

SELANGOR PROPERTIES BERHAD

(Company Number: 5199-X)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF
COMPREHENSIVE INCOME
FIRST QUARTER ENDED 31 JANUARY 2013**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 31.01.2013 RM'000	Preceding Year Corresponding Quarter 31.01.2012 RM'000	Current Year To Date 31.01.2013 RM'000	Preceding Year Corresponding Period 31.01.2012 RM'000
Revenue	61,073	52,148	61,073	52,148
Investment income/(loss)	(449)	(766)	(449)	(766)
Cost of sale of development properties	(5,239)	(1,222)	(5,239)	(1,222)
Operating expenses	(31,827)	(42,819)	(31,827)	(42,819)
Other operating income	4,672	4,425	4,672	4,425
	-----	-----	-----	-----
Profit from operations	28,230	11,766	28,230	11,766
Financing costs	(4,569)	(6,715)	(4,569)	(6,715)
	-----	-----	-----	-----
Profit before taxation	23,661	5,051	23,661	5,051
Share of associated company	(17)	-	(17)	-
Taxation	(3,365)	(3,673)	(3,365)	(3,673)
	-----	-----	-----	-----
Profit for the period	20,279	1,378	20,279	1,378
	-----	-----	-----	-----
Foreign currency translation	978	(862)	978	(862)
Fair value changes on hedging instrument	(37)	(349)	(37)	(349)
Fair value from Available-for-Sale financial assets	-	-	-	-
	-----	-----	-----	-----
Other comprehensive income for the period (net of tax)	941	(1,211)	941	(1,211)
	-----	-----	-----	-----
Total comprehensive income for the period	21,220	167	21,220	167
	-----	-----	-----	-----
Profit attributable to:				
Owners of the parent	19,362	552	19,362	552
Minority interest	917	826	917	826
	-----	-----	-----	-----
Profit for the period	20,279	1,378	20,279	1,378
	-----	-----	-----	-----
Total comprehensive income attributable to:				
Owners of the parent	20,303	(659)	20,303	(659)
Minority interest	917	826	917	826
	-----	-----	-----	-----
Total comprehensive income for the period	21,220	167	21,220	167
	-----	-----	-----	-----
Basic EPS (sen)	5.63	0.16	5.63	0.16

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 2012

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

	Unaudited As At 31.01.2013 RM'000	Audited As At 31.10.2012 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	188,538	181,471
Land held for development	432,386	432,210
Long term receivables	16,122	15,805
Investment properties	1,007,244	998,502
Investment in a joint venture	-	-
Intangible assets	6,070	6,252
Other investments	-	-
Deferred tax assets	10,555	30,354
	-----	-----
Total non current assets	1,660,915	1,664,594
	-----	-----
Current assets		
Development properties	44,905	44,268
Inventories, at cost	26,752	31,455
Trade receivables	10,399	6,851
Other receivables	22,969	21,703
Tax recoverable	4,780	4,752
Held for trading investments	272,220	270,977
Cash and bank balances	465,744	455,231
	-----	-----
Total Current Assets	847,769	835,237
Non-current asset held for sale	-	-
	-----	-----
	847,769	835,237
	-----	-----
TOTAL ASSETS	2,508,684	2,499,831
	=====	=====
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	343,617	343,617
Reserves	1,564,306	1,544,003
	-----	-----
	1,907,923	1,887,620
Minority interests	73,406	72,489
	-----	-----
Total equity	1,981,329	1,960,109
	=====	=====

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

	Unaudited As At 31.01.2013 RM'000	Audited As At 31.10.2012 RM'000
Non-current liabilities		
Long term loan	323,011	318,089
Long term payable	9,000	9,000
Deferred taxation	71,249	90,363
	-----	-----
Total non-current liabilities	403,260	417,452
	-----	-----
Current liabilities		
Provision for liabilities	3,068	3,016
Short term borrowings	22,030	26,038
Trade payables	34,190	25,373
Other payables	62,556	66,062
Taxation	2,251	1,781
	-----	-----
Total current liabilities	124,095	122,270
	-----	-----
Total liabilities	527,355	539,722
	-----	-----
TOTAL EQUITY AND LIABILITIES	2,508,684	2,499,831
	=====	=====
Net assets per share attributable to owners of the parent (RM)	5.55	5.49

