

KIM LOONG RESOURCES BERHAD

(Company Number : 22703-K)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 31/07/2012 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 31/07/2011 RM'000	CURRENT YEAR TO-DATE 31/07/2012 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 31/07/2011 RM'000
Revenue	154,484	227,528	312,246	402,678
Cost of sales	<u>(126,328)</u>	<u>(168,049)</u>	<u>(250,024)</u>	<u>(303,059)</u>
Gross profit	28,156	59,479	62,222	99,619
Other income	2,152	1,306	3,812	2,404
Operating expenses	(7,765)	(6,333)	(14,544)	(11,986)
Finance costs	<u>(326)</u>	<u>(565)</u>	<u>(668)</u>	<u>(994)</u>
Profit before tax	22,217	53,887	50,822	89,043
Tax	<u>(5,641)</u>	<u>(12,737)</u>	<u>(12,530)</u>	<u>(21,339)</u>
Profit for the period	<u>16,576</u>	<u>41,150</u>	<u>38,292</u>	<u>67,704</u>
Other comprehensive income:				
Cash flow hedge	(750)	2,216	(838)	7,335
Tax relating to other comprehensive income	187	(554)	209	(1,834)
Other comprehensive income for the period, net of tax	(563)	1,662	(629)	5,501
Total comprehensive income for the period	<u>16,013</u>	<u>42,812</u>	<u>37,663</u>	<u>73,205</u>
Profit for the period attributable to :				
Owners of the Company	13,682	33,292	31,072	53,198
Non-controlling interests	<u>2,894</u>	<u>7,858</u>	<u>7,220</u>	<u>14,506</u>
	<u>16,576</u>	<u>41,150</u>	<u>38,292</u>	<u>67,704</u>
Total comprehensive income for the period attributable to :				
Owners of the Company	13,219	34,572	30,568	57,390
Non-controlling interests	<u>2,794</u>	<u>8,240</u>	<u>7,095</u>	<u>15,815</u>
	<u>16,013</u>	<u>42,812</u>	<u>37,663</u>	<u>73,205</u>
Earnings per share (sen) :				
- Basic	4.44	10.88	10.10	17.40
- Diluted	4.43	10.84	10.09	17.34
Dividends per share (sen)	5.00	6.00	5.00	6.00

(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 2012)

KIM LOONG RESOURCES BERHAD

(Company Number : 22703-K)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	AS AT CURRENT QUARTER ENDED 31/07/2012 RM'000	AS AT PRECEDING FINANCIAL YEAR ENDED 31/01/2012 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	365,633	366,298
Biological assets	74,623	73,464
Land use rights	2,650	2,707
Intangible assets	64	66
Deferred tax assets	8,514	8,540
	451,484	451,075
Current assets		
Inventories	46,089	43,271
Receivables	19,531	24,732
Prepayments	8,972	8,937
Tax recoverable	2,637	971
Deposits with licensed banks and other financial institutions	171,867	130,979
Cash and bank balances	55,758	57,070
	304,854	265,960
TOTAL ASSETS	756,338	717,035
EQUITY AND LIABILITIES		
Equity attributable to owners of the Company		
Share capital	308,498	306,555
Reserves	201,284	200,824
Treasury shares	(49)	(23)
	509,733	507,356
Non-controlling interests	76,521	71,180
Total equity	586,254	578,536
Non-current liabilities		
Interest bearing borrowings (secured)	25,350	26,466
Other payables	3,074	2,996
Deferred tax liabilities	48,276	47,464
	76,700	76,926
Current liabilities		
Payables and accruals	42,394	40,759
Interest bearing borrowings (secured)	12,781	12,588
Dividend payable	30,699	-
Derivative financial liability	890	51
Tax payable	6,620	8,175
	93,384	61,573
Total liabilities	170,084	138,499
TOTAL EQUITY AND LIABILITIES	756,338	717,035
Net assets per share (RM)	1.65	1.66

(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 2012)

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	Hedging reserve	Other reserve	Retained profits	Treasury shares			Total
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
6 months ended										
<u>31 July 2012</u>										
Balance as at 1 February 2012	306,555	1,449	42,044	(23)	325	157,029	(23)	507,356	71,180	578,536
Realisation of revaluation reserve to retained earnings	-	-	(413)	-	-	413	-	-	-	-
Total comprehensive income for the period	-	-	-	(504)	-	31,072	-	30,568	7,095	37,663
Transactions with owners:										
Dividends	-	-	-	-	-	(30,699)	-	(30,699)	(2,140)	(32,839)
Share-based payment under ESOS	-	-	-	-	152	-	-	152	-	152
Transfer of reserve arising from exercise of ESOS	-	148	-	-	(148)	-	-	-	-	-
Issuance of shares pursuant to:										
- exercise of ESOS	435	342	-	-	-	-	-	777	-	777
- exercise of Warrants	1,508	-	-	-	-	-	-	1,508	-	1,508
Dilution of interest in subsidiary company	-	-	-	-	-	120	-	120	(60)	60
Buy-back of shares	-	-	-	-	-	-	(26)	(26)	-	(26)
Issuance of shares to non-controlling interests of subsidiary company	-	-	-	-	-	-	-	-	613	613
Expenses in relation to issuance of shares	-	(23)	-	-	-	-	-	(23)	-	(23)
Acquisition from non-controlling interests	-	-	-	-	-	-	-	-	(30)	(30)
Reversal of non-controlling interests' share of loss previously setoff against their advances	-	-	-	-	-	-	-	-	(137)	(137)
	1,943	467	-	-	4	(30,579)	(26)	(28,191)	(1,754)	(29,945)
Balance as at 31 July 2012	308,498	1,916	41,631	(527)	329	157,935	(49)	509,733	76,521	586,254

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	Hedging reserve	Other reserve	Retained profits	Treasury shares			Total
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
6 months ended										
31 July 2011										
Balance as at 1 February 2011	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
Transactions with owners:										
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
Expenses in relation to issuance of shares	-	(8)	-	-	-	-	-	(8)	-	(8)
Reversal of non-controlling interests' share of loss previously setoff against their advances	-	-	-	-	-	-	-	-	(1)	(1)
	871	56	-	-	83	(21,377)	-	(20,367)	(2,401)	(22,768)
Balance as at 31 July 2011	306,158	1,411	42,457	308	213	131,619	-	482,166	59,894	542,060

(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 2012)

KIM LOONG RESOURCES BERHAD

(Company Number : 22703-K)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	6 months ended 31/07/2012 RM'000	6 months ended 31/07/2011 RM'000
Cash flows from operating activities		
Cash receipts from customers	319,337	399,585
Rental received	22	21
Interest received	2,824	1,824
Cash paid to suppliers and employees	(253,732)	(297,847)
Cash generated from operations	68,451	103,583
Interest paid	(571)	(854)
Tax paid	(14,704)	(7,332)
Net cash from operating activities	53,176	95,397
Cash flows from investing activities		
Development expenditure	-	(353)
Additional investment in existing subsidiary company	(30)	-
Proceeds from disposal of interest in subsidiary company	60	-
Proceeds from disposal of property, plant and equipment	311	505
Acquisition of biological assets and property, plant and equipment	(13,666)	(9,478)
Interest paid	(346)	(87)
Net cash used in investing activities	(13,671)	(9,413)
Cash flows from financing activities		
Proceeds from issuance of shares	2,285	909
Proceeds from issuance of shares to non-controlling interests (NCI) in subsidiary companies	613	-
Expenses paid in relation to issuance of shares	(24)	(8)
Drawdown of bank borrowings	-	28,500
Repayments of bank borrowings	(1,116)	(18,105)
Other borrowings	(165)	(3,500)
Dividend paid to NCI in subsidiary companies	(1,690)	(1,050)
Purchase of treasury shares	(26)	-
Net cash (used in)/from financing activities	(123)	6,746
Net increase in cash and cash equivalents	39,382	92,730
Cash and cash equivalents at beginning of period	185,194	114,288
Cash and cash equivalents at end of period (Note a)	224,576	207,018
Note a : Cash and cash equivalents at end of period		
Cash and bank balances	55,758	84,249
Deposits with licensed banks and other financial institution	171,867	124,840
Bank overdrafts	(3,049)	(2,071)
	224,576	207,018

(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 2012)