

QUARTERLY REPORT ON UNAUDITED CONSOLIDATED RESULTS FOR THE FOURTH FINANCIAL QUARTER ENDED
31 DECEMBER 2006

CONDENSED CONSOLIDATED INCOME STATEMENTS

	Note	INDIVIDUAL QUARTER		CUMULATIVE QUARTERS	
		1/10/2006 - 31/12/2006 RM'000	1/10/2005 31/12/2005 RM'000	1/1/2006 - 31/12/2006 RM'000	1/1/2005 31/12/2005 RM'000
Revenue	A8	109,455	102,090	428,543	386,146
Operating expenses		(106,324)	(87,761)	(391,424)	(347,699)
Other operating income		1,183	1,715	3,180	3,157
Profit from operations		4,314	16,044	40,299	41,604
Finance cost		(3,040)	(2,635)	(10,204)	(9,570)
Operating profit before other expenses and share of results of associate	A8	1,274	13,409	30,095	32,034
Other Expenses		-	-	-	(1,861)
Operating profit before share of results of associate		1,274	13,409	30,095	30,173
Share of results of associate (net of tax) (restated)		13,131	8,489	36,071	(10,693)
Profit before taxation (restated)		14,405	21,898	66,166	19,480
Taxation		(2,386)	(4,094)	(11,286)	(9,578)
Net profit for the year (restated)		12,019	17,804	54,880	9,902
Earnings per share (sen) :					
(a) Basic		4.98	7.77	22.75	4.32
(b) Fully diluted		4.96	7.63	22.66	4.24

(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 31 December 2005 and the accompanying explanatory notes attached to the interim financial statements)

CONDENSED CONSOLIDATED BALANCE SHEETS

	Note	AS AT END OF CURRENT QUARTER 31/12/2006 RM'000	AS AT PRECEDING FINANCIAL YEAR END 31/12/2005 RM'000
Non-Current Assets			
Property, Plant and Equipment	A9	106,464	89,667
Investment in Associate (restated)		436,410	306,290
Goodwill on Consolidation		50,605	50,605
Intangible Assets		11,271	7,085
Fixed Deposit		20,000	20,000
		<u>624,750</u>	<u>473,647</u>
Current Assets			
<i>Properties held for sale</i>	A9	-	1,151
<i>Inventories</i>		15,071	14,039
<i>Trade and Other Receivables</i>		27,623	15,191
<i>Tax Recoverable</i>		5,312	3,577
<i>Cash and Bank Balances</i>		27,089	84,853
		<u>75,095</u>	<u>118,811</u>
Current Liabilities			
<i>Trade and Other Payables</i>		56,938	49,711
<i>Tax Payable</i>		2,604	2,844
<i>Borrowings</i>		7,432	7,336
		<u>66,974</u>	<u>59,891</u>
Net Current Assets		<u>8,121</u>	<u>58,920</u>
		<u>632,871</u>	<u>532,567</u>
Equity and Liabilities :			
Equity attributable to the equity holders of the Company			
Share Capital		244,253	239,288
Reserves			
<i>Share Premium</i>		8,920	7,977
<i>Revaluation Reserve</i>		599	596
<i>Exchange Fluctuation Reserve</i>		(21)	(57)
<i>Retained Earnings (restated)</i>		172,463	129,726
Total Equity		<u>426,214</u>	<u>377,530</u>
Long Term Borrowings		200,011	148,375
Deferred Taxation		6,646	6,662
		<u>632,871</u>	<u>532,567</u>
Net assets per share (RM)		1.74	1.58

(The Condensed Consolidated Balance Sheets should be read in conjunction with the Annual Financial Report for the year ended 31 December 2005 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 RM'000
	Share Capital RM'000	Share Premium RM'000	Exchange Fluctuation Reserve RM'000	Revaluation Reserve RM'000	Retained Earnings RM'000	
At 1 January 2006, as previously stated	239,288	7,977	(57)	596	130,351	378,155
Prior year adjustment At 1 January 2006, as restated	-	-	-	-	(625)	(625)
At 1 January 2006, as restated	239,288	7,977	(57)	596	129,726	377,530
Net profit for the year	-	-	-	-	54,880	54,880
Dividends - 2005 Final - 2006 Interim	-	-	-	-	(6,939) (5,204)	(6,939) (5,204)
Issue of shares - conversion of warrants	4,965	943	-	-	-	5,908
Revaluation surplus, net of deferred tax Land and buildings	-	-	-	3	-	3
Translation differences	-	-	36	-	-	36
At 31 December 2006	244,253	8,920	(21)	599	172,463	426,214
At 1 January 2005, as previously stated	196,698	82	(397)	-	132,153	328,536
Prior year adjustment At 1 January 2005, as restated	-	-	-	-	(303)	(303)
At 1 January 2005, as restated	196,698	82	(397)	-	131,850	328,233
Net profit for the year	-	-	-	-	9,902	9,902
Dividends - 2004 First & Final - 2005 Interim	-	-	-	-	(6,857) (5,169)	(6,857) (5,169)
Issue of shares - conversion of warrants	42,590	7,895	-	-	-	50,485
Revaluation surplus, net of deferred tax Land and buildings	-	-	-	596	-	596
Translation differences	-	-	340	-	-	340
At 31 December 2005	239,288	7,977	(57)	596	129,726	377,530

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 December 2005 and the accompanying explanatory notes attached to the interim financial statements)

QSR BRANDS BHD (599171-D)

CONDENSED CONSOLIDATED CASH FLOW STATEMENTS

	CURRENT CUMULATIVE QUARTERS AS AT 31/12/2006 RM'000	PRIOR YEAR CUMULATIVE QUARTERS AS AT 31/12/2005 RM'000
Operating activities		
Profit before taxation	66,166	19,480
Adjustments for :		
Share of results of associate	(36,071)	10,693
Interest expense	10,204	9,570
Impairment losses arising from revaluation of properties	75	33
Non-cash items	21,716	16,581
Operating profit before working capital changes	<u>62,090</u>	<u>56,357</u>
Changes in working capital :		
Net change in current assets	(13,464)	343
Net change in current liabilities	7,227	(3,266)
Cash generated from operations	<u>55,853</u>	<u>53,434</u>
Interest paid	(10,204)	(9,570)
Taxation paid	(13,278)	(8,160)
Net cash generated from operating activities	<u>32,371</u>	<u>35,704</u>
Investing activities		
Equity investments	(94,049)	7,806
Other investments	(41,583)	(23,498)
Net cash used in investing activities	<u>(135,632)</u>	<u>(15,692)</u>
Financing activities		
Issuance of shares	5,908	50,485
Payment of dividends	(12,143)	(12,026)
Placement of fixed deposit	-	(20,000)
Bank borrowings	51,732	16,581
Net cash generated from financing activities	<u>45,497</u>	<u>35,040</u>
Net change in cash and cash equivalents	(57,764)	55,052
Cash and cash equivalents at beginning of year	84,853	29,801
Cash and cash equivalents at end of year	<u>27,089</u>	<u>84,853</u>
The cash and cash equivalents consist of the following:		
<i>Deposits with Financial Institutions</i>	15,693	62,464
<i>Cash and Bank Balances</i>	11,396	22,389
	<u>27,089</u>	<u>84,853</u>

(The Condensed Consolidated Cash Flow Statements should be read in conjunction with the Annual Financial Report for the year ended 31 December 2005 and the accompanying explanatory notes attached to the interim financial statements)