



Financial Results

Form Version 8 (Enhanced)

Submitted by CS_SECURITY SERVICES 2 on 25/08/2011 05:36:25 PM

Reference No CS-110825-5214A

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 *

30/06/2011

The figures *

have been audited have not been audited

Please attach the full Quarterly Report here:



Prestar Notes Q2 2011.pdf Prestar Results Q2 2011.pdf

Remarks:

Currency

Malaysian Ringgit (MYR)

Part A2 : SUMMARY OF KEY FINANCIAL INFORMATION

Summary of Key Financial Information for the financial period ended
* 30/06/2011

| INDIVIDUAL QUARTER | | CUMULATIVE QUARTER | |
|------------------------|--------------------------------------|------------------------|-------------------------------------|
| CURRENT YEAR QUARTER * | PRECEDING YEAR CORRESPONDING QUARTER | CURRENT YEAR TO DATE * | PRECEDING YEAR CORRESPONDING PERIOD |

| | 30/06/2011 | 30/06/2010 | 30/06/2011 | 30/06/2010 |
|---|-------------------------------|--------------|------------------------------------|--------------|
| | [dd/mm/yyyy] | [dd/mm/yyyy] | [dd/mm/yyyy] | [dd/mm/yyyy] |
| | \$\$'000 | \$\$'000 | \$\$'000 | \$\$'000 |
| 1 Revenue | 146,082 | 139,283 | 277,229 | 276,747 |
| 2 Profit/(loss) before tax | 5,829 | 7,595 | 11,043 | 17,306 |
| 3 Profit/(loss) for the period | 4,338 | 5,051 | 8,295 | 12,203 |
| 4 Profit/(loss) attributable to ordinary equity holders of the parent | 2,818 | 2,317 | 5,565 | 7,332 |
| 5 Basic earnings/(loss) per share (Subunit) | 1.62 | 1.33 | 3.20 | 4.21 |
| 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 |
| | 30/06/2011 [dd/mm/yyyy] \$\$'000 | 30/06/2010 [dd/mm/yyyy] \$\$'000 | 30/06/2011 [dd/mm/yyyy] \$\$'000 | 30/06/2010 [dd/mm/yyyy] \$\$'000 |
| 1 Gross interest income | 73 | 60 | 144 | 90 |
| 2 Gross | 3,667 | 2,893 | 6,889 | 5,572 |

interest
expense

Remarks :

Other Currency

Part A2 : SUMMARY OF KEY FINANCIAL INFORMATION

**Summary of Key Financial Information for the financial period ended
* 30/06/2011**

| | 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/(loss) per share (Subunit) | | | | |
| 6 Proposed/Decl ared 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 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 Gross interest income | | | | |
| 2 Gross interest expense | | | | |

Remarks :

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 2nd financial quarter ended 30 June 2011**

| | Individual Quarter | | Cumulative Quarter | |
|--|--|--|--|--|
| | Current Year Quarter 30/06/2011 RM'000 | Preceding Year Corresponding Quarter 30/06/2010 RM'000 | Current Year To Date 30/06/2011 RM'000 | Preceding Year Corresponding To Date 30/06/2010 RM'000 |
| Revenue | 146,082 | 139,283 | 277,229 | 276,747 |
| Cost of sales | (131,163) | (122,551) | (247,653) | (241,686) |
| Gross profit | 14,919 | 16,732 | 29,576 | 35,061 |
| Other operating income | 3,621 | 2,466 | 5,731 | 4,201 |
| Operating expenses | (9,384) | (9,489) | (18,162) | (17,985) |
| Profit from operations | 9,156 | 9,709 | 17,145 | 21,277 |
| Finance costs | (3,667) | (2,893) | (6,889) | (5,572) |
| Interest income | 73 | 60 | 144 | 90 |
| Share of results of associate | 267 | 719 | 643 | 1,511 |
| Profit before taxation | 5,829 | 7,595 | 11,043 | 17,306 |
| Tax expenses | (1,491) | (2,544) | (2,748) | (5,103) |
| Profit for the period | 4,338 | 5,051 | 8,295 | 12,203 |
| Other comprehensive income, net of tax | | | | |
| Foreign currency translation differences for foreign operation | 1,012 | 269 | (540) | (262) |
| Fair value of available-for-sale financial assets | - | * - | - | * - |
| Other comprehensive income for the period, net of tax | 1,012 | 269 | (540) | (262) |
| Total comprehensive income for the period | 5,350 | 5,320 | 7,755 | 11,941 |