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 2012

SELANGOR PROPERTIES BERHAD*(Company Number: 5199-X)**(Incorporated in Malaysia)***UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FIRST QUARTER ENDED 31 JANUARY 2013****← 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 2012	343,617	300,284	1,243,719	1,887,620	72,489	1,960,109
Total comprehensive income	-	941	19,362	20,303	917	21,220
As at 31 January 2013	343,617	301,225	1,263,081	1,907,923	73,406	1,981,329
Preceding Year Corresponding Period						
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

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 2012

SELANGOR PROPERTIES BERHAD*(Company Number: 5199-X)**(Incorporated in Malaysia)***UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT
3 MONTHS ENDED 31 JANUARY 2013**

	Period ended 31.01.2013 RM'000	Period ended 31.01.2012 RM'000
CASH FLOWS GENERATED FROM/(USED IN) OPERATING ACTIVITIES		
Profit before tax	23,644	5,051
Adjustments for non-cash item	(684)	6,767
Working capital changes	2,443	1,618
	-----	-----
Net cash generated from operation	25,403	13,436
Taxes paid	(3,403)	(4,297)
	-----	-----
Net cash generated from operating activities	22,000	9,139
	=====	=====
CASH FLOWS GENERATED FROM/(USED IN) INVESTING ACTIVITIES		
Purchase of FVTPL investments	(1,310)	(2,681)
Proceeds from disposal of FVTPL financial assets	4,320	3,676
Purchase of PPE and intangibles	(9,428)	-
Payment of development expenses	(68)	-
Interest received	4,250	4,798
Additional cost incurred for investment property	-	(1,126)
	-----	-----
Net cash used in investing activities	(2,236)	4,667
	=====	=====
CASH FLOWS GENERATED FROM/(USED IN) FINANCING ACTIVITIES		
(Repayment)/ drawdown of borrowings	(4,050)	(15,208)
Interest paid	(6,213)	(7,255)
Dividend received	-	149
	-----	-----
Net cash used in financing activities	(10,263)	(22,314)
	=====	=====
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	9,501	(8,508)
EFFECTS OF EXCHANGE RATE CHANGES	1,012	(1,991)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	455,231	600,769
	-----	-----
CASH AND CASH EQUIVALENTS AT END OF PERIOD	465,744	590,270
	=====	=====

The Unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the year ended 31 October 2012

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 2012. 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 2012.

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 2012 except for the adoption of the following Financial Reporting Standards and Amendments to FRSs that are effective for the financial periods beginning on or after 1 November 2012.

FRSs, Amendments to FRSs and Interpretations	Effective for Financial periods beginning on or after
FRS 124 Related Party Disclosure	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 : Transfer of Financial Assets	1 January 2012
Amendments to FRS 112: Deferred Tax: Recovery of Underlying Assets	1 January 2012

The adoption of the FRSs and amendments to FRSs 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 2012 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 quarter 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 2013 is as follows: -

By Industries	Revenue	Segment Results	Total Assets Employed
	RM'000	RM'000	RM'000
Property Investment Holding	10,115	5,406	573,495
Property Development	573	(663)	441,090
Education	28,684	4,423	270,475
Investment holding	4,763	9,500	642,739
Australia Operations	16,938	5,005	565,543
Others	-	(10)	7
Unallocated Corporate Assets	-	-	15,335
	<hr/>	<hr/>	<hr/>
	61,073	23,661	2,508,684

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 March 2013, 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	(334)
28/05/2012 – 27/02/2015	25,000	(334)

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 the floating rate of the swap as at 31 January 2013.

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 RM26,084,000 (2012 : RM33,175,000).

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 RM23.7 million for the current quarter under review as compared to RM5.1 million for the preceding year corresponding quarter.

