



TSR CAPITAL BERHAD
(Company No : 541149-W)
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (UNAUDITED)
for the first quarter ended 31 March 2012

		Individual Quarter		Cumulative Quarter	
		3 months ended		3 months ended	
		31 March		31 March	
		2012	2011	2012	2011
	Note	RM'000	RM'000	RM'000	RM'000
Revenue	A9	15,144	28,132	15,144	28,132
Cost of sales		(12,438)	(23,650)	(12,438)	(23,650)
Gross Profit		2,706	4,482	2,706	4,482
Other income		363	395	363	395
Administration expenses		(2,811)	(4,241)	(2,811)	(4,241)
Finance costs		(103)	(48)	(103)	(48)
Profit before taxation	A9	155	588	155	588
Income tax expenses	B5	3	(407)	3	(407)
Profit for the period		158	181	158	181
Attributable to:					
Equity holders of the Company		201	181	201	181
Non-controlling interests		(43)	-	(43)	-
Profit for the period		158	181	158	181
Earning per share (sen)					
Basic	B13	0.2	0.2	0.2	0.2
Diluted	B13	0.2	0.1	0.2	0.1

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to this interim financial statements.



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for the first quarter ended 31 March 2012

Note	Individual Quarter		Cumulative Quarter	
	3 months ended		3 months ended	
	2012	2011	2012	2011
	RM'000	RM'000	RM'000	RM'000
Profit for the period	158	181	158	181
Other Comprehensive Income	-	-	-	-
Total comprehensive income for the period	158	181	158	181
Total comprehensive (loss)/income attributable to:				
Equity holders of the parent	201	181	201	181
Non-controlling interests	(43)	-	(43)	-
	158	181	158	181
	-	-	-	-

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to this interim financial statements.



TSR CAPITAL BERHAD

(Company No : 541149-W)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (UNAUDITED)

As at 31 March 2012

	31 March 2012	31 December 2011
Note	(Unaudited) RM'000	(Audited) RM'000
Non-Current Assets		
Property, plant and equipment	8,037	8,435
Investment Properties	95,448	93,728
Deferred tax assets	542	542
Land held for future development	26,084	26,084
Trade receivables	1,077	128
	<u>131,188</u>	<u>128,917</u>
Current assets		
Amount due from contract customers	24,663	21,088
Inventories	3,750	3,959
Property development costs	7,347	7,152
Trade receivables	16,663	25,616
Accrued billings	-	2,789
Other receivables, prepayments and deposits	9,838	9,617
Tax refundable	1,767	1,753
Fixed deposits with licensed banks	8,198	5,575
Cash and bank balances	24,641	14,981
	<u>96,867</u>	<u>92,530</u>
TOTAL ASSETS	<u>228,055</u>	<u>221,447</u>
Equity		
Share capital	113,300	113,300
Share premium	26,653	26,653
(Accumulated loss)/Retained profits	(18,203)	(18,404)
	<u>121,750</u>	<u>121,549</u>
Equity attributable to equity holders of the Company	121,750	121,549
Non-controlling interests	(53)	(10)
Total equity	<u>121,697</u>	<u>121,539</u>
Non-current liabilities		
Long-term bank borrowings	B9 21,936	12,889
Trade payables	19,984	19,036
	<u>41,920</u>	<u>31,925</u>
Current liabilities		
Short-term bank borrowings	B9 882	987
Amount due to contract customers	4,232	5,071
Trade payables	37,704	45,543
Progress billings	1,479	-
Other payables and accruals	20,140	16,378
Provision for taxation	1	4
	<u>64,438</u>	<u>67,983</u>
Total liabilities	<u>106,358</u>	<u>99,908</u>
TOTAL EQUITY AND LIABILITIES	<u>228,055</u>	<u>221,447</u>
Net assets per share (RM)	1.07	1.07

The condensed consolidated statement of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.



TSR CAPITAL BERHAD

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (UNAUDITED) for the first quarter ended 31 March 2012

		<----- Attributable to Equity Holders of the Company ----->					
		<- Non-Distributable ->		<-Distributable->			
Note	Share Capital	Share Premium	Accumulated loss	Total	Non- controlling interests	Total Equity	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2012	113,300	26,653	(18,404)	121,549	(10)	121,539	
Total comprehensive income for the period	-	-	201	201	(43)	158	
At 31 March 2012	113,300	26,653	(18,203)	121,750	(53)	121,697	
	-	-	-	-	-	-	-
		<----- Attributable to Equity Holders of the Company ----->					
		<- Non-Distributable ->		<-Distributable->			
	Share Capital	Share Premium	Retained Earnings	Total	Non- controlling interests	Total Equity	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2011	113,300	26,653	14,061	154,014	511	154,525	
Total comprehensive income for the period	-	-	181	181	-	181	
At 31 March 2011	113,300	26,653	14,242	154,195	511	154,706	
	-	-	-	-	-	-	-

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2011 and the accompanying explanatory notes attached to the interim financial statements.



TSR CAPITAL BERHAD
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CONDENSED CONSOLIDATED CASH FLOW STATEMENTS (UNAUDITED)

for the first quarter ended 31 March 2012

	3 months ended 31 March	
	2012	2011
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	155	588
Adjustments for:		
Non-cash & non-operating items	851	485
Operating profit before working capital changes	1,006	1,073
Change in inventories	209	140
Change in property development costs	(195)	(2,872)
Change in amount due from contract customers	(4,413)	(7,080)
Change in trade and other receivables	12,064	11,972
Change in trade and other payables	(3,350)	(18,935)
Cash generated /(used in) from operations	5,321	(15,702)
Interest paid	(103)	(48)
Tax paid	(14)	(161)
Net cash generated/(used in) from operating activities	5,204	(15,911)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest received	86	173
Purchase of property, plant and equipment	-	(1,275)
Proceeds from disposal of property, plant and equipment	-	198
Purchase of investment properties	(1,949)	-
Net cash used in investing activities	(1,863)	(904)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of hire purchase obligations	(298)	(274)
Drawdown of term loan	9,240	-
Additions of fixed deposits pledged to financial institutions	(829)	-
Net cash generated from /(used) in financing activities	8,113	(274)
Net Increase/(Decreased) in cash and cash equivalents	11,454	(17,089)
Cash and cash equivalents at 1 January	20,334	57,143
Cash and cash equivalents at 31 March	31,788	40,054



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CONDENSED CONSOLIDATED CASH FLOW STATEMENTS (UNAUDITED)
for the first quarter ended 31 March 2012

	3 months ended 31 March	
	2012	2011
	RM'000	RM'000
Cash and cash equivalents comprise the following:		
Cash and bank balances	24,641	17,292
Fixed Deposit with license banks	8,198	22,980
Less: Fixed Deposit Pledged to Financial Institutions	(1,051)	(218)
	<u>31,788</u>	<u>40,054</u>

The condensed consolidated cash flow statements should be read in conjunction with the audited financial statements for the year ended 31 December 2011. and the accompanying explanatory notes attached to this interim financial statements



Part A - Explanatory Notes Pursuant to Financial Reporting Standards ("FRS") 134

Notes to the Interim Financial Report

A1 Basis of preparation

The interim financial report have been prepared under the historical cost convention.

The interim financial statements are unaudited and has been prepared in accordance with 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 Group's audited financial statements presented in the Annual Report for the financial year ended 31 December 2011.

The accounting policies and presentation adopted for the interim financial report are consistent with those adopted for the annual audited financial statements for the financial year ended 31 December 2011. These 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 financial year ended 31 December 2011.

A2 Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statements for the year ended 31 December 2011, except for the adoption of the following new/revised Financial Reporting Standards (FRSs) and Amendments to FRSs with effect from 1 January 2012.

FRS 124	Related Party Disclosures (revised)
Amendments to FRS 1	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters
Amendments to FRS 7	Disclosures - Transfer of Financial Assets
Amendments to FRS 112	Recovery of Underlying Assets

The initial application of the above new/revised FRSs and Amendments to FRSs is not expected to have any significant impact on the financial statements of the Group.

A3 Auditor's Report on Preceding Annual Financial Statements

There were no qualification in the auditors' report of the Company's previous financial statements for the year ended 31 December 2011.

A4 Seasonal or Cyclical Factors

The business operations of the Group were not affected by any significant seasonal or cyclical factors for the interim periods under review.

A5 Unusual items due to their Nature, Size or Incidence

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence.

A6 Changes in Estimates

There were no changes in the estimates of amounts, which give a material effect in the current quarter.

A7 Debt and Equity Securities

There were no issuance and repayment of debt and equity securities, share buy-back, share cancellations, shares held as treasury shares and resale of treasury shares for the current quarter ended 31 March 2012.

None of the options under the warrants were exercised into new ordinary shares for the current quarter. The number of outstanding warrants as at 31 March 2012 was 16,000,000. The warrants may be exercised at anytime after the issuance date of 8 December 2003 until the expiry date which is the date occurring on 9 December 2013, being the tenth anniversary of the issue date of the warrants.

A8 Dividends Paid

There were no dividend paid in the current quarter ended 31 March 2012.



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Part A - Explanatory Notes Pursuant to Financial Reporting Standards ("FRS") 134

A9 Segmental Information

Segmental information is presented in respect of the Group's business segments were as follows:-

Segmental Results for 3 Months Ended 31 March 2012

	Construction	Manufacturing	Property Development	Investment	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
Sales					
Total Sales	15,392	393	1,252	-	17,037
Elimination of Intersegment Sales	(1,521)	(372)	-	-	(1,893)
External Sales	13,871	21	1,252	-	15,144
					-
Results					
Segment Results	979	(329)	(273)	(187)	190
Elimination of intersegment Results	(12)	(19)	-	-	(31)
	967	(348)	(273)	(187)	159
Financing Costs	(40)	(4)	(59)	-	(103)
Interest Income	77	2	18	2	99
Profit/(Loss) before Taxation	1,004	(350)	(314)	(185)	155

Segmental Results for 3 Months Ended 31 March 2011

	Construction	Manufacturing	Property Development	Investment	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
Sales					
Total Sales	28,763	489	2,830	-	32,082
Elimination of Intersegment Sales	(3,683)	(267)	-	-	(3,950)
External Sales	25,080	222	2,830	-	28,132
					-
Results					
Segment Results	768	(379)	317	(124)	582
Elimination of intersegment Results	(111)	(12)	-	-	(123)
	657	(391)	317	(124)	459
Financing Costs	(44)	(4)	-	-	(48)
Interest Income	131	2	5	39	177
Profit before Taxation	744	(393)	322	(85)	588

A10 Property, plant and equipment

There were no revalued property, plant and equipment as at 31 March 2012.

A11 Material Events Subsequent to the End of Interim Period

There were no material events subsequent to the end of the current financial period ended 31 March 2012 up to the date of this report.

A12 Changes in the Composition of the Group

There were no changes in the composition of the Group during the current year to date.



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Part A - Explanatory Notes Pursuant to Financial Reporting Standards ("FRS") 134

A13 Changes in Contingent Liabilities

Contingent liabilities of the Group as at the date of this announcement are as follows:

	RM'000
Corporate guarantees given to licensed financial institutions in respect of the following facilities granted to subsidiaries	
- Advance, Performance bonds and Trade Lines	146,083
- Overdraft	2,000
- Term Loan	57,000
Corporate guarantees given to suppliers in respect of goods supply to its wholly owned subsidiary companies	4,358
	<u>209,441</u>

A14 Capital Commitments

There were no capital commitments for the purchase of property, plant and equipment in the interim financial statements as at 31 March 2012 except as disclosed as follow:

	RM'000
<i>Contracted but not provided for</i>	
- Freehold Land	6,665
<i>Contracted and provided for</i>	
- Leasehold Land	<u>25,762</u>
	<u>32,427</u>

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Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

Notes to the Interim Financial Report

B1 Review of Performance of the Company and Its Principal Subsidiaries

The Group registered a Profit Before Taxation of RM0.155 million in the current quarter against a Profit Before Taxation of RM0.588 million in the last year corresponding period on the back of revenue of RM15.0 million and RM28.0 million respectively.

The construction segment registered revenue of RM13.87 million in the current quarter as compared to RM25.08 million achieved in previous corresponding period. The lower turnover was result of lower construction billings in tandem with a lower on-going construction activities.

The property segment achieved lower revenue in the current quarter as compared to previous corresponding quarter mainly due to lower progress billings recorded.

B2 Material Changes in the Profit Before Taxation for the Current Quarter as compared with the Immediate Preceding Quarter

The Group registered a Profit Before Taxation of 1% in the current quarter compared with a Loss Before Taxation of 63% reported in the immediate preceding quarter. This is mainly due to the provision for expected loss for certain projects in the preceding quarter.

B3 Prospects for the Current Financial Year

The Board anticipate that the Group continue to operate in a competitive business environment in the current financial year.

B4 Profit Forecast and Profit Guarantee

Not applicable.

B5 Income Tax Expense

	Individual Quarter		Cumulative Quarter	
	3 months ended 31 March		3 months ended 31 March	
	2012	2011	2012	2011
	RM'000	RM'000	RM'000	RM'000
- Current income tax	(3)	407	(3)	407

The effective tax rate for the Group in the current quarter is higher than the statutory tax rate mainly due to certain expenses being disallowed for taxation purposes.

B6 Profits/(Loss) on Sale of Unquoted Investments and/or Properties

There were no profit on sale of unquoted investments and/or properties outside the ordinary course of the Group's business of the current quarter ended 31 March 2012.

B7 Quoted Securities

- There were no purchases and disposals of quoted securities for the current quarter and financial period and profit / loss arising therefrom.
- There were no investments in quoted securities for the current quarter and financial period.



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Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

Notes to the Interim Financial Report

B8 Status of Corporate Proposal

There were no corporate proposals announced but not completed at the date of this report except the followings:-

- a) On 31 December 2007, TSR Medic Land Sdn Bhd, a wholly owned subsidiary of the Company entered into a conditional Sale and Purchase Agreement with TH-NSTC Sdn Bhd and Lembaga Tabung Haji for the purchase of a parcel of institutional land measuring approximately 20 acres in Bandar Baru Enstek, Negeri Sembilan for a cash consideration of RM7,405,200 and is currently pending subdivision of the master title.
- b) On 28 June 2011, TSR Ocean Park Sdn Bhd, a wholly owned subsidiary of the Company entered into three conditional Sale and Purchase Agreement with Best Reap Sdn Bhd for the purchase of 4 parcels of adjoining land measuring approximately 46.89 acres in Daerah Port Dickson, Negeri Sembilan for a total cash consideration of RM36,803,430 and is currently pending the transfer of titles.
- c) On 15 March 2012, U-Ni Magna Sdn Bhd, a wholly owned subsidiary of the Company entered into three conditional Sale and Purchase Agreement with Tasja Properties Sdn Bhd ("Purchaser") for the disposal of 3 levels of office space together with 36 car park bays within an on-going development of 1 block 17-storey office buildings with 3 levels of basement car park situated on Geran 111856, Lot 67319, Mukim of Sungai Buloh, District of Petaling, Selangor for a total cash consideration of RM21,000,000 and is currently pending the approval of the shareholders of the Company and the Purchaser's parent company.

B9 Group Borrowings and Debt Securities

Total group borrowings as at 31 March 2012 are as follows:

(a) Short term borrowings

Short term borrowings (Secured)

Portion of hire purchase payable within one year

RM'000

882

882

(b) Long term borrowings :

Long term borrowings (Secured)

Term loan

21,523

Portion of hire purchase payable after one year

413

21,936

B10 Off Balance Sheet Financial Instruments

The Group does not have any financial instruments with off balance sheet risks as at the date of this announcement.

B11 Material Litigation

There were no material litigations involving the Group as at the last annual balance sheet date and the latest practicable date except as disclosed in the following which involve subsidiaries of the Company:-

- a) Josu Engineering Construction Sdn Bhd ("JEC") Vs TSR Bina Sdn Bhd ("TSRB")

The Plaintiff (JEC) filed a Writ of Summons and a Statement of Claim sometime on the 5th January 2004, alleging, inter alia, that their termination by the Defendant was unlawful, irregular, invalid and/or improper. The Plaintiff is claiming the sum of RM6,066,653.00 with interest and costs.