| | Individual Quarter | | Cumulative Quarter | |
|--|--|--|--|--|
| | Current Year Quarter 30/06/2011 RM'000 | Preceding Year Corresponding Quarter 30/06/2010 RM'000 | Current Year To Date 30/06/2011 RM'000 | Preceding Year Corresponding To Date 30/06/2010 RM'000 |
| Profit attributable to: | | | | |
| Owners of the company | 2,818 | 2,317 | 5,565 | 7,332 |
| Non-controlling interest | 1,520 | 2,734 | 2,730 | 4,871 |
| Profit for the period | 4,338 | 5,051 | 8,295 | 12,203 |
| Total comprehensive income attributable to: | | | | |
| Owners of the company | 3,830 | 2,586 | 5,025 | 7,070 |
| Non-controlling interest | 1,520 | 2,734 | 2,730 | 4,871 |
| Total comprehensive income for the period | 5,350 | 5,320 | 7,755 | 11,941 |
| Earnings per share (sen) | | | | |
| Basic | 1.62 | 1.33 | 3.20 | 4.21 |
| Diluted | 1.62 | 1.33 | 3.20 | 4.21 |

(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 June 2011

| | As at End of Current Quarter 30/06/2011 RM'000 | As at Preceding Financial Year Ended 31/12/2010 RM'000 |
|--|--|--|
| ASSETS | | |
| Non-current assets | | |
| Property, plant and equipment | 161,307 | 162,136 |
| Investment properties | 2,333 | 915 |
| Intangible assets | 1,940 | 1,969 |
| Investments in associates | 39,634 | 38,991 |
| Deferred tax assets | 5 | 6 |
| | 205,219 | 204,017 |
| Current assets | | |
| Inventories | 157,226 | 142,097 |
| Trade receivables | 131,246 | 123,439 |
| Other receivables | 14,956 | 12,669 |
| Derivative assets | 82 | 61 |
| Tax Recoverable | 1,718 | 1,945 |
| Cash and cash equivalent | 22,252 | 23,873 |
| | 327,480 | 304,084 |
| TOTAL ASSETS | 532,699 | 508,101 |
| EQUITY AND LIABILITIES | | |
| Equity attributable to equity holders of the parent | | |
| Share capital | 90,490 | 90,490 |
| Reserves | 90,558 | 85,533 |
| Treasury shares | (5,854) | (5,854) |
| | 175,194 | 170,169 |
| Non-controlling interest | 56,567 | 54,577 |
| Total equity | 231,761 | 224,746 |
| Non-current liabilities | | |
| Hire purchase liabilities | 1,830 | 3,574 |
| Bank borrowings | 11,136 | 14,477 |
| Deferred taxation | 4,283 | 4,279 |
| | 17,249 | 22,330 |
| Current liabilities | | |
| Trade payables | 21,840 | 23,709 |
| Other payables | 9,408 | 12,420 |
| Derivative liabilities | - | 35 |
| Hire purchase liabilities | 2,477 | 3,453 |
| Bank borrowings | 248,649 | 220,688 |
| Taxation | 1,315 | 720 |
| | 283,689 | 261,025 |
| Total liabilities | 300,938 | 283,355 |
| TOTAL EQUITY AND LIABILITIES | 532,699 | 508,101 |
| 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 2nd financial quarter ended 30 June 2011**

| | Attributable to Equity Holders of the Parent | | | | | | | | | | 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 | Total 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 | - | - | (262) | - | - | - | - | 7,332 | 7,070 | 4,871 | 11,941 | |
| Realisation of revaluation reserve | - | - | - | - | (18) | - | - | 18 | - | - | - | |
| Dividend paid | - | - | - | - | - | - | - | - | - | (784) | (784) | |
| At 30 June 2010 | 90,490 | 1,687 | (1,331) | - | 1,033 | 3,862 | (5,854) | 84,649 | 174,536 | 55,825 | 230,361 | |
| 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 | - | - | (540) | - | - | - | - | 5,565 | 5,025 | 2,730 | 7,755 | |
| Realisation of revaluation reserve | - | - | - | - | (18) | - | - | 18 | - | - | - | |
| Dividend paid | - | - | - | - | - | - | - | - | - | (740) | (740) | |
| At 30 June 2011 | 90,490 | 1,687 | (2,415) | - | 998 | 3,862 | (5,854) | 86,426 | 175,194 | 56,567 | 231,761 | |

(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 2nd financial quarter ended 30 June 2011**

| | 30/06/2011 RM'000 | 30/06/2010 RM'000 |
|---|----------------------|----------------------|
| Profit before taxation | 11,043 | 17,306 |
| Adjustments for :- | | |
| Non-cash items | 4,277 | 4,412 |
| Non-operating items | 6,745 | 5,482 |
| Operating profit before working capital changes | 22,065 | 27,200 |
| Net change in current assets | (25,770) | (88,690) |
| Net change in current liabilities | (5,009) | 15,610 |
| Tax paid | (1,924) | (160) |
| Net cash generated from / (used in) operating activities | (10,638) | (46,040) |
| Net cash inflow / (outflow) from investing activities | (6,437) | (6,406) |
| Net cash inflow / (outflow) from financing activities | 15,047 | 47,510 |
| Net increase/(decrease) in cash and cash equivalent | (2,028) | (4,936) |
| Cash and cash equivalents at 1 January | 20,619 | 20,982 |
| Foreign exchange differences on opening balances | 399 | 654 |
| Cash and cash equivalents at 30 June | 18,990 | 16,700 |
| Cash and cash equivalents comprise: | | |
| Fixed deposits with licensed banks | 4,016 | 4,188 |
| Cash and bank balances | 18,236 | 15,092 |
| Bank overdrafts | (2,246) | (1,492) |
| | 20,006 | 17,788 |
| Less : Fixed deposits pledged to licensed banks | (1,016) | (1,088) |
| | 18,990 | 16,700 |

(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.

Prestar Resources Berhad (123066-A)

Notes to the Interim Financial Report for the period ended 30 June 2011

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 June 2011.

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

There was no dividend paid for the quarter ended 30 June 2011.

A7 Segment Information for the current financial year to date

| | <u>Trading</u> | <u>Manufacturing</u> | <u>Investment</u> | <u>Elimination</u> | <u>Total</u> |
|--------------------------------|----------------|----------------------|-------------------|--------------------|----------------|
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Revenue | | | | | |
| External Sales | 60,417 | 215,902 | 910 | - | 277,229 |
| Inter-segment revenue | 225 | 35,182 | 2,273 | (37,680) | - |
| Total Revenue | 60,642 | 251,084 | 3,183 | (37,680) | 277,229 |
| Segment Result | 1,823 | 13,551 | 971 | 800 | 17,145 |
| Profit from operations | | | | | 17,145 |
| Finance costs | | | | | (6,889) |
| Interest Income | | | | | 144 |
| Share of results of associates | | | | | 643 |
| Profit before tax | | | | | 11,043 |

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 30/06/2011 |
|-----------------------------------|------------------|
| | RM'000 |
| Property, plant and equipment | |
| Authorized and contracted for | 2,243 |
| Authorized and not contracted for | 684 |

