property development costs		143,537	140,391
Trade and other receivables		214,615	222,639
Tax recoverable		5,255	5,450
Fixed deposits with licensed banks		33,674	28,900
Cash held under Housing Development Accounts		21,437	37,664
Cash and bank balances		53,616	65,269
		548,457	588,681
<b>TOTAL ASSETS</b>		1,421,735	1,469,487
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Equity attributable to Owners of the Parent</b>			
Share capital		386,553	386,553
Less : Treasury shares, at cost		(565)	-
		385,988	386,553
Reserves		36,884	35,983
		422,872	422,536
<b>Non-controlling Interests</b>		84,866	84,015
<b>Total Equity</b>		507,738	506,551

*The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial report.*

**LBS BINA GROUP BERHAD (518482-H)**

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)**  
**- As at 31 March 2012**

	Note	31.03.2012 (Unaudited) RM'000	31.12.2011 (Audited) RM'000
<b>Non-Current Liabilities</b>			
Trade and other payables		92,279	92,393
Hire purchase payables	B7	2,045	2,168
Bank borrowings	B7	239,942	245,269
Other long term borrowings	B7	135,000	135,000
Deferred tax liabilities		74,626	77,770
		543,892	552,600
<b>Current Liabilities</b>			
Progress billings in respect of property development costs		27,349	18,387
Trade and other payables		217,934	254,129
Hire purchase payables	B7	834	844
Bank overdrafts	B7	39,656	39,846
Bank borrowings	B7	43,167	56,486
Tax payable		41,165	40,644
		370,105	410,336
<b>Total Liabilities</b>		913,997	962,936
<b>TOTAL EQUITY AND LIABILITIES</b>		1,421,735	1,469,487
<b>Net Assets per share attributable to Owners of the Parent (RM)</b>		1.09	1.09

*The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial report.*

**LBS BINA GROUP BERHAD (518482-H)**

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED)**

~ For the period ended 31 March 2012

	Attributable to Owners of the Parent									Non-controlling Interests RM'000	Total Equity RM'000	
	Share Capital RM'000	Treasury Shares RM'000	Share Premium RM'000	ESOS Reserve RM'000	Foreign Exchange Reserve RM'000	Revaluation Reserve RM'000	Warrant Reserve RM'000	Other Reserve RM'000	Retained Profits RM'000			Sub-total RM'000
Balance as at 1.1.2012	386,553	-	16,945	561	16,016	363	14,952	(49,453)	36,599	422,536	84,014	506,550
Total comprehensive income for the financial period	-	-	-	-	(5,460)	-	-	-	6,287	827	925	1,752
Share buy-back	-	(565)	-	-	-	-	-	-	-	(565)	-	(565)
Realisation of subsidiary's reserve	-	-	-	-	-	(26)	-	-	26	-	-	-
Dilution on investment in subsidiary	-	-	-	-	-	-	-	-	-	-	(73)	(73)
Share-based payment under ESOS	-	-	-	74	-	-	-	-	-	74	-	74
Balance as at 31.03.2012	386,553	(565)	16,945	635	10,556	337	14,952	(49,453)	42,912	422,872	84,866	507,738

	Attributable to Owners of the Parent								Non-controlling Interests RM'000	Total Equity RM'000	
	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	Retained Profits RM'000	Sub-total RM'000			
Balance as at 1.1.2011											
As previously stated	386,553	16,945	338	3,928	490	14,952	2,171	425,377	106,935	532,312	
Effect of adoption of FRS 127	-	-	-	(5,151)	-	-	17,279	12,128	(12,128)	-	
Balance as at 1.1.2011 (restated)	386,553	16,945	338	(1,223)	490	14,952	19,450	437,505	94,807	532,312	
Total comprehensive income for the financial period	-	-	-	(1,824)	-	-	9,458	7,634	1,390	9,024	
Realisation of subsidiary's reserve	-	-	-	-	(101)	-	101	-	-	-	
Acquisition of investment from non-controlling interests	-	-	-	-	-	-	-	-	(9,193)	(9,193)	
Share-based payment under ESOS	-	-	38	-	-	-	-	38	-	38	
Balance as at 31.03.2011	386,553	16,945	376	(3,047)	389	14,952	29,009	445,177	87,004	532,181	

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial report.