The performances of the respective business sectors are as follows:

	1 Q2013 RM'000	1 Q2012 RM'000	PTD2013 RM'000	PTD2012 RM'000
Revenue				
Property Investment Holding	10,115	10,228	10,115	10,228
Property Development	573	2,301	573	2,301
Education	28,684	26,850	28,684	26,850
Investment Holding	4,763	488	4,763	488
Australia Operation	16,938	12,858	16,938	12,858
Others	-	(577)	-	(577)
	<u>61,073</u>	<u>52,148</u>	<u>61,073</u>	<u>52,148</u>
	1 Q2013 RM'000	1 Q2012 RM'000	PTD2013 RM'000	PTD2012 RM'000
Profit before tax				
Property Investment Holding	5,406	3,521	5,406	3,521
Property Development	(663)	4,523	(663)	4,523
Education	4,423	4,149	4,423	4,149
Investment Holding	9,500	(6,498)	9,500	(6,498)
Australia Operation	5,005	(380)	5,005	(380)
Others	(10)	(264)	(10)	(264)
	<u>23,661</u>	<u>5,051</u>	<u>23,661</u>	<u>5,051</u>

Property Investment Holding

Higher profit achieved for the 1st quarter to 31 January 2013 was mainly due to higher occupancy and lower interest cost. The current investment properties still enjoy high occupancy and will continue to contribute positively to the Group.

Property Development

The delay in the new launches has resulted in lower revenue and has incurred losses as compared to preceding year corresponding quarter.

Education

For the 1st quarter under review, the revenue increase by 6.7% to RM28.7 million from RM26.9 million in the preceding year corresponding quarter. Profit before tax also increase marginally to RM4.4 million from RM4.1 million in the preceding year corresponding quarter. The growth in revenue and profit before tax were largely due to the increase in student enrollments into the various campuses in Damansara and Fraser.

Investment Holding

For the quarter under review, it recorded a profit of RM9.5 million as compared to loss RM6.5 million in preceding year corresponding quarter. Loss in the preceding year corresponding quarter was due to foreign exchange loss as a result of the weakening the AUD.

Australian Operation

For the year, it recorded a profit of RM5.0 million as compared to a loss of RM0.4 million in the preceding year corresponding quarter. In the current quarter it has a foreign exchange gain of RM1.4 million whereas in the preceding year corresponding quarter it has suffered a foreign exchange loss of RM2.2 million. The main income from the rental of Claremont Quarter and the current occupancy remain high at 98.5%.

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 RM23.7 million as compared to RM56.8 million in the preceding quarter ended 31 October 2012

The performance of the respective business sectors are as follows:

	1Q2013 RM'000	4Q2012 RM'000
Profit before tax		
Property Investment Holding	5,406	66,997
Property Development	(663)	(3,146)
Education	4,423	5,436
Investment Holding	9,500	(6,143)
Australia Operation	5,005	(6,578)
Others	(10)	195
	-----	-----
	23,661	56,761
	-----	-----

Property Investment Holding

For the quarter under review, it achieved a profit of RM5.4 million as compared to RM67.0 million in the preceding quarter. The higher profit in the preceding quarter was mainly due to the gain of RM23.4 million from compulsory land acquisition and revaluation gain of RM34.4 million.

Property Development

For the quarter under review the property division incurred a loss of RM0.7 million as a result of delay in the new launches. New phases for Bukit Permata are expected to be launch in the 4th quarter of 2013.

Education

The education sector recorded a profit before tax of RM4.4 million for the quarter as compared to RM5.4 million recorded in the preceding quarter which is in line with the seasonal fluctuation of the industry.

Investment Holding

For the quarter it recorded a profit of RM9.1 million as compared to a loss of RM6.1 million in the preceding quarter. Profit for the quarter was mainly derived from interest income, foreign exchange gain and write back of provision on investment. Whereas in the preceding quarter there was a loss of RM6.0 million on foreign exchange as a result of the weakening of AUD.

