

KIM LOONG RESOURCES BERHAD

(Company Number : 22703-K)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/07/2010 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/07/2009 RM'000	CURRENT YEAR TO-DATE 31/07/2010 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/07/2009 RM'000
Revenue	139,022	126,044	266,022	225,020
Cost of sales	<u>(115,375)</u>	<u>(99,116)</u>	<u>(217,050)</u>	<u>(177,900)</u>
Gross profit	23,647	26,928	48,972	47,120
Other income	941	580	1,854	1,083
Operating expenses	(4,953)	(4,535)	(9,841)	(9,311)
Finance costs	<u>(536)</u>	<u>(285)</u>	<u>(993)</u>	<u>(606)</u>
Profit before tax	19,099	22,688	39,992	38,286
Tax expenses	<u>(4,608)</u>	<u>(5,782)</u>	<u>(9,938)</u>	<u>(9,657)</u>
Profit for the period	<u>14,491</u>	<u>16,906</u>	<u>30,054</u>	<u>28,629</u>
Other comprehensive income for the period				
Fair value gain on available-for-sale financial assets	4	-	3	-
Cash flow hedge	(329)	-	(39)	-
	(325)	-	(36)	-
Total comprehensive income for the period	<u>14,166</u>	<u>16,906</u>	<u>30,018</u>	<u>28,629</u>
Profit for the period attributable to :				
Owners of the Company	11,944	13,155	25,302	22,007
Minority interests	<u>2,547</u>	<u>3,751</u>	<u>4,752</u>	<u>6,622</u>
	<u>14,491</u>	<u>16,906</u>	<u>30,054</u>	<u>28,629</u>
Total comprehensive income for the period attributable to :				
Owners of the Company	11,619	13,155	25,266	22,007
Minority interests	<u>2,547</u>	<u>3,751</u>	<u>4,752</u>	<u>6,622</u>
	<u>14,166</u>	<u>16,906</u>	<u>30,018</u>	<u>28,629</u>
Earnings per share (sen) :				
- Basic	3.92	4.34	8.31	7.27
- Diluted	3.90	4.31	8.27	7.22
Dividends per share (sen)	5.00	4.00	5.00	4.00

(The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the financial year ended 31 January 2010)

KIM LOONG RESOURCES BERHAD

(Company Number : 22703-K)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	AS AT CURRENT QUARTER ENDED 31/07/2010 RM'000	AS AT PRECEDING FINANCIAL YEAR ENDED 31/01/2010 RM'000 [Restated]
ASSETS		
Non-current assets		
Property, plant and equipment	365,631	363,932
Biological assets	71,918	71,671
Available-for-sale financial assets	45	42
Development expenditure	3,954	3,130
Deferred tax assets	3,302	3,330
	444,850	442,105
Current assets		
Inventories	20,851	32,969
Amount due from customers	25	15
Receivables	18,743	24,046
Tax recoverable	271	957
Deposits with licensed banks and other financial institution	91,624	58,366
Cash and bank balances	49,510	36,161
	181,024	152,514
TOTAL ASSETS	625,874	594,619
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	304,517	304,237
Reserves	125,548	117,733
	430,065	421,970
Minority interests	42,403	37,787
Total equity	472,468	459,757
Non-current liabilities		
Interest bearing borrowings (secured)	33,142	36,747
Other borrowings	11,804	12,801
Derivative financial liability	39	-
Deferred tax liabilities	44,556	44,129
	89,541	93,677
Current liabilities		
Payables	26,963	29,913
Interest bearing borrowings (secured)	12,492	8,371
Dividend payable	18,266	-
Tax payable	6,144	2,901
	63,865	41,185
Total liabilities	153,406	134,862
TOTAL EQUITY AND LIABILITIES	625,874	594,619
Net assets per share (RM)	1.41	1.39

(The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the financial year ended 31 January 2010)

