

BTM RESOURCES BERHAD (303962-T)
(Incorporated In Malaysia)
Condensed Consolidated Balance Sheet
As At 31 March 2009

	Unaudited as at 31/03/2009 RM'000	Audited as at 31/12/2008 RM'000
ASSETS		
Non-Current Assets		
Property, plant and equipment	15,794	16,164
Prepaid lease payments	699	709
Investments	40	40
Total Non-Current Assets	16,533	16,913
Current Assets		
Inventories	1,362	1,338
Trade receivables	3,509	3,595
Other receivables and deposits	814	515
Fixed deposits with a licensed bank	177	177
Cash and bank balances	225	362
Total Current Assets	6,087	5,987
TOTAL ASSETS	22,620	22,900
EQUITY AND LIABILITIES		
Equity Attributable To Equity Holders Of The Company		
Share capital	31,418	31,418
Share premium	8,133	8,133
Revaluation reserves	5,283	5,283
Accumulated losses	(36,810)	(36,600)
TOTAL EQUITY	8,024	8,234
Non-Current Liabilities		
Retirement benefits	1,133	1,109
Bank borrowings (secured)	5,415	5,376
Deferred taxation	1,157	1,157
Total Non-Current Liabilities	7,705	7,642
Current Liabilities		
Trade payables	820	849
Other payables and accruals	1,849	1,991
Bank borrowings (secured)	2,547	2,531
Amount due to directors	1,107	1,075
Taxation	568	578
Total Current Liabilities	6,891	7,024
TOTAL LIABILITIES	14,596	14,666
TOTAL EQUITY AND LIABILITIES	22,620	22,900
NET TANGIBLE ASSETS PER SHARE (RM)	0.26	0.26

(The condensed consolidated Balance Sheet should be read in conjunction with the Annual Financial Report for the year ended 31 December 2008)

BTM RESOURCES BERHAD (303962-T)
Interim Report for the Quarter ended 31 March 2009
Unaudited Condensed Consolidated Income Statements

	Current Quarter 31/03/2009 RM'000	Comparative Quarter 31/03/2008 RM'000	Current Year To Date 31/03/2009 RM'000	Comparative Year To Date 31/03/2008 RM'000
Revenue	1,431	2,953	1,431	2,953
Operating Expenses	(2,047)	(3,873)	(2,047)	(3,873)
Other Operating Income	<u>588</u>	<u>5</u>	<u>588</u>	<u>5</u>
Profit/(Loss) From Operations	(28)	(915)	(28)	(915)
Finance Costs	(182)	(190)	(182)	(190)
Investing Results	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Loss From Ordinary Activities Before Tax	(210)	(1,105)	(210)	(1,105)
Taxation	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Loss From Ordinary Activities After Tax	(210)	(1,105)	(210)	(1,105)
Minority Interest	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Loss For The Period	<u><u>(210)</u></u>	<u><u>(1,105)</u></u>	<u><u>(210)</u></u>	<u><u>(1,105)</u></u>
Loss Per Share (sen)				
- Basic	(0.67)	(3.52)	(0.67)	(3.52)
- Diluted	N/A	N/A	N/A	N/A

N/A - Not Applicable

(The Condensed Consolidated Income Statements should be read in conjunction with the Annual Financial Report for the year ended 31 December 2008)

BTM RESOURCES BERHAD (303962-T)
For the 3 Months Ended 31 March 2009
Unaudited Condensed Consolidated Statement of Changes in Equity

	<u>Non-distributable</u>			<u>Distributable</u>	Total RM'000
	Share Capital RM'000	Share Premium RM'000	Revaluation and other reserves RM'000	Retained earnings RM'000	
3 months ended 31-03-2009					
Balance at 01-01-2009	31,418	8,133	5,283	(36,600)	8,234
Issue of shares	0	0	0	0	0
Surplus on revaluation of lands and buildings, net of deferred tax	0	0	0	0	0
Net Loss for the period	0	0	0	(210)	(210)
Balance at 31-03-2009	<u>31,418</u>	<u>8,133</u>	<u>5,283</u>	<u>(36,810)</u>	<u>8,024</u>
3 months ended 31-03-2008					
Balance at 01-01-2008	31,418	8,133	5,283	(34,326)	10,508
Issue of shares	0	0	0	0	0
Surplus on revaluation of lands and buildings, net of deferred tax	0	0	0	0	0
Net Loss for the period	0	0	0	(1,105)	(1,105)
Balance at 31-03-2008	<u>31,418</u>	<u>8,133</u>	<u>5,283</u>	<u>(35,431)</u>	<u>9,403</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.)

BTM RESOURCES BERHAD (303962-T)

(Incorporated In Malaysia)

For the 3 Months Ended 31 March 2009**Unaudited Condensed Consolidated Cash Flow Statements**

	3 months Cumulative 31/03/2009 RM'000	3 months Cumulative 31/03/2008 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before taxation	(210)	(1,105)
Adjustments for:-		
Amortisation of prepaid lease payments	10	10
Depreciation on property, plant and equipment	365	439
Defined benefit obligations	24	28
Gain on disposal of property, plant and equipment	(581)	(1)
Interest expense	181	189
Operating loss before working capital changes	<u>(211)</u>	<u>(440)</u>
Decrease/(increase) in inventories	(24)	70
Decrease in trade receivables	86	22
(Increase)/decrease in other receivables and deposits	(299)	145
(Decrease)/increase in trade payables	(29)	269
(Decrease)/increase in other payables and accruals	(142)	400
Increase in amount due to directors	32	0
Cash generated from/(used in) operations	<u>(587)</u>	<u>466</u>
Tax paid	(10)	(32)
Net cash generated from/(used in) operating activities	<u>(597)</u>	<u>434</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(55)	0
Proceeds from disposal of property, plant and equipment	641	1
Net cash generated from investing activities	586	1
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of term loan	0	(30)
Interest paid	(49)	(107)
Net cash used in financing activities	(49)	(137)
NET INCREASE IN CASH AND CASH EQUIVALENTS	<u>(60)</u>	<u>298</u>
CASH AND CASH EQUIVALENTS AT 1ST JANUARY	(1,901)	(2,547)
CASH AND CASH EQUIVALENTS AT 31ST MARCH	<u>(1,961)</u>	<u>(2,249)</u>
CASH AND CASH EQUIVALENTS COMPRISE:-		
Fixed deposits with a licensed bank	177	180
Cash and bank balances	225	396
Bank overdrafts	(2,198)	(2,665)
	<u>(1,796)</u>	<u>(2,089)</u>
Less: Deposits pledged as securities	(165)	(160)
	<u>(1,961)</u>	<u>(2,249)</u>

BTM RESOURCES BERHAD (303962-T)

Interim Report for the First Quarter Ended 31 March 2009

NOTES

1. **Basis of Preparation and Accounting Policies**

This consolidated interim financial statements are prepared in accordance with Financial Reporting Standard ("FRS") 134: "Interim Financial Reporting" and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad, and should be read in conjunction with the Group's annual audited financial statements for the year ended 31 December 2008.

The significant accounting policies and methods of computation adopted in this interim financial report are consistent with those adopted for the annual audited financial statements for the year ended 31 December 2008.

2. **Audit Qualification of Preceding Annual Financial Statements**

The audit report for the preceding annual financial statements was not subject to any qualification.

3. **Seasonal or Cyclical Factors**

The business operations of the Group were not materially affected by any seasonal or cyclical factors during the current financial quarter.

4. **Unusual Items**

There were no items affecting assets, liabilities, equity, net income, or cash flows that are unusual because of their nature, size, or incidence during the current financial quarter.

5. **Changes in Estimates**

There were no changes in estimates of amounts reported in prior financial years, that have a material effect in the current financial quarter.

6. **Debt and Equity Securities**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the current financial year.

7. **Dividend Paid**

There were no dividends paid during the current financial quarter.

8. **Segmental Information**

The Group is principally engaged in the wood-based activity of logging, sawmilling, timber trading and manufacturing of moulding, finger-jointed and laminated timber i.e within a single industry segment and its operations are located wholly in Malaysia. Accordingly, segmental information reporting is not relevant in the context of the Group.

9. **Revaluation of Property, Plant and Equipment**

The valuations of property, plant and equipment have been brought forward, without amendment from the previous annual financial statements.

10. Material Events Subsequent to the end of the Reporting Period

There were no material events subsequent to the end of the current financial quarter that have not been reflected in the financial statements for the said period as at the date of issue of this quarterly report.

11. Changes in the Composition of the Group

There was no change in the composition of the Group during the current financial year to-date.

12. Contingent Liabilities

The Company has contingent liabilities of RM17.67 million in respect of guarantees to financial institutions for credit facilities granted to subsidiary companies.

