

SELANGOR PROPERTIES BERHAD

(Company Number: 5199-X)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF
COMPREHENSIVE INCOME
SECOND QUARTER ENDED 30 APRIL 2012**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.04.2012 RM'000	Preceding Year Corresponding Quarter 30.04.2011 RM'000	Current Year To Date 30.04.2012 RM'000	Preceding Year Corresponding Period 30.04.2011 RM'000
Revenue	59,334	51,884	111,482	98,693
Investment income/(loss)	(2,813)	2,429	(3,579)	1,854
Cost of sale of development properties	(1,255)	(780)	(2,477)	(6,387)
Operating expenses	(34,253)	(10,241)	(77,072)	(38,172)
Other operating income	1,608	2,230	6,033	3,700
Profit from operations	22,621	45,522	34,387	59,688
Financing costs	(2,888)	(6,859)	(9,603)	(11,394)
Profit before taxation	19,733	38,663	24,784	48,294
Taxation	(4,987)	(5,251)	(8,660)	(8,485)
Profit for the period	14,746	33,412	16,124	39,809
Foreign currency translation	(1,733)	2,600	(2,595)	2,436
Fair value changes on hedging instrument	1	1,267	(348)	2,214
Other comprehensive (loss)/income for the period (net of tax)	(1,732)	3,867	(2,943)	4,650
Total comprehensive income for the period	13,014	37,279	13,181	44,459
Profit attributable to:				
Owners of the parent	11,302	30,224	11,854	35,286
Minority interest	3,444	3,188	4,270	4,523
Profit for the period	14,746	33,412	16,124	39,809
Total comprehensive income attributable to:				
Owners of the parent	9,570	34,091	8,911	39,936
Minority interest	3,444	3,188	4,270	4,523
Total comprehensive income for the period	13,014	37,279	13,181	44,459
Basic EPS (sen)	3.29	8.80	3.45	10.27

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 30.04.2012 RM'000	Audited As At 31.10.2011 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	179,214	179,942
Land held for development	432,875	431,473
Long term receivables	15,845	16,266
Investment properties	968,877	982,927
Investment in a joint venture	150	-
Intangible assets	4,884	4,718
Other investments	-	-
Deferred tax assets	10,127	10,171
	-----	-----
Total non current assets	1,611,972	1,625,497
	-----	-----
Current assets		
Development properties	44,247	44,172
Inventories, at cost	38,397	42,179
Trade receivables	9,629	7,359
Other receivables	24,170	19,558
Tax recoverable	5,844	6,674
Held for trading investments	98,049	97,076
Available-for-sale investments	-	1,722
Cash and bank balances	594,437	600,769
	-----	-----
Total Current Assets	814,773	819,509
	-----	-----
TOTAL ASSETS	2,426,745	2,445,006
	=====	=====
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	343,617	343,617
Reserves	1,488,628	1,505,489
	-----	-----
	1,832,245	1,849,106
Minority interests	70,137	66,911
	-----	-----
Total equity	1,902,382	1,916,017
	=====	=====

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

	Unaudited As At 30.04.2012 RM'000	Audited As At 31.10.2011 RM'000
Non-current liabilities		
Long term loan	339,110	55,000
Long term payable	11,900	18,000
Deferred taxation	38,594	38,937
	-----	-----
Total non-current liabilities	389,604	111,937
	-----	-----
Current liabilities		
Short term borrowings	21,033	327,826
Derivatives structures	-	48
Trade payables	19,905	22,621
Other payables	90,658	64,905
Taxation	3,163	1,652
	-----	-----
Total current liabilities	134,759	417,052
	-----	-----
Total liabilities	524,363	528,989
	-----	-----
TOTAL EQUITY AND LIABILITIES	2,426,745	2,445,006
	=====	=====
Net assets per share attributable to owners of the parent (RM)	5.33	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
SECOND QUARTER ENDED 30 APRIL 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	-	(2,943)	11,854	8,911	4,270	13,181
Dividend	-	-	(25,772)	(25,772)	(1,044)	(26,816)
As at 30 April 2012	343,617	302,101	1,186,527	1,832,245	70,137	1,902,382
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
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	-	4,650	35,286	39,936	4,523	44,459
Dividend	-	-	(25,771)	(25,771)	(1,045)	(26,816)
As at 30 April 2011	343,617	302,380	1,125,243	1,771,240	65,033	1,836,273

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 STATEMENT OF CASH FLOW
FOR THE FINANCIAL PERIOD ENDED 30 APRIL 2012**