Australian Operation

For the quarter under review, it recorded a profit of RM5.0 million as compared to a loss of RM6.6 million in the preceding quarter. The loss for the preceding quarter was due to foreign exchange loss. The high occupancy for Claremont Quarters will continue to contribute positively to the Australian operation.

3. Current Financial Year Prospect

The property investment and education sector of the Group are expected to remain stable and will continue to contribute positively to the Group. The occupancy rate for Menara Milenium in Damansara Heights and Claremont Shopping Centre in Perth, Australia remain high. For property development in Bukit Permata and Selayang Mulia, the Group is reviewing its development plan and new launches are expected to be made in 2013. 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 overseas investment.

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 31.01.2013	
	Current Quarter	Financial Year To-Date
	RM'000	RM'000
Current year provision	2,680	2,680
Deferred Taxation	685	685
	-----	-----
	3,365	3,365
	=====	=====

The effective rate of taxation of the Group is lower than the statutory rate of taxation because gain from overseas subsidiary company, Allied Provincial Investment, a company incorporated in the British Virgin Island is tax free.

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 year to 31 January 2013:-

a) Summary of Dealings in Quoted Securities:	RM' 000
Cost of Disposal	4,768
Proceeds from Disposal	4,319

Total loss on disposal	(449)
	=====
b) Total investments in quoted securities as at end of the reporting period: -	
	RM' 000
i. At cost	303,939
ii. At book value	272,220
(after provision for impairment)	
iii. At market value	272,220
	=====

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 year from 1 November 2012 to 31 January 2013 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 2013 are as follows: -

Security	Currency	Short Term RM'000	Long Term RM'000	Total RM'000
Secured	AUD	-	288,011	288,011
Secured	RM	-	35,000	35,000
Unsecured	RM	22,030	-	22,030
Total		22,030	323,011	345,041

10. 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	(334)
(28/05/2012 – 27/02/2015)	25,000	(334)

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 the floating rate of the swap as at 31 January 2013.

11. Material Litigation

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

12. Dividend

A first and final dividend in respect of financial year ended 31 October 2012, of 2% less 25% taxation on RM343,616,761 ordinary share amounting to a total dividend payable of RM5,154,251 (1.5 sen net per ordinary share) and a final single tier exempt dividend of 8.0 sen per ordinary share amounting to RM27,489,341 will be proposed to the shareholders for approval at the forthcoming Annual General Meeting. The interim financial statement for the current financial year-to-date do not reflect the proposed total dividend of RM32,643,592. Such dividends if approved by shareholders will be accounted for in equity as an appropriation of retained earnings in the financial year ending 31 October 2013.

The Board of Directors does not recommend any dividend for the current quarter ended 31 January 2013.

13. Earnings Per Share

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter Ended 31.01.2013	Preceding Year Corresponding Quarter Ended 31.01.2012	Current Year To date Ended 31.01.2013	Preceding Year Corresponding Period 31.01.2012
Net profit/(loss) for the period attributable to shareholders of the parent (RM'000)	19,362	552	19,362	552
Basic earnings/(loss) per share (sen)	5.63	0.16	5.63	0.16
Number of ordinary shares in issue (RM'000)	343,617	343,617	343,617	343,617

14. Additional Disclosures

Notes to the Statement of Comprehensive Income comprises:-

	3 MONTHS ENDED 31/01/2013 RM'000	YEAR ENDED 31/10/2012 RM'000
Interest income	3,532	3,918
Other income including investment income	7,714	21,648
Interest expense	(4,569)	(22,062)
Depreciation and amortization	(2,254)	(9,861)
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	(449)	(831)
Impairment of assets	N/A	N/A
Foreign exchange gain/(loss)	5,840	1,625
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 31.01.2013 RM'000	As At 31.10.2012 RM'000
Total retained profits of the Company and its subsidiaries		
- Realised	1,716,263	1,673,704
- Unrealised	318,763	340,699
	----- 2,035,026	----- 2,014,403
Less: Consolidated adjustments	(771,945)	(770,684)
	----- 1,263,081	----- 1,243,719
Retained earnings as per financial statements		