

CAM RESOURCES BERHAD (Company No: 535311-D)

Quarterly Report on consolidated results for the third quarter ended 30/9/2011.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current year quarter ended 30/9/11 RM'000	Preceding year corresponding quarter ended 30/9/10 RM'000	Current year to date 30/9/11 RM'000	Preceding year corresponding period 30/9/10 RM'000
Revenue	18,853	17,423	53,291	51,672
Cost Of Sales	(14,426)	(13,636)	(41,403)	(40,340)
Gross Profit	4,427	3,787	11,888	11,332
Other Income	168	32	858	167
Distribution Costs	(1,423)	(1,303)	(4,078)	(3,779)
Administrative Expenses	(756)	(798)	(2,389)	(2,195)
Other Expenses	(97)	(303)	(269)	(533)
Finance Costs	(262)	(183)	(820)	(510)
Profit Before Tax	2,057	1,232	5,190	4,482
Income tax Expense	(657)	(504)	(1,978)	(1,533)
Profit For The Period	1,400	728	3,212	2,949
Other Comprehensive Income	-	-	-	-
Total Comprehensive Income For The Period	1,400	728	3,212	2,949
Attributable to:				
Equity Holders Of The Parent	1,400	728	3,212	2,949
Minority Interest	-	-	-	-
	1,400	728	3,212	2,949
EPS - Basic (sen)	0.79	0.40	1.80	1.64
- 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 third quarter ended 30/9/2011.

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	<u>Unaudited</u>	<u>Audited</u>
	As at end of current quarter	As at preceding financial year end
	30/9/11	31/12/10
	RM'000	RM'000
ASSETS		
Non Current Assets		
Property, Plant & Equipment	46,712	46,037
Other Investments	-	-
Deferred tax assets	65	65
	<u>46,777</u>	<u>46,102</u>
Current Assets		
Inventories	38,253	33,989
Trade receivables	19,898	19,087
Other current assets	3,953	4,047
Cash and bank balances	3,564	7,004
	<u>65,668</u>	<u>64,127</u>
Non Current Asset Held for Sale	-	2,617
Total Assets	<u><u>112,445</u></u>	<u><u>112,846</u></u>
EQUITY AND LIABILITIES		
Equity		
Share capital	49,200	49,200
Treasury shares, at cost	(4,464)	(4,063)
Other reserves	5,178	5,178
Retained earnings	39,426	38,120
Total Equity	<u>89,340</u>	<u>88,435</u>
Non Current Liabilities		
Long term borrowings	8,521	10,759
Deferred tax liabilities	2,325	2,260
	<u>10,846</u>	<u>13,019</u>
Current Liabilities		
Trade and other payables	4,465	4,786
Short term provisions	306	306
Short term borrowings	7,488	6,300
Current tax payables	-	-
	<u>12,259</u>	<u>11,392</u>
Total Liabilities	<u>23,105</u>	<u>24,411</u>
Total Equity And Liabilities	<u><u>112,445</u></u>	<u><u>112,846</u></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

	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
<u>Cumulative quarter ended 30/9/2011</u>							
At 01/01/2011	49,200	(4,063)	5,178	38,120	88,435	-	88,435
Profit for the period	-	-	-	3,212	3,212	-	3,212
Repurchase of own shares	-	(401)	-	-	(401)	-	(401)
Dividends	-	-	-	(1,906)	(1,906)	-	(1,906)
At 30/9/2011	<u>49,200</u>	<u>(4,464)</u>	<u>5,178</u>	<u>39,426</u>	<u>89,340</u>	<u>-</u>	<u>89,340</u>
<u>Cumulative quarter ended 30/9/2010</u>							
At 01/01/2010	49,200	(3,699)	5,178	34,041	84,720	-	84,720
Profit for the period	-	-	-	2,949	2,949	-	2,949
Repurchase of own shares	-	(30)	-	-	(30)	-	(30)
At 30/9/2010	<u>49,200</u>	<u>(3,729)</u>	<u>5,178</u>	<u>36,990</u>	<u>87,639</u>	<u>-</u>	<u>87,639</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)

CAM RESOURCES BERHAD (Company No: 535311-D)

Quarterly Report on consolidated results for the third quarter ended 30/9/2011.

UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

	Cumulative quarter ended 30/9/11 RM'000	Cumulative quarter ended 30/9/10 RM'000
Net Profit before tax	5,190	4,482
Adjustment for non-cash flow:-		
Non-cash items	1,177	2,383
Non-operating items (which are investing/financing)	668	363
Operating profit before changes in working capital	<u>7,035</u>	<u>7,228</u>
Changes in working capital		
Net change in current assets	(4,728)	(2,465)
Net change in current liabilities	<u>(772)</u>	<u>(1,378)</u>
Cash flows from operation	1,535	3,385
Tax paid	(1,620)	(1,392)
Interest paid	(692)	(399)
Net cash generated from/(used in) operating activities	<u>(777)</u>	<u>1,594</u>
Investing Activities		
Other investments	693	(5,343)
Net cash (used in)/ generated from investing activities	<u>693</u>	<u>(5,343)</u>
Financing Activities		
Bank and other borrowings	(2,838)	3,035
Repurchase of own shares	(400)	(30)
Net cash generated from/(used in) financing activities	<u>(3,238)</u>	<u>3,005</u>
Net Change in Cash & Cash Equivalents	(3,322)	(744)
Cash & Cash Equivalents at beginning of the period	5,998	7,353
Cash & Cash Equivalents at end of the period	<u><u>2,676</u></u>	<u><u>6,609</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 prior period 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:-

There was no repurchased transaction in the current quarter. The repurchased transactions for financial year-to-date 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.

