

KFC HOLDINGS (MALAYSIA) BHD (65787-T)

**QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS FOR THE FOURTH FINANCIAL QUARTER ENDED
31 DECEMBER 2009**

CONDENSED CONSOLIDATED INCOME STATEMENTS

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
		1/10/2009 - 31/12/2009 RM'000	1/10/2008 31/12/2008 RM'000	1/1/2009 - 31/12/2009 RM'000	1/1/2008 - 31/12/2008 RM'000 (AUDITED)
Revenue	A8	624,229	601,907	2,297,431	2,179,788
Operating expenses		(569,260)	(561,020)	(2,105,309)	(2,010,629)
Other operating income		743	1,068	3,332	5,857
Profit from operations		55,712	41,955	195,454	175,016
Finance costs		(976)	(1,931)	(5,439)	(7,559)
Profit before tax	A8	54,736	40,024	190,015	167,457
Income tax expense		(19,218)	(11,307)	(57,218)	(47,107)
Profit for the year		<u>35,518</u>	<u>28,717</u>	<u>132,797</u>	<u>120,350</u>
Attributable to :					
Equity holders of the Company		35,040	28,385	130,419	118,535
Minority interests		478	332	2,378	1,815
		<u>35,518</u>	<u>28,717</u>	<u>132,797</u>	<u>120,350</u>
Earnings per share (sen) :					
(a) Basic		17.67	14.32	65.78	59.78
(b) Fully diluted		-	-	-	-

(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements)

KFC HOLDINGS (MALAYSIA) BHD (65787-T)
CONDENSED CONSOLIDATED BALANCE SHEETS

	AS AT END OF CURRENT QUARTER 31/12/2009	AS AT PRECEDING FINANCIAL YEAR END 31/12/2008 (AUDITED)
	RM'000	RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	705,329	615,059
Investment Property	898	898
Prepaid land lease payments	67,912	63,841
Goodwill on consolidation	43,399	43,399
Intangible assets	25,275	26,436
	<u>842,813</u>	<u>749,633</u>
Current assets		
Inventories	172,341	158,474
Trade and other receivables	151,659	135,887
Other investment	-	20,203
Cash and bank balances	123,449	97,985
	<u>447,449</u>	<u>412,549</u>
TOTAL ASSETS	<u>1,290,262</u>	<u>1,162,182</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the Company		
Share capital	198,275	198,275
Other reserves		
<i>Share premium</i>	18,736	18,736
<i>Exchange fluctuation reserve</i>	2,072	1,128
<i>Asset revaluation reserve</i>	25,169	27,841
Retained earnings	547,521	446,178
	<u>791,773</u>	<u>692,158</u>
Minority interests	12,475	10,232
Total equity	<u>804,248</u>	<u>702,390</u>
Non-current liabilities		
Retirement benefit obligations	3,099	3,313
Borrowings	84,387	65,944
Deferred tax liabilities	32,742	31,602
	<u>120,228</u>	<u>100,859</u>
Current liabilities		
Retirement benefit obligations	401	623
Borrowings	32,049	75,111
Trade and other payables	321,178	275,424
Current tax payable	12,158	7,775
	<u>365,786</u>	<u>358,933</u>
Total liabilities	<u>486,014</u>	<u>459,792</u>
TOTAL EQUITY AND LIABILITIES	<u>1,290,262</u>	<u>1,162,182</u>
Net assets per share (RM)	3.99	3.49

(The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report for the year ended 31 December 2008 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 equity holders of the Company-----→								Total Equity RM'000
	←-----Non-Distributable-----→				Distributable				
	Share Capital RM'000	Share Premium RM'000	Capital Reserve RM'000	Exchange Fluctuation Reserve RM'000	Asset Revaluation Reserve RM'000	Retained Earnings RM'000	Total RM'000	Minority Interests RM'000	
At 1 January 2009	198,275	18,736	-	1,128	27,841	446,178	692,158	10,232	702,390
Profit for the year	-	-	-	-	-	130,419	130,419	2,378	132,797
Dividend - 2008 Final	-	-	-	-	-	(20,819)	(20,819)	-	(20,819)
- 2009 Interim	-	-	-	-	-	(11,896)	(11,896)	-	(11,896)
Reversal of deferred tax	-	-	-	-	967	-	967	-	967
Transfer from revaluation reserve	-	-	-	-	(3,639)	3,639	-	-	-
Acquisition of minority interests	-	-	-	-	-	-	-	288	288
Translation differences	-	-	-	944	-	-	944	-	944
Dividends of subsidiaries	-	-	-	-	-	-	-	(423)	(423)
At 31 December 2009	<u>198,275</u>	<u>18,736</u>	<u>-</u>	<u>2,072</u>	<u>25,169</u>	<u>547,521</u>	<u>791,773</u>	<u>12,475</u>	<u>804,248</u>
At 1 January 2008	198,275	18,736	1,790	497	29,940	352,783	602,021	6,920	608,941
Profit for the year	-	-	-	-	-	118,535	118,535	1,815	120,350
Dividend - 2007 Final	-	-	-	-	-	(17,607)	(17,607)	-	(17,607)
- 2008 Interim	-	-	-	-	-	(11,738)	(11,738)	-	(11,738)
Transfer to retained earnings upon disposal of property, plant and equipment	-	-	-	-	(544)	544	-	-	-
Reversal of deferred tax	-	-	-	-	316	-	316	-	316
Transfer from revaluation reserve	-	-	-	-	(1,871)	1,871	-	-	-
Transfer from capital reserve	-	-	(1,790)	-	-	1,790	-	-	-
Acquisition of a subsidiary	-	-	-	-	-	-	-	1,909	1,909
Translation differences	-	-	-	631	-	-	631	-	631
Dividends of subsidiaries	-	-	-	-	-	-	-	(412)	(412)
At 31 December 2008	<u>198,275</u>	<u>18,736</u>	<u>-</u>	<u>1,128</u>	<u>27,841</u>	<u>446,178</u>	<u>692,158</u>	<u>10,232</u>	<u>702,390</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 2008 and the accompanying explanatory notes attached to the interim financial statements)

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

	CUMULATIVE QUARTERS AS AT 31/12/2009 RM'000	CUMULATIVE QUARTERS AS AT 31/12/2008 RM'000 (AUDITED)
Operating activities		
Profit before tax	190,015	167,457
Adjustments for :		
Interest expense	5,439	7,559
Interest income	(411)	(1,795)
Non-cash items	87,970	71,176
Operating profit before working capital changes	<u>283,013</u>	<u>244,397</u>
Changes in working capital :		
Net change in current assets	(33,763)	(79,786)
Net change in current liabilities	45,754	31,084
Cash generated from operations	<u>295,004</u>	<u>195,695</u>
Interest paid	(5,439)	(7,559)
Taxes paid	(46,604)	(52,660)
Retirement benefits paid	(644)	-
Net cash generated from operating activities	<u>242,317</u>	<u>135,476</u>
Investing activities		
Equity investments	288	(1,350)
Other investments	(158,060)	(166,930)
Net cash used in investing activities	<u>(157,772)</u>	<u>(168,280)</u>
Financing activities		
Payment of dividends	(32,715)	(29,345)
Payment of dividends to minority interests in subsidiaries	(423)	(412)
Bank borrowings	(24,619)	15,159
Reduction in the restriction on deposits pledged with licensed bank	-	6,324
Net cash used in financing activities	<u>(57,757)</u>	<u>(8,274)</u>
Net change in cash and cash equivalents	26,788	(41,078)
Effects on foreign exchange rate changes	(1,324)	(1,295)
Cash and cash equivalents at beginning of year	97,985	140,358
Cash and cash equivalents at end of year	<u>123,449</u>	<u>97,985</u>
The cash and cash equivalents consist of the following:-		
<i>Deposits with financial institutions</i>	83,083	41,643
<i>Cash and bank balances</i>	40,366	56,342
	<u>123,449</u>	<u>97,985</u>

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial report for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements)