



## Financial Results

Form Version 8 (Enhanced)

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### Submitting Investment

**Bank/Advisor**  
(if applicable)

**Submitting Secretarial Firm** Securities Services (Holdings) Sdn. Bhd.  
(if applicable)

**Company name \*** PRESTAR RESOURCES BERHAD

**Stock name \*** PRESTAR

**Stock code \*** 9873

**Contact person \*** Chua Siew Chuan

**Designation \*** Company Secretary

### Part A1 : QUARTERLY REPORT

**Financial Year End \*** 31/12/2011

**Quarter \***  1 Qtr  2 Qtr  3 Qtr  4 Qtr  Other

**Quarterly report for the financial period ended \*** 30/09/2011

**The figures \***  have been audited  have not been audited

Please attach the full Quarterly Report here:



Prestar Results Q3 2011.pdf Prestar Notes Q3 2011.pdf

Remarks:

**Currency** Malaysian Ringgit (MYR)

### Part A2 : SUMMARY OF KEY FINANCIAL INFORMATION

Summary of Key Financial Information for the financial period ended  
\* 30/09/2011

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER *	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE *	PRECEDING YEAR CORRESPONDING PERIOD
	30/09/2011 [dd/mm/yyyy]	30/09/2010 [dd/mm/yyyy]	30/09/2011 [dd/mm/yyyy]	30/09/2010 [dd/mm/yyyy]
	\$\$'000	\$\$'000	\$\$'000	\$\$'000
1 Revenue	129,464	142,526	406,693	419,273

2 Profit/(loss) before tax	2,813	821	13,856	18,127
3 Profit/(loss) for the period	2,051	937	10,346	13,140
4 Profit/(loss) attributable to ordinary equity holders of the parent	1,413	206	6,978	7,538
5 Basic earnings/(loss) per share (Subunit)	0.81	0.12	4.01	4.33
6 Proposed/Declared dividend per share (Subunit)	0.00	0.00	0.00	0.00

	AS AT END OF CURRENT QUARTER*	AS AT PRECEDING FINANCIAL YEAR END
7 Net assets per share attributable to ordinary equity holders of the parent (\$\$)	1.0100	0.9800

Remarks :

Definition of Subunit:

In a currency system, there is usually a main unit (base) and subunit that is a fraction amount of the main unit. Example for the subunit as follows:

Country	Base Unit	Subunit
Malaysia	Ringgit	Sen
United States	Dollar	Cent
United Kingdom	Pound	Pence

**Part A3 : ADDITIONAL INFORMATION**

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER*	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE*	PRECEDING YEAR CORRESPONDING PERIOD
	30/09/2011 [dd/mm/yyyy] \$\$'000	30/09/2010 [dd/mm/yyyy] \$\$'000	30/09/2011 [dd/mm/yyyy] \$\$'000	30/09/2010 [dd/mm/yyyy] \$\$'000
1 Gross interest income	64	94	208	184
2 Gross interest expense	3,498	3,280	10,387	8,852

Remarks :

Other Currency

**Part A2 : SUMMARY OF KEY FINANCIAL INFORMATION**

Summary of Key Financial Information for the financial period ended  
\* 30/09/2011

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER *	PRECEDING YEAR CORRESPONDING QUARTER	CURRENT YEAR TO DATE *	PRECEDING YEAR CORRESPONDING PERIOD
	[dd/mm/yyyy] \$\$'000	[dd/mm/yyyy] \$\$'000	[dd/mm/yyyy] \$\$'000	[dd/mm/yyyy] \$\$'000
1 Revenue				
2 Profit/(loss) before tax				
3 Profit/(loss) for the period				
4 Profit/(loss) attributable to ordinary equity holders of the parent				
5 Basic earnings/(los s) per share (Subunit)				
6 Proposed/De clared dividend per share (Subunit)				
	AS AT END OF CURRENT QUARTER*		AS AT PRECEDING FINANCIAL YEAR END	
7 Net assets per share attributable to ordinary equity holders of the parent (\$\$)				

Remarks :

Definition of Subunit:

In a currency system, there is usually a main unit (base) and subunit that is a fraction amount of the main unit.  
Example for the subunit as follows:

Country	Base Unit	Subunit
Malaysia	Ringgit	Sen
United States	Dollar	Cent
United Kingdom	Pound	Pence

**Part A3 : ADDITIONAL INFORMATION**

INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
CURRENT YEAR	PRECEDING YEAR	CURRENT YEAR TO	PRECEDING YEAR

	QUARTER*	CORRESPONDING QUARTER	DATE*	CORRESPONDING PERIOD
	[dd/mm/yyyy]	[dd/mm/yyyy]	[dd/mm/yyyy]	[dd/mm/yyyy]
	\$\$'000	\$\$'000	\$\$'000	\$\$'000
<b>1 Gross interest income</b>				
<b>2 Gross interest expense</b>				
<b>Remarks :</b>				

Note: The above information is for the Exchange internal use only.

