

**KIM LOONG RESOURCES BERHAD**

(Company Number : 22703-K)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	INDIVIDUAL QUARTER CURRENT YEAR QUARTER 31/07/2011 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/07/2010 RM'000	CUMULATIVE QUARTER CURRENT YEAR TO-DATE 31/07/2011 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/07/2010 RM'000
Revenue	227,528	139,022	402,678	266,022
Cost of sales	<u>(168,049)</u>	<u>(115,375)</u>	<u>(303,059)</u>	<u>(217,050)</u>
Gross profit	59,479	23,647	99,619	48,972
Other income	1,306	941	2,404	1,854
Operating expenses	(6,333)	(4,953)	(11,986)	(9,841)
Finance costs	<u>(565)</u>	<u>(536)</u>	<u>(994)</u>	<u>(993)</u>
Profit before tax	53,887	19,099	89,043	39,992
Tax	<u>(12,737)</u>	<u>(4,608)</u>	<u>(21,339)</u>	<u>(9,938)</u>
<b>Profit for the period</b>	<u>41,150</u>	<u>14,491</u>	<u>67,704</u>	<u>30,054</u>
<b>Other comprehensive income:</b>				
Fair value gain on available-for-sale financial assets	-	4	-	3
Cash flow hedge	2,216	(329)	7,335	(39)
Tax relating to other comprehensive income	(554)	-	(1,834)	-
<b>Other comprehensive income for the period, net of tax</b>	1,662	(325)	5,501	(36)
<b>Total comprehensive income for the period</b>	<u>42,812</u>	<u>14,166</u>	<u>73,205</u>	<u>30,018</u>
<b>Profit for the period attributable to :</b>				
Owners of the Company	33,292	11,944	53,198	25,302
Non-controlling interests	<u>7,858</u>	<u>2,547</u>	<u>14,506</u>	<u>4,752</u>
	<u>41,150</u>	<u>14,491</u>	<u>67,704</u>	<u>30,054</u>
<b>Total comprehensive income for the period attributable to :</b>				
Owners of the Company	34,572	11,619	57,390	25,266
Non-controlling interests	<u>8,240</u>	<u>2,547</u>	<u>15,815</u>	<u>4,752</u>
	<u>42,812</u>	<u>14,166</u>	<u>73,205</u>	<u>30,018</u>
<b>Earnings per share (sen) :</b>				
- Basic	10.88	3.92	17.40	8.31
- Diluted	10.84	3.90	17.34	8.27
<b>Dividends per share (sen)</b>	6.00	5.00	6.00	5.00

(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 2011)

**KIM LOONG RESOURCES BERHAD**

(Company Number : 22703-K)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<b>AS AT CURRENT QUARTER ENDED 31/07/2011 RM'000</b>	<b>AS AT PRECEDING FINANCIAL YEAR ENDED 31/01/2011 RM'000</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	365,324	369,162
Biological assets	73,426	72,933
Prepaid land lease payments	2,764	2,822
Intangible assets	5,383	4,634
Deferred tax assets	6,075	5,853
	452,972	455,404
<b>Current assets</b>		
Inventories	36,372	28,751
Receivables	21,212	17,342
Prepayments	5,584	4,070
Tax recoverable	773	1,070
Derivative financial asset	381	-
Deposits with licensed banks and other financial institution	124,840	83,910
Cash and bank balances	84,249	31,197
	273,411	166,340
<b>TOTAL ASSETS</b>	<b>726,383</b>	<b>621,744</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to owners of the Company</b>		
Share capital	306,158	305,287
Reserves	176,008	139,856
	482,166	445,143
Non-controlling interests	59,894	46,480
<b>Total equity</b>	<b>542,060</b>	<b>491,623</b>
<b>Non-current liabilities</b>		
Interest bearing borrowings (secured)	27,582	21,190
Other payables	7,847	11,218
Deferred tax liabilities	46,263	45,388
	81,692	77,796
<b>Current liabilities</b>		
Payables and accruals	42,339	27,952
Interest bearing borrowings (secured)	19,631	14,376
Dividend payable	22,727	-
Derivative financial liability	6	6,960
Tax payable	17,928	3,037
	102,631	52,325
<b>Total liabilities</b>	<b>184,323</b>	<b>130,121</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>726,383</b>	<b>621,744</b>
<b>Net assets per share (RM)</b>	<b>1.57</b>	<b>1.46</b>

(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 2011)

**KIM LOONG RESOURCES BERHAD**

(Incorporated in Malaysia)

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

	Attributable to owners of the Company							Non-controlling 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	
<b>6 months ended</b>										
<b>31 July 2011</b>										
<b>Balance as at 1 February 2011</b>	305,287	1,355	42,870	-	(3,884)	130	99,385	445,143	46,480	491,623
Realisation of revaluation reserve to retained earnings	-	-	(413)	-	-	-	413	-	-	-
Total comprehensive income for the period	-	-	-	-	4,192	-	53,198	57,390	15,815	73,205
<b>Transactions with owners:</b>										
Dividends	-	-	-	-	-	-	(21,377)	(21,377)	(2,400)	(23,777)
Share-based payment under ESOS	-	-	-	-	-	109	-	109	-	109
Transfer of reserve arising from exercise of ESOS	-	26	-	-	-	(26)	-	-	-	-
Issuance of shares pursuant to:										
- exercise of ESOS	105	38	-	-	-	-	-	143	-	143
- exercise of Warrants	766	-	-	-	-	-	-	766	-	766
Share issuance expenses	-	(8)	-	-	-	-	-	(8)	-	(8)
Reversal of non-controlling interests' share of losses previously set off against their advances	-	-	-	-	-	-	-	-	(1)	(1)
	871	56	-	-	-	83	(21,377)	(20,367)	(2,401)	(22,768)
<b>Balance as at 31 July 2011</b>	<b>306,158</b>	<b>1,411</b>	<b>42,457</b>	<b>-</b>	<b>308</b>	<b>213</b>	<b>131,619</b>	<b>482,166</b>	<b>59,894</b>	<b>542,060</b>

**KIM LOONG RESOURCES BERHAD**

(Incorporated in Malaysia)

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

	Attributable to owners of the Company							Non-controlling 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	
<b>6 months ended</b>										
<b>31 July 2010</b>										
<b>Balance as at 1 February 2010</b>	304,237	788	43,695	-	-	160	73,090	421,970	37,787	459,757
Effects of adopting FRS 139	-	-	-	-	-	-	683	683	321	1,004
	<u>304,237</u>	<u>788</u>	<u>43,695</u>	<u>-</u>	<u>-</u>	<u>160</u>	<u>73,773</u>	<u>422,653</u>	<u>38,108</u>	<u>460,761</u>
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
<b>Transactions with owners:</b>										
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 Warrant	81	-	-	-	-	-	-	81	-	81
Share issuance expenses	-	(11)	-	-	-	-	-	(11)	-	(11)
Non-controlling interests' share of losses set off against their advances	-	-	-	-	-	-	-	-	(7)	(7)
	<u>280</u>	<u>71</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>61</u>	<u>(18,266)</u>	<u>(17,854)</u>	<u>(757)</u>	<u>(18,611)</u>
<b>Balance as at 31 July 2010</b>	<u>304,517</u>	<u>859</u>	<u>43,283</u>	<u>3</u>	<u>(39)</u>	<u>221</u>	<u>81,221</u>	<u>430,065</u>	<u>42,103</u>	<u>472,168</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 2011)

**KIM LOONG RESOURCES BERHAD**

(Company Number : 22703-K)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

	<b>6 months ended 31/07/2011 RM'000</b>	<b>6 months ended 31/07/2010 RM'000</b>
<b>Net cash from operating activities</b>	95,397	59,015
<b>Net cash used in investing activities</b>	(9,413)	(12,794)
<b>Net cash from financing activities</b>	6,746	1,120
<b>Net increase in cash and cash equivalents</b>	92,730	47,341
<b>Cash and cash equivalents at beginning of period</b>	114,288	92,853
<b>Cash and cash equivalents at end of period (Note a)</b>	<u>207,018</u>	<u>140,194</u>

**Note a : Cash and cash equivalents at end of period**

Cash and bank balances	84,249	49,510
Deposits with licensed banks and other financial institution	124,840	91,624
Bank overdrafts	(2,071)	(940)
	<u>207,018</u>	<u>140,194</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 2011)**