

**KIM LOONG RESOURCES BERHAD**

(Company Number : 22703-K)

**UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 30/04/2006 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 30/04/2005 RM'000	CURRENT YEAR TO-DATE 30/04/2006 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 30/04/2005 RM'000
Revenue	52,253	48,640	52,253	48,640
Cost of sales	<u>(45,335)</u>	<u>(43,726)</u>	<u>(45,335)</u>	<u>(43,726)</u>
Gross profit	6,918	4,914	6,918	4,914
Other income	2,282	401	2,282	401
Operating expenses	(3,218)	(2,482)	(3,218)	(2,482)
Gain on disposal of subsidiary company	75	-	75	-
Finance costs	<u>(404)</u>	<u>(1,047)</u>	<u>(404)</u>	<u>(1,047)</u>
<b>Profit before tax</b>	5,653	1,786	5,653	1,786
Tax expenses	<u>(1,048)</u>	<u>(481)</u>	<u>(1,048)</u>	<u>(481)</u>
<b>Profit for the period</b>	<u><u>4,605</u></u>	<u><u>1,305</u></u>	<u><u>4,605</u></u>	<u><u>1,305</u></u>
Attributable to :				
Equity holders of the parent	4,643	1,738	4,643	1,738
Minority interests	<u>(38)</u>	<u>(433)</u>	<u>(38)</u>	<u>(433)</u>
	<u><u>4,605</u></u>	<u><u>1,305</u></u>	<u><u>4,605</u></u>	<u><u>1,305</u></u>
<b>Earnings per share (sen) :</b>				
- Basic	2.72	1.53	2.72	1.53
- Diluted	2.17	1.11	2.17	1.11
<b>Dividends per share (sen)</b>	-	-	-	-

(The Unaudited Condensed Consolidated Income Statement should be read in conjunction with the Annual Financial Report for the financial year ended 31 January 2006)

**KIM LOONG RESOURCES BERHAD**

(Company Number : 22703-K)

**UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET**

	<b>AS AT CURRENT QUARTER ENDED 30/04/2006 RM'000</b>	<b>AS AT PRECEDING FINANCIAL YEAR ENDED 31/01/2006 RM'000 (Restated)</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	265,536	265,808
Biological assets	66,568	66,698
Quoted investments	2,518	6,134
Development expenditure	585	531
Goodwill on consolidation	-	1,154
Deferred tax assets	205	202
	335,412	340,527
<b>Current assets</b>		
Inventories	13,650	9,071
Receivables	17,100	10,810
Tax recoverable	1,260	1,330
Cash and bank balances	30,789	32,747
	62,799	53,958
<b>TOTAL ASSETS</b>	<b>398,211</b>	<b>394,485</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	170,879	170,864
Share premium	35,162	35,154
Revaluation reserve	45,778	45,981
Reserve on consolidation	-	11,352
Other reserve	65	-
Retained profits	51,109	34,911
	302,993	298,262
Minority interests	9,382	8,779
<b>Total equity</b>	<b>312,375</b>	<b>307,041</b>
<b>Non-current liabilities</b>		
Interest bearing borrowings (secured)	15,386	16,923
Other borrowings	9,259	9,900
Deferred tax	35,027	35,037
	59,672	61,860
<b>Current liabilities</b>		
Payables	13,570	11,279
Interest bearing borrowings (secured)	12,303	14,116
Tax payable	291	189
	26,164	25,584
<b>Total liabilities</b>	<b>85,836</b>	<b>87,444</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>398,211</b>	<b>394,485</b>
<b>Net assets per share attributable to ordinary equity holders of the parent (RM)</b>	<b>1.77</b>	<b>1.75</b>

(The Unaudited Condensed Consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the financial year ended 31 January 2006)