KIM LOONG RESOURCES BERHAD

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the Company							Minority interests	Total equity	
	Non-distributable				Distributable					
	Share capital	Share premium	Revaluation reserve	Fair value reserve	Hedging reserve	Other reserve	Retained profits			Total
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
6 months ended										
31 July 2010										
Balance as at 1 February 2010										
As previously stated	304,237	788	43,695	-	-	160	73,090	421,970	37,787	459,757
Effects of adopting FRS 139	-	-	-	-	-	-	683	683	321	1,004
As restated	304,237	788	43,695	-	-	160	73,773	422,653	38,108	460,761
Realisation of revaluation reserve to retained earnings	-	-	(412)	-	-	-	412	-	-	-
Total comprehensive income for the period	-	-	-	3	(39)	-	25,302	25,266	4,752	30,018
Transactions with owners:										
Dividends	-	-	-	-	-	-	(18,266)	(18,266)	(750)	(19,016)
Share-based payment under ESOS	-	-	-	-	-	92	-	92	-	92
Transfer of reserve arising from exercise of ESOS	-	31	-	-	-	(31)	-	-	-	-
Issuance of shares pursuant to:										
- exercise of ESOS	199	51	-	-	-	-	-	250	-	250
- exercise of Warrants	81	-	-	-	-	-	-	81	-	81
Issuance of shares to minority interests of subsidiary company	-	-	-	-	-	-	-	-	300	300
Share issuance expenses	-	(11)	-	-	-	-	-	(11)	-	(11)
Reversal of minority interests' share of losses previously set off against their advances	-	-	-	-	-	-	-	-	(7)	(7)
	280	71	-	-	-	61	(18,266)	(17,854)	(457)	(18,311)
Balance as at 31 July 2010	304,517	859	43,283	3	(39)	221	81,221	430,065	42,403	472,468

KIM LOONG RESOURCES BERHAD

(Incorporated in Malaysia)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to owners of the Company							Minority interests	Total equity	
	Non-distributable				Distributable					
	Share capital	Share premium	Revaluation reserve	Fair value reserve	Hedging reserve	Other reserve	Retained profits			Total
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
6 months ended										
31 July 2009										
Balance as at 1 February 2009	302,253	623	44,521	-	-	218	43,483	391,098	27,729	418,827
Realisation of revaluation reserve to retained earnings	-	-	(413)	-	-	-	413	-	-	-
Total comprehensive income for the period	-	-	-	-	-	-	22,007	22,007	6,622	28,629
Transactions with owners:										
Dividends	-	-	-	-	-	-	(7,194)	(7,194)	(900)	(8,094)
Share-based payment under ESOS	-	-	-	-	-	148	-	148	-	148
Transfer of reserve arising from exercise of ESOS	-	86	-	-	-	(86)	-	-	-	-
Issuance of shares pursuant to:										
- exercise of ESOS	688	51	-	-	-	-	-	739	-	739
- exercise of Warrant	57	-	-	-	-	-	-	57	-	57
Share issuance expenses	-	(5)	-	-	-	-	-	(5)	-	(5)
Minority interests' share of losses set off against their advances	-	-	-	-	-	-	-	-	4	4
	745	132	-	-	-	62	(7,194)	(6,255)	(896)	(7,151)
Balance as at 31 July 2009	<u>302,998</u>	<u>755</u>	<u>44,108</u>	<u>-</u>	<u>-</u>	<u>280</u>	<u>58,709</u>	<u>406,850</u>	<u>33,455</u>	<u>440,305</u>

(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 2010)

KIM LOONG RESOURCES BERHAD

(Company Number : 22703-K)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	6 months ended 31/07/2010 RM'000	6 months ended 31/07/2009 RM'000
Net cash from operating activities	59,015	56,266
Net cash used in investing activities	(12,794)	(17,407)
Net cash from financing activities	1,120	3,188
Net increase in cash and cash equivalents	47,341	42,047
Cash and cash equivalents at beginning of period	92,853	75,278
Cash and cash equivalents at end of period (Note a)	<u>140,194</u>	<u>117,325</u>

Note a : Cash and cash equivalents at end of period

Cash and bank balances	49,510	19,364
Deposits with licensed banks and other financial institution	91,624	99,147
Bank overdrafts	(940)	(1,186)
	<u>140,194</u>	<u>117,325</u>

(The Unaudited Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the financial year ended 31 January 2010)