**PRESTAR RESOURCES BHD ( 123066-A )**

**Unaudited Condensed Consolidated Statement of Comprehensive Income  
For the 3rd financial quarter ended 30 September 2011**

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30/09/2011 RM'000	Preceding Year Corresponding Quarter 30/09/2010 RM'000	Current Year To Date 30/09/2011 RM'000	Preceding Year Corresponding To Date 30/09/2010 RM'000
Revenue	129,464	142,526	406,693	419,273
Cost of sales	(117,243)	(132,829)	(364,896)	(374,515)
Gross profit	12,221	9,697	41,797	44,758
Other operating income	2,933	2,646	8,664	6,847
Operating expenses	(9,344)	(9,020)	(27,506)	(27,005)
Profit from operations	5,810	3,323	22,955	24,600
Finance costs	(3,498)	(3,280)	(10,387)	(8,852)
Interest income	64	94	208	184
Share of results of associate	437	684	1,080	2,195
Profit before taxation	2,813	821	13,856	18,127
Tax expenses	(762)	116	(3,510)	(4,987)
Profit for the period	2,051	937	10,346	13,140
Other comprehensive income, net of tax				
Foreign currency translation differences for foreign operation	737	(338)	197	(600)
Fair value of available-for-sale financial assets	-	* -	-	* -
Other comprehensive income for the period, net of tax	737	(338)	197	(600)
Total comprehensive income for the period	2,788	599	10,543	12,540

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30/09/2011 RM'000	Preceding Year Corresponding Quarter 30/09/2010 RM'000	Current Year To Date 30/09/2011 RM'000	Preceding Year Corresponding To Date 30/09/2010 RM'000
<b>Profit attributable to:</b>				
Owners of the company	1,413	206	6,978	7,538
Non-controlling interest	638	731	3,368	5,602
<b>Profit for the period</b>	<b>2,051</b>	<b>937</b>	<b>10,346</b>	<b>13,140</b>
<b>Total comprehensive income attributable to:</b>				
Owners of the company	2,150	(132)	7,175	6,938
Non-controlling interest	638	731	3,368	5,602
<b>Total comprehensive income for the period</b>	<b>2,788</b>	<b>599</b>	<b>10,543</b>	<b>12,540</b>
<b>Earnings per share (sen)</b>				
Basic	0.81	0.12	4.01	4.33
Diluted	N/A	N/A	N/A	N/A

( The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statement for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements. )

\* The fair value of available-for-sale financial assets is a gain of RM60 only, therefore insignificant to be shown here.

**RESTAR RESOURCES BHD ( 123066-A )**
**Unaudited Condensed Consolidated Statement of Financial Position as at 30 September 2011**

	As at End of Current Quarter 30/09/2011 RM'000	As at Preceding Financial Year Ended 31/12/2010 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	162,788	162,136
Investment properties	1,485	915
Intangible assets	1,925	1,969
Investments in associates	40,071	38,991
Deferred tax assets	5	6
	<b>206,274</b>	<b>204,017</b>
<b>Current assets</b>		
Inventories	131,184	142,097
Trade receivables	127,639	123,439
Other receivables	14,840	12,669
Derivative assets	162	61
Tax Recoverable	1,336	1,945
Cash and cash equivalent	21,264	23,873
	<b>296,425</b>	<b>304,084</b>
<b>TOTAL ASSETS</b>	<b>502,699</b>	<b>508,101</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	90,490	90,490
Reserves	90,967	85,533
Treasury shares	(5,854)	(5,854)
	175,603	170,169
<b>Non-controlling interest</b>	56,482	54,577
<b>Total equity</b>	<b>232,085</b>	<b>224,746</b>
<b>Non-current liabilities</b>		
Hire purchase liabilities	1,740	3,574
Bank borrowings	9,450	14,477
Deferred taxation	3,846	4,279
	<b>15,036</b>	<b>22,330</b>
<b>Current liabilities</b>		
Trade payables	18,182	23,709
Other payables	9,484	12,420
Derivative liabilities	114	35
Hire purchase liabilities	1,978	3,453
Bank borrowings	225,067	220,688
Taxation	753	720
	<b>255,578</b>	<b>261,025</b>
<b>Total liabilities</b>	<b>270,614</b>	<b>283,355</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>502,699</b>	<b>508,101</b>
Net assets per share attributable to ordinary equity holders of the parent (RM)	1.01	0.98

