



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

**Interim Financial Report**

**31 December 2011**

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

**Interim Financial Report**

**31 December 2011**

	<b>Page No.</b>
<b>Condensed Consolidated Income Statement</b>	<b>1</b>
<b>Condensed Consolidated Statement of Comprehensive Income</b>	<b>2</b>
<b>Condensed Consolidated Statement of Financial Position</b>	<b>3-4</b>
<b>Condensed Consolidated Statement of Changes in Equity</b>	<b>5</b>
<b>Condensed Consolidated Statement of Cash Flows</b>	<b>6</b>
<b>Notes to the Interim Financial Report</b>	<b>7-17</b>

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

**CONDENSED CONSOLIDATED INCOME STATEMENT (UNAUDITED)**  
**- For the financial year ended 31 December 2011**

	Note	Individual Quarter		Cumulative Period	
		Current Year Quarter 31.12.2011 RM'000	Preceding Year Quarter 31.12.2010 RM'000	Current Year To date 31.12.2011 RM'000	Preceding Year To date 31.12.2010 RM'000
Revenue		143,413	150,483	445,472	340,912
Cost of sales		(96,197)	(101,087)	(293,509)	(243,095)
Gross profit		47,216	49,396	151,963	97,817
Interest Income		776	343	2,040	1,084
Other operating income		4,198	5,851	7,496	9,768
Operating expenses		(28,937)	(27,639)	(81,133)	(65,808)
Finance costs		(4,025)	(2,870)	(15,185)	(15,672)
Share of results of associates		(21)	(147)	(228)	(188)
<b>Profit before taxation</b>		<b>19,207</b>	24,934	<b>64,953</b>	27,001
Taxation	B5	(8,732)	(5,612)	(24,473)	(913)
<b>Profit for the financial year</b>		<b>10,475</b>	19,322	<b>40,480</b>	26,088
Attributable to: -					
Equity holders of the Company		9,016	11,189	36,720	16,512
Non-controlling interest		1,459	8,133	3,760	9,576
		<b>10,475</b>	19,322	<b>40,480</b>	26,088
<b>Earnings per share attributable to equity holders of the Company</b>					
-Basic (sen)	B10	<b>2.33</b>	2.89	<b>9.50</b>	4.27
-Diluted (sen)	B10	<b>2.33</b>	2.89	<b>9.50</b>	4.27

*The condensed consolidated income statement 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 report.*

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

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)**  
**- For the financial year ended 31 December 2011**

	Individual Quarter		Cumulative Period	
	Current Year Quarter 31.12.2011 RM'000	Preceding Year Quarter 31.12.2010 RM'000	Current Year To date 31.12.2011 RM'000	Preceding Year To date 31.12.2010 RM'000
Profit for the financial year	<b>10,475</b>	19,322	<b>40,480</b>	26,088
Other comprehensive income, net of tax:				
Foreign currency translation difference	(422)	2,478	<b>17,859</b>	(17,829)
Total comprehensive income for the financial year	<b>10,053</b>	21,800	<b>58,339</b>	8,259
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company	8,567	10,981	48,808	1,224
Non-controlling interest	1,486	10,819	9,531	7,035
	<b>10,053</b>	21,800	<b>58,339</b>	8,259

*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 report.*

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)**  
**- As at 31 December 2011**

	Note	31.12.2011 (Unaudited) RM'000	31.12.2010 (Audited) RM'000
<b><u>ASSETS</u></b>			
<b>Non-Current Assets</b>			
Property, plant and equipment	A10	214,116	208,475
Capital work-in progress		7,170	4,269
Investment properties		5,616	5,200
Land and property development costs		504,164	483,325
Investment in associated companies		2,582	2,750
Trade and other receivables		56,337	48,264
Other investments		1,254	1,254
Goodwill arising from consolidation		120,488	126,634
		911,727	880,171
<b>Current Assets</b>			
Inventories		17,850	20,728
Properties held for sale		-	1,092
Land and property development costs		72,538	104,314
Trade and other receivables		342,304	212,010
Tax recoverable		5,452	3,163
Fixed deposits with licensed banks		28,900	4,049
Cash held under Housing Development Accounts		37,664	17,595
Cash and bank balances		65,269	41,307
		569,977	404,258
<b>TOTAL ASSETS</b>		1,481,704	1,284,429
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Equity attributable to equity holders of the Company</b>			
Share capital		386,553	386,553
Reserves		38,402	38,824
		424,955	425,377
<b>Non-controlling Interest</b>		84,022	106,935
<b>Total Equity</b>		508,977	532,312

*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 report.*

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

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)**  
**- As at 31 December 2011**

	Note	31.12.2011 (Unaudited) RM'000	31.12.2010 (Audited) RM'000
<b>Non-Current Liabilities</b>			
Trade and other payables		88,634	48,572
Hire purchase payables	B7	2,165	2,220
Bank borrowings	B7	243,357	179,071
Other long term borrowings	B7	135,000	75,000
Deferred tax liabilities		77,979	78,566
		547,135	383,429
<b>Current Liabilities</b>			
Trade and other payables		286,324	249,294
Hire purchase payables	B7	839	888
Bank overdrafts	B7	39,846	50,827
Bank borrowings	B7	58,398	34,409
Tax payable		40,185	33,270
		425,592	368,688
<b>Total Liabilities</b>		972,727	752,117
<b>TOTAL EQUITY AND LIABILITIES</b>		1,481,704	1,284,429
<b>Net Assets per share attributable to equity holders of the Company (RM)</b>		1.10	1.10

*The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2010 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 financial year ended 31 December 2011

	Attributable to equity holders of the Company								Sub-total RM'000	Non-controlling Interest 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	Other Reserve RM'000	Retained Profits RM'000			
Balance as at 1.1.2011	386,553	16,945	338	3,928	490	14,952	-	2,171	425,377	106,935	532,312
Total comprehensive income for the financial year	-	-	-	12,088	-	-	-	36,720	48,808	9,531	58,339
Dividend paid	-	-	-	-	-	-	-	-	-	(2,352)	(2,352)
Realisation of subsidiary's reserve	-	-	-	-	(490)	-	-	490	-	-	-
Acquisition of investment from non-controlling interest	-	-	-	-	-	-	-	-	-	(30,092)	(30,092)
Premium paid for acquisition of additional interest in subsidiaries	-	-	-	-	-	-	(49,453)	-	(49,453)	-	(49,453)
Share-based payment under ESOS	-	-	223	-	-	-	-	-	223	-	223
<b>Balance as at 31.12.2011</b>	<b>386,553</b>	<b>16,945</b>	<b>561</b>	<b>16,016</b>	<b>-</b>	<b>14,952</b>	<b>(49,453)</b>	<b>39,381</b>	<b>424,955</b>	<b>84,022</b>	<b>508,977</b>

	Attributable to equity holders of the Company								Sub-total RM'000	Non-controlling Interest 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	(Accumulated Losses) / Retained Profits RM'000				
Balance as at 1.1.2010	386,553	16,945	318	19,216	773	14,952	(14,623)	424,134	102,286	526,420	
Total comprehensive income for the financial year	-	-	-	(15,288)	-	-	16,511	1,223	7,036	8,259	
Dividend paid	-	-	-	-	-	-	-	-	(2,450)	(2,450)	
Realisation of subsidiary's reserve	-	-	-	-	(283)	-	283	-	-	-	
Acquisition of investment from non-controlling interest	-	-	-	-	-	-	-	-	63	63	
Share-based payment under ESOS	-	-	20	-	-	-	-	20	-	20	
<b>Balance as at 31.12.2010</b>	<b>386,553</b>	<b>16,945</b>	<b>338</b>	<b>3,928</b>	<b>490</b>	<b>14,952</b>	<b>2,171</b>	<b>425,377</b>	<b>106,935</b>	<b>532,312</b>	

The condensed consolidated statement 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 report.

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

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (UNAUDITED)**  
**- For the financial year ended 31 December 2011**

