

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

Quarterly Report on consolidated results for the first quarter ended 31/3/2011.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter ended	Preceding year corresponding quarter ended	Current year to date	Preceding year corresponding period
	31/3/11 RM'000	31/3/10 RM'000	31/3/11 RM'000	31/3/10 RM'000
Revenue	16,755	15,756	16,755	15,756
Cost Of Sales	(13,320)	(12,769)	(13,320)	(12,769)
Gross Profit	3,435	2,987	3,435	2,987
Other Income	577	82	577	82
Distribution Costs	(1,252)	(1,193)	(1,252)	(1,193)
Administrative Expenses	(766)	(656)	(766)	(656)
Other Expenses	(83)	(92)	(83)	(92)
Finance Costs	(271)	(144)	(271)	(144)
Profit Before Tax	1,640	984	1,640	984
Income tax Expense	(495)	(344)	(495)	(344)
Profit For The Period	1,145	640	1,145	640
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income For The Period	1,145	640	1,145	640
Attributable to:				
Equity Holders Of The Parent	1,145	640	1,145	640
Minority Interest	-	-	-	-
	1,145	640	1,145	640
EPS - Basic (sen)	0.64	0.35	0.64	0.35
- 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 2010)

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

Quarterly Report on consolidated results for the first quarter ended 31/3/2011.

**UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	<u>Unaudited</u>	<u>Audited</u>
	As at end of current quarter 31/3/11 RM'000	As at preceding financial year end 31/12/10 RM'000
<b>ASSETS</b>		
Non Current Assets		
Property, Plant & Equipment	45,902	46,037
Other Investments	-	-
Deferred tax assets	65	65
	<u>45,967</u>	<u>46,102</u>
Current Assets		
Inventories	33,625	33,989
Trade receivables	17,387	19,087
Other current assets	4,642	4,047
Cash and bank balances	6,943	7,004
	<u>62,597</u>	<u>64,127</u>
Non Current Asset Held for Sale	-	2,617
Total Assets	<u>108,564</u>	<u>112,846</u>
<b>EQUITY AND LIABILITIES</b>		
Equity		
Share capital	49,200	49,200
Treasury shares, at cost	(4,197)	(4,063)
Other reserves	5,178	5,178
Retained earnings	39,265	38,120
Total Equity	<u>89,446</u>	<u>88,435</u>
Non Current Liabilities		
Long term borrowings	9,111	10,759
Deferred tax liabilities	2,206	2,260
	<u>11,317</u>	<u>13,019</u>
Current Liabilities		
Trade and other payables	2,987	4,786
Short term provisions	306	306
Short term borrowings	4,508	6,300
	<u>7,801</u>	<u>11,392</u>
Total Liabilities	19,118	24,411
Total Equity And Liabilities	<u>108,564</u>	<u>112,846</u>
Net Assets Per Share (RM)	0.50	0.49

(The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Report for the year ended 31 December 2010)

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

	<b>Share Capital RM'000</b>	<b>Treasury Shares RM'000</b>	<b>Share Premium RM'000</b>	<b>Retained Earnings RM'000</b>	<b>Total RM'000</b>	<b>Minority Interest RM'000</b>	<b>Total Equity RM'000</b>
<b><u>Cumulative quarter ended 31/3/2011</u></b>							
At 01/01/2011	49,200	(4,063)	5,178	38,120	88,435	-	88,435
Profit for the period	-	-	-	1,145	1,145	-	1,145
Repurchase of own shares	-	(134)	-	-	(134)	-	(134)
At 31/3/2011	<u>49,200</u>	<u>(4,197)</u>	<u>5,178</u>	<u>39,265</u>	<u>89,446</u>	<u>-</u>	<u>89,446</u>
<b><u>Cumulative quarter ended 31/3/2010</u></b>							
At 01/01/2010	49,200	(3,699)	5,178	34,041	84,720	-	84,720
Profit for the period	-	-	-	640	640	-	640
Repurchase of own shares	-	-	-	-	-	-	-
At 31/3/2010	<u>49,200</u>	<u>(3,699)</u>	<u>5,178</u>	<u>34,681</u>	<u>85,360</u>	<u>-</u>	<u>85,360</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 2010)

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**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS**

	<b>Cumulative quarter ended 31/3/11 RM'000</b>	<b>Cumulative quarter ended 31/3/10 RM'000</b>
Net Profit before tax	2,540	984
Adjustment for non-cash flow:-		
Non-cash items	10	727
Non-operating items (which are investing/financing)	225	86
Operating profit before changes in working capital	<u>2,775</u>	<u>1,797</u>
Changes in working capital		
Net change in current assets	568	(975)
Net change in current liabilities	<u>(1,676)</u>	<u>(635)</u>
Cash flows from operation	1,667	187
Tax paid	(670)	(653)
Interest paid	<u>(233)</u>	<u>(99)</u>
Net cash generated from/(used in) operating activities	<u>764</u>	<u>(565)</u>
Investing Activities		
Other investments	<u>2,749</u>	<u>(72)</u>
Net cash (used in)/ generated from investing activities	<u>2,749</u>	<u>(72)</u>
Financing Activities		
Bank and other borrowings	(2,609)	1,450
Repurchase of own shares	<u>(134)</u>	<u>-</u>
Net cash generated from/(used in) financing activities	<u>(2,743)</u>	<u>1,450</u>
Net Change in Cash & Cash Equivalents	770	813
Cash & Cash Equivalents at beginning of the period	5,998	7,353
Cash & Cash Equivalents at end of the period	<u><u>6,768</u></u>	<u><u>8,166</u></u>

(The Unaudited Condensed Consolidated Cash Flow Statements should be read in conjunction with the Audited Financial Report for the year ended 31 December 2010)

## 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 2010 except for the adoption of the following new Financial Reporting Standard (FRSs), Amendments to FRSs, IC Interpretations and Technical Releases ("TR") that are mandatory for the Group for the financial year beginning 1 January 2011. The adoption of these standards, amendments and interpretations are not expected to have any material impact on the interim financial information of the Group.

