



SAPURA RESOURCES BERHAD
(Company No.: 3136-D)

Interim Financial Statements for the 3 months period ended 30 April 2010

The Board of Directors hereby announce the
unaudited financial results of the Group for the 3 months period ended 30 April 2010

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Sapura Resources Berhad (Company No.: 3136-D)

Unaudited Condensed Consolidated Statement of Comprehensive Income
for the 1st Quarter ended 30 April 2010

	Note	Individual Quarter 3 Months Ended		Individual Quarter 3 Months Ended	
		30.04.2010 RM'000	30.04.2009 RM'000	30.04.2010 RM'000	30.04.2009 RM'000
Revenue	8	56,506	74,337	56,506	74,337
Operating Expenses		(54,776)	(72,384)	(54,776)	(72,384)
Operating profit	8	<u>1,730</u>	<u>1,953</u>	<u>1,730</u>	<u>1,953</u>
Other income		4,496	2,852	4,496	2,852
Finance costs		(1,431)	(2,005)	(1,431)	(2,005)
Share of result of associates		128	159	128	159
Profit before tax		<u>4,923</u>	<u>2,959</u>	<u>4,923</u>	<u>2,959</u>
Taxation	17	<u>(3,084)</u>	<u>(1,310)</u>	<u>(3,084)</u>	<u>(1,310)</u>
Profit for the period		<u>1,839</u>	<u>1,649</u>	<u>1,839</u>	<u>1,649</u>
Total comprehensive income for the period		<u>1,839</u>	<u>1,649</u>	<u>1,839</u>	<u>1,649</u>
Profit for the period attributable to :					
Owners of the Company		1,839	1,649	1,839	1,649
Minority interests		-	-	-	-
		<u>1,839</u>	<u>1,649</u>	<u>1,839</u>	<u>1,649</u>
Total comprehensive income attributable to :					
Owners of the Company		1,839	1,649	1,839	1,649
Minority interests		-	-	-	-
		<u>1,839</u>	<u>1,649</u>	<u>1,839</u>	<u>1,649</u>
Earnings per share attributable to Owners of the Company :		Sen	Sen	Sen	Sen
Basic	25	<u>1.32</u>	<u>1.18</u>	<u>1.32</u>	<u>1.18</u>

These unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 January 2010

Sapura Resources Berhad (Company No.: 3136-D)

Unaudited Condensed Consolidated Statement of Financial Position as at 30 April 2010

	Note	30.04.2010	(Restated) 31.01.2010
		RM'000	RM'000
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment		186,017	185,912
Investment properties		106,247	107,089
Prepaid land lease payments	2	-	-
Intangible Assets		259	259
Investments in associates		1,794	1,666
		<u>294,317</u>	<u>294,926</u>
CURRENT ASSETS			
Inventories		55,421	33,555
Amounts due from related parties		2,195	981
Trade and other receivables		15,211	18,018
Marketable securities		192	193
Cash and bank balances		17,245	19,026
		<u>90,264</u>	<u>71,773</u>
TOTAL ASSETS		<u>384,581</u>	<u>366,699</u>
EQUITY AND LIABILITIES			
		RM'000	RM'000
Equity attributable to Owners of the Company			
Share capital		139,600	139,600
Other reserves		4,883	4,883
Retained profit		6,119	4,280
Total Equity		<u>150,602</u>	<u>148,763</u>
Non-current liabilities			
Borrowings	21	89,388	90,329
Deferred taxation		6,518	6,257
		<u>95,906</u>	<u>96,586</u>
Current Liabilities			
Amounts due to related parties		753	668
Trade and other payables		63,923	70,306
Borrowings	21	72,967	50,376
Tax payable		430	-
		<u>138,073</u>	<u>121,350</u>
Total liabilities		<u>233,979</u>	<u>217,936</u>
TOTAL EQUITY AND LIABILITIES		<u>384,581</u>	<u>366,699</u>
NET ASSETS PER SHARE (RM)		<u>1.08</u>	<u>1.07</u>

These unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 January 2010

Sapura Resources Berhad (Company No.: 3136-D)

Unaudited Condensed Consolidated Statement of Changes in Equity as at 30 April 2010

	Attributable to Owners of the Company						Minority Interests RM'000	Total Equity RM'000	
	<----- Non-distributable ----->			<--- Distributable --->					
	Share Capital RM'000	Revaluation Reserve RM'000	Capital Reserve RM'000	Other Reserve RM'000	General Reserve RM'000	Retained Profit RM'000			Subtotal RM'000
At 1.2.2010	139,600	2,302	1,481	-	1,100	4,280	148,763	-	148,763
Total comprehensive income for the period	-	-	-	-	-	1,839	1,839	-	1,839
At 30.04.2010	139,600	2,302	1,481	-	1,100	6,119	150,602	-	150,602
At 1.2.2009	139,600	2,302	1,481	-	1,100	(1,764)	142,719	-	142,719
Total comprehensive income for the period	-	-	-	-	-	1,649	1,649	-	1,649
At 30.04.2009	139,600	2,302	1,481	-	1,100	(115)	144,368	-	144,368

These unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 January 2010

Unaudited Condensed Consolidated Statement of Cash Flows for the period ended 30 April 2010

	For the 3 months period ended 30.04.2010 <u>RM'000</u>	For the 3 months period ended 30.04.2009 <u>RM'000</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before tax	4,923	2,959
Adjustment for:		
Non-cash items	<u>4,215</u>	<u>3,811</u>
Operating profit before working capital changes	9,138	6,770
Net change in current assets	(20,875)	12,481
Net change in current liabilities	(6,384)	(10,097)
Taxes paid	<u>(1,706)</u>	<u>(1,396)</u>
Net cash (used in)/generated from operating activities	<u>(19,827)</u>	<u>7,758</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	<u>(2,175)</u>	<u>(1,141)</u>
Net cash used in investing activities	<u>(2,175)</u>	<u>(1,141)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown/(Repayment) of borrowings	21,652	(8,038)
Interest paid	<u>(1,431)</u>	<u>(2,005)</u>
Net cash generated/(used in) from financing activities	<u>20,221</u>	<u>(10,043)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(1,781)	(3,426)
CASH AND CASH EQUIVALENTS AT START OF PERIOD	<u>19,026</u>	<u>8,173</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>17,245</u>	<u>4,747</u>
Cash and cash equivalents comprise:		
Cash and bank balances	17,245	5,511
Bank overdraft	-	(764)
	<u>17,245</u>	<u>4,747</u>

These unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 January 2010

Explanatory Notes

1 BASIS OF PREPARATION

These unaudited condensed interim financial statements of the Group have been prepared in accordance with requirements of FRS 134 "Interim Financial Reporting" and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad, and should be read in conjunction with the audited financial statements for the year ended 31 January 2010.

The accounting policies, method of computation and basis of consolidation applied in these unaudited condensed interim financial statements are consistent with those used in the preparation of the audited financial statements for the year ended 31 January 2010.

2 CHANGES IN ACCOUNTING POLICIES

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 January 2010 except for the adoption of the following new Financial Reporting Standards ("FRS") and Interpretations, and amendments to certain Standards and Interpretation:

Effective for financial periods beginning on or after 1 July 2009:

FRS 8: Operating Segments

Effective for financial periods beginning on or after 1 January 2010:

FRS 4: Insurance Contracts

FRS 7: Financial Instruments: Disclosures

FRS 101: Presentation of Financial Statements (revised)

FRS 123: Borrowing Costs

FRS 139: Financial Instruments: Recognition and Measurement

Amendments to FRS 1: First-time Adoption of Financial Reporting Standards and FRS 127: Consolidated and Separate Financial Statements: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate

Amendment to FRS 2: Share-based Payment: Vesting Conditions and Cancellations

Amendments to FRS 132: Financial Instruments: Presentation

Amendments to FRS 139: Financial Instruments: Recognition and Measurement, FRS 7: Financial Instruments: Disclosures and IC Interpretation 9: Reassessment of Embedded Derivatives

Amendments to FRSs 'Improvements to FRSs (2009)'

IC Interpretation 9: Reassessment of Embedded Derivatives

IC Interpretation 10: Interim Financial Reporting and Impairment

IC Interpretation 11: FRS 2 - Group and Treasury Share

IC Interpretation 13: Customer Loyalty Programmes

IC Interpretation 14: FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

TR I – 3: Presentation of Financial Statements of Islamic Financial Institutions

The above new FRSs, Amendments to FRSs and Interpretations are expected to have no significant impact on the financial statements of the Group and the Company upon their initial application except for the changes arising from the adoption of FRS 7, FRS 8, FRS 101, FRS 139 and Amendments to FRSs 'Improvements to FRSs (2009)' as discussed below:

FRS 7: Financial Instruments: Disclosures

FRS 7 introduces new disclosures to improve the information about financial instruments. It requires the disclosure of quantitative and qualitative information about exposures to risks arising from financial instruments, including specified minimum disclosures about credit risk, liquidity risk and foreign exchange risks, including sensitivity analysis to foreign exchange risks. As this is a disclosure standard, there will be no impact on the financial position or results of the Group for the period.