**LBS BINA GROUP BERHAD (518482-H)****CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)****- For the period ended 31 March 2012**

	<b>Current Period Ended 31.03.2012 RM'000</b>	<b>Preceding Period Ended 31.03.2011 RM'000</b>
<b>Operating Activities</b>		
Profit before taxation	13,665	14,817
Depreciation	3,485	3,284
Interest expense	4,443	3,592
Impairment of goodwill arising on consolidation	1,700	1,385
Bad debts written off	3,722	-
Trade and other receivables	6,077	21,781
Trade and other payables	(30,012)	47,506
Accrued / Progress billings in respect of property development costs	5,815	(57,969)
Reversal of impairment on receivables	(3,730)	-
Other operating activities	(3,019)	(18,808)
Net cash generated from operating activities	<u>2,146</u>	<u>15,588</u>
<b>Investing Activities</b>		
Additional investment in subsidiary and associated companies	(4,027)	(20,700)
Other investing activities	(1,855)	(441)
Net cash used in investing activities	<u>(5,882)</u>	<u>(21,141)</u>
<b>Financing Activities</b>		
Drawdown of bank borrowings	39,695	8,097
Repayment of bank borrowings	(57,779)	(7,734)
Proceeds from issuance of Islamic Securities	-	20,000
Other financing activities	(1,016)	(10,462)
Net cash (used in) / generated from financing activities	<u>(19,100)</u>	<u>9,901</u>
<b>Net (decrease) / increase in cash and cash equivalents</b>	<b>(22,836)</b>	<b>4,348</b>
<b>Cash and cash equivalents at the beginning of financial period</b>	<b>55,182</b>	<b>(22,926)</b>
<b>Effect of exchange rate changes</b>	<b>(878)</b>	<b>(563)</b>
<b>Cash and cash equivalents at the end of financial period</b>	<b><u>31,468</u></b>	<b><u>(19,141)</u></b>
Cash and cash equivalents comprise: -		
Deposits with licensed banks	33,674	18,230
Cash held under Housing Development Accounts	21,437	21,450
Cash and bank balances	53,616	37,007
Bank overdrafts	(39,656)	(50,552)
	<u>69,071</u>	<u>26,135</u>
Less : Fixed deposits pledged with licensed banks	(33,674)	(17,893)
Cash and bank balances pledged	(3,929)	(27,383)
	<u>31,468</u>	<u>(19,141)</u>

*The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial report.*



**NOTES TO THE INTERIM FINANCIAL REPORT (UNAUDITED)**

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**A1. Basis of preparation**

The interim financial report is unaudited and has been prepared in accordance with FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad ("Bursa Malaysia").

The interim financial report should be read in conjunction with the audited financial statements for the year ended 31 December 2011. The explanatory notes attached to the interim financial report 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 2011.

**A2. Changes in accounting policies**Basis of accounting

The financial statements of the Group have been prepared on the historical cost convention except as disclosed in the notes to the financial statements and in compliance with Financial Reporting Standards and the Companies Act, 1965 in Malaysia.

During the financial period, the Group and the Company have adopted the following new Financial Reporting Standards ("FRSs"), revised FRSs, Issues Committee ("IC") Interpretations and amendments to FRSs, issued by the Malaysian Accounting Standards Board ("MASB") that are mandatory for current financial year:-

IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments
Amendments to IC Interpretation 14	Prepayment of a Minimum Funding Requirement
FRS 124	Related Party Disclosures (revised)
Amendments to FRS 1	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters
Amendments to FRS 7	Disclosures – Transfers of Financial Assets
Amendments to FRS 112	Deferred Tax: Recovery of Underlying Assets

The Group and the Company have not early adopted the following FRSs, IC Interpretations and amendments to FRSs, which have been issued as at the date of authorisation of this 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 9 (IFRS 9 as issued by IASB in November 2009), FRS 9 (IFRS 9 as issued by IASB in October 2010) and FRS 7	Mandatory Effective Date of FRS 9 and Transition Disclosures	1 March 2012
Amendments to FRS 101	Presentation of Items of Other Comprehensive Income	1 July 2012
FRS 10	Consolidated Financial Statements	1 January 2013
FRS 11	Joint Arrangements	1 January 2013
FRS 12	Disclosure of Interests in Other Entities	1 January 2013

