

**QSR BRANDS BHD** (599171-D)

**QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS FOR THE FIRST FINANCIAL QUARTER ENDED  
31 MARCH 2009**

**CONDENSED CONSOLIDATED INCOME STATEMENTS**

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
		1/1/2009 - 31/3/2009 RM'000	1/1/2008 31/3/2008 RM'000	1/1/2009 - 31/3/2009 RM'000	1/1/2008 31/3/2008 RM'000
Revenue	A8	634,220	128,828	634,220	128,828
Operating expenses		(583,105)	(116,104)	(583,105)	(116,104)
Other operating income		1,358	624	1,358	624
Profit from operations		52,473	13,348	52,473	13,348
Finance costs		(3,647)	(3,154)	(3,647)	(3,154)
Operating profit before share of profits of associate	A8	48,826	10,194	48,826	10,194
Share of profits of associate (net of tax)		-	13,236	-	13,236
Profit before tax		48,826	23,430	48,826	23,430
Income tax expense		(14,000)	(3,370)	(14,000)	(3,370)
Profit for the period		34,826	20,060	34,826	20,060
Attributable to :					
Equity holders of the Company		20,188	20,453	20,188	20,453
Minority interests		14,638	(393)	14,638	(393)
		34,826	20,060	34,826	20,060
Earnings per share (sen) :					
(a) Basic		7.17	7.95	7.17	7.95
(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)

**QSR BRANDS BHD** (599171-D)

**CONDENSED CONSOLIDATED BALANCE SHEETS**

	AS AT END OF CURRENT QUARTER 31/3/2009	AS AT PRECEDING FINANCIAL YEAR END 31/12/2008 (AUDITED)
	RM'000	RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	778,284	145,877
Prepaid land lease payments	65,656	1,334
Goodwill on consolidation	336,625	50,605
Intangible assets	40,815	12,995
Investments in associate	-	605,409
	<u>1,221,380</u>	<u>816,220</u>
<b>Current assets</b>		
Inventories	173,657	28,699
Trade and other receivables	148,471	22,743
Tax recoverable	12,027	7,118
Cash and bank balances	128,661	28,317
	<u>462,816</u>	<u>86,877</u>
<b>TOTAL ASSETS</b>	<u>1,684,196</u>	<u>903,097</u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to the equity holders of the Company</b>		
Share capital	286,383	286,383
Other reserves		
<i>Share premium</i>	69,423	69,423
<i>Exchange fluctuation reserve</i>	548	744
<i>Asset revaluation reserve</i>	415	415
<i>Treasury shares</i>	(11,633)	(11,174)
Retained earnings	308,079	287,891
	<u>653,215</u>	<u>633,682</u>
<b>Minority interests</b>	348,255	627
<b>Total equity</b>	<u>1,001,470</u>	<u>634,309</u>
<b>Non-current liabilities</b>		
Retirement benefit obligations	3,354	-
Borrowings	227,071	173,000
Deferred tax liabilities	41,501	9,915
	<u>271,926</u>	<u>182,915</u>
<b>Current liabilities</b>		
Retirement benefit obligations	293	-
Borrowings	108,155	5,717
Trade and other payables	302,352	78,773
Current tax payable	-	1,383
	<u>410,800</u>	<u>85,873</u>
<b>Total liabilities</b>	<u>682,726</u>	<u>268,788</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u>1,684,196</u>	<u>903,097</u>
Net assets per share (RM)	2.28	2.21

(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)

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	<-----Attributable to equity holders of the Company ----->								Total Equity RM'000
	<-----Non-Distributable ----->				Distributable			Minority Interests RM'000	
	Share Capital RM'000	Share Premium RM'000	Exchange Fluctuation Reserve RM'000	Asset Revaluation Reserve RM'000	Treasury Shares RM'000	Retained Earnings RM'000	Total RM'000		
At 1 January 2009	286,383	69,423	744	415	(11,174)	287,891	633,682	627	634,309
Profit for the period	-	-	-	-	-	20,188	20,188	14,638	34,826
Acquisition of subsidiaries	-	-	-	-	-	-	-	332,990	332,990
Treasury shares acquired	-	-	-	-	(459)	-	(459)	-	(459)
Translation differences	-	-	(196)	-	-	-	(196)	-	(196)
At 31 March 2009	<u>286,383</u>	<u>69,423</u>	<u>548</u>	<u>415</u>	<u>(11,633)</u>	<u>308,079</u>	<u>653,215</u>	<u>348,255</u>	<u>1,001,470</u>
At 1 January 2008	245,471	9,152	69	588	-	221,237	476,517	-	476,517
Profit/(loss) for the period	-	-	-	-	-	20,453	20,453	(393)	20,060
Issue of shares									
- rights issue	40,912	61,368	-	-	-	-	102,280	-	102,280
- share issue cost	-	(1,097)	-	-	-	-	(1,097)	-	(1,097)
Acquisition of a subsidiary	-	-	-	-	-	-	-	2,181	2,181
At 31 March 2008	<u>286,383</u>	<u>69,423</u>	<u>69</u>	<u>588</u>	<u>-</u>	<u>241,690</u>	<u>598,153</u>	<u>1,788</u>	<u>599,941</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)

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**CONDENSED CONSOLIDATED CASH FLOW STATEMENTS**

	CURRENT QUARTER AS AT 31/3/2009 RM'000	PRIOR YEAR QUARTER AS AT 31/3/2008 RM'000
<b>Operating activities</b>		
Profit before tax	48,826	23,430
Adjustments for :		
Share of profits of associate	-	(13,236)
Interest expense	3,647	3,154
Interest income	(183)	-
Non-cash items	24,888	6,459
Operating profit before working capital changes	<u>77,178</u>	<u>19,807</u>
Changes in working capital :		
Net change in current assets	6,761	4,184
Net change in current liabilities	(51,845)	(7,524)
Cash generated from operations	<u>32,094</u>	<u>16,467</u>
Interest paid	(3,647)	(3,154)
Taxes paid	(11,169)	(4,079)
Retirement benefits paid	(330)	-
Net cash generated from operating activities	<u>16,948</u>	<u>9,234</u>
<b>Investing activities</b>		
Equity investments	91,373	-
Other investments	(22,972)	(7,979)
Net cash used in investing activities	<u>68,401</u>	<u>(7,979)</u>
<b>Financing activities</b>		
Issuance of shares	-	102,280
Share issue cost	-	(1,097)
Purchase of treasury shares	(459)	-
Bank borrowings	15,454	(48,794)
Net cash generated from financing activities	<u>14,995</u>	<u>52,389</u>
Net change in cash and cash equivalents	100,344	53,644
Cash and cash equivalents at beginning of period	28,317	42,001
Cash and cash equivalents at end of period	<u>128,661</u>	<u>95,645</u>
The cash and cash equivalents consist of the following:		
<i>Deposits with financial institutions</i>	56,080	80,582
<i>Cash and bank balances</i>	72,581	15,063
	<u>128,661</u>	<u>95,645</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)