The Defendant (TSRB) has instituted a counter-claim against the Plaintiff in the amount of RM3,422,611.95 as well as for general damages, interest and costs. Our solicitors are of the opinion that the Defendant has a defense against the claim initiated by the Plaintiff.



TSR CAPITAL BERHAD
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Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

Notes to the Interim Financial Report

B11 Material Litigation (Cont'd)

a) Josu Engineering Construction Sdn Bhd ("JEC") Vs TSR Bina Sdn Bhd ("TSRB") (Cont'd)

On 1 March 2010, the Learned Judge had heard the application of plaintiff to amend the High Court's note of proceedings and had ordered that the note be amended to reflect a judgement granted in terms as per the prayers listed in paragraphs 9.1 (a) to (l)(iii) of the Plaintiff's Statement of Claim subject to such damages being assessed by the Registrar on a date to be fixed.

TSRB ("Appellant") has filed a Notice of Appeal to the Court of Appeal against the decision of the High Court. On 16 August 2011, the Court of Appeal dismissed the Appellant's appeal. The Company then filed an application for leave to appeal against the Court of Appeal's decision in Federal Court on 14 September 2011. The Federal Court has dismissed the Company's application on 14 February 2012 and there was no order received by the parties as of then. The Company is thus expecting JEC to move the High Court to fix the matter for case management so that a date may be fixed for assessment of damages for the Plaintiff.

b) Jalur Canggih Sdn Bhd (1st Plaintiff) & TSR Bina Sdn Bhd (2nd Plaintiff) (collectively known as "the Plaintiffs") Vs Permodalan Kedah Berhad ("Defendant")

The Plaintiffs have filed a civil suit against the Defendant seeking for damages to be assessed in respect of Defendants' breach of contract. No value of claim can be determined at this juncture as the claim is mainly for the share of proceeds obtained by the Defendant.

The trial has concluded on 16 May 2012 and final oral submissions (after trial) have been fixed for 6 June 2012.

B12 Dividend Payables

The Boards of Directors does not recommend the payment of any dividend for the quarter ended 31 March 2012.

B13 Earnings per Share

i) Basic earnings per share

	Individual Quarter		Cumulative Quarter	
	3 months ended 31 March		3 months ended 31 March	
	2011	2010	2011	2010
	RM'000	RM'000	RM'000	RM'000
a Earnings				
Net Profit for the period attributable to equity holders	201	181	201	181
b Weighted average number of ordinary shares				
- Ordinary shares issued at beginning of period ('000)	113,300	113,300	113,300	113,300
	113,300	113,300	113,300	113,300
a/b Basic Earning per Share (Sen)	0.2	0.2	0.2	0.2



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Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

Notes to the Interim Financial Report

B13 Earnings per Share (Cont'd)

ii) Diluted earnings per share

c Earnings					
	Net Profit for the period (RM'000)	201	181	201	181
	d Weighted average number of ordinary shares for basic earnings per share in i) above ('000)	113,300	113,300	113,300	113,300
	Potential dilutive ordinary shares for unexercised warrant issued ('000)	16,000	16,000	16,000	16,000
		129,300	129,300	129,300	129,300
c/d	Diluted Earning per Share (Sen)	0.2	0.1	0.2	0.1

B14 Realised and Unrealised Profit/(Losses) Disclosure

	As at 31.3.2012	As at 31.12.2011
	RM'000	RM'000
Total accumulated loss of the Group:-		
- Realised	(10,779)	(11,186)
- Unrealised	(7,424)	(7,218)
	<u>(18,203)</u>	<u>(18,404)</u>

B15 Profit Before Taxation

The following items have been included in arriving at profit before tax:

	Current quarter	Cummulative quarter
	ended 31.3.12	ended 31.3.12
	RM'000	RM'000
(a) interest income	99	99
(b) interest expenses	(103)	(103)
(c) depreciation and amortisation	(627)	(627)

B16 Authorisation for issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 31 May 2012.

TSR CAPITAL BERHAD
 BY ORDER OF THE BOARD
 Kuala Lumpur
 Date: 31 May 2012