

KFC HOLDINGS (MALAYSIA) BHD (65787-T)

(Incorporated in Malaysia)

CONDENSED CONSOLIDATED INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER TO 31 MARCH 2010

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		1/1/2010 - 31/3/2010 RM'000	1/1/2009 - 31/3/2009 RM'000	1/1/2010 - 31/3/2010 RM'000	1/1/2009 - 31/3/2009 RM'000
Revenue	A8	600,676	526,639	600,676	526,639
Operating expenses		(550,450)	(485,292)	(550,450)	(485,292)
Other operating income		728	1,492	728	1,492
Profit from operations		50,954	42,839	50,954	42,839
Finance costs		(836)	(1,906)	(836)	(1,906)
Profit before tax	A8	50,118	40,933	50,118	40,933
Tax expense		(15,100)	(11,500)	(15,100)	(11,500)
Profit for the period		35,018	29,433	35,018	29,433
Profit attributable to :					
Owners of the Company		34,243	28,697	34,243	28,697
Minority interests		775	736	775	736
		35,018	29,433	35,018	29,433
Earnings per share (sen) :					
(a) Basic		17.27	14.47	17.27	14.47
(b) Fully diluted		-	-	-	-

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements)

KFC HOLDINGS (MALAYSIA) BHD (65787-T)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	AS AT END OF CURRENT QUARTER 31/3/2010 RM'000	AS AT PRECEDING FINANCIAL YEAR END 31/12/2009 (AUDITED) RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	787,977	773,241
Goodwill on consolidation	48,739	43,399
Intangible assets	24,746	25,275
Investment Properties	898	898
	<u>862,360</u>	<u>842,813</u>
Current assets		
Inventories	185,450	172,339
Receivables and deposits	177,317	151,869
Cash and cash equivalents	72,518	123,449
	<u>435,285</u>	<u>447,657</u>
TOTAL ASSETS	<u>1,297,645</u>	<u>1,290,470</u>
EQUITY		
Share capital	198,275	198,275
Reserves		
<i>Share premium</i>	18,736	18,736
<i>Exchange fluctuation reserve</i>	1,841	2,072
<i>Asset revaluation reserve</i>	25,169	25,169
Retained earnings	581,748	547,505
Total equity attributable to shareholders of the Company	<u>825,769</u>	<u>791,757</u>
Minority interests	13,306	12,491
Total equity	<u>839,075</u>	<u>804,248</u>
Non-current liabilities		
Loans and borrowings	72,922	84,387
Deferred tax liabilities	32,714	32,940
Employee benefits	3,158	3,099
	<u>108,794</u>	<u>120,426</u>
Current liabilities		
Payables and accruals	298,711	321,187
Current tax liabilities	16,227	12,159
Loans and borrowings	34,437	32,049
Employee benefits	401	401
	<u>349,776</u>	<u>365,796</u>
Total liabilities	<u>458,570</u>	<u>486,222</u>
TOTAL EQUITY AND LIABILITIES	<u>1,297,645</u>	<u>1,290,470</u>
Net assets per share (RM)	4.16	3.99

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements)

KFC HOLDINGS (MALAYSIA) BHD (65787-T)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	<-----Attributable to owners of the Company----->							
	<-----Non-Distributable----->		> Distributable					
	Share capital RM'000	Share premium RM'000	Exchange fluctuation reserve RM'000	Asset revaluation reserve RM'000	Retained earnings RM'000	Total RM'000	Minority interests RM'000	Total equity RM'000
At 1 January 2010	198,275	18,736	2,072	25,169	547,505	791,757	12,491	804,248
Profit for the period	-	-	-	-	34,243	34,243	775	35,018
Increase in minority interests	-	-	-	-	-	-	40	40
Translation differences	-	-	(231)	-	-	(231)	-	(231)
At 31 March 2010	<u>198,275</u>	<u>18,736</u>	<u>1,841</u>	<u>25,169</u>	<u>581,748</u>	<u>825,769</u>	<u>13,306</u>	<u>839,075</u>
At 1 January 2009	198,275	18,736	1,128	27,841	446,178	692,158	10,232	702,390
Profit for the period	-	-	-	-	28,697	28,697	736	29,433
At 31 March 2009	<u>198,275</u>	<u>18,736</u>	<u>1,128</u>	<u>27,841</u>	<u>474,875</u>	<u>720,855</u>	<u>10,968</u>	<u>731,823</u>

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements)

KFC HOLDINGS (MALAYSIA) BHD (65787-T)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOW

	CURRENT QUARTER AS AT 31/3/2010 RM'000	PRIOR YEAR QUARTER AS AT 31/3/2009 RM'000
Operating activities		
Profit before tax	50,118	40,933
Adjustments for :		
Interest expense	836	1,906
Interest income	(179)	(113)
Non-cash items	20,314	17,695
Operating profit before working capital changes	<u>71,089</u>	<u>60,421</u>
Changes in working capital :		
Net change in current assets	(39,926)	(10,489)
Net change in current liabilities	(23,838)	(28,278)
Cash generated from operations	<u>7,325</u>	<u>21,654</u>
Interest paid	(836)	(1,906)
Taxes paid	(9,718)	(8,189)
Net cash (used in)/generated from operating activities	<u>(3,229)</u>	<u>11,559</u>
Investing activities		
Equity investments	(6,081)	-
Other investments	(31,468)	(12,663)
Net cash used in investing activities	<u>(37,549)</u>	<u>(12,663)</u>
Financing activities		
Bank borrowings	(10,153)	4,471
Net cash (used in)/generated from financing activities	<u>(10,153)</u>	<u>4,471</u>
Net change in cash and cash equivalents	(50,931)	3,367
Cash and cash equivalents at beginning of period	123,449	97,985
Cash and cash equivalents at end of period	<u><u>72,518</u></u>	<u><u>101,352</u></u>
The cash and cash equivalents consist of the following:-		
<i>Deposits with financial institutions</i>	26,121	43,859
<i>Cash and bank balances</i>	46,397	57,493
	<u><u>72,518</u></u>	<u><u>101,352</u></u>

(The Condensed Consolidated Statement of Cash Flow should be read in conjunction with the Annual Financial report for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements)