

TONG HERR RESOURCES BERHAD
(Company No.432139-W)
(Incorporated in Malaysia)
AND ITS SUBSIDIARIES

INTERIM FINANCIAL REPORT FOR THE PERIOD ENDED 30 SEPTEMBER 2011

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the Period Ended 30 September 2011
(Financial Year Ending 31 December 2011)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	(Unaudited) Quarter Ended 30-Sep-11 RM'000	(Unaudited) Quarter Ended 30-Sep-10 RM'000	(Unaudited) Quarter Ended 30-Sep-11 RM'000	(Unaudited) Quarter Ended 30-Sep-10 RM'000
Revenue	148,375	96,201	457,274	218,642
Cost of Sales	<u>(132,119)</u>	<u>(87,187)</u>	<u>(397,945)</u>	<u>(191,734)</u>
Gross Profit	16,256	9,014	59,329	26,908
Other income	2,488	5,970	5,147	8,576
Administrative and general expenses	(8,234)	(3,677)	(13,934)	(5,885)
Distribution costs	(2,482)	(275)	(7,572)	(2,500)
Share of results of associates	154	(1)	(27)	(1)
Finance costs	(378)	(337)	(978)	(710)
Profit Before Tax	<u>7,804</u>	<u>10,694</u>	<u>41,965</u>	<u>26,388</u>
Income tax expenses	(1,730)	(1,146)	(3,109)	(3,537)
Profit For The Period	<u>6,074</u>	<u>9,548</u>	<u>38,856</u>	<u>22,851</u>
Other comprehensive income				
Currency translation differences for foreign operations	6,425	1,915	2,420	574
Share of other comprehensive income of associates	(1,398)	(1,762)	(2,445)	(1,762)
	5,027	153	(25)	(1,188)
Total comprehensive income for the period	<u>11,101</u>	<u>9,701</u>	<u>38,831</u>	<u>21,663</u>
Profit for the period attributable to:				
Owners of the Company	4,060	8,371	28,538	18,472
Non-controlling interests	<u>2,014</u>	<u>1,177</u>	<u>10,318</u>	<u>4,379</u>
	<u>6,074</u>	<u>9,548</u>	<u>38,856</u>	<u>22,851</u>
Total comprehensive income attributable to:				
Owners of the Company	7,468	8,156	28,296	17,586
Non-controlling interests	<u>3,633</u>	<u>1,545</u>	<u>10,535</u>	<u>4,077</u>
	<u>11,101</u>	<u>9,701</u>	<u>38,831</u>	<u>21,663</u>
Earnings per share attributable to owners of the Company:				
Basic, for profit for the period (sen)	<u>3.19</u>	<u>6.57</u>	<u>22.43</u>	<u>14.50</u>
Diluted, for profit for the period (sen)	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

(The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.)

TONG HERR RESOURCES BERHAD
(Company No.432139-W)
(Incorporated in Malaysia)
AND ITS SUBSIDIARIES

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2011
(Financial Year Ending 31 December 2011)

	(Unaudited) 30 September 2011 RM'000	(Audited) 31 December 2010 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	133,342	116,984
Prepaid lease payments	6,723	6,881
Investment properties	171	173
Investment in associates	59,591	60,091
	<u>199,827</u>	<u>184,129</u>
Current assets		
Non-current assets held for sale	2,516	0
Inventories	204,449	185,033
Trade and other receivables	58,454	55,297
Financial assets at fair value through profit or loss	0	802
Prepayments	514	7,603
Current tax assets	80	1,741
Cash and cash equivalents	111,168	76,014
	<u>377,181</u>	<u>326,490</u>
TOTAL ASSETS	<u>577,008</u>	<u>510,619</u>
 EQUITY AND LIABILITIES		
Share capital	127,430	127,430
Treasury shares	(628)	(230)
Currency translation reserve	(5,145)	(4,903)
Retained profits	192,366	171,467
Equity attributable to owners of the Company	<u>314,023</u>	<u>293,764</u>
Non-controlling interest	<u>82,544</u>	<u>73,479</u>
Total equity	<u>396,567</u>	<u>367,243</u>
 Non-current liabilities		
Deferred tax liabilities	6,309	6,355
Borrowings	0	29
	<u>6,309</u>	<u>6,384</u>
 Current Liabilities		
Non-current liabilities held for sale	338	0
Borrowings	156,815	108,485
Trade and other payables	15,002	27,897
Financial liabilities at fair value through profit or loss	582	0
Current tax liabilities	1,395	610
	<u>174,132</u>	<u>136,992</u>
TOTAL LIABILITIES	<u>180,441</u>	<u>143,376</u>
TOTAL EQUITY AND LIABILITIES	<u>577,008</u>	<u>510,619</u>
 Net assets per share attributable to owners of the Company (sen)		
	<u>247</u>	<u>231</u>

