

**CAM RESOURCES BERHAD (Company No: 535311-D)**

Quarterly Report on consolidated results for the fourth quarter ended 31/12/2010.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	<u>INDIVIDUAL QUARTER</u>		<u>CUMULATIVE QUARTER</u>	
	Current year quarter ended	Preceding year corresponding quarter ended	Current year to date	Preceding year corresponding period
	31/12/10	31/12/09	31/12/10	31/12/09
	RM'000	RM'000	RM'000	RM'000
Revenue	18,181	16,407	69,853	62,758
Cost Of Sales	(13,762)	(11,029)	(54,102)	(48,476)
Gross Profit	4,419	5,378	15,751	14,282
Other Income	374	140	541	160
Distribution Costs	(1,678)	(1,420)	(5,457)	(4,896)
Administrative Expenses	(1,210)	(1,073)	(3,405)	(3,005)
Other Expenses	(370)	(494)	(903)	(446)
Finance Costs	(223)	(133)	(733)	(497)
Profit Before Tax	1,312	2,398	5,794	5,598
Income tax Expense	(128)	(308)	(1,661)	(1,418)
Profit For The Period/ Year	1,184	2,090	4,133	4,180
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income For The Period	1,184	2,090	4,133	4,180
Attributable to:				
Equity Holders Of The Parent	1,184	2,090	4,133	4,180
Minority Interest	-	-	-	-
	1,184	2,090	4,133	4,180
EPS - Basic (sen)	0.66	1.16	2.30	2.31
- Diluted (sen)	N/A	N/A	N/A	N/A

(The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Report for the year ended 31 December 2009)

**CAM RESOURCES BERHAD (Company No: 535311-D)**

Quarterly Report on consolidated results for the fourth quarter ended 31/12/2010.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<u>Unaudited</u>	<u>Audited</u>
	As at end of current quarter 31/12/10 RM'000	As at preceding financial year end 31/12/09 RM'000
<b>ASSETS</b>		
Non Current Assets		
Property, Plant & Equipment	46,051	35,082
Other Investments	17	17
Deferred tax assets	66	83
	<u>46,134</u>	<u>35,182</u>
Current Assets		
Inventories	33,989	36,305
Trade receivables	19,162	17,890
Other current assets	4,071	2,954
Cash and bank balances	7,004	7,353
	<u>64,226</u>	<u>64,502</u>
Non Current Asset Held for Sale	2,617	-
Total Assets	<u>112,977</u>	<u>99,684</u>
<b>EQUITY AND LIABILITIES</b>		
Equity		
Share capital	49,200	49,200
Treasury shares, at cost	(4,063)	(3,699)
Other reserves	5,178	5,178
Retained earnings	38,174	34,041
Total Equity	<u>88,489</u>	<u>84,720</u>
Non Current Liabilities		
Long term borrowings	10,759	2,125
Deferred tax liabilities	2,260	2,458
	<u>13,019</u>	<u>4,583</u>
Current Liabilities		
Trade and other payables	4,863	3,834
Short term provisions	306	267
Short term borrowings	6,300	6,280
	<u>11,469</u>	<u>10,381</u>
Total Liabilities	24,488	14,964
Total Equity And Liabilities	<u>112,977</u>	<u>99,684</u>
Net Assets Per Share (RM)	0.49	0.47

(The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Report for the year ended 31 December 2009)

**CAM RESOURCES BERHAD (Company No: 535311-D)**

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

	Share Capital RM'000	Treasury Shares RM'000	Share Premium RM'000	Retained Earnings RM'000	Total RM'000	Minority Interest RM'000	Total Equity RM'000
<b><u>Cumulative quarter ended 31/12/2010</u></b>							
At 01/01/2010	49,200	(3,699)	5,178	34,041	84,720	-	84,720
Profit for the year	-	-	-	4,133	4,133	-	4,133
Repurchase of own shares	-	(364)	-	-	(364)	-	(364)
At 31/12/2010	<u>49,200</u>	<u>(4,063)</u>	<u>5,178</u>	<u>38,174</u>	<u>88,489</u>	<u>-</u>	<u>88,489</u>
<b><u>Cumulative quarter ended 31/12/2009</u></b>							
At 01/01/2009	49,200	(3,408)	5,178	29,861	80,831	-	80,831
Profit for the year	-	-	-	4,180	4,180	-	4,180
Repurchase of own shares	-	(291)	-	-	(291)	-	(291)
At 31/12/2009	<u>49,200</u>	<u>(3,699)</u>	<u>5,178</u>	<u>34,041</u>	<u>84,720</u>	<u>-</u>	<u>84,720</u>

(The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Report for the year ended 31 December 2009)

**CAM RESOURCES BERHAD (Company No: 535311-D)**

Quarterly Report on consolidated results for the fourth quarter ended 31/12/2010.