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### A2. Changes in accounting policies (cont'd)

		<u>Effective date for financial periods beginning on or after</u>
FRS 13	Fair Value Measurement	1 January 2013
FRS 119	Employee Benefits	1 January 2013
FRS 128	Investments in Associates and Joint Ventures	1 January 2013
IC Interpretation 20	Stripping Costs in the Production Phase of a Surface Mine	1 January 2013
Amendments to FRS 7	Disclosures - Offsetting Financial Assets and Financial Liabilities	1 January 2013
Amendments to FRS 132	Offsetting Financial Assets and Financial Liabilities	1 January 2014
FRS 9 (IFRS 9 as issued by IASB in November 2009)	Financial Instruments	1 January 2015*
FRS 9 (IFRS 9 as issued by IASB in October 2010)	Financial Instruments	1 January 2015*

\* Original effective date of 1 January 2013 deferred to 1 January 2015 via amendments issued by MASB on 1 March 2012.

The above new FRSs, revised FRSs, IC Interpretations and amendments to FRSs will be adopted in the annual financial statements of the Group and of the Company when they become effective and that the initial applications of these Standards and IC Interpretations will have no significant impact on the financial statements of the Group and of the Company, except as discussed below:

(i) FRS 124 Related Party Disclosures

The revised FRS 124 simplify the definition of a related party, clarifies its intended meaning and eliminates inconsistencies from the definition and gives partial exemption from disclosure for government-related entities. These changes affect disclosures in the financial statements and did not have any impact on the financial results of the Group and of the Company.

### A3. Auditors' report on preceding annual financial statements

The auditors' report on the financial statements for the financial year ended 31 December 2011 was not subject to any qualification.

### A4. Seasonal or cyclical factors

The operations of the Group during the quarter were not materially affected by any significant seasonal or cyclical factors.

### A5. Unusual items due to their nature, size or incidence

There were no unusual items affecting the assets, liabilities, equity, net income, or cash flows during the current quarter under review.

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### A6. Material changes in estimates

There were no significant changes in estimates of amounts reported in prior interim periods or prior year that have a material effect in the current quarter's results.

### A7. Debt and equity securities

Shares repurchased during the current financial period were as follows:-

	Number of shares	Highest price RM	Lowest price RM	Cost RM
Purchased in February 2012	250,000	0.795	0.775	198,405
Purchased in March 2012	460,000	0.815	0.770	366,912
As at 31 March 2012	<u>710,000</u>			<u>565,317</u>

Other than the above, there were no other issuances, repurchases, cancellations, resale and repayments of debts and equity securities during the current financial period.

### A8. Dividend paid

There was no dividend paid during the quarter under review.

### A9. Segmental information

3 months ended 31 March 2012

	Property Development RM'000	Construction RM'000	Golf Course & Club House RM'000	Management, Investment & Others RM'000	Elimination RM'000	Consolidated RM'000
<b>REVENUE</b>						
External revenue	103,040	3,020	5,433	76	-	111,569
Inter-segment	-	45,213	-	10,765	(55,978)	-
Total Revenue	<u>103,040</u>	<u>48,233</u>	<u>5,433</u>	<u>10,841</u>	<u>(55,978)</u>	<u>111,569</u>
<b>RESULTS</b>						
Segment results	19,247	30	(906)	(732)	-	17,639
Interest income	314	15	-	153	-	482
Finance costs	(2,447)	(33)	-	(1,963)	-	(4,443)
Share of results of associates	-	-	-	(13)	-	(13)
Profit / (loss) before taxation	<u>17,114</u>	<u>12</u>	<u>(906)</u>	<u>(2,555)</u>	<u>-</u>	<u>13,665</u>
Taxation	(5,101)	(179)	261	(43)	-	(5,062)
Profit/ (loss) for the financial year	<u>12,013</u>	<u>(167)</u>	<u>(645)</u>	<u>(2,598)</u>	<u>-</u>	<u>8,603</u>
<b>Assets</b>						
Additional to non-current assets	3,736	448	1,713	-	-	5,897
Segment assets	<u>1,084,677</u>	<u>38,631</u>	<u>126,265</u>	<u>172,162</u>	<u>-</u>	<u>1,421,735</u>
<b>Other non-cash expenses</b>						
Depreciation	675	23	2,786	1	-	3,485
Property, plant and equipment written off	-	-	3	-	-	3
Bad debts written off	3,603	-	119	-	-	3,722
Investment property written off	-	365	-	-	-	365
Impairment on goodwill in subsidiary company	1,700	-	-	-	-	1,700
Loss on unrealised foreign exchange	-	-	-	17	-	17
Share-based payment	-	-	-	74	-	74

