

SELANGOR PROPERTIES BERHAD

(Company Number: 5199-X)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF
COMPREHENSIVE INCOME
FIRST QUARTER ENDED 31 JANUARY 2011**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31.01.2011 RM'000	Preceding Year Corresponding Quarter 31.01.2010 RM'000	Current Year To Date 31.01.2011 RM'000	Preceding Year Corresponding Period 31.01.2010 RM'000
Revenue	46,809	55,907	46,809	55,907
Investment income/(loss)	(575)	(445)	(575)	(445)
Cost of sale of development properties	(5,607)	(10,227)	(5,607)	(10,227)
Operating expenses	(27,931)	(36,636)	(27,931)	(36,636)
Other operating income	1,470	7,558	1,470	7,558
Profit from operations	14,166	16,157	14,166	16,157
Financing costs	(4,535)	(3,888)	(4,535)	(3,888)
Profit before taxation	9,631	12,269	9,631	12,269
Taxation	(3,234)	(4,308)	(3,234)	(4,308)
Profit for the period	6,397	7,961	6,397	7,961
Foreign currency translation	(164)	(933)	(164)	(933)
Loss on hedging instrument	947	-	947	-
Other comprehensive income for the period (net of tax)	783	(933)	783	(933)
Total comprehensive income for the period	7,180	7,028	7,180	7,028
Profit attributable to:				
Owners of the parent	5,062	6,776	5,062	6,776
Minority interest	1,335	1,185	1,335	1,185
Profit for the period	6,397	7,961	6,397	7,961
Total comprehensive income attributable to:				
Owners of the parent	5,845	5,843	5,845	5,843
Minority interest	1,335	1,185	1,335	1,185
Total comprehensive income for the period	7,180	7,028	7,180	7,028
Basic EPS (sen)	1.47	1.97	1.47	1.97

The Unaudited Condensed Consolidated Statements of Comprehensive Income should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 October 2010

SELANGOR PROPERTIES BERHAD*(Company Number: 5199-X)**(Incorporated in Malaysia)***CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Unaudited of As At 31.01.2011 RM'000	Audited As At 31.10.2010 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	171,852	169,808
Land held for development	879,631	850,300
Long term receivables	12,826	12,637
Investment properties	476,732	476,732
Intangible assets	4,392	4,420
Other investments	-	75,436
Deferred tax assets	10,464	10,467
	-----	-----
Total non current assets	1,555,897	1,599,800
	-----	-----
Current assets		
Development properties	44,142	43,764
Inventories, at cost	26,935	32,655
Trade receivables	16,663	21,248
Other receivables	21,931	49,960
Tax recoverable	3,873	4,219
Held for trading investments	92,754	-
Other investments	-	14,630
Cash and bank balances	613,304	595,744
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Total Current Assets	819,602	762,220
	-----	-----
TOTAL ASSETS	2,375,499	2,362,020
	=====	=====
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	343,617	343,617
Reserves	1,417,474	1,414,013
	-----	-----
	1,761,091	1,757,630
Minority interests	62,890	61,555
	-----	-----
Total equity	1,823,981	1,819,185
	=====	=====

SELANGOR PROPERTIES BERHAD*(Company Number: 5199-X)**(Incorporated in Malaysia)***CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Unaudited of As At 31.01.2011 RM'000	Audited As At 31.10.2010 RM'000
Non-current liabilities		
Long term loan	372,563	344,377
Long term payable	18,000	27,000
Deferred taxation	28,631	28,684
	-----	-----
Total non-current liabilities	419,194	400,061
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Current liabilities		
Short term borrowings	40,070	53,099
Derivatives structures	1,437	-
Trade payables	30,939	23,178
Other payables	59,008	64,771
Taxation	870	1,726
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Total current liabilities	132,324	142,774
	-----	-----
Total liabilities	551,518	542,835
	-----	-----
TOTAL EQUITY AND LIABILITIES	2,375,499	2,362,020
	=====	=====
Net assets per share attributable to owners of the parent (RM)	5.13	5.12

The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Audited Financial Statement for the year ended 31 October 2010

SELANGOR PROPERTIES BERHAD*(Company Number: 5199-X)**(Incorporated in Malaysia)***UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FIRST QUARTER ENDED 31 JANUARY 2011****Attributable to equity holders of the Company**