**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 and Profit before taxation for the quarter under review were RM146.08 million and RM5.83 million respectively. Though the revenue was slightly higher than the same quarter of last year, profit before taxation for the quarter under review is lower by around 23.3% due to weak market demand and fluctuating steel prices. YTD results for the current year were still significantly below last year's performance mainly due to strong demand and higher sales margin experienced by the steel industry during the same period last 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 increased by 11.4% to RM146.08 million. However, profit before tax for the quarter under review increased only slightly to RM5.83 million when compared to RM5.21 million of the preceding quarter. The improvement was partly due to increase in other income, better steel prices in the quarter albeit fluctuating as well as improvements attained through various on-going kaizen and cost cutting activities carried out within the Group.

B3 Prospects

Malaysian economic growth has slowed down during the second quarter amid the global economic turmoil in Eurozone as well as fragile US economic recovery which culminated in the downgrading of US credit rating. Steel prices remain volatile as prices weakened in the middle of the quarter under review but rebounded slightly in the subsequent quarter. Nevertheless, there is an affirmative sign for steel industry as MITI just announced its termination of investigation in relation to Megasteel's hot-rolled coil safeguard petition.

Against this lackluster economic backdrop, the Board will continue to adopt cautious and pragmatic 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.

Prestar Resources Berhad (123066-A)
Notes to the Interim Financial Report for the period ended 30 June 2011

B5 Tax expenses

| | Current Quarter 30/06/2011 RM'000 | Current Year To Date 30/06/2011 RM'000 |
|---------------------------|---|--|
| Current taxation | 1,559 | 2,782 |
| Deferred taxation | (29) | 5 |
| In respect of prior years | (39) | (39) |
| | <u>1,491</u> | <u>2,748</u> |

The average effective tax rate of the Group for the financial year to date is slightly lower than the current statutory tax rate mainly due to availability of tax losses, unutilised capital allowance and reinvestment allowance.

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 June 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 June 2011 are as follows:-

| | Short Term Borrowing | Long Term Borrowing |
|---|----------------------|---------------------|
| | RM'000 | RM'000 |
| Denominated in Ringgit Malaysia: | | |
| Secured | 82,955 | 4,905 |
| Unsecured | 145,183 | 6,231 |
| Denominated in US Dollar: | | |
| Secured | 2,671 | - |
| Unsecured | 7,225 | - |
| Denominated in Vietnam VND: | | |
| Secured | 10,615 | - |
| Total Bank Borrowings | 248,649 | 11,136 |

B10 Disclosure of derivatives

The list of outstanding derivatives as at 30 June 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 | 7,105 | 7,056 |
| Bank sell : | | |
| - Less than 1 year | 3,480 | 3,513 |

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 19 August 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.

Prestar Resources Berhad (123066-A)
Notes to the Interim Financial Report for the period ended 30 June 2011

B13 Earnings per share

| | Current Quarter Ended 30/06/2011 |
|--|--|
| Basic | |
| Net profit attributable to ordinary shareholder (RM'000) | 5,565 |
| 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) | 3.20 |

Diluted

The diluted earnings per ordinary share is not presented for the current quarter as there is an anti-dilutive effect on the conversion of Warrants to ordinary shares.

B14 Realised and unrealised profits/losses disclosure

| | As at Current Financial Period Ended 30/06/2011 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 | 92,062 | 87,675 |
| - Unrealised | <u>(4,399)</u> | <u>(4,272)</u> |
| | 87,663 | 83,403 |
| Total retained profits / (accumulated losses) from associates companies: | | |
| - Realised | 24,129 | 23,438 |
| - Unrealised | <u>(1,516)</u> | <u>(1,468)</u> |
| | 110,276 | 105,373 |
| Less: Consolidation adjustments | <u>(23,850)</u> | <u>(24,530)</u> |
| Total group retained profits as per consolidated accounts | <u>86,426</u> | <u>80,843</u> |