	<b>Current Year Ended 31.12.2011 RM'000</b>	<b>Preceding Year Ended 31.12.2010 RM'000</b>
<b>Cash Flows From Operating Activities</b>		
Profit before taxation	64,953	27,001
Depreciation of property, plant and equipment	13,561	13,135
Interest expense	15,185	15,672
Impairment of goodwill arising on consolidation	5,587	4,964
Bad debts written off	5,659	3,957
Trade and other receivables	(140,951)	15,099
Trade and other payables	21,298	(5,857)
Other operating activities	(18,201)	(49,188)
Net cash (used in) /generated from operating activities	<u>(33,024)</u>	<u>24,783</u>
<b>Cash Flows From Investing Activities</b>		
Acquisition and disposal of subsidiary companies and associates	(26,228)	(42,318)
Other investing activities	(6,018)	(4,723)
Net cash used in investing activities	<u>(32,246)</u>	<u>(46,541)</u>
<b>Cash Flows From Financing Activities</b>		
Drawdown of bank borrowings	126,751	86,030
Repayment of bank borrowings	(39,149)	(84,594)
Proceeds from issuance of Islamic Securities	60,000	75,000
Other financing activities	(4,701)	(53,258)
Net cash generated from financing activities	<u>142,901</u>	<u>23,178</u>
<b>Net increase in cash and cash equivalents</b>	<b>77,631</b>	<b>1,420</b>
<b>Cash and cash equivalents at the beginning of financial year</b>	<b>(22,926)</b>	<b>(21,180)</b>
<b>Effect of exchange rate changes</b>	<b>841</b>	<b>(3,165)</b>
<b>Cash and cash equivalents at the end of financial year</b>	<b><u>55,546</u></b>	<b><u>(22,925)</u></b>
Cash and cash equivalents comprise: -		
Deposits with licensed banks	28,900	4,049
Cash held under Housing Development Accounts	37,664	17,595
Cash and bank balances	65,269	41,307
Bank overdrafts	(39,846)	(50,827)
	<u>91,987</u>	<u>12,124</u>
Less : Fixed deposits pledged with licensed banks	(28,536)	(3,708)
Cash and bank balances pledged	(7,905)	(31,341)
	<u>55,546</u>	<u>(22,925)</u>

*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 report.*



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

---

**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 2010. 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 2010.

**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 have adopted the following applicable new Financial Reporting Standards (“FRSs”) , revised FRSs, Issues Committee (“IC”) Interpretations and amendments to FRSs, issued by the Malaysian Accounting Standards Board that are mandatory for the current financial period:-

FRS 1	First-time Adoption of Financial Reporting Standards (Revised)
FRS 3	Business Combinations(Revised)
FRS 127	Consolidated and Separate Financial Statements (Revised)
Amendments to FRS 1	Limited Exemption from Comparative FRS 7 Disclosure for First-time Adopters
Amendments to FRS 1	Additional Exemptions for First-time Adopters
Amendments to FRS 2	Group Cash-settled Share-based Payment Transactions
Amendments to FRS 2	Share-based Payment-Vesting Conditions and Cancellations
Amendments to FRS 2	Share-based Payment
Amendments to FRS 5	Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS 7	Improving Disclosures about Financial Instruments
Amendments to FRS 117	Leases
Amendments to FRS 132	Financial Instruments
Amendments to FRS 138	Intangible Assets
IC Interpretation 4	Determining whether an Arrangement contains a Lease
IC Interpretation 12	Service Concession Arrangements
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17	Distributions of Non-cash Assets to Owners
IC Interpretation 18	Transfers of Assets from Customers
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives
Amendments to FRSs contained in the documents entitled “ Improvements to FRSs (2010)”	
IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments
Amendments to IC Interpretation 14	Prepayment of a Minimum Funding Requirement

Amendments to IC Interpretation 9 Reassessment of Embedded Derivatives

## LBS BINA GROUP BERHAD (518482-H)

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

The initial applications of the above applicable new FRSs, revised FRSs, amendments to FRSs and IC Interpretations is not expected to have any material impact on the financial statements of the Group, except as discussed below:-

(i) FRS 127: Consolidated and separate financial statements

This Standard supersedes the existing FRS 127 and replaces the current term 'minority interest' with a new term 'non-controlling interest' which is defined as the equity in a subsidiary that is not attributable, directly or indirectly, to a parent. Accordingly, total comprehensive income shall be attributed to the owners of the parent and to the non-controlling interest, even if this results in the non-controlling interest having a deficit balance.

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. If the Group loses control of a subsidiary, any gains or losses are recognised in profit or loss and any investment retained in the former subsidiary shall be measured at its fair value at the date when control is lost.

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

		Effective date for financial periods beginning on or after
FRS 124	Related Party Disclosures	1 January 2012
Amendments to FRS 1	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters	1 January 2012
Amendments to FRS 7	Disclosures – Transfers of Financial Assets	1 January 2012
Amendments to FRS 112	Deferred Tax: Recovery of Underlying Assets	1 January 2012
IC Interpretation 15	Agreements for Construction of Real Estate	1 January 2012
Amendments to FRS 101	Presentation of Items of Other Comprehensive Income	1 July 2012
FRS 9	Financial Instruments	1 January 2013
FRS 10	Consolidated Financial Statements	1 January 2013
FRS 11	Joint Arrangements	1 January 2013
FRS 12	Disclosures of Interest in Other Entities	1 January 2013
FRS 13	Fair Value Measurement	1 January 2013
FRS 119	Employee Benefits	1 January 2013
FRS 127	Separate Financial Statements	1 January 2013
FRS 128	Investment in Associates and Joint Ventures	1 January 2013
IC Interpretation 20	Stripping Costs in the Production Phase of a Surface Mine	1 January 2013

On 19 November 2011, the Malaysian Accounting Standard Board (MASB) gives notices of issuance new MASB approved accounting standards, herein-refer as **Malaysian Financial Reporting Standards (MFRSs or framework MFRS)**. Entities Other Than Private Entities shall apply the MFRS framework for annual periods beginning on or after 1 January 2012, with the exception of entities subject to the application of MFRS 141 Agriculture and/or IC Interpretation 15 Agreements for the Construction of Real Estate. Early application of MFRS framework is permitted.

## LBS BINA GROUP BERHAD (518482-H)

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

The auditors' report on the financial statements for the financial year ended 31 December 2010 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.

### A6. Material changes in estimates

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

### A7. Debt and equity securities

There were no issuance, repurchases and repayments of debts and equity securities during the quarter under review.

### A8. Dividend paid

There was no dividend paid during the quarter under review.

### A9. Segmental information

#### Year ended 31 December 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	411,957	8,733	24,270	512	-	445,472
Inter-segment	3,287	136,098	-	55,674	(195,059)	-
Total Revenue	415,244	144,831	24,270	56,186	(195,059)	445,472
<b>RESULTS</b>						
Segment results	87,384	(1,330)	(3,650)	(4,078)	-	78,326
Interest income	1,434	-	-	606	-	2,040
Finance cost	(6,570)	(85)	-	(8,530)	-	(15,185)
Share of results of associates	-	-	-	(228)	-	(228)
Profit / (loss) before taxation	82,248	(1,415)	(3,650)	(12,230)	-	64,953
Taxation	(25,009)	(149)	1,028	(343)	-	(24,473)
Profit/ (loss) for the financial year	57,239	(1,564)	(2,622)	(12,573)	-	40,480
<b>Assets</b>						
Additional to non-current assets	31,721	4,622	901	623	-	37,867
Segment assets	1,130,793	43,120	233,244	34,684	-	1,441,841

# LBS BINA GROUP BERHAD (518482-H)

## A9. Segmental information (cont'd)

### Year ended 31 December 2011 (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
<u>Other non-cash expenses</u>						
Depreciation / amortisation	1,635	983	10,940	3	-	13,561
Loss on unrealised foreign exchange	-	-	-	744	-	744
Impairment of other receivables	932	-	39	-	-	971
Impairment of investment properties	69	-	-	-	-	69
Impairment of properties held for sales	-	177	-	-	-	177
Impairment of inventories	1,705	-	-	-	-	1,705
Loss on disposal of property, plant and equipment	-	-	-	-	-	-
Property, plant and equipment written off	2	368	-	1	-	371
Bad debts written off	2,287	2,494	-	878	-	5,659
Deposit written off	16	-	-	-	-	16
Impairment on goodwill in subsidiary companies	5,587	-	-	-	-	5,587
Share based payment	-	-	-	223	-	223
<u>Other non-cash income</u>						
Gain on unrealised foreign Exchange	-	-	-	(743)	-	(743)
Gain on disposal of investment Property	-	-	-	(7)	-	(7)
Gain on disposal of property, plant and equipment	(78)	-	-	-	-	(78)
Impairment of other receivables written back	(279)	(2,494)	-	(260)	-	(3,033)
Gain on disposal of associate	-	-	-	(150)	-	(150)
Gain on disposal of subsidiaries	-	-	-	(11)	-	(11)
Waiver of advances from a related company	(9)	-	-	-	-	(9)

### Year ended 31 December 2010

	Property Development RM'000	Construction RM'000	Golf Course & Club House RM'000	Management, Investment & Others RM'000	Elimination RM'000	Consolidated RM'000
<u>REVENUE</u>						
External revenue	311,663	6,598	22,392	259	-	340,912
Inter-segment	-	114,599	-	33,855	(148,454)	-
Total Revenue	311,663	121,197	22,392	34,114	(148,454)	340,912
<u>RESULTS</u>						
Segment results	48,718	3,452	(1,787)	(8,606)	-	41,777
Interest income	930	-	-	154	-	1,084
Finance cost	(6,165)	(1,189)	-	(8,318)	-	(15,672)
Share of results of associates	-	-	-	(188)	-	(188)
Profit before taxation	43,483	2,263	(1,787)	(16,958)	-	27,001
Taxation	(753)	(3,823)	1,377	2,286	-	(913)
Profit/ (loss) for the financial year	42,730	(1,560)	(410)	(14,672)	-	26,088
<u>Assets</u>						
Additional to non-current assets	62,776	968	(23,771)	34,143	-	74,116
Segment assets	1,007,680	18,442	221,435	36,871	-	1,284,428
<u>Other non-cash expenses</u>						
Bad debts written off	3,957	-	-	-	-	3,957
Depreciation and amortisation	1,642	671	10,969	8	-	13,290
Reversal on impairment on other investment	1,418	-	-	-	-	1,418

## LBS BINA GROUP BERHAD (518482-H)

### A9. Segmental information (cont'd)

Year ended 31 December 2010 (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
Loss on unrealised foreign exchange	40	-	-	-	-	40
Impairment on receivables	503	7	-	907	-	1,417
Property, plant and equipment written off	-	119	-	-	-	119
Loss on disposal of property, plant and equipment	1	9	126	-	-	136
Impairment for foreseeable losses	-	46	-	-	-	46
Deposit and prepayment written off	140	3	-	6	-	149
Impairment on goodwill in subsidiary companies	4,964	-	-	-	-	4,964
Impairment on goodwill in associated Share based payment	1	-	-	-	-	1
	-	-	-	20	-	20
<b>Other non-cash income</b>						
Gain on disposal of investment property	-	-	-	(8)	-	(8)
Gain in disposal of subsidiary companies	(8)	-	-	-	-	(8)
Gain on unrealised foreign exchange	-	-	-	(105)	-	(105)
Reversal of impairment on receivables	(108)	(3,949)	-	-	-	(4,057)
Reversal of contingency sum	(12,067)	(345)	-	-	-	(12,412)

### 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.

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

- (i) On 17 March 2011, LBS has disposed of all its shareholding of One Hundred Thousand (100,000) ordinary shares of RM1.00 each representing 100% equity interest in Tepukan Senja Sdn Bhd ("TSSB"), a company incorporated in Malaysia wherein the completion of the disposal is conditional upon receiving of full purchase price. On 19 October 2011, LBS has received the full purchase price of Ringgit Malaysia Six Hundred Twenty Thousand (RM620,000) only. Consequently, TSSB ceased as subsidiary of LBS.
- (ii) On 17 March 2011, Sinaran Restu Sdn Bhd ("SRSB"), a wholly owned subsidiary of LBS has disposed of all its shareholding of Four (4) ordinary shares of RM1.00 each representing 100% equity interest in Dolomite Sungai Siput Sdn Bhd ("DSSSB"), a company incorporated in Malaysia wherein the completion of the disposal is conditional upon receiving of full purchase price. On 19 October 2011, SRSB has received the full purchase price of Ringgit Malaysia Three Hundred Eighty Thousand (RM380,000) only. Consequently, DSSSB ceased as subsidiary of SRSB.
- (iii) On 10 October 2011, Cergas Asal (M) Sdn Bhd ("CASB"), a wholly owned subsidiary of LBS has increased its paid up share capital from 2,500,000 to 2,500,100 ordinary shares of RM1.00 each. LBS has subscribed all its shareholding in CASB by way of cash.