7. Segmental reporting

The segmental analysis for the Group for the financial year-to-date ended 30 September 2011 and 30 September 2010 are as follows:-

30 September 2011	Investment Holding RM'000	Manufacturing RM'000	Trading RM'000	Eliminations RM'000	Consolidated RM'000
Segment Revenue					
External revenue	-	25,256	28,035	-	53,291
Inter-segment revenue	-	18,877	229	(19,106)	-
	-	44,133	28,264	(12,601)	53,291
Segment Results					
Segment results	(272)	4,816	1,726	(412)	5,858
Operating profit					5,858
Interest revenue					18
Interest expense					(686)
Taxation					(1,978)
Net profit for the period					3,212

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30 September 2010	Investment Holding RM'000	Manufacturing RM'000	Trading RM'000	Eliminations RM'000	Consolidated RM'000
Segment Revenue					
External revenue	-	24,138	27,534	-	51,672
Inter-segment revenue	800	18,864	66	(19,730)	-
	<u>800</u>	<u>43,002</u>	<u>27,600</u>	<u>(19,730)</u>	<u>51,672</u>
Segment Results					
Segment results	(167)	3,825	1,400	(212)	4,846
Operating profit					4,846
Interest revenue					35
Interest expense					(399)
Taxation					(1,533)
Net profit for the period					<u>2,949</u>

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 Group (60%) and its co-purchaser, Mega Western Resources Sdn Bhd (40%) had entered into sales purchase agreements on 11 November 2011 for the Proposed Acquisition of Land for a total purchase consideration of RM6 million and the Proposed Acquisition of Shares for a total purchase consideration of RM29 million. Announcement had been made accordingly on 11 November 2011. The estimated time frame to be completed is 3 months from the Sale and Purchase Agreement's 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 July 2011, acquired the entire equity interest comprising of 2 ordinary shares of RM1.00 each for a cash consideration of RM2.00 in Esquire Concept 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 16,009,649 as at 30 September 2011 (31 December 2010 : RM16,945,562).

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

The Group's revenue recorded higher at RM18.9 million in current quarter as compare with RM17.4 million in preceding year corresponding quarter. The profit before tax increased to RM 2.1million from RM 1.2million in preceding year corresponding quarter. The higher profit before tax in current quarter as compare with previous year corresponding quarter was mainly due to increase in sales and also lower in expenditure.

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

There is an increase in group's profit before tax in current quarter as compare with preceding quarter which registered at RM 2.1 million and RM 1.5 million respectively. The higher profit before tax in current quarterly is mainly due to higher sales achieved as compare with preceding quarter.

14. Current year prospect

Although the market remains challenging with current global economic condition, the Group is optimistic to record a profitable result in the remaining period of the year.

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
	30/9/2011	30/9/2011	30/9/2010	30/9/2010
	RM'000	RM'000	RM'000	RM'000
Based on results for the period	350	1,605	590	1,673
Origination and reversal of temporary differences	63	66	(86)	(140)
Under/(Over) provision in prior year	413	1671	504	1,533
Tax expense	244	307	-	-
	657	1,978	504	1,533

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 and non availability of the Group tax relief in respect of losses suffered by certain companies.

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

Group Borrowings as at 30 September 2011	Secured RM'000	Unsecured RM'000	Total RM'000
Short term borrowings			
Bank overdraft	-	888	888
Revolving credit	-	400	400
Bankers' acceptance	-	5,120	5,120
Hire purchase loans	36	-	36
Term loans	1,044	-	1,044
	<u>1,080</u>	<u>6,408</u>	<u>7,488</u>
Long term borrowings			
Hire purchase loans	29	-	29
Term loans	8,492	-	8,492
	<u>8,521</u>	<u>-</u>	<u>8,521</u>
Total Borrowings	<u>9,601</u>	<u>6,408</u>	<u>16,009</u>

Group Borrowings as at 31 December 2010	Secured RM'000	Unsecured RM'000	Total RM'000
Short term borrowings			
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>
Long term borrowings			
Hire purchase loans	55	-	55
Term loans	10,704	-	10,704
	<u>10,759</u>	<u>-</u>	<u>10,759</u>
Total Borrowings	<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.

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 177,926,400 for current quarter and 178,118,417 for financial year-to-date whereas the weighted average number of shares used for preceding year corresponding quarter is 180,225,800 and 180,273,784 for previous financial year-to date.

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 30/09/2011 RM'000	As at 31/12/2010 RM'000
Total retained profits of CAM Resources Berhad and its subsidiaries:		
-Realised	41,685	40,528
-Unrealised	<u>(1,322)</u>	<u>(1,365)</u>
	40,363	39,163
Less: Consolidation adjustments	<u>(937)</u>	<u>(1,043)</u>
Total Group retained profit as per consolidated accounts	<u><u>39,426</u></u>	<u><u>38,120</u></u>