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## A9. Segmental information (cont'd)

3 months ended 31 March 2012 (cont'd)

	Property Development RM'000	Construction RM'000	Golf Course & Club House RM'000	Management, Investment & Others RM'000	Elimination RM'000	Consolidated RM'000
<b>Other non-cash income</b>						
Gain on unrealised foreign exchange	(35)	-	(99)	-	-	(134)
Gain on disposal of property, plant and equipment	(1)	(28)	-	-	-	(29)
Reversal of Impairment on receivables	(3,730)	-	-	-	-	(3,730)
Reversal of Impairment on investment property	-	(365)	-	-	-	(365)
Waiver of debts	(97)	-	(300)	-	-	(397)

3 months ended 31 March 2011

	Property Development RM'000	Construction RM'000	Golf Course & Club House RM'000	Management, Investment & Others RM'000	Elimination RM'000	Consolidated RM'000
<b>REVENUE</b>						
External revenue	66,413	3,750	6,218	80	-	76,461
Inter-segment	-	23,516	-	7,628	(31,144)	-
Total Revenue	66,413	27,266	6,218	7,708	(31,144)	76,461

### RESULTS

Segment results	20,245	(147)	(800)	(1,285)	-	18,013
Interest income	367	-	-	157	-	524
Finance costs	(1,569)	(299)	-	(1,724)	-	(3,592)
Share of results of associates	-	-	-	(128)	-	(128)
Profit / (loss) before taxation	19,043	(446)	(800)	(2,980)	-	14,817
Taxation	(3,981)	(35)	253	(2)	-	(3,765)
Profit/ (loss) for the financial period	15,062	(481)	(547)	(2,982)	-	11,052

### Assets

Additional to non-current assets	16,936	348	735	-	-	18,019
Segment assets	1,046,134	22,681	216,698	48,275	-	1,333,788

### Other non-cash expenses

Loss on unrealised foreign exchange	-	-	-	358	-	358
Impairment on receivables	-	-	-	4	-	4
Loss on disposal of property, plant and equipment	-	-	-	7	-	7
Impairment on goodwill in subsidiary companies	1,385	-	-	-	-	1,385
Share-based payment	-	-	-	38	-	38

### Other non-cash income

Gain on disposal of investment property	-	-	-	(5)	-	(5)
Impairment of other receivables written back	(5)	-	-	-	-	(5)
Gain on unrealised foreign exchange	-	-	-	(185)	-	(185)
Waiver of advances from a related company	-	-	-	(10)	-	(10)

## A10. Valuation of property, plant and equipment

There was no fair value adjustment to the property, plant and equipment since the last annual financial statements.

## **LBS BINA GROUP BERHAD (518482-H)**

### **A11. Changes in the composition of the Group**

- (i) On 18 January 2012, Astana Modal (M) Sdn Bhd (“AMSB”), a wholly-owned subsidiary of LBS Bina Holdings Sdn Bhd (“LBS”) has increased its paid up share capital from 4,500,000 to 12,500,000 ordinary shares of RM1.00 each. LBS has subscribed all its shareholding in AMSB by way of capitalization.
- (ii) On 27 January 2012, LBS has disposed of its shareholding of 12,250 ordinary shares of RM1.00 each representing 49% equity interest in Prisma Kasturi Sdn Bhd (“PKSB”) for a total cash consideration of RM0.49 and the remaining 51% was transferred to its wholly-owned subsidiary, MITC Sdn Bhd (“MITC”). Consequently PKSB became a 51% subsidiary of MITC.
- (iii) On March 2012, Pristine Sunrise (M) Sdn Bhd (“PSSB”), a 30% associated company of LBS has increased its paid up share capital from 50,000 to 250,000 ordinary shares of RM1.00 each. LBS has subscribed for an additional of 60,000 ordinary shares of RM1.00 each in PSSB by way of cash. PSSB still remains as 30% associated company of LBS.
- (iv) On 13 March 2012, Casa Inspirasi Sdn Bhd (“CISB”), a 40% associated company of LBS has increased its paid up share capital from 100,000 to 275,000 ordinary shares of RM1.00 each. LBS has subscribed for an additional 70,000 ordinary shares of RM1.00 each in CISB by way of cash. CISB still remains as 40% associated company of LBS.