Explanatory Notes

2 CHANGES IN ACCOUNTING POLICIES (CONT'D)

FRS 8: Operating Segments

FRS 8 replaces FRS 114₂₀₀₄ : Segment Reporting and requires a 'management approach', under which segment information is presented on a similar basis to that used for internal reporting purposes. As a result, the Group's external segmental reporting will be based on the internal reporting to the "chief operating decision maker", who makes decisions on the allocation of resources and assesses the performance of the reportable segments. As this is a disclosure standard, there will be no impact on the financial position or results of the Group for the period.

FRS 101: Presentation of Financial Statements

The revised FRS 101 separates owner and non-owner changes in equity. The statement of changes in equity includes only details of transaction with owners, with all non-owner changes in equity presented in the statement of other comprehensive income. In addition, the standard introduces the statement of comprehensive income which presents income and expense recognised in the period. This statement may be presented in one single statement, or two linked statements. In addition, a statement of financial position is required at the beginning of the earliest comparative period following a change in accounting policy, the correction of an error or the reclassification of items in the financial statements. This revised FRS does not have any impact on the financial position and results of the Group.

FRS 139: Financial Instruments: Recognition and Measurement

FRS 139 sets out the new requirements for the recognition and measurement of the Group's financial instruments. Financial instruments are recorded initially at fair value. Subsequent measurement of those instruments at balance sheet date reflects the designation of the financial instrument.

Loan and receivables

Prior to 1 February 2010, loans and receivables were stated at the gross proceeds receivable less provision for doubtful debts. Under FRS139, loans and receivables are initially measured at fair value and subsequently at amortised cost using the effective interest rate method. Gains or losses are recognised in the consolidated statement of comprehensive income when the loans and receivables are derecognised, impaired or through amortisation process.

Payables

Under FRS 139, payables are initially measured at fair value and subsequently at amortised cost using the effective interest rate method. Gains or losses are recognised in the consolidated statement of comprehensive income when the liabilities are derecognised or through amortisation process.

Transitional provisions

In accordance with the transitional provision of FRS 139, the Group is required to remeasure the financial assets and liabilities as appropriate. Any adjustment of the previous carrying amount of the financial assets and liabilities shall be recognised as an adjustment of the balance of retained earnings at the beginning of the financial year in which FRS 139 is initially applied.

Amendments to FRSs 'Improvements to FRSs (2009)' - FRS 117: Leases

Prior to 1 February 2010, leasehold land that normally had an indefinite economic life and where title was not expected to pass to the lessee by the end of the lease term was treated as an operating lease. The payment made on entering into or acquiring a leasehold land was accounted for as prepaid land lease payments that were amortised over the lease term in accordance with the pattern of benefits provided.

Upon the adoption of the Amendment to FRS 117 in relation to classification of lease of land, the Group reassessed the classification of a leasehold land as a finance lease or an operating lease based on the extent of risks and rewards associated with the land. The Group has determined that all leasehold land of the Group are in substance finance leases and has reclassified its leasehold land from prepaid land lease payments to property, plant and equipment.

Explanatory Notes

2 CHANGES IN ACCOUNTING POLICIES (CONT'D)

Amendments to FRSs 'Improvements to FRSs (2009)' - FRS 117: Leases (cont'd)

The reclassification has been made retrospectively and does not affect the income statement.

The effects of the reclassification on the consolidated balance sheet as at 31 January 2010 are as follows:

	As previously reported RM'000	Effects RM'000	As restated RM'000
Property, plant and equipment	185,912	84,965	270,877
Prepaid land lease payments	0	(84,965)	(84,965)
	<u>0</u>	<u>(84,965)</u>	<u>(84,965)</u>

3 AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENT

The auditors' report on the financial statements for the year ended 31 January 2010 was not qualified.

4 SEASONAL OR CYCLICAL FACTORS

The Group's performance is not significantly affected by any seasonal or cyclical fluctuations.

5 UNUSUAL ITEMS

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group.

6 CHANGES IN ESTIMATES

There were no changes in estimates of the amounts reported in the previous financial year that have a material effect on the results of the current reporting period.

7 DEBT AND EQUITY SECURITIES

There were no issuances, cancellations, repurchases, resale or repayment of debt and equity securities.

8 SEGMENTAL REPORTING

Analysis of the Group's revenue and results by segment are as follows:-

	3 months ended 30.04.2010		3 months ended 30.04.2009	
	Revenue RM'000	Profit/(Loss) Before Taxation RM'000	Revenue RM'000	Profit/(Loss) Before Taxation RM'000
Education	23,401	9,412	16,677	3,929
Premium automotive sales & services	28,793	(3,211)	53,586	(1,025)
Investment holdings/Property Investments	4,312	(1,406)	4,074	(101)
	<u>56,506</u>	<u>4,795</u>	<u>74,337</u>	<u>2,803</u>
Eliminations	0	0	0	(3)
Share of result of associates	0	128	0	159
	<u>56,506</u>	<u>4,923</u>	<u>74,337</u>	<u>2,959</u>

9 VALUATION OF PROPERTY, PLANT & EQUIPMENT

The valuations of property, plant and equipment and investment properties have been brought forward without amendment from the previous financial statements.

