

AHMAD ZAKI RESOURCES BERHAD
CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 Dec 2008
(Figures have not been audited)

RM	Note	2008 Current quarter ended 31 Dec	2007 Comparative quarter ended 31 Dec	2008 12 months cumulative to date	2007 12 months cumulative to date
REVENUE		127,002,509	135,839,992	635,447,720	525,770,666
OPERATING EXPENSES	1	(119,473,745)	(129,187,292)	(604,640,027)	(481,562,412)
OTHER OPERATING INCOME		2,718,192	1,716,188	7,591,848	5,770,502
PROFIT FROM OPERATIONS		10,246,956	8,368,888	38,399,541	49,978,756
FINANCE COSTS		(3,984,238)	(2,993,025)	(15,302,520)	(9,248,152)
INVESTING RESULTS	2	533,448	1,536,980	6,735,789	1,398,658
PROFIT BEFORE TAXATION		6,796,166	6,912,843	29,832,810	42,129,262
TAXATION		(2,697,558)	(2,501,223)	(12,574,881)	(14,991,475)
PROFIT FOR THE PERIOD/YEAR		4,098,608	4,411,620	17,257,929	27,137,787
ATTRIBUTABLE TO :-					
EQUITY HOLDERS OF THE PARENT		4,003,216	4,434,392	16,526,309	26,294,994
MINORITY INTEREST		95,392	(22,772)	731,620	842,793
PROFIT FOR THE PERIOD/YEAR		4,098,608	4,411,620	17,257,929	27,137,787
EPS - Basic (sen)	3	1.45	1.82	5.98	10.80
EPS - Diluted (sen)	3	1.45	1.81	5.97	10.79

The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 31 December 2007

Note 1 - Operating Expenses

Operating expenses represents the followings:-

Cost of sales	109,549,312	113,739,876	560,315,106	443,688,570
Other operating expenses	9,924,433	15,447,416	44,324,921	37,873,842
Total	119,473,745	129,187,292	604,640,027	481,562,412

Note 2 - Investing Results

Investing results represents the followings:-

Share of profit/(losses) from associated companies	365,070	1,671,276	5,870,210	1,669,879
Share of profit/(losses) from joint ventures	168,378	(134,296)	865,579	(271,221)
Total	533,448	1,536,980	6,735,789	1,398,658

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Note 3 - EPS - Basic & Diluted (sen)

The basic earnings per share has been calculated based on the consolidated profit after taxation and minority interests of **RM16,526,309 (2007: RM26,294,994)** and on the weighted average number of ordinary shares in issue during the period of **276,531,600 (2007: 243,374,480^{#1})**.

The fully diluted earnings per share for theyear has been calculated using an enlarged weighted average number of shares of **276,804,883 (2007: 243,732,943)** after the inclusion of the number of unexercised options outstanding as at 31 December 2008 of **762,353 (2007: 422,600)** shares .

The share options were calculated based on the number of shares which could have been acquired at the market price (The share options were calculated based on the number of shares which could have been acquired at the market price (the average 12 months price of the Company's share) based on the monetary value of the subscription rights attached to the outstanding share options. No adjustment is made to the net profit attributable to the shareholders for the share options calculations as the exercise price of the option shares is deemed to be their average fair value during the year.

#1 (Yr 2007's number was adjusted due to share splitting from RM1.00/= per share to RM0.50/= per share in Yr 2007 and 2 Calls Rights Issue completed in Yr 2008)

	No. of Shares of RM0.50 each
Weighted average number of shares as at 31/12/2008	276,531,600
Add : Dilutive ESOS	273,283
Adjusted weighted average number of shares	276,804,883

Note 4 - Recurrent Related Party Transactions

The significant transactions with the Directors, parties connected to the Directors and companies in which the Directors have substantial financial interest are as follows:

	2008 12 months cumulative to date	2007 12 months cumulative to date
Trade		
Purchases from following subsidiaries of Chuan Huat Resources Berhad, a company in which Dato' Sri Haji Wan Zaki bin Haji Wan Muda has substantial financial interest and is also a director :-		
- Chuan Huat Industrial Marketing Sdn Bhd	17,143,469	15,497,591
- Chuan Huat Hardware Sdn Bhd	54,450	75,250
Purchases from following companies, companies in which Dato' Sri Haji Wan Zaki has substantial financial interest and is also a director		
- QMC Sdn Bhd	161,750	39,035
- Kemaman Quarry Sdn Bhd	905,974	0
Non-Trade		
Administrative service charged by Zaki Holdings (M) Sdn Bhd	122,450	122,400
Rental paid and payable to Zaki Holdings (M) Sdn Bhd	420,000	420,000
Insurance premium paid and payable to Zaki Holdings (M) Sdn Bhd	637,385	614,017
Accommodation charges paid and payable to Residence Inn & Motels Sdn Bhd	21,621	9,937
Rental paid/payable to Dato' Sri Haji Wan Zaki bin Haji Wan Muda	36,000	36,000