



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

Interim Financial Statements for the three months period ended 30 April 2011

The Board of Directors is pleased to announce the
unaudited financial results of the Group for the three months period ended 30 April 2011

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Unaudited Condensed Statement of Comprehensive Income for the three months period ended 30 April 2011

	Note	Individual Quarter 3 Months Ended		Cumulative Quarter 3 Months Ended	
		30.04.2011 RM'000	30.04.2010 RM'000 (restated)	30.04.2011 RM'000	30.04.2010 RM'000 (restated)
Continuing operations:					
Revenue	9	4,864	4,312	4,864	4,312
Operating Expenses		(8,440)	(5,636)	(8,440)	(5,636)
Operating loss		(3,576)	(1,324)	(3,576)	(1,324)
Other income	3	128,922	314	128,922	314
Finance costs		(336)	(443)	(336)	(443)
Share of result of associates		4,217	128	4,217	128
Profit/(loss) before tax from continuing operations		129,227	(1,325)	129,227	(1,325)
Taxation	18	-	-	-	-
Profit/(loss) from continuing operations, net of tax		129,227	(1,325)	129,227	(1,325)
Discontinued operations:					
Profit from discontinued operations, net of tax	2	1,367	3,164	1,367	3,164
Profit, net of tax		130,594	1,839	130,594	1,839
Other comprehensive income		-	-	-	-
Total comprehensive income for the period		130,594	1,839	130,594	1,839
Profit, represent total comprehensive income for the period attributable to:					
Owners of the parent		130,594	1,839	130,594	1,839
Minority interests		-	-	-	-
		130,594	1,839	130,594	1,839
Earnings/(Loss) per share attributable to Owners of the parent :					
Basic, profit/(loss) from continuing operations	26	92.57	(0.95)	92.57	(0.95)
Basic, profit from discontinued operations	26	0.98	2.27	0.98	2.27
Basic, profit for the period		93.55	1.32	93.55	1.32

These unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 January 2011

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

Unaudited Condensed Statement of Financial Position as at 30 April 2011

	Note	30.04.2011	31.01.2011
		RM'000	RM'000
ASSETS			
NON CURRENT ASSETS			
Property, plant and equipment		44,446	42,624
Investment properties		143,072	144,056
Investments in associates		121,514	19,476
		<u>309,032</u>	<u>206,156</u>
CURRENT ASSETS			
Inventories		1,023	1,584
Trade and other receivables		3,461	2,747
Other current assets		347	358
Investment securities	20	310	307
Cash and bank balances		42,135	14,628
Assets of disposal group classified as held for sale		-	128,815
		<u>47,276</u>	<u>148,439</u>
TOTAL ASSETS		<u>356,308</u>	<u>354,595</u>
EQUITY AND LIABILITIES			
		RM'000	RM'000
Equity attributable to Owners of the Parent			
Share capital		139,600	139,600
Other reserves		4,883	4,883
Retained profits		163,953	33,359
Total Equity		<u>308,436</u>	<u>177,842</u>
Non-current liabilities			
Deferred tax liabilities		2,934	2,934
Loans and borrowings	22	2,106	69,964
		<u>5,040</u>	<u>72,898</u>
Current Liabilities			
Trade and other payables		27,387	37,793
Loans and borrowings	22	15,318	13,182
Tax payable	18	127	127
Liabilities directly associated with disposal group classified as held for sale		-	52,753
		<u>42,832</u>	<u>103,855</u>
Total liabilities		<u>47,872</u>	<u>176,753</u>
TOTAL EQUITY AND LIABILITIES		<u>356,308</u>	<u>354,595</u>
NET ASSETS PER SHARE (RM)		<u>2.21</u>	<u>1.27</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 2011

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

Unaudited Condensed Consolidated Statement of Changes in Equity for the period ended 30 April 2011

	Attributable to Owners of the Parent							Total Equity RM'000
	<----- Non-distributable ----->			<--- Distributable --->				
	Share Capital RM'000	Revaluation Reserve RM'000	Capital Reserve RM'000	General Reserve RM'000	Retained Profits RM'000	Subtotal RM'000	Minority Interests RM'000	
At 1.2.2011	139,600	2,302	1,481	1,100	33,359	177,842	-	177,842
Profit for the period, being total comprehensive income for the period	-	-	-	-	130,594	130,594	-	130,594
At 30.04.2011	139,600	2,302	1,481	1,100	163,953	308,436	-	308,436
At 1.2.2010	139,600	2,302	1,481	1,100	4,280	148,763	-	148,763
Profit for the period, being 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

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 2011

Unaudited Statement of Cash Flows for the period ended 30 April 2011

	For the 3 months period ended 30.04.2011	For the 3 months period ended 30.04.2010
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(loss) before tax from continuing operations	129,227	(1,325)
Profit before tax from discontinued operations	1,965	6,248
Adjustment for:		
Non-cash items	<u>(165,162)</u>	<u>4,215</u>
Operating (loss)/profit before working capital changes	(33,970)	9,138
Net change in current assets	92,044	(20,875)
Net change in current liabilities	(53,453)	(6,384)
Taxes paid	<u>(598)</u>	<u>(1,706)</u>
Net cash generated from/(used in) operating activities	<u>4,023</u>	<u>(19,827)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(2,757)	(2,175)
Proceeds from disposal of property, plant and equipment	88	-
Net proceeds from disposal of subsidiaries	<u>67,927</u>	<u>-</u>
Net cash generated from/(used in) investing activities	<u>65,258</u>	<u>(2,175)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Net (repayment)/drawdown of borrowings	(65,470)	21,652
Interest paid	(336)	(1,431)
Dividend paid on ordinary shares	<u>(9,789)</u>	<u>-</u>
Net cash (used in)/generated from financing activities	<u>(75,595)</u>	<u>20,221</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	(6,314)	(1,781)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	<u>48,449</u>	<u>19,026</u>
CASH AND CASH EQUIVALENTS AT END OF PERIOD	<u>42,135</u>	<u>17,245</u>
Cash and cash equivalents comprise:		
Cash and bank balances	42,135	17,245
Bank overdraft	<u>-</u>	<u>-</u>
	<u>42,135</u>	<u>17,245</u>

These unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial

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 2011.

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 2011, except for the adoption of applicable new and amended FRS and IC Interpretations on 1 February 2011. The adoptions of the new and amended FRS and IC Interpretations have no material impact on the unaudited condensed interim financial statements except for the adoption of the Amendments to FRS 127, which require the Group to recognise any interest retained in the former subsidiaries at their fair values at the date when control is lost, the impact of which is disclosed in Note 2 below.

2 DISCONTINUED OPERATIONS AND DISPOSAL GROUP CLASSIFIED AS HELD FOR SALE

On 4 November 2010, the Company had announced that it had entered into a conditional share sale and purchase agreement ("SSPA") with Ontime Direction Sdn Bhd ("Ontime") for the proposed disposal of 1,275,001 APIIT Shares and 1,275,001 UCTI Shares representing 51% equity interest each in APIIT and UCTI ("Education Group") for a total cash consideration of RM102,000,000. The SPA have been unconditionally fulfilled and fully satisfied on 18 February 2011.

As at 31 January 2011, the assets and liabilities of the Education Group have been classified as held for sale in accordance with Financial Reporting Standard 5 Non-Current Assets Held for Sale and Discontinued Operations.

The results of Education Group from 1 February 2011 to 18 February 2011 have been treated as results of discontinued operations, while its results after 18 February 2011, have been equity accounted for pursuant to FRS 127 Investments in Associates and reported as part of share of results of associates in the unaudited statement of comprehensive income. Also included in the discontinued operations for the period ended 30 April 2011 & 30 April 2010 were the results of the Group's Premium automotive sales & services segment which has been discontinued.

(a) Discontinued operations

Statement of comprehensive income disclosures

	30.04.2011	30.04.2010
	RM'000	RM'000
Discontinued operations:		
Revenue	5,732	52,194
Operating Expenses	(4,350)	(50,072)
Operating income	<u>1,382</u>	<u>2,122</u>
Other income	583	5,114
Finance costs	-	(988)
Profit before tax	<u>1,965</u>	<u>6,248</u>
Taxation	(598)	(3,084)
Profit for the period	<u><u>1,367</u></u>	<u><u>3,164</u></u>

Statement of cash flows disclosures

The cash flows attributable to the discontinued operations are as follows:

	30.04.2011	30.04.2010
	RM'000	RM'000
Operating	2,302	(20,777)
Investing	88	230
Financing	-	24,686
Net cash inflows	<u><u>2,390</u></u>	<u><u>4,139</u></u>

Explanatory Notes

(b) Continuing operations

Statement of comprehensive income disclosures

	19.02.2011 to 30.04.2011 RM'000	01.02.2010 to 30.04.2010 RM'000
Continuing operations:		
Share of results of associates	3,175	-

Gain on disposal of subsidiaries and fair value gain on remeasurement of interest retained in the former subsidiaries :

	18.02.2011 RM'000
Net assets of Education Group	71,249
Net assets of Education Group disposed (51%)	36,337
Attributable Goodwill	259
	36,596
Disposal proceeds	(102,000)
Gain on disposal of Education Group	(65,404)
Fair value gain on remeasurement of interest retained	(63,088)
Total gain recognised in profit or loss, reported as part of other income	(128,492)

Statement of cash flows disclosures

Net cash flows from disposal of subsidiaries:

	18.02.2011 RM'000
Disposal proceeds	102,000
Cash and cash equivalents of subsidiaries disposed	(34,073)
Net cash inflow of the Group	67,927

3 OTHER INCOME

	30.04.2011 RM'000	30.04.2010 RM'000
Gain on disposal of Education Group	65,404	-
Fair value gain on remeasurement of interest retained	63,088	-
Interest income	139	21
Miscellaneous	291	293
	128,922	314

4 AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements for the year ended 31 January 2011 was not qualified.

5 SEASONAL OR CYCLICAL FACTORS

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

Explanatory Notes

6 UNUSUAL ITEMS

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

7 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.

8 DEBT AND EQUITY SECURITIES

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

9 SEGMENTAL REPORTING

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

	3 months ended 30.04.2011		3 months ended 30.04.2010	
	Revenue Before Taxation RM'000	Profit/(Loss) Before Taxation RM'000	Revenue Before Taxation RM'000	Profit/(Loss) Before Taxation RM'000
Continuing operations:				
Investment holdings/ Property Investments	4,864	125,768	4,312	(1,453)
	<u>4,864</u>	<u>125,768</u>	<u>4,312</u>	<u>(1,453)</u>
Share of result of associates	-	4,217	-	128
Eliminations	-	(758)	-	-
	<u>4,864</u>	<u>129,227</u>	<u>4,312</u>	<u>(1,325)</u>
Discontinued operations:				
Education	5,732	2,323	23,401	9,039
Premium automotive sales & services	-	(358)	28,793	(2,791)
Eliminations	-	-	-	-
	<u>5,732</u>	<u>1,965</u>	<u>52,194</u>	<u>6,248</u>
	<u>10,596</u>	<u>131,192</u>	<u>56,506</u>	<u>4,923</u>

10 VALUATION OF PROPERTY, PLANT & EQUIPMENT AND INVESTMENT PROPERTIES

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

11 MATERIAL EVENTS SUBSEQUENT TO THE END OF THE REPORTING PERIOD

There were no material events subsequent to end of the reporting period.

12 CHANGES IN COMPOSITION OF THE GROUP

Other than the disposal of the Group's 51% equity interest in APIIT & UCTI as referred to in Note 2, there were no changes in the composition of the Group for the current financial period.

13 CONTINGENT LIABILITIES

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

Explanatory Notes

14 CAPITAL COMMITMENTS

	As at 30.04.2011 <u>RM'000</u>	As at 31.01.2011 <u>RM'000</u>
Approved and contracted for:		
Property, plant and equipment	1,800	-
Approved but not contracted for:		
Property, plant and equipment	<u>4,035</u>	<u>3,278</u>
	<u>5,835</u>	<u>3,278</u>

15 REVIEW OF PERFORMANCE

Revenue from continuing operations for the three (3) months period under review rose to RM4.9 million from RM4.3 million (an increase of 0.6 million or 12.8%) due to better rental rates achieved from the Group's property investment business.

Revenue from discontinued operations of RM5.7 million was attributed by the Group's Education business.

Profit attributable to Owners of the Parent for the three (3) months period under review rose to RM130.6 million from RM1.8 million, mainly due to the gain from the disposal of the Group's interest in the Education Business as disclosed in Note 2.