( The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statement for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements. )

**PRESTAR RESOURCES BHD ( 123066-A)**

Unaudited Condensed Consolidated Statement of Changes in Equity  
For the 3rd financial quarter ended 30 September 2011

	Attributable to Equity Holders of the Parent										Total RM'000	Non- controlling Interest RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Translation Reserves RM'000	Fair Value Reserves RM'000	Revaluation Reserves RM'000	Warrant Reserves RM'000	Treasury Shares RM'000	Retained profits RM'000					
At 1 January 2010, as previously stated	90,490	1,687	(1,069)	-	1,051	3,862	(5,854)	77,208	167,375	51,735	219,110		
Effect of adopting FRS 139	-	-	-	*	-	-	-	91	91	3	94		
At 1 January 2010, as restated	90,490	1,687	(1,069)	-	1,051	3,862	(5,854)	77,299	167,466	51,738	219,204		
Total comprehensive income	-	-	(600)	-	-	-	-	7,538	6,938	5,602	12,540		
Realisation of revaluation reserve	-	-	-	-	(26)	-	-	26	-	-	-		
Dividend paid	-	-	-	-	-	-	-	(2,611)	(2,611)	(1,570)	(4,181)		
At 30 September 2010	90,490	1,687	(1,669)	-	1,025	3,862	(5,854)	82,252	171,793	55,770	227,563		
At 1 January 2011	90,490	1,687	(1,875)	-	1,016	3,862	(5,854)	80,843	170,169	54,577	224,746		
Total comprehensive income	-	-	197	-	-	-	-	6,978	7,175	3,368	10,543		
Expiry of warrant	-	-	-	-	-	(3,862)	-	3,862	-	-	-		
Issue of shares to non-controlling interest	-	-	-	-	-	-	-	-	-	47	47		
Realisation of revaluation reserve	-	-	-	-	(26)	-	-	26	-	-	-		
Dividend paid	-	-	-	-	-	-	-	(1,741)	(1,741)	(1,510)	(3,251)		
At 30 September 2011	90,490	1,687	(1,678)	-	990	-	(5,854)	89,968	175,603	56,482	232,085		

( The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statement for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements. )

\* Fair value reserves is RM60, therefore insignificant to be shown here.



**PRESTAR RESOURCES BHD ( 123066-A)****Unaudited Condensed Consolidated Statement of Cash Flow  
For the 3rd financial quarter ended 30 September 2011**

	30/09/2011 RM'000	30/09/2010 RM'000
<b>Profit before taxation</b>	<b>13,856</b>	<b>18,127</b>
<b>Adjustments for :-</b>		
Non-cash items	5,616	2,954
Non-operating items	10,179	8,669
<b>Operating profit before working capital changes</b>	<b>29,651</b>	<b>29,750</b>
Net change in current assets	5,278	(30,997)
Net change in current liabilities	(8,828)	(5,107)
Tax paid	(3,300)	(2,507)
<b>Net cash generated from / (used in) operating activities</b>	<b>22,801</b>	<b>(8,861)</b>
<b>Net cash inflow / (outflow) from investing activities</b>	<b>(8,407)</b>	<b>(7,544)</b>
<b>Net cash inflow / (outflow) from financing activities</b>	<b>(19,169)</b>	<b>20,417</b>
<b>Net increase/(decrease) in cash and cash equivalent</b>	<b>(4,775)</b>	<b>4,012</b>
<b>Cash and cash equivalents at 1 January</b>	<b>20,619</b>	<b>20,982</b>
Foreign exchange differences on opening balances	629	938
<b>Cash and cash equivalents at 30 September</b>	<b>16,473</b>	<b>25,932</b>
<b>Cash and cash equivalents comprise:</b>		
Fixed deposits with licensed banks	3,943	1,794
Cash and bank balances	17,321	26,834
Bank overdrafts	(3,748)	(1,602)
	17,516	27,026
Less : Fixed deposits pledged to licensed banks	(1,043)	(1,094)
	16,473	25,932

( The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statement for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements. )

**PART A: EXPLANATION NOTES AS PER FRS 134**

**A1 Accounting policies and methods of computation**

The interim financial statements are unaudited and have been prepared in compliance with Financial Reporting Standard ("FRS") 134, Interim Financial Reporting and other FRS issued by the Malaysian Accounting Standards Board ("MASB") and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the year ended 31 December 2010.

These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2010.