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

### **A12. Material subsequent events**

- (i) On 18 April 2012, the Company announced to Bursa Malaysia that its wholly-owned subsidiary, Intellplace Holdings Limited (“Intellplace”) has signed a Memorandum of Understanding (“MoU”) with Jiuzhou Technology Company Limited, a wholly-owned subsidiary of Jiuzhou Development Company Limited on the proposed disposal of at least 60% of Intellplace’s equity interest in Dragon Hill Corporation Limited (“Dragon Hill”).

Under the MoU, the indicative price for acquisition of the entire issued share capital in (and the related shareholder’s loans) Dragon Hill is up to HK\$1.65 billion, and the final price is subject to agreement to be made by the parties.

- (ii) On 8 May 2012, Cergas Asal (M) Sdn Bhd (“CASB”), a wholly-owned subsidiary of LBS has increased its paid up share capital from 2,500,100 to 5,000,000 ordinary shares of RM1.00 each. LBS has subscribed all its shareholding in CASB by way of capitalization.
- (iii) On 9 May 2012, LBS has acquired 200,000 ordinary shares of RM1.00 each representing 40% equity interest in Tarikan Puncak Sdn Bhd (“TPSB”), a company incorporated in Malaysia for a total cash consideration of RM200,000 only. Consequently, TPSB became an associated company of LBS.

Other than above, there were no material events subsequent to the end of the current quarter.

### **A13. Capital commitments**

There were no capital commitments as at the date of this interim financial report.

## LBS BINA GROUP BERHAD (518482-H)

### A14. Changes in contingent assets or contingent liabilities

	31.03.2012 RM'000	31.03.2011 RM'000
Bank guarantee issued for property development	<u>9,452</u>	<u>8,675</u>

There were no contingent assets as at the date of this interim financial report.

### A15. Significant related party transactions

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

<b>Related Parties</b>	<b>Amount RM'000</b>
Contractor fees	336
Sales of properties	13,540
Provision of services as advocates and solicitors	9
Rental expenses	23
Rendering of services	14
Rental income	4

These transactions have been entered into in the ordinary course of business based on normal commercial terms and arms length basis.

The nature and relationship between the Group and the related parties are as follows:-

- (i) Companies in which the brothers of a Director of the Company have financial interest;
- (ii) Persons connected to certain Directors of the Company;
- (iii) Firms in which a son of a Director of the Company and its subsidiaries is one of the partners of the firm;
- (iv) A company in which one of the Directors of the Company and its subsidiaries have financial interest;
- (v) Directors and key management personnel having authority for planning, directing and controlling the activities of the Company and their close family members; and
- (vi) Shareholder of a subsidiary company.

**B. ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS**

**B1. Review of performance**

For the three months ended 31 March 2012, the Group recorded revenue and profit before tax ("PBT") of approximately RM112 million and RM14 million respectively. These represent a 46% increase in revenue and 8% decrease in PBT over the results achieved in the corresponding period in year 2011.

The improved revenue for the current quarter is attributable to progressive recognition of revenue from its ongoing projects with good take up rates such as, *D' Island Residence and The Lake Residence* in Puchong, *Topaz III & IV, Ivory Residences II, Indigo Homes, Magenta Homes, Camelia Cottage, Pearl Villa, Royal Ivory and I Hub Puchong* in Bandar Saujana Putra ("BSP") as well as other commercial and industrial projects such as *Taman Perindustrian Tasik Perdana ("TPTP")* in Puchong and *Saujana Business Park* in BSP.

The decrease in PBT by RM1.2 million was mainly due to increase in project costs.