	Share Capital RM'000	Non- Distributable Reserve RM'000	Retained earnings RM'000	Total RM'000	Minority Interest RM'000	Total Equity RM'000
Current Year To Date						
As at 1 November 2010	343,617	300,114	1,113,899	1,757,630	61,555	1,819,185
Effects of adopting FRS 139	-	(2,384)	-	(2,384)	-	(2,384)
Total comprehensive income	-	783	5,062	5,845	1,335	7,180
As at 31 January 2011	343,617	298,513	1,118,961	1,761,091	62,890	1,823,981
	=====	=====	=====	=====	=====	=====
Preceding Year Corresponding Period						
As at 1 November 2009	343,617	291,113	1,111,797	1,746,527	53,256	1,799,783
Total comprehensive income	-	(933)	6,776	5,843	1,185	7,028
As at 31 January 2010	343,617	290,180	1,118,573	1,752,370	54,441	1,806,811
	=====	=====	=====	=====	=====	=====

The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 October 2010

SELANGOR PROPERTIES BERHAD
(Company Number: 5199-X)
(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT

3 MONTHS ENDED 31 JANUARY 2011

	31.01.2011	31.01.2010
	RM'000	RM'000
Net cash generated from/(used in) operating activities	20,223	(1,525)
Net cash generated from/(used in) investing activities	(10,572)	(2,300)
Net cash generated from/(used in) financing activities	12,605	(22,025)
Net increase/(decrease) in cash and cash equivalents	22,256	(25,850)
Effects of exchange rate changes	(4,696)	(151)
Cash and cash equivalents at beginning of year	595,744	656,321
Cash and cash equivalents at end of the period	613,304	630,320

PART A

Explanatory Notes Pursuant to FRS 134 “Interim Financial Reporting”

1. Basis of Preparation

The interim financial statements have been prepared under the historical cost convention except for investment properties and held-for-trading investment which are stated at fair values.

The interim financial statements is unaudited and have been prepared in accordance with the requirements of FRS 134 Interim Financial Reporting and paragraph 9.22 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements, and should be read in conjunction with the Group’s audited financial statements for the year ended 31 October 2010. The 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 31 October 2010.

2. Accountancy Policies

The accounting policies and methods of computation and presentation adopted by the Group in this quarterly report are consistent with those adopted in the audited financial statements for the financial year ended 31 October 2010 except for the adoption of new and revised Financial Reporting Standards (“FRSs”), Amendments to FRSs and Issues Committee Interpretations (“IC Interpretations”) issued by the Malaysian Accounting Standards Board (“MASB”) that become effective and are relevant to the Group for the financial year beginning 1 November 2010.

The adoption of the FRSs, Amendments to FRSs and IC Interpretations do not have significant impact on the financial statements of the Group except for the following:

FRS 139: Financial Instruments: Recognition and Measurement

FRS 139 establishes principles for recognising and measuring financial assets, financial liabilities and some contracts to buy and sell non-financial items. The Group has adopted FRS 139 prospectively on 1 November 2010 in accordance with the transitional provisions. The effects arising from the adoption of this Standard has been accounted for by adjusting the opening balance of the respective accounts as at 1 November 2010. Comparatives are not restated. The details of the changes in accounting policies and effects arising from the adoption of FRS139 are discussed below.

- **Held-for-trading investments**

Prior to 1 November 2010, the Group’s other investments were carried at lower of cost and market value, determined on an aggregate basis. Upon the adoption of FRS 139, these investments are classified as financial assets held-for-trading and accordingly are stated at their fair values and are presented as current assets in the statement of financial position. Net gains or losses arising from changes in fair value including foreign exchange differences are recognised in profit or loss. There is no adjustment made to the opening balance of retained earnings as at 1 November 2010 as the carrying amounts of the other investments approximated the fair values as at that date.

- **Derivative financial instruments and hedge accounting**

Prior to 1 November 2010, the Group does not recognise derivative financial instruments in the statement of financial position. Upon the adoption of FRS139, derivative financial instruments are recognised at fair value and are presented as current in the statement of financial position. Financial derivatives are classified as assets when their fair values are positive and as liabilities when their fair values are negative.

The Group enters into derivative transactions for trading and for cash flow hedging purposes. For derivatives held-for-trading, fair value changes are recognised in the profit or loss. For derivative transactions that meet the specific criteria for hedge accounting, the Group applies cash flow hedge accounting.

Hedges are expected to be highly effective and are assessed on an ongoing basis to ensure that they remain highly effective throughout the hedge period. For actual effectiveness to be achieved, the changes in cash flows of the hedging instrument and the hedged item must offset each other in the range of 80% to 125%. If a cash flow hedge meets the hedge effectiveness criteria, the portion of gain or loss on the hedging instrument that is determined to be an effective hedge should be recognised in other comprehensive income, and the ineffective portion should be recognised immediately in profit or loss.

The Group discontinues hedge accounting if the hedging instrument expires, is sold, terminated or exercised or if the hedge no longer meets the criteria for hedge accounting or is revoked.

As at 1 November 2010, the fair value of the cash flow hedge amounted to negative RM2,384,000. Accordingly, the Group presented the cash flow hedge within current liabilities with the corresponding entry taken to equity.

3. Annual Audited Financial Statements

The audited financial statements of the Company for the preceding financial year ended 31 October 2010 were not subject to any qualification.

4. Comments on the Seasonality or Cyclicity of Operations

The operations of the Group were not affected by any seasonal or cyclical factors.

5. Unusual Items

Save for the information disclosed in this interim financial report, there were no unusual items affecting assets, liabilities, equity, net income or cash flow.

6. Changes in Estimates of Amounts Reported Previously

There were no material changes in estimates of amounts used in the preparation of the financial statement in the current financial quarter and current financial period as compared to the previous corresponding financial quarterly and financial period.

7. Issuances, Cancellations, Repurchases, Resale and Repayments of Debt and Equity

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the current quarter and the financial year-to-date.

8. Dividends Paid

No dividend has been paid for the current quarter and financial period to date.

9. Segment Revenue and Segment Result

The analysis of the Group operations for the period ended 31 January 2011 is as follows: -

By Industries	Revenue	Segment Results	Total Assets Employed
	RM'000	RM'000	RM'000
Property Investment Holding	9,739	4,690	565,861
Property Development	4,033	301	450,732
Education	24,298	5,025	247,296
Investment holding	1,372	2,892	600,734
Australia Operations	7,367	(3,268)	496,532
Others	-	(9)	7
Unallocated Corporate Assets	-	-	14,337
	46,809	9,631	2,375,499
	=====	=====	=====

10. Valuation of Property, Plant and Equipment

The valuations of property, plant and equipment have been brought forward, without amendment from the previous annual financial statement.

11. Material Events Subsequent to the End of the Interim Period

There were no material events subsequent to the end of the current quarter as at 23 March 2011, being the last practicable date from the date of the issue of this report which are expected to have an operational or financial impact on the Group.

12. Changes in the Composition of the Group

There were no changes in the composition of the Group for the current quarter and financial year to date including business combinations, acquisition or disposal of subsidiary and long term investments, restructuring and discontinuing of operation.

13. Derivatives

The Group has the following derivative agreement to hedge against interest rate risk:

Type of Derivatives	Notional Value AUD'000	Fair Value AUD'000
Interest rate swap (Less than 1 year)	76,817	474

The rationale of this interest rate swap is to have certainty of interest payment and cash flow. The fair value of the interest rate swap is the estimated amount that the company would receive or pay to terminate the swap. It represents the difference between the fixed and floating rate of the swap as at 31 January 2011.

The Group has not entered into any derivatives not disclosed in the previous financial year.

14. Changes in Contingent Liabilities or Contingent Assets since the Last Annual Balance Sheet Date

There were no material changes in contingent liabilities or contingent assets since the last audited reporting date.

15. Capital Commitments

The capital and development expenditure approved and contracted for amounted to RM7,265,000 (2010 : RM15,204,000).

PART B

Explanatory Notes Pursuant to paragraph 9.22 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements

1. Review of Performance

The Group recorded a profit before tax of RM9.6 million for the current quarter under review as compared to RM12.3 million for the preceding year corresponding quarter. The main contributors are from property development, investment properties and education.

2. Comments on Material Changes in the Profit/(Loss) Before Taxation for the Quarter Reported as Compared with the Preceding Quarter

For the quarter under review, the group achieved a profit before tax of RM9.6 million as compared to a profit before tax of RM59.8 million in the preceding quarter ended 31 October 2010. The higher profit in the preceding quarter was mainly attributable to the revaluation surplus of RM29.6 million on our investment properties and higher unrealized foreign exchange gain.