The significant accounting policies and methods of computation adopted are consistent with those of the audited financial statements for the year ended 31 December 2010, except for the adoption of the following new FRSs, Amendments to FRSs and Interpretations with effect from 1 January 2011.

Amendments to FRS 7	Financial Instruments: Disclosures
Amendments to FRSs	Improvements to FRSs (2010)
IC Interpretation 4	Determining whether an Agreement Contains a Lease
Amendments to IC Interpretation 9	Reassessment of Embedded Derivatives

The above new FRSs, IC Interpretations and Amendments to FRSs do not have significant impact on the financial reporting of the Group.

**A2 Seasonal or cyclical factors**

The Group faces minor seasonal fluctuations during the major festive seasons such as Hari Raya Aidilfitri and Chinese New Year celebrations.

**A3 The nature and amount of items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size or incidence**

There was no unusual item in the quarterly financial statement under review.

**A4 Changes in estimates**

There are no significant changes in the estimates of amount, which give a material effect in the current interim period.

**A5 Issuances, cancellations, repurchases, resale and repayments of debt and equity securities**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the current quarter ended 30 September 2011.

**A6 Dividends paid (aggregate or per share) separately for ordinary share and other shares**

A First and Final Dividend of 2.0% tax exempt amounting to 1.0 sen per share in respect of the financial year ended 31 December 2010 was paid on 15 September 2011.

**A7 Segment Information for the current financial year to date**

	<u>Trading</u> RM'000	<u>Manufacturing</u> RM'000	<u>Investment</u> RM'000	<u>Elimination</u> RM'000	<u>Total</u> RM'000
<b>Revenue</b>					
External Sales	89,432	315,897	1,364	-	406,693
Inter-segment revenue	438	54,106	4,310	(58,854)	-
Total Revenue	<u>89,870</u>	<u>370,003</u>	<u>5,674</u>	<u>(58,854)</u>	<u>406,693</u>
<b>Segment Result</b>	<b>2,663</b>	<b>18,992</b>	<b>2,162</b>	<b>(862)</b>	<b>22,955</b>
<b>Profit from operations</b>					<b>22,955</b>
Finance costs					(10,387)
Interest Income					208
Share of results of associates					1,080
<b>Profit before tax</b>					<u><b>13,856</b></u>

No analysis by geographical area has been presented as its year to date contribution was less than 10% to the combined results of all segments revenue or results or assets.

**A8 Valuations of property, plant and equipment**

The valuation of land & buildings has been brought forward, without amendment from the previous annual financial statement.

**A9 Material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period**

There were no material events subsequent to the end of the interim period that have not been reflected in the financial statements for the current quarter under review.

**A10 The effect of changes in the composition of the enterprise during the interim period, including business combinations, acquisition or disposal of subsidiaries and long-term investments, restructurings, and discontinuing operations**

i) Incorporation of a subsidiary company in Indonesia

On 3 March 2011, Prestar Precision Tube Sdn Bhd ("PPTSB"), a wholly-owned subsidiary of the Company, had incorporated a company in Jakarta, Indonesia with the name - PT Prestar Precision Tube ("PTPPT"). PPTSB holds 75% of PTPPT's equity while the balance of equity is held by Mr. Hartono Amidjojo.

The above incorporation is not expected to have any material effect on the earnings or net assets of the Company.

ii) Members' Voluntary Winding-up of a subsidiary

On 24 Jun 2011, the Company announced that its wholly-owned subsidiary, Prestar Ventures Sdn Bhd has been dissolved on 23 June 2011 pursuant to Section 272(5) of the Companies Act 1965.

**A11 Changes in contingent liabilities or contingent assets since the last financial year ended 31 December 2010**

As at the date of this announcement, there were no material contingent liabilities incurred by the Group which, upon becoming enforceable, may have a material impact on the financial position of the Group.

**A12 Capital commitments**

	As at 30/09/2011
	RM'000
Property, plant and equipment	
Authorized and contracted for	5,748
Authorized and not contracted for	1,166

**Part B: ADDITIONAL INFORMATION REQUIRED BY THE LISTING REQUIREMENTS OF  
BURSA SECURITIES (PART A OF APPENDIX 9B)**

**B1 Review of performance of the company and its principal subsidiaries for the current quarter and financial year to date (YTD)**

Group revenue for the current quarter and year-to-date were RM129.5 million and RM 406.7 million respectively, about 9.2 % and 3.0 % lower than the same period last year. Profit before tax for the current quarter improved to RM2.8 million while YTD Profit before tax were lower at RM 13.9 million as compared to RM 18.2 million of the same period last year. Slight improvement in the current quarter was partly due to better sales margin obtained in the manufactured-product units. Nevertheless, YTD results for the current year were still significantly below last year's performance due to overall sluggish market demand and depressed sales margin for the most part of the year.

