

SELANGOR PROPERTIES BERHAD

(Company Number: 5199-X)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF
COMPREHENSIVE INCOME
SECOND QUARTER ENDED 30 APRIL 2013**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter 30.04.2013 RM'000	Preceding Year Corresponding Quarter 30.04.2012 RM'000	Current Year To Date 30.04.2013 RM'000	Preceding Year Corresponding Period 30.04.2012 RM'000
Revenue	60,764	59,334	121,837	111,482
Investment income/(loss)	979	(2,813)	530	(3,579)
Cost of sale of development properties	(2,363)	(1,255)	(7,602)	(2,477)
Operating expenses	(52,561)	(34,253)	(84,388)	(77,072)
Other operating income	16,519	1,608	21,191	6,033
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Profit from operations	23,338	22,621	51,568	34,387
Financing costs	(4,124)	(2,888)	(8,693)	(9,603)
	-----	-----	-----	-----
Profit before taxation	19,214	19,733	42,875	24,784
Share of associated company	5	-	(12)	-
Taxation	(9,904)	(4,987)	(13,269)	(8,660)
	-----	-----	-----	-----
Profit for the period	9,315	14,746	29,594	16,124
	-----	-----	-----	-----
Foreign currency translation	(1,614)	(1,733)	(636)	(2,595)
Fair value changes on hedging instrument	531	1	494	(348)
Fair value from Available-for-Sale financial assets	-	-	-	-
	-----	-----	-----	-----
Other comprehensive income for the period (net of tax)	(1,083)	(1,732)	(142)	(2,943)
	-----	-----	-----	-----
Total comprehensive income for the period	8,232	13,014	29,452	13,181
	-----	-----	-----	-----
Profit attributable to:				
Owners of the parent	6,830	11,302	26,192	11,854
Minority interest	2,485	3,444	3,402	4,270
	-----	-----	-----	-----
Profit for the period	9,315	14,746	29,594	16,124
	-----	-----	-----	-----
Total comprehensive income attributable to:				
Owners of the parent	5,747	9,570	26,050	8,911
Minority interest	2,485	3,444	3,402	4,270
	-----	-----	-----	-----
Total comprehensive income for the period	8,232	13,014	29,452	13,181
	-----	-----	-----	-----
Basic EPS (sen)	1.99	3.29	7.62	3.45

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 30.04.2013 RM'000	Audited As At 31.10.2012 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	192,537	181,471
Land held for development	432,330	432,210
Long term receivables	15,691	15,805
Investment properties	1,013,167	998,502
Investment in a joint venture	-	-
Intangible assets	5,856	6,252
Other investments	-	-
Deferred tax assets	10,543	30,354
	-----	-----
Total non current assets	1,670,124	1,664,594
	-----	-----
Current assets		
Development properties	45,096	44,268
Inventories, at cost	23,911	31,455
Trade receivables	9,166	6,851
Other receivables	21,007	21,703
Tax recoverable	5,040	4,752
Held for trading investments	390,370	270,977
Cash and bank balances	334,077	455,231
	-----	-----
Total Current Assets	828,667	835,237
Non-current asset held for sale	-	-
	-----	-----
	828,667	835,237
	-----	-----
TOTAL ASSETS	2,498,791	2,499,831
	=====	=====
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	343,617	343,617
Reserves	1,537,412	1,544,003
	-----	-----
	1,881,029	1,887,620
Minority interests	74,847	72,489
	-----	-----
Total equity	1,955,876	1,960,109
	=====	=====

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

	Unaudited As At 30.04.2013 RM'000	Audited As At 31.10.2012 RM'000
Non-current liabilities		
Long term loan	305,314	318,089
Long term payable	9,000	9,000
Deferred taxation	76,158	90,363
	-----	-----
Total non-current liabilities	390,472	417,452
	-----	-----
Current liabilities		
Provision for liabilities	2,513	3,016
Short term borrowings	23,020	26,038
Trade payables	19,810	25,373
Other payables	103,485	66,062
Taxation	3,615	1,781
	-----	-----
Total current liabilities	152,443	122,270
	-----	-----
Total liabilities	542,915	539,722
	-----	-----
TOTAL EQUITY AND LIABILITIES	2,498,791	2,499,831
	=====	=====
Net assets per share attributable to owners of the parent (RM)	5.47	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
SECOND QUARTER ENDED 30 APRIL 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	-	(142)	26,192	26,050	3,402	29,452
Dividend	-	-	(32,641)	(32,641)	(1,044)	(33,685)
As at 30 April 2013	343,617	300,142	1,237,270	1,881,029	74,847	1,955,876
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	-	(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

SELANGOR PROPERTIES BERHAD

(Company Number: 5199-X)

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT
6 MONTHS ENDED 30 APRIL 2013**

	Period ended 30.04.2013 RM'000	Period ended 30.04.2012 RM'000
CASH FLOWS GENERATED FROM/(USED IN) OPERATING ACTIVITIES		
Profit before tax	42,875	24,784
Adjustments for non-cash item	(8,935)	24,515
Working capital changes	8,636	(14,887)
	-----	-----
Net cash generated from operation	42,576	34,412
Taxes paid	(6,398)	(7,479)
	-----	-----
Net cash generated from operating activities	36,178	26,933
	=====	=====
CASH FLOWS GENERATED FROM/(USED IN) INVESTING ACTIVITIES		
Purchase of FVTPL investments	(127,236)	(11,649)
Proceeds from disposal of FVTPL financial assets	5,981	5,310
Purchase of PPE and intangibles	(15,650)	(4,030)
Payment of development expenses	(119)	-
Interest received	5,923	-
Additional cost incurred for investment property	-	(2,137)
Dividend received from shares quoted outside Malaysia	1,366	-
Proceeds from disposal of AFS financial assets	-	2,048
Investment in joint venture	-	(150)
	-----	-----
Net cash used in investing activities	(129,735)	(10,608)
	=====	=====
CASH FLOWS GENERATED FROM/(USED IN) FINANCING ACTIVITIES		
(Repayment)/ drawdown of borrowings	(13,041)	(13,322)
Interest paid	(7,573)	(9,603)
	-----	-----
Net cash used in financing activities	(20,614)	(22,925)
	=====	=====
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(114,171)	(6,600)
EFFECTS OF EXCHANGE RATE CHANGES	(6,983)	268
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	455,231	600,769
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CASH AND CASH EQUIVALENTS AT END OF	334,077	594,437

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

There were no dividends paid during the financial quarter ended 30 April 2013. A final dividend in respect of financial year ended 31 October 2012, of 2% less 25% of taxation amounting to a total dividend payable of RM5,154,251 (1.5sen net per ordinary share) and a final single tier exempt

dividend of 8.0 sen per ordinary share amounting to RM27,489,341 was approved by shareholders on 24 April 2013 and was paid on 15 May 2013.

9. Segment Revenue and Segment Result

The analysis of the Group operations for the period ended 30 April 2013 is as follows: -

By Industries	Revenue	Segment Results	Total Assets Employed
	RM'000	RM'000	RM'000
Property Investment Holding	20,647	11,111	570,053
Property Development	1,732	(707)	440,578
Education	62,396	12,886	266,555
Investment holding	5,876	(3,067)	645,255
Australia Operations	31,186	22,727	560,759
Others	-	(75)	8
Unallocated Corporate Assets	-	-	15,583
	<u>121,837</u>	<u>42,875</u>	<u>2,498,791</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 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	(258)
28/05/2012 – 27/02/2015	25,000	(258)

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 30 April 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 RM27,301,000 (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 RM19.2 million for the current quarter under review as compared to RM19.7 million for the preceding year corresponding quarter.

The performances of the respective business sectors are as follows:

	2 Q2013 RM'000	2 Q2012 RM'000	PTD2013 RM'000	PTD2012 RM'000
Revenue				
Property Investment Holding	10,532	10,460	20,647	20,688
Property Development	1,159	2,140	1,732	4,441
Education	33,712	34,732	62,396	61,582
Investment Holding	1,113	1,031	5,876	1,519
Australia Operation	14,248	10,394	31,186	23,252
Others	-	577	-	-
	60,764	59,334	121,837	111,482
	2 Q2013 RM'000	2 Q2012 RM'000	PTD2013 RM'000	PTD2012 RM'000
Profit before tax				
Property Investment Holding	5,705	7,051	11,111	10,572
Property Development	(44)	(509)	(707)	4,014
Education	8,463	11,386	12,886	15,535
Investment Holding	(12,567)	3,269	(3,067)	(3,229)
Australia Operation	17,722	(1,441)	22,727	(1,821)
Others	(65)	(23)	(75)	(287)
	19,214	19,733	42,875	24,784

Property Investment Holding

Higher profit achieved in the preceding year corresponding quarter is mainly due to profit from compulsory land acquisition. 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 some losses.

Education

For the 2nd quarter under review, there was a decrease in revenue and profit as compared to preceding year corresponding quarter. The decrease in revenue and profit were largely due to a decrease in classes conducted during the festive and holiday period which resulted in the smaller number of classes conducted and also lower enrollment by international student due to new visa policies.

Investment Holding

For the quarter under review, it recorded a loss of RM12.5 million as compared to a profit RM3.3 million in preceding year corresponding quarter. Loss for the quarter was mainly due to foreign exchange loss of RM15 million as a result of the weakening the SGD, AUD and USD.

Australian Operation

For the quarter, it recorded a profit of RM17.7 million as compared to a loss of RM1.4 million in the preceding year corresponding quarter. Higher gain in the current quarter was due to a revaluation

surplus of RM19.8 million from Claremont Quarters. The main income is from the rental of Claremont Quarter and its current occupancy remains 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 RM19.2 million as compared to RM23.7 million in the preceding quarter ended 31 January 2013

The performance of the respective business sectors are as follows:

	2Q2013 RM'000	1Q2013 RM'000
Profit before tax		
Property Investment Holding	5,705	5,406
Property Development	(44)	(663)
Education	8,463	4,423
Investment Holding	(12,567)	9,500
Australia Operation	17,722	5,005
Others	(65)	(10)
	-----	-----
	19,214	23,661
	-----	-----

Property Investment Holding

The property investment holding continue to enjoy high occupancy and contribute positively to the Group.

Property Development

For the quarter under review the property division incurred a slight loss of RM44,000 as a result of delay in the new launches. New phases for Bukit Permata are expected to be launched in the first half of 2014.

Education

The education sector recorded a profit before tax of RM8.5 million for the quarter as compared to RM4.4 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 loss of RM12.6 million as compared to a profit RM9.5 million in the preceding quarter. Profit for the quarter was affected by foreign exchange loss of RM15 million whereas in the preceding quarter there was a write back of investment of RM3.9 million, foreign exchange gain of RM1.4 million and higher interest income.

Australian Operation

For the quarter under review, it recorded a profit of RM17.7 million as compared to a profit of RM5.0 million in the preceding quarter. Higher profit for the quarter was mainly due to the revaluation surplus of RM19.8 million but the gain was partly set off against a foreign exchange loss of RM5.4 million.

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 2014. 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. **Variiances 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 30.04.2013	
	Current Quarter	Financial Year To- Date
	RM'000	RM'000
Current year provision	4,983	7,663
Deferred Taxation	4,921	5,606
	-----	-----
	9,904	13,269
	=====	=====

The effective rate of taxation of the Group is higher than the statutory rate of taxation because the losses from currency translation for the overseas subsidiary company cannot be offsetted against Group profit as no Group relief was available in respect of losses incurred by oversea subsidiary.

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 2013:-

a) Summary of Dealings in Quoted Securities:	RM' 000
Cost of Disposal	5,451
Proceeds from Disposal	5,981

Total gain on disposal	530
	=====
b) Total investments in quoted securities as at end of the reporting period: -	
	RM' 000
i. At cost	421,638
ii. At book value	390,370
(after provision for impairment)	
iii. At market value	390,370
	=====

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 2012 to 30 April 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 30 April 2013 are as follows: -

Security	Currency	Short Term RM'000	Long Term RM'000	Total RM'000
Secured	AUD	-	280,314	280,314
Secured	RM	-	25,000	25,000
Unsecured	RM	23,020	-	23,020
Total		23,020	305,314	328,334

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	(258)
(28/05/2012 – 27/02/2015)	25,000	(258)

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 30 April 2013.

11. Material Litigation

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

12. Dividend

The Board of Directors does not recommend any dividend for the current quarter ended 30 April 2013.

13. Earnings Per Share

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter Ended 30.04.2013	Preceding Year Corresponding Quarter Ended 30.04.2012	Current Year To date Ended 30.04.2013	Preceding Year Corresponding Period 30.04.2012
Net profit/(loss) for the period attributable to shareholders of the parent (RM'000)	6,830	11,302	26,192	11,854
Basic earnings/(loss) per share (sen)	1.99	3.29	7.62	3.45
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 30/04/2013 RM'000	6 MONTHS ENDED 30/04/2013 RM'000
Interest income	978	4,510
Other income including investment income/(loss)	(1,944)	5,770
Interest expense	(4,124)	(8,693)
Depreciation and amortization	(2,290)	(4,544)
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	979	530
Impairment of assets	N/A	N/A
Foreign exchange gain/(loss)	(21,984)	(16,144)
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 30.04.2013 RM'000	As At 31.10.2012 RM'000
Total retained profits of the Company and its subsidiaries		
- Realised	1,722,514	1,673,704
- Unrealised	293,500	340,699
	-----	-----
	2,016,014	2,014,403
Less: Consolidated adjustments	(778,774)	(770,684)
	-----	-----
Retained earnings as per financial statements	1,237,270	1,243,719
	-----	-----