13. Performance Review on the Results of the Group

For the first financial quarter under review, the Group recorded turnover of RM1.43 million, a decrease of 51% over the corresponding period last year. The Group recorded a pre-tax loss of RM210,000 as compared to a pre-tax loss of RM1.10 million in the corresponding period last year mainly due to lower operating cost and higher gain on disposal of property, plant and equipment in the current financial quarter.

14. Changes in the Quarterly Results Compared to Preceding Quarter

For the quarter ended 31 March 2009, the Group recorded a pre-tax loss of RM210,000 as compared a pre-tax profit of RM101,000 in the previous quarter ended 31 December 2008, mainly due to higher other income in the previous financial quarter.

15. Current Year Prospect

The Group primarily depends on the income and contribution from the subsidiaries which rely on the availability of raw materials. The Group is making arrangements to secure raw materials in Kelantan, Terengganu and Thailand where the raw materials are now available. The Group is of the view that the year 2009 will be another difficult year especially in view of the economic downturn.

16. Variance of Actual Profit From Forecast Profit

This is not applicable.

17. Taxation

Details of taxation are as follows :

	Current Year Quarter 31/03/2009 RM'000	Current Year To date 31/03/2009 RM'000
<i>Current taxation</i>	0	0
<i>Deferred taxation</i>	0	0
<i>(Over)/under provision in prior year</i>	0	0
	<u>0</u>	<u>0</u>

18. Sale of Unquoted Investment and Properties

There were no sale of unquoted investment and properties, respectively for the current quarter and financial year to-date.

19. Quoted Securities

There were no purchase or disposal of quoted securities during the current quarter and financial year to-date.

20. Status of Corporate Proposals

As stipulated under the Listing Requirements of Bursa Securities ("Listing Requirements") , the minimum issued and paid-up capital of a company listed on the Second Board of Bursa Securities shall be RM40 million. On 15 April 2008, Bursa Securities had suspended the trading of the securities of the Company and in the event the Company fail to comply with paragraph 8.16A of the Listing Requirements, upon the expiry of six (6) months from the date of suspension, delisting procedures shall commenced against the Company.

On 29 October 2008, Bursa Securities had granted the Company an extension of time for a period of six (6) months up to 15 April 2009 for the Company to comply with paragraphs 3.04(2) and 8.16A of the Listing Requirements ("Extended Timeframe").

On 31 December 2008, the Company has entered into a Memorandum of Understanding ("MOU") with Telemont Sdn Bhd ("Telemont") in relation to the acquisition of timber concession(s) pursuant to the restructuring exercise to be undertaken by the Company. On 28 February 2009, the MOU was mutually extended for another two (2) months and on 30 April 2009, the MOU was mutually extended for a further two (2) months.

On 21 May 2009, Bursa Securities has decided to grant BTM an extension of time until 8 July 2009 to submit its proposals to comply with paragraph 8.16A of the Listing Requirements to the relevant authorities for approval.

21. Group Borrowings

Total Group borrowings as at 31 March 2009 are as follows :-

	RM'000
Long Term Borrowings	
Secured - Term Loans	<u>5,415</u>
Short Term Borrowings	
Secured - Overdraft	2,198
- Term Loans	<u>349</u>
	<u>2,547</u>

22. Off Balance Sheet Financial Instruments

There is no financial instrument with material off balance sheet risk at the date of this report.

23. Material Litigation

There is no pending material litigation for the Group at the date of this report.

24. Dividends

No dividend has been recommended or declared for the current financial quarter.

25. Earnings /(Loss) per Ordinary Share**a) Basic earnings/(loss) per share**

Basic loss per share of the Group is calculated by dividing the net loss attributable for the financial period by the weighted average number of ordinary shares in issue during the financial period.

	Current Quarter 31/03/2009	Comparative Quarter 31/03/2008	Current Year To Date 31/03/2009	Comparative Year To Date 31/03/2008
Net loss for the period (RM'000)	(210)	(1,105)	(210)	(1,105)
Weighted average number of ordinary shares in issue ('000)	31,418	31,418	31,418	31,418
Basic loss per share (sen)	(0.67)	(3.52)	(0.67)	(3.52)

b) Diluted earnings/(loss) per share

The fully diluted loss per share are not presented as the Company does not have any outstanding convertible shares or convertible financial instruments which would result in a dilution in the basic loss per share.

BY ORDER OF THE BOARD**DATED : 27th May 2009**