**B2 Material changes in the profit before taxation for the quarter reported on as compared with the immediate preceding quarter**

Compared to the immediate preceding quarter, Group revenue for the quarter under review reduced by 11.4% to RM129.5 million. Profit before tax for the quarter under review also decreased to only RM 2.81 million as compared to RM5.83 million of the preceding quarter. The reduction was mainly due to sluggish market demand amid uncertain economic conditions which depressed the selling price and margin of our products.

**B3 Prospects**

Amidst slowdown and uncertainties in global economies and market conditions, steel prices remain volatile with downward trend prevailing. Against this lackluster economic conditions, the Board will continue to adopt cautious approach in order to generate a satisfactory performance for the financial year under review.

**B4 Variance of actual profit from forecast profit / profit guarantee**

Not applicable.

**B5 Tax expenses**

	Current Quarter 30/09/2011 RM'000	Current Year To Date 30/09/2011 RM'000
Current taxation	906	3,688
Deferred taxation	(437)	(432)
In respect of prior years	293	254
	<u>762</u>	<u>3,510</u>

The average effective tax rate of the Group for the current quarter and financial year to date is slightly higher than the current statutory tax rate mainly due to non tax deductibility of some expenses.

**B6 Profit / (Losses) on sale of unquoted investments and/or properties**

There is no sale of unquoted investments or properties for the current quarter and financial year to date.

**B7 Quoted securities**

- (a) There is no purchase or disposal of quoted securities for the current quarter and financial year to date.
- (b) There is no investment in quoted securities as at 30 September 2011.

**B8 (a) The status of corporate proposals announced but not completed at the latest practicable date which shall not be earlier than 7 days from the date of issue of the quarterly report.**

- (b) **Where applicable, a brief explanation of the status of utilisation of proceeds raised from any corporate proposal.**

(a) and (b) not applicable.

**B9 Group bank borrowings:**

Total group borrowings as at 30 September 2011 are as follows:-

	Short Term Borrowing	Long Term Borrowing
	RM'000	RM'000
<b>Denominated in Ringgit Malaysia:</b>		
Secured	81,342	3,830
Unsecured	136,239	5,620
<b>Denominated in US Dollar:</b>		
Secured	1,383	-
Unsecured	4,605	-
<b>Denominated in Vietnam VND:</b>		
Secured	1,498	-
<b>Total Bank Borrowings</b>	<b>225,067</b>	<b>9,450</b>

**B10 Disclosure of derivatives**

The list of outstanding derivatives as at 30 September 2011 is as follows:

Type of Derivatives :	Notional Value	Fair Value
Forward Foreign currency contract	RM'000	RM'000
Bank buy :		
- Less than 1 year	3,068	3,182
Bank sell :		
- Less than 1 year	5,595	5,757

The above foreign currency contracts were executed with creditworthy financial institutions and hence the likelihood of non performance is remote.

**B11 Material litigation since the last financial year ended 31 December 2010 which shall be made up to a date not earlier than 7 days from the date of issue of the quarterly report**

As at 18 November 2011, there were no changes in material litigation, including the status of pending material litigation since the last financial year ended 31 December 2010.

**B12 Dividend**

The Directors do not recommend any interim dividend for the current quarter under review.

**B13 Earnings per share**

	Current Quarter Ended 30/09/2011
<b>Basic</b>	
Net profit attributable to ordinary shareholder (RM'000)	6,978
Number of ordinary shares as at 1 Jan 2010 after net off treasury shares	174,061
Effect of warrants exercised	-
Effect of shares repurchased	-
Weighted average number of ordinary shares in issue ('000)	<u>174,061</u>
Basic earnings per share (sen)	4.01
<b>Diluted</b>	
The diluted earnings per share is not disclosed as it is not applicable.	

**B14 Realised and unrealised profits/losses disclosure**

	As at Current Financial Period Ended 30/09/2011 RM'000	As at Preceding Financial Year Ended 31/12/2010 RM'000
Total retained profits / (accumulated losses) of the Company and the subsidiaries:		
- Realised	94,791	87,675
- Unrealised	<u>(4,023)</u>	<u>(4,272)</u>
	90,768	83,403
Total retained profits / (accumulated losses) from associates companies:		
- Realised	24,566	23,438
- Unrealised	<u>(1,516)</u>	<u>(1,468)</u>
	113,818	105,373
Less: Consolidation adjustments	<u>(23,850)</u>	<u>(24,530)</u>
Total group retained profits as per consolidated accounts	<u>89,968</u>	<u>80,843</u>