## LBS BINA GROUP BERHAD (518482-H)

### A11. Changes in the composition of the Group (cont'd)

- (iv) On 10 October 2011, Pelangi Homes Sdn Bhd ("PHSB"), a wholly owned subsidiary of LBS has increased its paid up share capital from 2,500,000 to 2,500,100 ordinary shares of RM1.00 each. LBS has subscribed all its shareholding in PHSB by way of cash.
- (v) On 2 December 2011, Astana Modal (M) Sdn Bhd ("AMSB"), a wholly owned subsidiary of the LBS has increased its paid up share capital from 250,000 to 4,500,000 ordinary shares of RM1.00 each. LBS has subscribed all its shareholding in AMSB by way of capitalizing amount owing by AMSB to LBS.
- (vi) On 8 December 2011, Wirama Era Baru Sdn Bhd ("WEBSB"), a 30% associated company of LBS has increased its paid up share capital from RM100,000 to RM250,000 ordinary share of RM1.00 each. LBS has subscribed for an additional of 45,000 ordinary share of RM1.00 each in WEBSB by way of cash. WEBSB still remained as 30% associated company of LBS.
- (vii) On 13 December 2011, LBS has acquired Three Thousand (3,000) ordinary shares of RM1.00 each representing 30% equity interest in Jauhari Unggul Sdn Bhd ("JUSB"), a company incorporated in Malaysia for a total cash consideration of Ringgit Malaysia Two Million and Two Hundred Thousand (RM2,200,000.00) only. JUSB became a wholly-owned subsidiary of LBS.
- (vii) On 14 December 2011, Jauhari Unggul Sdn Bhd ("JUSB"), a wholly owned subsidiary of LBS has increased its paid up share capital from 10,000 to 250,000 ordinary shares of RM1.00 each. LBS has subscribed all its shareholding in JUSB by way of capitalizing amount owing by JUSB to 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 January 2012, AMSB 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 capitalizing amount owing by AMSB to LBS.
- (ii) On 27 January 2012, LBS has disposed of its shareholdings 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.

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.

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

	31.12.2011 RM'000	31.12.2010 RM'000
Bank guarantee issued for property development	<u>8,712</u>	<u>8,840</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 year were summarised as below:-

<b>Related Parties</b>	<b>Amount RM'000</b>
Contractor fees paid/ payable	25,490
Sales of properties	59,927
Provision of services as advocates and solicitors	601
Rental paid/payable	82
Rendering of services	111
Rental income received/receivable	7

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 and/or companies in which a son of a Director of the Company and its subsidiaries is one of the partners of the firm and/or the companies;
- (iv) Director of a subsidiary companies are the partner of the firms and/or the companies;
- (v) A Company in which one of the Director of the Company and its subsidiaries have financial interest; and
- (vi) Director and key management personnel having authority for planning, directing and controlling the activities of the Company and their close family members.

**B. ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA'S LISTING REQUIREMENTS****B1. Detailed Analysis of Performance of all Operating Segments**

For the financial year end 31 December 2011, the Group recorded revenue and profit before tax ("PBT") of approximately RM445 million and RM65 million respectively. These represent a 31% increase in revenue and 141% in PBT over the results recorded in the preceding year.

For the current quarter under review, the Group recorded revenue and PBT of approximately RM143 million and RM19 million respectively as compared to revenue and PBT of approximately RM150 million and RM25 million respectively over the same quarter last year.

The improved revenue and PBT in the year 2011 are attributable to progressive recognition of revenue and profit contribution 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 I & II, Indigo Homes, Magenta Homes and Lavender II* in Bandar Saujana Putra ("BSP") as well as other commercial and industrial projects such as *Taman Perindustrian Tasik Perdana* in Puchong and *Saujana Business Park* in BSP.

Further analysis of the divisional performances is given below.

<b>Operating Segment</b>	<b>Commentary</b>
Property Development	Revenue increased by RM100 million for the current financial year compared to the previous year. It was mainly due to good take up rates and more advanced stages of construction work progress for D' Island Residence and Bandar Saujana Putra.
Construction	Revenue increased by RM2 million for the current financial year compared to the previous year. It was mainly due to increased construction activities.
Golf Course & Club House	Revenue increased by RM2 million for the current financial year compared to the previous year. It was mainly due to increase in sale of golf membership and golf service charges.
Management Investment & Others	Revenue increased by RM0.25 million for the current financial year compared to the previous year. It was mainly due to maintenance services provided for Taman Perindustrian Bukit Serdang.

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

The Group's current quarter revenue and PBT of approximately RM143 million and RM19 million respectively as compared to revenue and PBT of approximately RM125 million and RM16 million respectively over the immediate preceding quarter.