There was no further detailed analysis of performance for other segments as the Group's activities are mainly involved in property development and contribution from other segments is immaterial.

**B2. Material change in quarterly results compared with the immediate preceding quarter**

The Group's current quarter revenue and PBT were lower than the preceding quarter ended 31 December 2011. The decrease in PBT was mainly due to increase in project costs.

**B3. Prospects for the current financial year**

The Board is pleased to report that as at 29 May 2012, the Group has achieved sales of approximately RM413 million.

With the Group's 20 ongoing projects and unbilled sales of approximately RM715 million as at 30 April 2012, the Group is confident of achieving further improvement in its performance for the financial year ending 31 December 2012.

**B4. Profit forecast or profit guarantee**

Not applicable as the Group has not issued any profit forecast or profit guarantee to the public.

**B5. Taxation**

	Individual Quarter		Cumulative Period	
	Current year	Preceding year	Current year	Preceding year
	Quarter	Quarter	To date	To date
	31.03.2012	31.03.2011	31.03.2012	31.03.2011
	RM'000	RM'000	RM'000	RM'000
Current year's provision	7,244	4,052	7,244	4,052
Deferred taxation	(2,182)	(287)	(2,182)	(287)
<b>Total</b>	<b>5,062</b>	<b>3,765</b>	<b>5,062</b>	<b>3,765</b>

The effective tax rate of the Group for the current quarter and financial period to date is higher than the statutory tax rate of 25% mainly due to the losses of certain subsidiaries which cannot set off against taxable profits made by other subsidiaries, non-tax deductible expenses and non-recognition of deferred tax assets for certain temporary differences.

**B6. Status of corporate proposals announced but not completed**

The following are the status of corporate proposals that have been announced by the Company but not completed as at 23 May 2012, the latest practicable date which shall not be earlier than 7 days from the date of issuance of this interim financial report :-

- a) On 18 April 2012, the Company has proposed disposal of up to 100% but not less than 60% equity interest in Dragon Hill Corporation Limited ("**Dragon Hill**"), a wholly-owned subsidiary of Intellplace Holdings Limited, which in turn is a wholly-owned subsidiary of LBGB to Jiuzhou Technology Company Limited ("**JDX**"), a wholly-owned subsidiary of Jiuzhou Development Company Limited ("**JDCL**") for an indicative price of not more than HK\$1.65 billion for the sale of the entire interest in Dragon Hill and all shareholders' loans to JDX to be agreed upon (subject to the terms and conditions of a definitive agreement to be entered) and settled in the form and combination of cash, equity shares of JDCL, convertible securities and/or other means, the proportion of which shall be mutually agreed upon, which will be set out in the definitive agreement to be entered, upon satisfaction of the due diligence review undertaken by both parties and negotiation on the terms of the said transaction;
- b) On 25 April 2012, the Company has announced to seek its shareholders' approval at a General Meeting in respect of the Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue and/or Trading Nature pursuant to paragraph 10.09, Part E of Chapter 10 of the Listing Requirements and Proposed Renewal of Share Buy-Back of up to ten percent (10%) of the total issued and paid-up share capital of the Company; and
- c) On 9 May 2012, the Company has proposed to undertake the establishment of a new employees' share option scheme ("**Proposed New ESOS**") ("**New Scheme**") for the granting of options to employees of Company and its subsidiaries who fulfill the criteria for eligibility which will be stipulated in a bye-laws governing the Proposed New ESOS, to subscribe for up to fifteen percent (15%) of the issued and paid-up share capital (excluding treasury shares) of the Company at any point in time during the duration of the New Scheme, after the expiry of the existing ESOS of the Company on 15 September 2012.

On 16 May 2012, Bursa Malaysia had, vide its letter dated 16 May 2012, resolved to approve the listing of such number of additional new ordinary shares of RM1.00 each in the Company, representing up to fifteen percent (15%) of the issued and paid-up share capital of the Company, to be issued pursuant to the exercise of options under the Proposed New ESOS, subject to full compliance confirmation from Principal Advisor and quarterly updates or summary in relation to the status of Proposed New ESOS.

In addition, Company is required to ensure full compliance of all the requirements pertaining to the new ESOS as provided under the Listing Requirements at all times.



## LBS BINA GROUP BERHAD (518482-H)

### B7. Borrowings and debts securities

Total group borrowings as at 31 March 2012 were as follows: -

	<b>Secured RM'000</b>	<b>Unsecured RM'000</b>	<b>Total RM'000</b>
Hire purchase payables	834	-	834
Bank overdrafts	39,656	-	39,656
Bank borrowings	43,167	-	43,167
Short term borrowings	<u>83,657</u>	<u>-</u>	<u>83,657</u>
Hire purchase payables	2,045	-	2,045
Bank borrowings	239,942	-	239,942
Islamic commercial papers / Islamic medium term notes	<u>135,000</u>	<u>-</u>	<u>135,000</u>
Long term borrowings	<u>376,987</u>	<u>-</u>	<u>376,987</u>
	<u>460,644</u>	<u>-</u>	<u>460,644</u>

Currency exposure profiles of borrowings were as follows: -

	<b>Secured RM'000</b>	<b>Unsecured RM'000</b>	<b>Total RM'000</b>
Ringgit Malaysia	445,260	-	445,260
United States Dollar	<u>15,384</u>	<u>-</u>	<u>15,384</u>
	<u>460,644</u>	<u>-</u>	<u>460,644</u>

### B8. Changes in material litigation

There was no material litigation as at 23 May 2012, being the latest practicable date which shall not be earlier than 7 days from the date of issuance of this interim financial report.

### B9. Dividend proposed

The Board has recommended a first and final dividend of 2.5 sen per ordinary share of RM1.00 each less 25% income tax for the financial year ended 31 December 2011. The proposed dividend is subject to the shareholders' approval at the forthcoming Twelfth Annual General Meeting. The entitlement date to the final dividends shall be determined by the Board at a subsequent stage.

### B10. Earnings per share ("EPS")

#### **Basic EPS**

The calculation of the basic earnings per share is based on the profit attributable to the Owners of the Parent and divided by the weighted average number of ordinary shares in issue:-

	<b>Current period 31.03.2012 RM'000</b>	<b>Preceding period 31.03.2011 RM'000</b>
Profit attributable to Owners of the Parent	6,287	9,458
Weighted average number of ordinary shares in issue	386,553	386,553
Basic EPS (sen)	<u>1.63</u>	<u>2.45</u>

Note: Computation of diluted EPS is not applicable as there are no outstanding shares to be issued.

## LBS BINA GROUP BERHAD (518482-H)

### B11. Notes to the Statement of Comprehensive Income

	<b>Current quarter 31.03.2012</b>	<b>Current Year to date 31.03.2012</b>
	<b>RM'000</b>	<b>RM'000</b>
Depreciation	(3,485)	(3,485)
Bad debts written off	(3,722)	(3,722)
Reversal of impairment on receivables	3,730	3,730
Investment property written off	(365)	(365)
Reversal of impairment on investment property	365	365
Impairment of goodwill arising on consolidation	(1,700)	(1,700)
Property, plant and equipment written off	(3)	(3)
Gain on disposal of property, plant and equipment	29	29
Waiver of debts	397	397
Share-based payment	(74)	(74)
Unrealised gain on foreign exchange	117	117

### B12. Realised and unrealised profits / (losses)

	<b>Unaudited 31.03.2012</b>	<b>Audited 31.12.2011</b>
	<b>RM '000</b>	<b>RM '000</b>
Total retained profits / (accumulated losses) of the Company and its subsidiaries:-		
- Realised	179,574	170,133
- Unrealised	(13,896)	(16,616)
	<u>165,678</u>	<u>153,517</u>
Total share of accumulated losses from associated companies		
- Realised	(470)	(603)
- Unrealised	-	-
	<u>165,208</u>	<u>152,914</u>
Less : Consolidation adjustments	(122,296)	(116,315)
Total Group retained profits as per consolidated accounts	<u>42,912</u>	<u>36,599</u>

The disclosure of realised and unrealised profits / (losses) above is solely for compliance with the directive issue by the Bursa Malaysia and should not be used for any other purpose.

**By Order of the Board,**

**Cynthia Lim Mooi Pang**  
**Executive Director**

Petaling Jaya, Selangor Darul Ehsan  
30 May 2012