FRS 1	First-time Adoption of Financial Reporting Standards
FRS 3	Business Combinations
FRS 124	Related Party Disclosures (Revised)
FRS 127	Consolidated and Separate Financial Statements (Revised)
Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters (Amendment to FRS 1)	
Additional Exemptions for First-time Adopters (Amendments to FRS 1)	
Improving Disclosures about Financial Instruments (Amendments to FRS 7)	
Amendments to FRS 2 Share-based Payment	
Amendments to FRS 2 Group Cash-settled Share-based Payment Transactions	
Amendments to FRS 5 Non-current Assets Held for Sale and Discontinued Operations	
Amendments to FRS 132 Financial Instruments: Presentation	
Amendments to FRS 138 Intangible Assets	
Amendments to FRSs contained in the document entitled "Improvements to FRSs (2010)"	
IC Interpretation 4	Determining whether an Arrangement contains a Lease
IC Interpretation 12	Service Concession Arrangements
IC Interpretation 16	Hedges of a Net Investment in a Foreign Operation
IC Interpretation 17	Distributions of Non-cash Assets to Owners
IC Interpretation 18	Transfers of Assets from Customers
Amendments to IC Interpretation 9: Reassessment of Embedded Derivatives	
TR 3	Guidance on Disclosures of Transition to IFRSs
TR i-4	Shariah Compliant Sale Contracts

**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 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 566,500 of its ordinary shares in issue, from the open market for a total consideration of RM133,747 and at an average price of RM0.24 per share in the first 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 March 2011 and 31 March 2010 are as follows:-

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31 March 2011	Investment Holding RM'000	Manufacturing RM'000	Trading RM'000	Eliminations RM'000	Consolidated RM'000
<b>Segment Revenue</b>					
External revenue	-	7,879	8,876	-	16,755
Inter-segment revenue	-	6,233	63	(6,296)	-
	-	14,112	8,939	(6,296)	16,755
<b>Segment Results</b>					
Segment results	(66)	1,766	528	(363)	1,865
Operating profit					1,865
Interest revenue					7
Interest expense					(232)
Taxation					(495)
Net profit for the period					1,145

31 March 2010	Investment Holding RM'000	Manufacturing RM'000	Trading RM'000	Eliminations RM'000	Consolidated RM'000
<b>Segment Revenue</b>					
External revenue	-	7,626	8,130	-	15,756
Inter-segment revenue	-	5,614	26	(5,640)	-
	-	13,240	8,156	(5,640)	15,756
<b>Segment Results</b>					
Segment results	(35)	855	277	(27)	1,070
Operating profit					1,070
Interest revenue					13
Interest expense					(99)
Taxation					(344)
Net profit for the period					640

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**

The interim dividend of 2.5% less tax and 2.4% tax exempt as declared by the Group subsequent to the financial year ended 31 December 2010 in respect of the previous financial year was paid on 16 May 2011. This net dividend of RM 1,905,888 (entitlement date as at 27 April 2011) is not 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.

**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 13,521,140 as at 31 March 2011 (31 December 2010 : RM16,945,562).

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

In current quarter, the Group's revenue registered higher at RM 16.8 million as compared to RM 15.8 million in the preceding year corresponding quarter. The profit before tax recorded higher at RM 1.6 million as compared to RM1.0 million in previous year corresponding quarter. The improvement in profit before tax in current quarter was mainly attributable to gain on disposal of land, which amounted to RM0.5 million.

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 increased by 28% at RM 1.6 million as compared to RM 1.3 million in the preceding quarter. The higher profit before tax in current quarter was mainly due to gain on disposal of land as compared to preceding quarter.



**14. Current year prospect**

The Group is expected to remain profitable in the coming quarters.

**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
	31/3/2011 RM'000	31/3/2011 RM'000	31/3/2010 RM'000	31/3/2010 RM'000
Based on results for the period	549	549	400	400
Origination and reversal of temporary differences	(54)	(54)	(56)	(56)
Tax expense	495	495	344	344

The effective tax expense rate for the current quarter and 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 March 2011</b>	<b>Secured RM'000</b>	<b>Unsecured RM'000</b>	<b>Total RM'000</b>
<b>Short term borrowings</b>			
Bank overdraft	-	176	176
Revolving credit	-	400	400
Bankers' acceptance	-	2,863	2,863
Hire purchase loans	53	-	53
Term loans	1,016	-	1,016
	<u>1,069</u>	<u>3,439</u>	<u>4,508</u>
<b>Long term borrowings</b>			
Hire purchase loans	47	-	47
Term loans	9,064	-	9,064
	<u>9,111</u>	<u>-</u>	<u>9,111</u>
<b>Total Borrowings</b>	<u>10,182</u>	<u>3,439</u>	<u>13,621</u>

<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>

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.

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**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 178,376,343 for current quarter and financial year-to-date whereas the weighted average number of shares used for preceding year corresponding quarter and financial year-to-date is 180,351,800.

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

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

	As at 31/3/2011 RM'000	As at 31/12/2010 RM'000
Total retained profits of CAM Resources Berhad and its subsidiaries:		
-Realised	41,406	40,528
-Unrealised	(1,190)	(1,365)
	40,216	39,163
Less: Consolidation adjustments	(951)	(1,043)
Total Group retained profit as per consolidated accounts	39,265	38,120