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

The Group has achieved a sale of RM662 million in the year 2011, which represents 57% increase as compared to RM422 million sales in the year 2010.

The Group plans to launch its new projects in Cameron Highlands, Klang Valley, Batu Pahat and will continue to source for strategic development lands to further enhance its performance.

With the Group's 20 ongoing projects and unbilled sales of approximately RM649 million as at 31 December 2011, the Group is confident of achieving further improvement in its performance for the financial year ending 31 December 2012.



## LBS BINA GROUP BERHAD (518482-H)

### 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 Quarter 31.12.2011 RM'000	Preceding year Quarter 31.12.2010 RM'000	Current year To date 31.12.2011 RM'000	Preceding year To date 31.12.2010 RM'000
Current year's provision	10,552	7,395	27,372	10,839
Under / (over) provision	1	(652)	38	(7,486)
Deferred taxation	(1,821)	(1,131)	(2,937)	(2,440)
Total	<u>8,732</u>	<u>5,612</u>	<u>24,473</u>	<u>913</u>

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

There was no corporate proposal announced by the Company but has not been completed as at 22 February 2012, being the latest practicable date which shall not be earlier than 7 days from the date of issuance of this interim financial report.

### B7. Borrowings and debts securities

Total group borrowings as at 31 December 2011 were as follows: -

	Secured RM'000	Unsecured RM'000	Total RM'000
Hire purchase payables	839	-	839
Bank overdrafts	39,846	-	39,846
Bank borrowings	58,398	-	58,398
Short term borrowings	<u>99,083</u>	<u>-</u>	<u>99,083</u>
Hire purchase payables	2,165	-	2,165
Bank borrowings	243,357	-	243,357
Islamic commercial papers / Islamic medium term notes	135,000	-	135,000
Long term borrowings	<u>380,522</u>	<u>-</u>	<u>380,522</u>
	<u>479,605</u>	<u>-</u>	<u>479,605</u>

Currency exposure profiles of borrowings were as follows: -

	Secured RM'000	Unsecured RM'000	Total RM'000
Ringgit Malaysia	462,106	-	462,106
United States Dollar	17,499	-	17,499
	<u>479,605</u>	<u>-</u>	<u>479,605</u>

## LBS BINA GROUP BERHAD (518482-H)

### B8. Changes in material litigation

There was no material litigation as at 22 February 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

No dividend has been proposed in the current quarter under review.

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

#### Basic EPS

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

	<b>Current year to date 31.12.2011 RM'000</b>	<b>Preceding year to date 31.12.2010 RM'000</b>
Profit attributable to equity holders of the Company	<b>36,720</b>	16,512
Weighted average number of ordinary shares in issue	<b>386,553</b>	386,553
Basic EPS (sen)	<b>9.50</b>	4.27

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

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

	<b>Current quarter 31.12.2011 RM'000</b>	<b>Current Year to date 31.12.2011 RM'000</b>
Interest income	776	2,040
Other income including investment income	4,198	7,496
Interest expense	(4,025)	(15,185)
Depreciation and amortisation	(3,552)	(13,561)
Provision for and write off of receivables	(6,611)	(6,630)
Provision for and write off of inventories	(1,705)	(1,705)
Gain/(loss) on disposal of quoted and unquoted investments or properties	3	169
Impairment of assets	(1,341)	(5,973)
Foreign exchange gain/(loss)	(34)	1
Gain/(loss) on derivatives	N.A.	N.A.
Exceptional items	N.A.	N.A.

N.A. denotes not applicable to the Group

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

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

	<b>Unaudited 31.12.2011 RM '000</b>	<b>Audited 31.12.2010 RM '000</b>
Total retained profits / (losses) of the Company and its subsidiaries:-		
- Realised	174,594	114,539
- Unrealised	(15,920)	(11,313)
	<hr/> 158,674	<hr/> 103,226
Total share of accumulated losses from associated companies		
- Realised	(602)	(379)
- Unrealised	-	-
	<hr/> 158,072	<hr/> 102,847
Less : Consolidation adjustments	(118,691)	(100,676)
Total Group retained profits as per consolidated accounts	<hr/> <u>39,381</u>	<hr/> <u>2,171</u>

The disclosure of realised and unrealised profits/(losses) above is solely for compliance with the directive issue by the Bursa Malaysia Securities Berhad 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  
29 February 2012