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

The Group recorded a profit attributable to Owners of the Parent of RM130.6 million in the period under review which is more than 100% increased compared to RM21.9 million recorded in the immediate preceding quarter mainly due to the reason mentioned in Note 15 above.

17 PROSPECTS

Our Group will be involved in investment holding/property investments and will continue to be involved in the education business via our Company's 49% equity interest in Education Group. Barring any unforeseen circumstances, the Board of Directors expects the Group to record an overall satisfactory result for the financial year ending 31 January 2012.

18 TAXATION

	3 months ended 30.04.2011 <u>RM'000</u>	3 months ended 30.04.2010 <u>RM'000</u>
Malaysian taxation		
: continuing operations	-	-
: discontinued operations	<u>(598)</u>	<u>(3,084)</u>
	<u>(598)</u>	<u>(3,084)</u>

19 SALE OF UNQUOTED INVESTMENTS AND PROPERTIES

Other than the disposal of the Group's 51% equity interest in APIIT & UCTI as referred to in Note 2, there were no sale of unquoted investments and/or properties for the current financial period.

20 QUOTED SECURITIES

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

	As at 30.04.2011 <u>RM'000</u>	As at 31.01.2011 <u>RM'000</u>
Investments in quoted securities as at the reporting period:		
At fair value	<u>310</u>	<u>307</u>

Explanatory Notes

21 CORPORATE PROPOSALS

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

22 BORROWINGS

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

	As at 30.04.2011	As at 31.01.2011
	RM'000	RM'000
Short term - secured	318	12,930
-unsecured	15,000	252
	<u>15,318</u>	<u>13,182</u>
Long term - secured	2,106	69,964
-unsecured	-	-
	<u>2,106</u>	<u>69,964</u>
Total borrowings	<u>17,424</u>	<u>83,146</u>

(b) Currency denominations

All the borrowings are denominated in Ringgit Malaysia.

23 OFF BALANCE SHEET FINANCIAL INSTRUMENTS

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

24 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 judgment was entered in the High Court on 18 January 2010 in favour of BFJV for the sum of RM8 million, together with interest and costs. The Company's appeal was dismissed with costs on 8 October 2010. On 22 October 2010, the Company filed an application to the Federal Court for leave to appeal to the Federal Court, and for a stay pending appeal.

On 22 March 2011 the Federal Court dismissed with costs the Company's application for leave to appeal against the decision of the Court of Appeal. The Company subsequently on 28 March 2011 applied to the High Court for a stay of execution of the summary judgment entered against the Company pending full and final disposal of the Company's counter claim against BFJV. The hearing for the stay of application was held on 12 May 2011.

Subsequently, the Court had on 20 May 2011 allowed SRB's stay application and the Plaintiff has filed an appeal against the said decision.

Meanwhile, the Company's counterclaim has been fixed for:

- (a) Mediation on 21 July 2011;
- (b) Case Management on 16 August 2011;
- (c) Trial on 3-5 October 2011

Explanatory Notes

25 DIVIDEND

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

26 EARNINGS PER SHARE

The earnings per share has been calculated based on the profit attributable to Owners of the Parent from continuing operations of RM129,227,000 and discontinued operations of RM1,367,000 divided by the number of ordinary shares in issue during the period of 139,600,000.

27 BREAKDOWN OF RETAINED PROFITS INTO REALISED AND UNREALISED

	As at 30.04.2011 <u>RM'000</u>	As at 31.01.2011 <u>RM'000</u>
Total retained profits of the Company and its subsidiaries:		
- Realised	63,738	62,520
- Unrealised	<u>(2,934)</u>	<u>(6,032)</u>
	60,804	56,488
Total share of retained profits from associated companies:		
- Realised	11,110	(921)
- Unrealised	<u>(887)</u>	<u>626</u>
	10,223	(295)
Consolidation adjustments	<u>92,926</u>	<u>(22,834)</u>
Retained profits as per financial statements	<u>163,953</u>	<u>33,359</u>

BY ORDER OF THE BOARD

Eulis Rachmatiah binti Iskandar Sastrawidjaja (LS 8774)

Zain Azrai Zainal Abidin (MIA 20859)

Company Secretaries