

SELANGOR PROPERTIES BERHAD

(Company Number: 5199-X)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF
COMPREHENSIVE INCOME
FIRST QUARTER ENDED 31 JANUARY 2012**

| | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|---|--|---|--|---|
| | Current Year Quarter 31.01.2012 RM'000 | Preceding Year Corresponding Quarter 31.01.2011 RM'000 | Current Year To Date 31.01.2012 RM'000 | Preceding Year Corresponding Period 31.01.2011 RM'000 |
| Revenue | 52,148 | 46,809 | 52,148 | 46,809 |
| Investment income/(loss) | (766) | (575) | (766) | (575) |
| Cost of sale of development properties | (1,222) | (5,607) | (1,222) | (5,607) |
| Operating expenses | (42,819) | (27,931) | (42,819) | (27,931) |
| Other operating income | 4,425 | 1,470 | 4,425 | 1,470 |
| Profit from operations | 11,766 | 14,166 | 11,766 | 14,166 |
| Financing costs | (6,715) | (4,535) | (6,715) | (4,535) |
| Profit before taxation | 5,051 | 9,631 | 5,051 | 9,631 |
| Taxation | (3,673) | (3,234) | (3,673) | (3,234) |
| Profit for the period | 1,378 | 6,397 | 1,378 | 6,397 |
| Foreign currency translation | (862) | (164) | (862) | (164) |
| Fair value changes on hedging instrument | (349) | 947 | (349) | 947 |
| Other comprehensive (loss)/income for the period (net of tax) | (1,211) | 783 | (1,211) | 783 |
| Total comprehensive income for the period | 167 | 7,180 | 167 | 7,180 |
| Profit attributable to: | | | | |
| Owners of the parent | 552 | 5,062 | 552 | 5,062 |
| Minority interest | 826 | 1,335 | 826 | 1,335 |
| Profit for the period | 1,378 | 6,397 | 1,378 | 6,397 |
| Total comprehensive income attributable to: | | | | |
| Owners of the parent | (659) | 5,845 | (659) | 5,845 |
| Minority interest | 826 | 1,335 | 826 | 1,335 |
| Total comprehensive income for the period | 167 | 7,180 | 167 | 7,180 |
| Basic EPS (sen) | 0.16 | 1.47 | 0.16 | 1.47 |

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 2011

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

| | Unaudited As At 31.01.2012 RM'000 | Audited As At 31.10.2011 RM'000 |
|--|--|--|
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 179,088 | 179,942 |
| Land held for development | 431,897 | 431,473 |
| Long term receivables | 16,190 | 16,266 |
| Investment properties | 978,717 | 982,927 |
| Intangible assets | 4,936 | 4,718 |
| Other investments | 150 | - |
| Deferred tax assets | 10,223 | 10,171 |
| | ----- | ----- |
| Total non current assets | 1,621,201 | 1,625,497 |
| | ----- | ----- |
| Current assets | | |
| Development properties | 44,247 | 44,172 |
| Inventories, at cost | 40,629 | 42,179 |
| Trade receivables | 14,255 | 7,359 |
| Other receivables | 19,640 | 19,558 |
| Tax recoverable | 6,741 | 6,674 |
| Held for trading investments | 96,996 | 97,076 |
| Available-for-sale investments | - | 1,722 |
| Other investments | - | - |
| Cash and bank balances | 590,270 | 600,769 |
| | ----- | ----- |
| Total Current Assets | 812,778 | 819,509 |
| | ----- | ----- |
| TOTAL ASSETS | 2,433,979 | 2,445,006 |
| | ===== | ===== |
| EQUITY AND LIABILITIES | | |
| Equity attributable to owners of the parent | | |
| Share capital | 343,617 | 343,617 |
| Reserves | 1,504,830 | 1,505,489 |
| | ----- | ----- |
| | 1,848,447 | 1,849,106 |
| Minority interests | 67,737 | 66,911 |
| | ----- | ----- |
| Total equity | 1,916,184 | 1,916,017 |
| | ===== | ===== |

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

| | Unaudited As At 31.01.2012 RM'000 | Audited As At 31.10.2011 RM'000 |
|--|--|--|
| Non-current liabilities | | |
| Long term loan | 55,000 | 55,000 |
| Long term payable | 13,500 | 18,000 |
| Deferred taxation | 38,783 | 38,937 |
| | ----- | ----- |
| Total non-current liabilities | 107,283 | 111,937 |
| | ----- | ----- |
| Current liabilities | | |
| Short term borrowings | 315,641 | 327,826 |
| Derivatives structures | 60 | 48 |
| Trade payables | 32,635 | 22,621 |
| Other payables | 60,031 | 64,905 |
| Taxation | 2,145 | 1,652 |
| | ----- | ----- |
| Total current liabilities | 410,512 | 417,052 |
| | ----- | ----- |
| Total liabilities | 517,795 | 528,989 |
| | ----- | ----- |
| TOTAL EQUITY AND LIABILITIES | 2,433,979 | 2,445,006 |
| | ===== | ===== |
| | | |
| Net assets per share attributable to owners of the parent (RM) | 5.38 | 5.38 |

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 2011

SELANGOR PROPERTIES BERHAD*(Company Number: 5199-X)**(Incorporated in Malaysia)***UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FIRST QUARTER ENDED 31 JANUARY 2012****← 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 2011 | 343,617 | 305,044 | 1,200,445 | 1,849,106 | 66,911 | 1,916,017 |
| Total comprehensive income | - | (1,211) | 552 | (659) | 826 | 167 |
| As at 31 January 2012 | 343,617 | 303,833 | 1,200,997 | 1,848,447 | 67,737 | 1,916,184 |
| Preceding Year Corresponding Period | | | | | | |
| As at 1 November 2010 as previously stated | 343,617 | 300,114 | 1,113,899 | 1,757,630 | 61,555 | 1,819,185 |
| Prior year adjustment | - | - | 1,829 | 1,829 | - | 1,829 |
| | 343,617 | 300,114 | 1,115,728 | 1,759,459 | 61,555 | 1,821,014 |
| Effects of adopting FRS 139 | - | (2,384) | - | (2,384) | - | (2,384) |
| At 1 November 2010, as restated | 343,617 | 297,730 | 1,115,728 | 1,757,075 | 61,555 | 1,818,630 |
| Total comprehensive income | - | 783 | 5,062 | 5,845 | 1,335 | 7,180 |
| As at 31 January 2011 | 343,617 | 298,513 | 1,120,790 | 1,762,920 | 62,890 | 1,825,810 |

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 2011

SELANGOR PROPERTIES BERHAD*(Company Number: 5199-X)**(Incorporated in Malaysia)***UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT****3 MONTHS ENDED 31 JANUARY 2012**

| | 31.01.2012 | 31.01.2011 |
|---|-------------------------|-------------------------|
| | RM'000 | RM'000 |
| Net cash generated from/(used in) operating activities | 13,542 | 20,223 |
| Net cash generated from/(used in) investing activities | (131) | (10,572) |
| Net cash generated from/(used in) financing activities | (21,920) | 12,605 |
| Net increase/(decrease) in cash and cash equivalents | <u>(8,509)</u> | <u>22,256</u> |
| Effects of exchange rate changes | (1,990) | (4,696) |
| Cash and cash equivalents at beginning of year | 600,769 | 595,744 |
| Cash and cash equivalents at end of the period | <u>590,270</u> ===== | <u>613,304</u> ===== |

The Unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the year ended 31 October 2011

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, held-for-trading investment and available-for-sale 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 2011. 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 2011.

2. Accounting 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 2011 except for the adoption of the following Financial Reporting Standards, Amendments to FRSs and Issues Committee Interpretations (“IC Interpretations”) that are effective for the financial periods beginning on or after 1 November 2011.

| FRSs, Amendments to FRSs and Interpretations | Effective for Financial periods beginning on or after |
|--|--|
| Amendments to FRS 1 : Limited Exemption from Comparative FRS 7 Disclosures for First Time Adopters | 1 January 2011 |
| Amendments to FRS 7 : Improving Disclosures about Financial Instruments | 1 January 2011 |
| Amendments to FRS 1 : Additional Exemptions for First-time Adopters | 1 January 2011 |
| Amendments to FRS 2 : Group Cash-settled Share-based Payment Transactions | 1 January 2011 |
| IC Interpretation 4 Determining whether an Arrangement contains a Lease | 1 January 2011 |
| IC Interpretation 18 Transfers of Assets from Customers | 1 January 2011 |
| Amendments to FRSs contained in the document entitled "Improvements to FRSs (2010)" | 1 January 2011 |
| Amendments to FRS101 : Presentation of Financial Statements | 1 January 2011 |
| Amendments to FRS 121 : The Effects of Changes in Foreign Exchange Rates | 1 January 2011 |
| Amendments to FRS 128 : Investments in Associates | 1 January 2011 |
| Amendments to FRS 131 : Interests in Joint Ventures | 1 January 2011 |
| Amendments to FRS 132 : Financial Instruments: Presentation | 1 January 2011 |
| Amendments to FRS 134 : Interim Financial Reporting | 1 January 2011 |
| Amendments to FRS 139 : Financial Instruments: Recognition and Measurement | 1 January 2011 |
| IC Interpretation 19 : Extinguishing Financial Liabilities with Equity Instruments | 1 July 2011 |
| Amendments to IC Interpretation 14 Prepayments of a Minimum Funding Requirement | 1 July 2011 |

The adoption of the FRSs, Amendments to FRSs and IC Interpretations do not have any significant impact on the financial statements of the Group.

3. Annual Audited Financial Statements

The audited financial statements of the Company for the preceding financial year ended 31 October 2011 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 2012 is as follows: -

| By Industries | Revenue | Segment Results | Total Assets Employed |
|------------------------------|---------|-----------------|-----------------------|
| | RM'000 | RM'000 | RM'000 |
| Property Investment Holding | 10,228 | 3,521 | 539,370 |
| Property Development | 2,301 | 4,523 | 447,445 |
| Education | 26,850 | 4,149 | 253,544 |
| Investment holding | 488 | (6,498) | 601,070 |
| Australia Operations | 12,858 | (380) | 575,578 |
| Others | (577) | (264) | 8 |
| Unallocated Corporate Assets | - | - | 16,964 |
| | 52,148 | 5,051 | 2,433,979 |

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 26 March 2012, 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 period 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) | 60,000 | (18) |

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 2012.

14. Changes in Contingent Liabilities or Contingent Assets since the Last Annual Reporting 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 RM6,496,000 (2011 : RM11,995,000).

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 RM5.1 million for the current quarter under review as compared to RM9.6 million for the preceding year corresponding quarter.

The performances of the respective business sectors are as follows:

| | 1Q2012 RM'000 | 1Q2011 RM'000 |
|-----------------------------|------------------|------------------|
| Profit before tax | | |
| Property Investment Holding | 3,521 | 3,963 |
| Property Development | 4,523 | 301 |
| Education | 4,149 | 5,025 |
| Investment Holding | (6,498) | 3,619 |
| Australia Operation | (380) | (3,268) |
| Others | (264) | (9) |
| | ----- | ----- |
| | 5,051 | 9,631 |
| | ----- | ----- |

Property Development

Higher profit in 1Q 2012 was mainly due to sale of property stock in Bukit Permata and interest compensation received from the compulsory land acquisition.

Education

Lower profit for the quarter is in line with the seasonal fluctuations of the industry.

Investment Holding

Losses in 1Q 2012 was due to currency translation loss.

Australian Operation

The Australian operation was affected by currency translation loss of RM2.2 million in 1Q 2012 but was partially cushioned by higher contribution from Claremont retail. Whereas in 1Q 2011, it reported a higher loss as a result of higher interest expense and foreign exchange loss.

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 RM5.1 million as compared to RM56.6 million in the preceding quarter ended 31 October 2011

The performance of the respective business sectors are as follows:

| | 1Q2012 RM'000 | 4Q2011 RM'000 |
|-----------------------------|------------------|------------------|
| Profit before tax | | |
| Property Investment Holding | 3,521 | 3,179 |
| Property Development | 4,523 | 114 |
| Education | 4,149 | 6,164 |
| Investment Holding | (6,498) | 3,029 |
| Australia Operation | (380) | 44,087 |
| Others | (264) | (13) |
| | ----- | ----- |
| | 5,051 | 56,560 |
| | ----- | ----- |

Investment Holding

Losses in 1Q 2012 was due to currency translation loss.

Australian Operation

For the quarter under review, the performance was affected by currency translation loss as compared the preceding quarter where it has achieved a higher profit as a result of the revaluation surplus of RM38.3 million on the Claremont retail and profit of RM8.9 million from stage 2 Apartments in Perth, Australia.

3. Current Financial Year Prospect

The Group is cautiously positive in FY2012. The property investment and education sector of the Group are expected to remain stable. The occupancy rate of Menara Millenium in Damansara Heights and Claremont Quarters in Perth, Australia remain high. For property development in Bukit Permata and Selayang Mulia, new launches are expected to be made this year. For the Group's Damansara Heights land, the proposed development of the land will be design to provide integration and connectivity with the Mass Rapid Transit project

Barring unforeseen circumstances, the Group expects the operation in Malaysia and Australia to 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 31.01.2012 | |
|-------------------------------------|----------------------------|--|
| | Current Quarter | Financial Year To- Date |
| | RM'000 | RM'000 |
| Current year provision | 3,790 | 3,790 |
| Underprovision of tax in prior year | 87 | 87 |
| Deferred Taxation | (204) | (204) |
| | ----- | ----- |
| | 3,673 | 3,673 |
| | ===== | ===== |

The effective rate of taxation of the Group is higher than the statutory rate of taxation because the losses from overseas subsidiary company cannot be set off against Group profit as no Group relief was available in respect of losses incurred by 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 2012: -

| | |
|--|---------|
| a) Summary of Dealings in Quoted Securities: | RM' 000 |
| Cost of Disposal | 4,996 |
| Proceeds from Disposal | 4,230 |
| | ----- |
| Total loss on disposal | (766) |
| | ===== |

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

| | |
|---|---------|
| | RM' 000 |
| i. At cost | 133,337 |
| ii. At book value (after provision for impairment) | 96,996 |
| iii. At market value | 96,996 |
| | ===== |

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 October 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 | 291,600 | - | 291,600 |
| Secured | RM | - | 55,000 | 55,000 |
| Unsecured | RM | 24,041 | - | 24,041 |
| Total | | 315,641 | 55,000 | 370,641 |

10 Material Litigation

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

11 Dividend

No decision has been made on the dividend payment for the current quarter ended 31 January 2012.

12 Earnings Per Share

| | INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|---|---|--|---|---|
| | Current Year Quarter Ended 31.01.2012 | Preceding Year Corresponding Quarter Ended 31.01.2011 | Current Year To date Ended 31.01.2012 | Preceding Year Corresponding Period 31.01.2011 |
| Net profit/(loss) for the period attributable to shareholders of the parent (RM'000) | 552 | 5,062 | 552 | 5,062 |
| Basic earnings/(loss) per share (sen) | 0.16 | 1.47 | 0.16 | 1.47 |
| Number of ordinary shares in issue (RM'000) | 343,617 | 343,617 | 343,617 | 343,617 |

13. Additional Disclosures

Notes to the Statement of Comprehensive Income comprises:-

| | 3 MONTHS AND FINANCIAL PERIOD-TO-DATE ENDED 31/01/2012 RM'000 |
|--|--|
| Interest income | 752 |
| Other income including investment income | 149 |
| Interest expense | (6,715) |
| Depreciation and amortization | (2,721) |
| Provision for write off of receivables | N/A |
| Provision for and write off of inventories | N/A |
| Gain or loss on disposal of quoted or unquoted investments or properties | 1,480 |
| Impairment of assets | N/A |
| Foreign exchange loss | (9,076) |
| Gain or loss on derivatives | N/A |
| Exceptional item | N/A |

PART C

1. Disclosure of Realised and Unrealised Profits or losses

The breakdown of the retained profits of the Group as at 31 October 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 31.01.2012 RM'000 | As At 31.10.2011 RM'000 |
|--|-------------------------------|-------------------------------|
| Total retained profits of the Company and its subsidiaries | | |
| - Realised | 1,636,692 | 1,634,057 |
| - Unrealised | 331,879 | 332,687 |
| | ----- | ----- |
| | 1,968,571 | 1,966,744 |
| Less: Consolidated adjustments | (767,574) | (766,299) |
| | ----- | ----- |
| Retained earnings as per financial statements | 1,200,997 | 1,200,445 |
| | ----- | ----- |