**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS**

	Cumulative quarter ended 31/12/10 RM'000	Cumulative quarter ended 31/12/09 RM'000
Net Profit before tax	5,794	5,598
Adjustment for non-cash flow:-		
Non-cash items	2,968	3,446
Non-operating items (which are investing/financing)	549	353
Operating profit before changes in working capital	<u>9,311</u>	<u>9,397</u>
Changes in working capital		
Net change in current assets	(5)	1,738
Net change in current liabilities	<u>1,029</u>	<u>190</u>
Cash flows from operation	10,335	11,325
Tax paid	(2,250)	(2,955)
Interest paid	<u>(592)</u>	<u>(370)</u>
Net cash generated from/(used in) operating activities	<u>7,493</u>	<u>8,000</u>
Investing Activities		
Other investments	<u>(16,132)</u>	<u>(769)</u>
Net cash (used in)/ generated from investing activities	<u>(16,132)</u>	<u>(769)</u>
Financing Activities		
Bank and other borrowings	7,648	(1,356)
Repurchase of own shares	<u>(364)</u>	<u>(291)</u>
Net cash generated from/(used in) financing activities	<u>7,284</u>	<u>(1,647)</u>
Net Change in Cash & Cash Equivalents	(1,355)	5,584
Cash & Cash Equivalents at beginning of the year	7,353	1,769
Cash & Cash Equivalents at end of the year	<u>5,998</u>	<u>7,353</u>

(The Unaudited Condensed Consolidated Cash Flow Statements should be read in conjunction with the Audited Financial Report for the year ended 31 December 2009)

## **NOTES TO THE QUARTERLY RESULTS**

### **1. Accounting policies**

The quarterly financial statements have been prepared in accordance with FRS 134 - Interim Financial Reporting and Paragraph 9.22 of the Bursa Malaysia Listing Requirements.

The accounting policies applied are consistent with those adopted for the annual financial statements for the year ended 31 December 2009 except for the adoption of new standards, amendments to standards and IC interpretations that are mandatory for the Group for the financial year beginning 1 January 2010. The adoption of these standards, amendments and interpretations do not have a material impact on the interim financial information of the Group except for the adoption of the following standards as set out below:-

a) FRS 101 : Presentation of Financial Statement (revised)

The revised FRS 101 separates owner and non-owner changes in equity. Therefore, the consolidated statement of changes in equity includes only details of transactions with owners. All non-owner changes in equity are presented in statement of comprehensive income of which present all items of income and expense recognized in income statements, together with all other items of recognized income and expense, either in one single statement or in two linked statements. New terminologies will replace 'balance sheet' with 'statement of financial position' and 'cash flow statement' with 'statement of cash flows'. This FRS only entails revision in presentation aspects and does not have any impact on the financial position and results of the Group.

b) FRS 8 : Operating segments

FRS 8 requires identification and reporting of operating segments based on internal reports that are regularly reviewed by the entity's chief operating decision maker in order to allocate resources to the segment and to assess its performance. The Group presents its segment information based on its business segments, which is also the basis of presenting its monthly internal management reports. The basis of measurement of segment results, segment assets and segment liabilities are same as the basis of measurement for external reporting.

### **2. Seasonality and cyclicity of operations**

The Group's operations for the current quarter and financial year-to-date are not significantly affected by seasonal and cyclical factors.

### **3. Unusual items**

There were no items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence during the current quarter and financial year-to-date.

**4. Changes in estimates**

There were no material changes in estimates of amounts reported in the prior periods of current financial year or changes in the estimate of amounts reported in prior financial years that have material effect in the current quarter and financial year-to-date.

**5. Issuance and repayment of debt and equity securities**

There were no issuances, cancellation, repurchases, resale and repayments of debts and equity securities for the current quarter and financial year-to-date except for the following:-

The Company repurchased 1,331,000 of its ordinary shares in issue, from the open market for a total consideration of RM334,318 and at an average price of RM0.25 per share in the fourth financial quarter. The repurchased transactions were financed by internally generated funds and the shares repurchased are being held as treasury shares in accordance with Section 67A of the Companies Act 1965.

**6. Dividend paid**

There was no dividend paid in the current quarter and financial year-to date.

**7. Segmental reporting**

The segmental analysis for the Group for the financial year-to-date ended 31 December 2010 and 31 December 2009 are as follows:-

31December 2010	Investment Holding RM'000	Manufacturing RM'000	Trading RM'000	Eliminations RM'000	Consolidated RM'000
<b>Segment Revenue</b>					
External revenue	-	32,885	36,968	-	69,853
Inter-segment revenue	800	24,750	674	(26,224)	-
	800	57,635	37,642	(26,224)	69,853
<b>Segment Results</b>					
Segment results	479	4,472	2,348	(956)	6,343
Operating profit					6,343
Interest revenue					43
Interest expense					(592)
Taxation					(1,661)
Net profit for the year					4,133

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31 December 2009	Investment Holding RM'000	Manufacturing RM'000	Trading RM'000	Eliminations RM'000	Consolidated RM'000
<b>Segment Revenue</b>					
External revenue	-	28,143	34,615	-	62,758
Inter-segment revenue	-	23,627	267	(23,894)	-
	-	51,770	34,882	(23,894)	62,758
<b>Segment Results</b>					
Segment results	(287)	4,764	1,336	137	5,950
Operating profit					5,950
Interest revenue					18
Interest expense					(370)
Taxation					(1,418)
Net profit for the year					4,180

All the inter-segment revenue were determined based on cost plus a percentage of profit mark-up.

No geographical analysis has been presented as the operations of the Group are solely based in Malaysia.

**8. Valuation of property, plant and equipment**

There were no amendments made to the valuation of property, plant and equipment that have been brought forward from the previous annual financial statements.

**9. Subsequent event**

There were no material subsequent events since the end of the current quarter to the date of issue of this report that have not been reflected in the financial statements for the current quarter and financial year-to-date.

**10. Changes in the composition of the Group**

There were no changes in the composition of the Group for the current quarter and financial year-to-date except for the following:

The Company had on 21 June 2010, acquired the entire equity interest comprising of 2 ordinary shares of RM1.00 each for a cash consideration of RM2.00 in Central Eco Fiber Sdn Bhd (formerly known as Synergy Coast Sdn Bhd). On 11 August 2010, the Company had further subscribed of equity interest comprising of 799,998 ordinary shares of RM1.00 each for a cash consideration of RM799,998 in Central Eco Fiber Sdn Bhd (formerly known as Synergy Coast Sdn Bhd).

The acquisitions do not have any material effect on the Group's results and financial position.

**11. Contingent liabilities or assets**

Save as disclosed below, there were no changes in contingent liabilities since the last annual balance sheet date and there were no contingent assets as at end of the current quarter.

The contingent liabilities pertaining to the corporate guarantees given by the Company to financial institutions for banking facilities granted to subsidiaries were RM 16,945,562 as at 31 December 2010 (31 December 2009 : RM8,347,889).

**12. Review of performance of the Company and its principal subsidiary companies**

The Group's revenue increased to RM 18.2 million in current quarter as compared to RM 16.4 million in the preceding year corresponding quarter. However, the profit before tax in current quarter reduced to RM 1.3 million as compared to RM2.4 million in previous year corresponding quarter. The higher profit before tax in previous year corresponding quarter was mainly attributable to higher sales composition of better profit margin products.

The results for the current quarter and financial year-to-date have not been affected by any transaction or event of a material or unusual nature which have arisen between 31 December 2010 and the date of this report.

**13. Material changes in the profit before taxation for the current quarter as compared with the immediate preceding quarter**

The group's profit before tax in current quarter only increased slightly to RM 1.3 million as compared to RM 1.2 million in the preceding quarter.

**14. Next year's prospect**

The Group is optimistic to continue achieving a profitable result for year 2011.

**15. Variance on forecast profit and/or profit guarantee**

This was not applicable as no profit forecast and/or profit guarantee was published.