**KIM LOONG RESOURCES BERHAD**

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Attributable to equity holders of the parent						Minority interests	Total equity	
	Non-distributable			Distributable					
	Share capital	Share premium	Reserve on consolidation	Revaluation reserve	Other reserve	Retained profits			Sub-total
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
<b>3 months ended</b>									
<b><u>30 April 2006</u></b>									
<b>Balance as at 1 February 2006</b>	170,864	35,154	11,352	45,981	-	35,381	298,732	8,779	307,511
Prior year adjustments :									
Effect of adopting FRS 3 on goodwill on consolidation	-	-	-	-	-	(470)	(470)	-	(470)
<b>As restated</b>	170,864	35,154	11,352	45,981	-	34,911	298,262	8,779	307,041
Effect of adopting FRS 3 on reserve on consolidation	-	-	(11,352)	-	-	11,352	-	-	-
Realisation of revaluation reserve	-	-	-	(203)	-	203	-	-	-
Net income recognised directly in equity	-	-	-	(203)	-	203	-	-	-
Profit for the period	-	-	-	-	-	4,643	4,643	(38)	4,605
Total recognised income and expenses for the period	-	-	-	(203)	-	4,846	4,643	(38)	4,605
Issuance of shares	15	2	-	-	-	-	17	-	17
Share-based payment under ESOS	-	-	-	-	71	-	71	-	71
Transfer of option reserve due to exercise of option	-	6	-	-	(6)	-	-	-	-
Minority interests' share of loss set off against their advances	-	-	-	-	-	-	-	641	641
<b>Balance as at 30 April 2006</b>	<b>170,879</b>	<b>35,162</b>	<b>-</b>	<b>45,778</b>	<b>65</b>	<b>51,109</b>	<b>302,993</b>	<b>9,382</b>	<b>312,375</b>

**KIM LOONG RESOURCES BERHAD**

(Incorporated in Malaysia)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Attributable to equity holders of the parent						Minority interests	Total equity	
	Non-distributable			Distributable					
	Share capital	Share premium	Reserve on consolidation	Revaluation reserve	Other reserve	Retained profits			Sub-total
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
<b>3 months ended</b>									
<b>30 April 2005</b>									
<b>Balance as at 1 February 2005</b>	106,750	29,743	11,352	46,793	-	29,955	224,593	7,485	232,078
Prior year adjustments :									
Effect of adopting FRS 3 on goodwill on consolidation	-	-	-	-	-	(470)	(470)	-	(470)
<b>As restated</b>	106,750	29,743	11,352	46,793	-	29,485	224,123	7,485	231,608
Realisation of revaluation reserve	-	-	-	(203)	-	203	-	-	-
Net income recognised directly in equity	-	-	-	(203)	-	203	-	-	-
Profit for the period	-	-	-	-	-	1,738	1,738	(433)	1,305
Total recognised income and expenses for the period	-	-	-	(203)	-	1,941	1,738	(433)	1,305
Issuance of shares	64,050	6,405	-	-	-	-	70,455	120	70,575
Expenses pertaining to Rights Issue and ESOS	-	(1,059)	-	-	-	-	(1,059)	-	(1,059)
Minority interests' share of loss set off against their advances	-	-	-	-	-	-	-	532	532
<b>Balance as at 30 April 2005</b>	<b>170,800</b>	<b>35,089</b>	<b>11,352</b>	<b>46,590</b>	<b>-</b>	<b>31,426</b>	<b>295,257</b>	<b>7,704</b>	<b>302,961</b>

(The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the financial year ended 31 January 2006)

**KIM LOONG RESOURCES BERHAD**

(Company Number : 22703-K)

**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

	<b>3 months ended 30/04/2006 RM'000</b>	<b>3 months ended 30/04/2005 RM'000</b>
<b>Net cash (used in)/from operating activities</b>	(2,497)	3,297
<b>Net cash from/(used in) investing activities</b>	3,992	(1,908)
<b>Net cash (used in)/from financing activities</b>	(3,250)	57,333
<b>Net (decrease)/increase in cash and cash equivalents</b>	(1,755)	58,722
<b>Cash and cash equivalents at beginning of period</b>	30,729	1,948
<b>Cash and cash equivalents at end of period (Note a)</b>	<u>28,974</u>	<u>60,670</u>
<b><u>Note a : Cash and cash equivalents at end of period</u></b>		
Cash and bank balances	30,789	62,473
Bank overdrafts	(1,815)	(1,803)
	<u>28,974</u>	<u>60,670</u>

**(The Unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the Annual Financial Report for the financial year ended 31 January 2006)**