3. Current Financial Year Prospect

Barring unforeseen circumstances, the Group's prospect for our Malaysian and Australian operations for the current financial year remain positive.

4. Variances between Actual Profit and Forecast Profit

Not applicable as no profit forecast was published.

5. Tax Expense

Tax expense comprise of the following:

	As at 31.01.2011	
	Current Quarter	Financial Year To- Date
	RM'000	RM'000
Current year provision	3,284	3,284
Deferred Taxation	(50)	(50)
	-----	-----
	3,234	3,234
	=====	=====

The effective rate of taxation of the Group is higher than the statutory rate of taxation because the losses from an overseas subsidiary company was not set off against group profit as no group relief was available in respect of losses incurred by the overseas subsidiaries.

6. Profits/(losses) from Sale of Unquoted Investments and/or Properties Respectively for the Current Quarter and Financial Year-to-date

There was no disposal of unquoted investments and/or properties outside the ordinary course of the Group's business for the current quarter and financial year-to-date.

7. Purchase or disposal of quoted securities other than securities in existing subsidiaries and associated companies

Particulars of the purchase or disposal of quoted securities for the period to 31 January 2011: -

a) Summary of Dealings in Quoted Securities:	RM' 000
Cost of Disposal	8,801
Proceeds from Disposal	8,226

Total loss on disposal	(575)
	=====

b) Total investments in quoted securities as at end of the reporting period: -

	RM' 000
i. At cost	141,848
ii. At book value (after provision for impairment)	92,754
iii. At market value	92,754
	=====

The sales and purchases of the securities as mentioned in note 7(a) were carried out by the subsidiary Company, Allied Provincial Invest Ltd., a company incorporated in The British Virgin Islands, during the period from 1 November 2010 to 31 January 2011 in the ordinary course of business. The principal activity of the said subsidiary company is that of investment holding and the transactions are of a revenue nature.

The sales and purchases of the above securities were in respect of quoted securities held overseas.

8. Status of Corporate Proposals

There were no outstanding corporate proposals as at the date of this report.

9. Group Borrowings

Total Group borrowings and debt securities as at 31 January 2011 are as follows: -

Security	Currency	Short Term RM'000	Long Term RM'000	Total RM'000
Secured	AUD	-	302,563	302,563
Secured	RM	5,000	70,000	75,000
Unsecured	RM	35,070	-	35,070
Total		40,070	372,563	412,633

10. Disclosure pursuant to implementation of FRS 139: Recognition and Measurement

With the adoption of FRS 139 Financial Instrument Recognition and Measurement, off balance sheet financial instruments are now recognised on the financial statements.

11. Material Litigation

There are no other changes in material litigation since the last annual reporting date.

12. Dividend

No dividend has been proposed or declared for the current quarter ended 31 January 2011.

13. Earnings Per Share

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter Ended 31.01.2011	Preceding Year Corresponding Quarter Ended 31.01.2010	Current Year To date Ended 31.01.2011	Preceding Year Corresponding Period 31.01.2010
Net profit/(loss) for the period attributable to shareholders of the Company (RM'000)	5,062	6,776	5,062	6,776
Basic earnings/(loss) per share (sen)	1.47	1.97	1.47	1.97
Number of ordinary shares in issue (RM'000)	343,617	343,617	343,617	343,617

PART C

1. Disclosure of Realised and Unrealised Profits or losses

The breakdown of the retained profits of the Group as at 31 January 2011 into realised and unrealised profits is presented in accordance with the directive issued by Bursa Malaysia Securities Berhad dated 25 March 2010 and prepared in accordance with guidance on special matter No.1 determination of realised and unrealised profits or losses in the context of disclosure pursuant to Bursa Malaysia Securities Berhad listing requirements as issued by the Malaysian Institute of Accountants.

	As At 31.01.2011 RM'000	As At 31.10.2010 RM'000
Total retained profits of the Company and its subsidiaries		
- Realised	1,593,173	1,614,980
- Unrealised	287,984	259,231
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	1,881,157	1,874,211
Less: Consolidated adjustments	(762,197)	(760,312)
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Retained earnings as per financial statements	1,118,960	1,113,899
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