**16. Taxation**

Taxation comprises the following:-

Particulars	Current year quarter	Current year to date	Current year quarter	Current year to date
	31/12/2010 RM'000	31/12/2010 RM'000	31/12/2009 RM'000	31/12/2009 RM'000
Based on results for the year	169	1,842	687	1,785
Origination and reversal of temporary differences	(41)	(181)	(379)	(367)
Tax expense	128	1,661	308	1,418

The effective tax expense rate for the financial year-to-date were higher than the statutory tax rate mainly due to certain expenses being disallowed for tax purposes.

**17. Sale of unquoted investments and/or properties**

There were no sales of unquoted investments and properties for the current quarter and financial year-to-date.

**18. Quoted securities**

- (a) There were no purchases or disposals of quoted securities for the current quarter and financial year-to-date.
- (b) There was no investment in quoted securities as at end of the reporting period.

**19. Status of corporate proposals**

There was no corporate proposal announced for the current quarter and financial year-to-date.

**20. Group borrowings and debt securities**

<b>Group Borrowings as at 31 December 2010</b>	<b>Secured RM'000</b>	<b>Unsecured RM'000</b>	<b>Total RM'000</b>
<b>Short term borrowings</b>			
Bank overdraft	-	1,006	1,006
Revolving credit	-	641	641
Bankers' acceptance	-	3,481	3,481
Hire purchase loans	59	-	59
Term loans	1,113	-	1,113
	<u>1,172</u>	<u>5,128</u>	<u>6,300</u>
<b>Long term borrowings</b>			
Hire purchase loans	55	-	55
Term loans	10,704	-	10,704
	<u>10,759</u>	<u>-</u>	<u>10,759</u>
<b>Total Borrowings</b>	<u>11,931</u>	<u>5,128</u>	<u>17,059</u>

<b>Group Borrowings as at 31 December 2009</b>	<b>Secured RM'000</b>	<b>Unsecured RM'000</b>	<b>Total RM'000</b>
<b>Short term borrowings</b>			
Bank overdraft	-	-	-
Revolving credit	-	1,700	1,700
Bankers' acceptance	-	4,123	4,123
Hire purchase loans	30	-	30
Term loans	427	-	427
	<u>457</u>	<u>5,823</u>	<u>6,280</u>
<b>Long term borrowings</b>			
Hire purchase loans	27	-	27
Term loans	2,098	-	2,098
	<u>2,125</u>	<u>-</u>	<u>2,125</u>
<b>Total Borrowings</b>	<u>2,582</u>	<u>5,823</u>	<u>8,405</u>

The above Group borrowings are denominated in Ringgit Malaysia.

**21. Off balance sheet financial instruments**

The Group does not have any financial instruments with off balance sheet risk up to the date of issue of this report.

**22. Material pending litigation**

There were no material litigations pending since the last annual financial statement.

**23. Dividend**

There was no dividend declared or recommended for the current quarter and financial year-to-date.

**24. Earnings per share**

- (a) The amount used as the numerator in calculating basic earnings per share is net profit after tax and minority interest reported for the respective period.
- (b) The weighted average number of shares used as the denominator in calculating basic earnings per share is 179,912,060 for current quarter and 179,960,044 for financial year-to-date whereas the weighted average number of shares used for preceding year corresponding quarter is 180,351,800 and 180,877,249 for previous financial year-to-date.

**25. Realised and Unrealised Profits/Losses Disclosure**

On 25 March 2010, Bursa Malaysia Securities Berhad (“Bursa Malaysia”) issued a directive to all listed issuers pursuant to Paragraph 2.06 and 2.23 of Bursa Malaysia Main Market Listing Requirements. The directive requires all listed issuers to disclose the breakdown of the unappropriated profits or accumulated losses as at the end of the reporting period, into realised and unrealised profits or losses.

On 20 December 2010, Bursa Malaysia further issued guidance on the disclosure and the format required.

The breakdown of retained profits of the Group as at the reporting date, into realised and unrealised profits, pursuant to the directive, is as follows:-

	As at 31/12/2010 RM'000	As at 30/9/2010 RM'000
Total retained profits of CAM Resources Berhad and its subsidiaries:		
- Realised	40,581	39,409
- Unrealised	(1,364)	(1,473)
	39,217	37,936
Less: Consolidation adjustments	(1,043)	(946)
Total group retained profit as per consolidated accounts	38,174	36,990