	Period ended 30.04.2012 RM'000	Period ended 30.04.2011 RM'000
CASH FLOWS GENERATED FROM/(USED IN) OPERATING ACTIVITIES		
Profit before tax	24,784	48,294
Adjustments for non-cash item	24,515	(3,478)
Working capital changes	(14,887)	(26,826)
	-----	-----
Net cash generated from operation	34,412	17,990
Taxes paid	(7,479)	(7,377)
	-----	-----
Net cash generated from operating activities	26,933	10,613
	=====	=====
CASH FLOWS GENERATED FROM/(USED IN) INVESTING ACTIVITIES		
Purchase of financial assets	(11,649)	(13,309)
Proceeds from disposal of financial assets	5,310	12,805
Purchase of AFS financial assets	-	(1,384)
Proceeds from disposal of AFS financial assets	2,048	-
Investment in joint venture	(150)	-
Additional cost incurred on investment property	(2,137)	-
Purchase of PPE and Intangibles	(4,030)	(16,622)
	-----	-----
Net cash used in investing activities	(10,608)	(18,510)
	=====	=====
CASH FLOWS GENERATED FROM/(USED IN) FINANCING ACTIVITIES		
(Repayment)/drawdown of borrowings	(13,322)	25,328
Interest paid	(9,603)	(11,394)
	-----	-----
Net cash used in financing activities	(22,925)	13,934
	=====	=====
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(6,600)	6,037
EFFECTS OF EXCHANGE RATE CHANGES	268	689
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD/YEAR	600,769	595,744
	-----	-----
CASH AND CASH EQUIVALENTS AT END OF PERIOD	594,437	602,470
	=====	=====

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

There was no dividend paid during the financial quarter ended 30 April 2012. A first and final dividend of 10% less 25% tax amounting to RM25,771,257 (7.5sen) in respect of financial year ended 31 October 2011 was approved by shareholders on 23 April 2012 and was paid on 14 May 2012.

9. Segment Revenue and Segment Result

The analysis of the Group operations for the period ended 30 April 2012 is as follows: -

By Industries	Revenue	Segment Results	Total Assets Employed
	RM'000	RM'000	RM'000
Property Investment Holding	20,688	10,572	543,533
Property Development	4,441	4,014	445,824
Education	61,582	15,535	252,730
Investment holding	1,519	(3,229)	615,928
Australia Operations	23,252	(1,821)	552,753
Others	-	(287)	6
Unallocated Corporate Assets	-	-	15,971
	<u>111,482</u>	<u>24,784</u>	<u>2,426,745</u>

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 20 June 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		
28/05/2012 – 28/05/2014	25,000	(9)
28/05/2012 – 27/02/2015	25,000	(9)

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 30 April 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 RM8,726,000 (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 RM19.7 million for the current quarter under review as compared to RM38.7 million for the preceding year corresponding quarter.

The performances of the respective business sectors are as follows:

	2 Q2012 RM'000	2 Q2011 RM'000	PTD2012 RM'000	PTD2011 RM'000
Revenue				
Property Investment Holding	10,460	9,679	20,688	19,418
Property Development	2,140	1,237	4,441	5,270
Education	34,732	31,368	61,582	55,666
Investment Holding	1,031	762	1,519	2,134
Australia Operation	10,394	8,838	23,252	16,205
Others	577	-	-	-
	59,334	51,884	111,482	98,693
	2 Q2012 RM'000	2 Q2011 RM'000	PTD2012 RM'000	PTD2011 RM'000
Profit before tax				
Property Investment Holding	7,051	6,007	10,572	9,970
Property Development	(509)	(147)	4,014	154
Education	11,386	11,139	15,535	16,164
Investment Holding	3,269	8,260	(3,229)	11,879
Australia Operation	(1,441)	13,409	(1,821)	10,141
Others	(23)	(5)	(287)	(14)
	19,733	38,663	24,784	48,294

Property Development

Higher profit for period ended 30 April 2012 was mainly due to sale of property stock in Bukit Permata and interest compensation received from the compulsory land acquisition.

Education

For the 2nd quarter under review, the revenue grew by 11% to RM34.7 million as a result of increase in student enrollment. The profit before tax for the period ended 30 April 2012 was slightly lower as a result of higher personnel cost, depreciation on campus facilities, higher marketing cost and relocation on new campus in Fraser.

Investment Holding

For the quarter under review, the profit before tax was RM3.2 million as compared to RM8.3 million in preceding year quarter. Higher profit achieved in the preceding year quarter was mainly due to a write back in provision for diminution of investment of RM6.1 million.

Australian Operation

For the quarter under review it incurred a loss of RM1.4 million as compared to profit before tax of RM13.4 million in preceding year quarter. The main contribution for the Australian operation is from Claremont Quarter but during the quarter it was affected by a foreign currency translation loss of RM4.3 million. Whereas the higher profit achieved in the preceding year quarter was mainly due to foreign currency gain of RM14.0 million.

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 RM19.7 million as compared to RM5.1 million in the preceding quarter ended 31 January 2011

The performance of the respective business sectors are as follows:

	2Q2012 RM'000	1Q2012 RM'000
Profit before tax		
Property Investment Holding	7,051	3,521
Property Development	(509)	4,523
Education	11,386	4,149
Investment Holding	3,269	(6,498)
Australia Operation	(1,441)	(380)
Others	(23)	(264)
	-----	-----
	19,733	5,051
	-----	-----

Property Investment Holding

For the quarter under review it achieved a higher profit before tax of RM7.0 million as compared to RM3.5 million in preceding quarter as a result of lower operating cost during the quarter.

Property Development

Higher profit before tax of RM4.5 million in the preceding quarter was due to sale of property stock in Bukit Permata and interest compensation received from the compulsory acquisition.

Education

For the quarter under review it recorded a profit before tax of RM11.4 million as compared to RM4.2 million in the preceding quarter which is in line with the seasonal fluctuations of the industry.

Investment Holding

For the quarter under review, it achieved a profit before tax of RM3.2 million as compared to a loss of RM6.5 million in the last quarter. In the current quarter it recorded a currency translation gain of RM4.7 million as compared to a currency translation loss of RM6.0 million in the preceding quarter.

Australian Operation

For the quarter under review, it incurred a loss of RM1.4 million which was mainly due to foreign currency translation loss RM4.3 million as a result of the weakening AUD. The high occupancy for the Claremont Quarter will contribute positively to the Group.

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 Milenium 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 at the end of the 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. However, the Groups profitability will be subject to currency fluctuations in view of our investment overseas.

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 30.04.2012	
	Current Quarter	Financial Year To- Date
	RM'000	RM'000
Current year provision	5,080	8,957
Deferred Taxation	(93)	(297)
	-----	-----
	4,987	8,660
	=====	=====

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 30 April 2012: -

a) Summary of Dealings in Quoted Securities:	RM' 000
Cost of Disposal	8,889
Proceeds from Disposal	5,310

Total loss on disposal	(3,579)
	=====
b) Total investments in quoted securities as at end of the reporting period: -	
	RM' 000
i. At cost	137,218
ii. At book value	98,049
(after provision for impairment)	
iii. At market value	98,049
	=====

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 2011 to 30 April 2012 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 30 April 2012 are as follows: -

Security	Currency	Short Term RM'000	Long Term RM'000	Total RM'000
Secured	AUD	-	284,110	284,110
Secured	RM	-	55,000	55,000
Unsecured	RM	21,033	-	21,033
Total		21,033	339,110	360,143

10 Material Litigation

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

11 Dividend

No dividend has been proposed or declared for the current quarter ended 30 April 2012.

12 Earnings Per Share

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter Ended 30.04.2012	Preceding Year Corresponding Quarter Ended 30.04.2011	Current Year To date Ended 30.04.2012	Preceding Year Corresponding Period 30.04.2011
Net profit/(loss) for the period attributable to shareholders of the parent (RM'000)	11,302	30,224	11,854	35,286
Basic earnings/(loss) per share (sen)	3.29	8.80	3.45	10.27
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 ENDED 30/04/2012 RM'000	6 MONTHS ENDED 30/04/2012 RM'000
Interest income	(561)	192
Other income including investment income	607	3,787
Interest expense	(2,888)	(9,603)
Depreciation and amortization	(1,903)	(4,624)
Provision for write off of receivables	N/A	N/A
Provision for and write off of inventories	N/A	N/A
Gain or loss on disposal of quoted or unquoted investments or properties	(2,813)	(1,333)
Impairment of assets	N/A	N/A
Foreign exchange loss	(1,318)	(10,394)
Gain or loss on derivatives	N/A	N/A
Exceptional item	N/A	N/A

PART C

1. Disclosure of Realised and Unrealised Profits or losses

The breakdown of the retained profits of the Group as at the reporting date 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 30.04.2012 RM'000	As At 31.10.2011 RM'000
Total retained profits of the Company and its subsidiaries		
- Realised	1,623,061	1,634,057
- Unrealised	332,718	332,687
	-----	-----
	1,955,779	1,966,744
Less: Consolidated adjustments	(769,252)	(766,299)
	-----	-----
Retained earnings as per financial statements	1,186,527	1,200,445
	-----	-----