

HAISAN RESOURCES BERHAD
Company No. 502213-D

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE PERIOD ENDED 30 SEPTEMBER 2010

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter 30-Sep-10 RM'000	Preceding year corresponding quarter 30-Sep-09 RM'000	Current year to date 30-Sep-10 RM'000	Preceding year corresponding period 30-Sep-09 RM'000
Revenue	29,836	21,076	73,460	65,934
Operating expenses	(30,438)	(22,221)	(77,148)	(65,359)
Other operating income	0	84	3,999	650
	<u>(602)</u>	<u>(1,061)</u>	<u>311</u>	<u>1,225</u>
Finance costs	(3,297)	(3,235)	(9,639)	(10,983)
Share of profit/(loss) of associate	<u>0</u>	<u>0</u>	<u>2</u>	<u>(20)</u>
Loss before tax	(3,899)	(4,296)	(9,326)	(9,778)
Taxation	(75)	(110)	(580)	(1,024)
Loss for the period	<u><u>(3,974)</u></u>	<u><u>(4,406)</u></u>	<u><u>(9,906)</u></u>	<u><u>(10,802)</u></u>
Attributable to:				
Equity holders of the Company	(3,218)	(4,433)	(9,976)	(11,666)
Minority interest	(756)	27	70	864
Loss for the period	<u><u>(3,974)</u></u>	<u><u>(4,406)</u></u>	<u><u>(9,906)</u></u>	<u><u>(10,802)</u></u>
Loss per share attributable to equity holders of the Company				
- basic (sen)	<u><u>(4.00)</u></u>	<u><u>(5.50)</u></u>	<u><u>(12.39)</u></u>	<u><u>(14.48)</u></u>
- diluted (sen)	<u><u>*</u></u>	<u><u>*</u></u>	<u><u>*</u></u>	<u><u>*</u></u>

* No diluted EPS is disclosed as the effect is anti-dilutive

(The Condensed Consolidated Income Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.)

HAISAN RESOURCES BERHAD

Company No. 502213-D

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 30 SEPTEMBER 2010**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter 30-Sep-10 RM'000	Preceding year corresponding quarter 30-Sep-09 RM'000	Current year to date 30-Sep-10 RM'000	Preceding year corresponding period 30-Sep-09 RM'000
Loss for the period	(3,974)	(4,406)	(9,906)	(10,802)
<u>Other comprehensive (loss)/income, net of tax</u>				
Exchange differences on translation of foreign operations	<u>(414)</u>	<u>(552)</u>	<u>(2,217)</u>	<u>(62)</u>
Total comprehensive (loss)/income for the period	<u><u>(4,388)</u></u>	<u><u>(4,958)</u></u>	<u><u>(12,123)</u></u>	<u><u>(10,864)</u></u>
Total comprehensive (loss)/income attributable to:				
Equity holders of the Company	(3,632)	(4,985)	(12,193)	(11,728)
Minority Interest	<u>(756)</u>	<u>27</u>	<u>70</u>	<u>864</u>
Total comprehensive loss for the period	<u><u>(4,388)</u></u>	<u><u>(4,958)</u></u>	<u><u>(12,123)</u></u>	<u><u>(10,864)</u></u>

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.)

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2010

	AS AT END OF CURRENT QUARTER (Unaudited) RM'000	AS AT PRECEDING FINANCIAL YEAR END (Audited & Restated) RM'000
ASSETS		
<u>Non-current Assets</u>		
Property, plant and equipment	195,983	211,278
Intangible assets	1,770	2,148
Investment in an associate	129	126
Other investments	0	12
Financial assets at fair value through profit or loss	21	0
	197,903	213,564
<u>Current Assets</u>		
Inventories	6,602	5,787
Trade receivables	23,353	18,284
Other receivables, deposits and prepayments	7,848	7,038
Current tax assets	1,510	1,860
Amount owing by associate company	55	0
Fixed deposit with licensed bank	261	772
Cash & bank balances	6,684	1,742
	46,313	35,483
Total Assets	244,216	249,047
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	44,073	44,073
Treasury shares	(6,984)	(6,984)
Reserves	(24,843)	(12,659)
	12,246	24,430
Minority Interest	17,894	17,824
Total Equity	30,140	42,254
<u>Non-current Liabilities</u>		
Borrowings	168	204
Deferred tax liabilities	8,218	8,113
	8,386	8,317
<u>Current Liabilities</u>		
Trade payables	12,579	14,266
Other payables & accruals	19,492	11,420
Borrowings	173,537	172,437
Current tax payable	82	353
	205,690	198,476
Total Liabilities	214,076	206,793
Total Equity and Liabilities	244,216	249,047
Net assets per share attributable to equity holders of the Company (RM) (*)	0.15	0.30

* - The net assets per share is based on the computation of total assets (including intangibles) minus liabilities divided by total number of shares in circulation

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.)

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 SEPTEMBER 2010**

	9 months ended	
	30-Sep-10 RM'000	30-Sep-09 RM'000
Loss before tax	(9,326)	(9,778)
Adjustments:		
Non cash items	6,791	9,923
Interest income	(83)	1,944
Interest expenses	9,639	10,983
Operating profit before changes in working capital	<u>7,021</u>	<u>13,072</u>
Net change in current assets	(5,898)	(2,043)
Net change in current liabilities	6,385	(3,839)
Cash generated from operations	7,508	7,190
Tax refund	430	2,600
Tax paid	(826)	(1,912)
Interest expenses	(9,639)	(10,983)
Interest income	83	(1,944)
Net cash from operating activities	<u>(2,444)</u>	<u>(5,049)</u>
Cash Flow from Investing Activities		
Purchase of property, plant and equipment	(874)	(3,337)
Purchase of prepaid lease payments for land	0	(276)
Purchase of intangible asset	(68)	(118)
Proceeds from disposal of property, plant and equipment	103	18,548
Net cash used in investing activities	(839)	14,817
Cash Flow from Financing Activities		
(Repayments)/Drawdown of long term loan	(1,221)	0
Dividend paid to minority shareholders in subsidiary	0	(777)
Withdrawal of deposits pledged	511	(1)
Bank borrowings	1,515	(0)
Redemption of redeemable secured bonds	(9,000)	(3,000)
Proceeds from bank borrowings	4,500	1,184
Repayments of revolving credits	(538)	398
Drawdown/(Repayments) of bankers' acceptances	3,164	248
Repayments of hire purchase and lease creditors	(626)	(1,665)
Net cash from financing activities	(1,695)	(3,613)
Net change in cash and cash equivalents	(4,978)	6,155
Effects of foreign exchange differences	3,024	174
Cash & cash equivalents at beginning of financial period/year	<u>(36,076)</u>	<u>(42,212)</u>
Cash & cash equivalents at end of financial period	<u><u>(38,030)</u></u>	<u><u>(35,883)</u></u>
Cash and cash equivalents at the end of the financial period comprise the following:		
Bank overdrafts	(44,733)	(38,119)
Deposits with licensed banks	261	261
Cash and bank balances	6,684	2,215
	<u>(37,788)</u>	<u>(35,643)</u>
Less: Deposits with licensed banks (pledged)	(241)	(240)
	<u><u>(38,029)</u></u>	<u><u>(35,883)</u></u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.)

UNAUDITED CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 30 SEPTEMBER 2010

	Attributable to Equity Holders of the Parent						Total RM'000	Minority interest RM'000	Total Equity RM'000
	Share capital RM'000	Treasury shares RM'000	Share premium RM'000	Revaluation Reserve RM'000	Translation Reserve RM'000	Retained profits/ (Accumulated losses) RM'000			
9 months ended 30 September 2010									
Balance as at 1 January 2010, as previously stated	44,073	(6,984)	2,594	108	4,153	(19,514)	24,430	17,824	42,254
- effect of adopting FRS 139	-	-	-	-	-	9	9	-	9
Balance as at 1 January 2010, as restated	44,073	(6,984)	2,594	108	4,153	(19,505)	24,439	17,824	42,263
Total comprehensive (loss)/income for the period	-	-	-	-	(2,217)	(9,976)	(12,193)	70	(12,123)
Revaluation of land and buildings	-	-	-	(182)	-	182	-	-	-
Balance as at 30 September 2010	44,073	(6,984)	2,594	(74)	1,936	(29,299)	12,246	17,894	30,140
9 months ended 30 September 2009									
Balance as at 1 January 2009	44,073	(6,984)	2,594	2,610	4,840	13,947	61,080	16,654	77,734
Total comprehensive (loss)/income for the period	-	-	-	0	(62)	(11,666)	(11,728)	864	(10,864)
Revaluation of land and buildings	-	-	-	(2,273)	-	2,277	4	(5)	(1)
Reversal of deferred taxation	-	-	-	-	-	716	716	-	716
Dividends paid to minority interest of a subsidiary	-	-	-	-	-	(777)	(777)	-	(777)
Ordinary shares issued pursuant to ESOS	0	0	0	0	0	0	0	0	0
Balance as at 30 September 2009	44,073	(6,984)	2,594	337	4,778	4,497	49,295	17,513	66,808

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.)