(The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.)

TONG HERR RESOURCES BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2011
(Financial Year Ending 31 December 2011)

	Non-Distributable		Distributable*		Equity attributable to owners of the Company (RM'000)	Non- controlling interests (RM'000)	Total Equity (RM'000)
	Share Capital (RM'000)	Treasury Shares (RM'000)	Currecy Translation Reserves (RM'000)	Retained profits (RM'000)			
At 1 January 2011	127,430	(230)	(4,903)	171,467	293,764	73,479	367,243
Total comprehensive income	0	0	(242)	28,538	28,296	10,535	38,831
Purchase of own shares	0	(398)	0	0	(398)	0	(398)
Dividend paid to:-							
- Owners of the Company	0	0	0	(7,639)	(7,639)	0	(7,639)
- Non-controlling interests	0	0	0	0	0	(1,470)	(1,470)
At 30 September 2011	<u>127,430</u>	<u>(628)</u>	<u>(5,145)</u>	<u>192,366</u>	<u>314,023</u>	<u>82,544</u>	<u>396,567</u>
At 1 January 2010							
As previously reported	127,430	(63)	760	152,246	280,373	29,542	309,915
Effect of adopting FRS 139	0	0	0	105	105	0	105
As adjusted	<u>127,430</u>	<u>(63)</u>	<u>760</u>	<u>152,351</u>	<u>280,478</u>	<u>29,542</u>	<u>310,020</u>
Total comprehensive income	0	0	(886)	18,472	17,586	4,077	21,663
Purchase of own shares	0	(167)	0	0	(167)	0	(167)
Acquisition of subsidiaries	0	0	0	0	0	39,726	39,726
Dividend paid to owners of the Company	0	0	0	(6,370)	(6,370)	0	(6,370)
At 30 September 2010	<u>127,430</u>	<u>(230)</u>	<u>(126)</u>	<u>164,453</u>	<u>291,527</u>	<u>73,345</u>	<u>364,872</u>

* Retained profits as at 30 September 2011 amounting RM 627,897 (30 Sep 2010: RM229,587), being the total cost of the treasury shares purchased, are considered as non-distributable.

(The Unaudited Condensed Consolidated Statements of Changes In Equity should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements)

TONG HERR RESOURCES BERHAD
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CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 SEPTEMBER 2011
(Financial Year Ending 31 December 2011)

	(Unaudited) Quarter Ended 30-Sep-11 RM'000	(Unaudited) Quarter Ended 30-Sep-10 RM'000
Net cash from/(used in) operating activities	29,129	(24,332)
Net cash used in investing activities	(27,227)	(91,086)
Net cash from financing activities	32,055	42,012
Net increase/(decrease) in cash and cash equivalents	33,957	(73,406)
Effect of exchange rate changes	1,018	(1,189)
Cash and cash equivalents at beginning of financial year	75,999	155,331
Cash and cash equivalents at end of financial period	<u>110,974</u>	<u>80,736</u>

Cash and cash equivalents at end of financial period comprise the following:

	As at 30-Sep-11 RM'000	As at 30-Sep-10 RM'000
Cash and bank balances	111,168	80,848
Non-current assets held for sale	10	-
Bank overdrafts	-	(112)
Bank overdrafts - Non-current liabilities held for sale	(204)	-
	<u>110,974</u>	<u>80,736</u>

(The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.)