Explanatory Notes

10 MATERIAL EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

On 10 May 2010, the Company announced that Sapura Auto Sdn. Bhd. ("SASB"), a wholly-owned subsidiary of the Company, had on 7 May 2010 entered into a conditional sale and purchase agreement ("SPA") with Sime Darby Motor Division Sdn. Bhd. ("SDMD") for the disposal of a piece of freehold land together with the automobile showroom constructed thereon ("Property") for a cash consideration of RM49,054,503 ("Disposal Consideration") (collectively referred to as "Proposed Disposal"). The completion of the Proposed Disposal is still pending as at the date of this announcement.

11 CHANGES IN COMPOSITION OF THE GROUP

There were no changes in the composition of the Group for the current financial period.

12 CONTINGENT LIABILITIES

There were no changes in contingent liabilities of the Group since the last annual balance sheet date.

13 CAPITAL COMMITMENTS

	As at 30.04.2010	As at 31.01.2010
	RM'000	RM'000
Approved but not contracted for:		
Property, plant and equipment	10,045	5,232

14 REVIEW OF PERFORMANCE

Revenue drop to RM56.5 million from RM74.3 million, decrease of 17.8 million or 24%. This was mainly due to decrease in number of cars sold in the Group's premium automotive sales & services business partially offset by increase in number of students in education business.

Profit attributable to equity holders of the Company for the period under review was RM1.8 million compared to RM1.6 million, an increase of RM0.2million or 12%. The higher profit is mainly due to better performance in the Group's education business.

15 MATERIAL CHANGES IN THE QUARTERLY RESULTS COMPARED TO THE PRECEDING QUARTER

The Group recorded a profit after tax of RM1.8 million in the period under review which is a 363% increase compared to a loss of RM0.4 million recorded in the immediate preceding quarter mainly due to higher contribution from the Group's education business.

16 PROSPECTS

Barring any unforeseen circumstances, the Board of Directors expect the Group to record an overall satisfactory result in this financial year.

17 TAXATION

	3 months ended 30.04.2010	3 months ended 30.04.2009
	RM'000	RM'000
Malaysian taxation	(3,084)	(1,310)

18 SALE OF UNQUOTED INVESTMENTS AND PROPERTIES

There were no sale of unquoted investments and/or properties for the current financial period.

Explanatory Notes

19 QUOTED SECURITIES

There were no purchase and disposals of quoted securities during the quarter.

	As at
	30.04.2010
Investments in quoted securities as at the reporting period:	RM'000
At carrying value/market value	192

20 CORPORATE PROPOSALS

There were no corporate proposals entered into during the reporting period.

21 BORROWINGS

(a) Details of Group's borrowings are as follows:

	as at 30.04.2010	as at 31.01.2010
	RM'000	RM'000
Short term - secured	53,437	30,723
'-unsecured	19,530	19,653
	72,967	50,376
Long term - secured	89,388	90,329
'-unsecured	0	0
	89,388	90,329
Total borrowings	162,355	140,705

(b) Currency denominations

All the borrowings are denominated in Ringgit Malaysia.

22 OFF BALANCE SHEET FINANCIAL INSTRUMENTS

There were no off balance sheet financial instruments as at the date of this announcement.

23 MATERIAL LITIGATION

On 9 April 2001, the Company was served with a writ of summons in respect of a claim by Bridgecon Engineering Sdn. Bhd. and Fujita Corporation (M) Sdn. Bhd. (collectively "BFJV") for sums allegedly payable in respect of the construction of Sapura@Mines building. BFJV filed an application for summary judgement on their claim. Summary judgement has been entered on 18 January 2010 in favour of BFJV for the sum of RM8 million, together with interest and costs. The Company is appealing to the Court of Appeal against the said judgement. An interim stay of execution of the judgement has been granted by the High Court and the High Court has fixed 26 August 2010 as the hearing date to review the stay of execution. No date has been fixed by the Court of Appeal, for the hearing of the appeal.

24 DIVIDEND

The Board of Directors does not recommend any dividend for the current quarter under review.

25 EARNINGS PER SHARE

The earnings per share has been calculated based on the profit attributable to equity holders of the Company of RM1,839,000 divided by the number of ordinary shares in issue during the period of 139,600,000.

BY ORDER OF THE BOARD

Mohd Faizal Abdul Aziz (LS 006978)

Company Secretary