

ZELAN BERHAD 27676-V

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE TWO MONTHS ENDED 31 DECEMBER 2007

	Individual Period Current Period 2 months to 31/12/2007 RM'000 Unaudited	Cumulative Period Current Period to Date 11 Months to 31/12/2007 RM'000 Unaudited
Revenue	147,112	842,938
Cost of sales	(127,237)	(703,228)
Gross profit	<u>19,875</u>	<u>139,710</u>
Other operating income		
- Gain on disposal of other investments	0	31,750
- Gain on deemed disposal of investment in an associate	0	10,088
- Interest income	2,844	9,237
- Profit from Islamic deposits	163	1,161
- Other operating income	110	5,329
Marketing expenses	(2,837)	(30,399)
Administrative expenses	(7,465)	(30,597)
Other operating expenses	(2,185)	(8,485)
Finance costs	(31)	(355)
Share of results of:		
- Associates	736	12,069
- Jointly controlled entities	(2)	(10)
Profit before taxation	<u>11,208</u>	<u>139,498</u>
Tax expense	(2,426)	(23,955)
Profit for the period	<u><u>8,782</u></u>	<u><u>115,543</u></u>
Attributable to:		
Equity holders of the parent	7,651	112,808
Minority interest	1,131	2,735
	<u><u>8,782</u></u>	<u><u>115,543</u></u>
Earnings per share *		
- Basic (sen)	<u><u>1.36</u></u>	<u><u>20.03</u></u>
- Diluted (sen)	<u><u>1.36</u></u>	<u><u>20.03</u></u>

* The earnings per share has been calculated based on the weighted average number of ordinary shares which has been adjusted to take into consideration the enlarged share capital due to the share split exercise which was completed on 18 July 2007.

On 17 December 2007, the financial year of the Company was changed from 31 January to end on 31 March commencing financial period ending 31 March 2008 and thereafter to end on 31 March of every subsequent year. Accordingly, there are no comparative figures for the current two (2) months period and the cumulative eleven (11) months period ended 31 December 2007.

For illustration purposes only, the results for the quarter ended 31 January 2007 and the preceding year audited results for the year ended 31 January 2007 have been presented in a separate file attached.

(The Unaudited Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the financial year ended 31 January 2007)

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UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2007

	AS AT END OF CURRENT PERIOD 31 DECEMBER 2007 RM'000 Unaudited	AS AT PRECEDING FINANCIAL YEAR END 31 JANUARY 2007 RM'000 Restated
ASSETS		
Non current assets		
Property, plant and equipment	72,080	37,713
Lease prepayments	122	176
Investment properties	6,019	6,900
Investments in associates	8,607	543,730
Investments in jointly controlled entities	133	143
Available-for-sale investment	708,076	0
Goodwill	47,338	47,338
Other assets	20,236	6,638
	<u>862,611</u>	<u>642,638</u>
Current assets		
Inventories	18,839	14,098
Property development costs	13,589	66,098
Other investments	0	2,093
Trade and other receivables	540,519	208,107
Tax recoverable	9,379	7,096
Deposits, bank and cash balances	339,149	188,870
	<u>921,475</u>	<u>486,362</u>
Non-current assets classified as held for sale	146	526
	<u>921,621</u>	<u>486,888</u>
TOTAL ASSETS	<u>1,784,232</u>	<u>1,129,526</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	281,632	281,632
Reserves	712,478	433,705
	<u>994,110</u>	<u>715,337</u>
Minority interest	22,546	19,527
Total equity	<u>1,016,656</u>	<u>734,864</u>
Non current liabilities		
Borrowings	2,672	2,068
Other payables	61,049	46,827
Deferred tax liabilities	3,996	4,043
	<u>67,717</u>	<u>52,938</u>
Current liabilities		
Trade and other payables	693,211	326,778
Borrowings	994	7,438
Current tax liabilities	5,654	7,508
	<u>699,859</u>	<u>341,724</u>
Total liabilities	<u>767,576</u>	<u>394,662</u>
TOTAL EQUITY AND LIABILITIES	<u>1,784,232</u>	<u>1,129,526</u>
Net assets per share (RM) *	<u>1.76</u>	<u>1.27</u>

* The net assets per share has been calculated based on the weighted average number of ordinary shares which has been adjusted to take into consideration the enlarged share capital due to the share split exercise which was completed on 18 July 2007. The comparative period's net assets per share has been adjusted accordingly.

(The Unaudited Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statements for the financial year ended 31 January 2007)

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UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2007

	Attributable to equity holders of the parent							Minority Interest RM'000	Total Equity RM'000	
	Share Capital RM'000	Share Premium RM'000	Translation Reserve RM'000	Capital Reserve * RM'000	General Reserve * RM'000	Fair Value Reserve ^ RM'000	Retained Earnings RM'000			Total RM'000
Balance as at 1 February 2007	281,632	124,396	29,044	35,494	3,733	-	241,038	715,337	19,527	734,864
<u>Movements during the period</u>										
Currency translation differences	-	-	419	-	-	-	-	419	872	1,291
Reclassification of an associate to other investment	-	-	(1,598)	-	-	-	-	(1,598)	-	(1,598)
Available-for-sale investment:										
- Fair value movement	-	-	-	-	-	262,022	-	262,022	-	262,022
- Disposal	-	-	-	-	-	(31,624)	-	(31,624)	-	(31,624)
Liquidation of a subsidiary	-	-	-	(37)	-	-	(132)	(169)	-	(169)
Net income/(expense) directly recognised in equity	-	-	(1,179)	(37)	-	230,398	(132)	229,050	872	229,922
Profit for the period	-	-	-	-	-	-	112,808	112,808	2,735	115,543
Total recognised income for the period	-	-	(1,179)	(37)	-	230,398	112,676	341,858	3,607	345,465
Liquidation of a subsidiary	-	-	-	-	-	-	-	-	(310)	(310)
Reclassification of a subsidiary to an associate	-	-	-	-	-	-	-	-	142	142
Dividend paid	-	-	-	-	-	-	(63,085)	(63,085)	-	(63,085)
Dividend paid to minority interest	-	-	-	-	-	-	-	-	(420)	(420)
Balance as at 31 December 2007	281,632	124,396	27,865	35,457	3,733	230,398	290,629	994,110	22,546	1,016,656

* These reserves relate to net gain from disposals of investment in shares, issue of bonus shares by a subsidiary out of post-acquisition reserves and transfer of profits to a statutory reserve by an overseas subsidiary.

^ This reserve relates to changes in fair value of an available-for-sale investment.

(The Unaudited Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statements for the financial year ended 31 January 2007)

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**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE PERIOD ENDED 31 DECEMBER 2007**

11 Months
Ended
31/12/2007
RM'000

OPERATING ACTIVITIES

Profit for the period, attributable to equity holders of the parent	112,808
Adjustments for :	
Tax expense	23,955
Allowance for doubtful debts	892
Depreciation of property, plant and equipment and investment properties	3,642
Property, plant and equipment written off	169
Gain on disposal of investments	(31,750)
Gain on deemed disposal of investment in an associate	(10,088)
Gain on disposal of property, plant and equipment	(205)
Gain on disposal of non current assets held for sale	(159)
Gain on disposal of investment properties	(563)
Interest income	(9,237)
Profit from Islamic deposits	(1,161)
Finance costs	355
Minority interest	2,735
Share of results of jointly controlled entities	10
Share of results of associates	(12,069)
	<u>79,334</u>

Changes in working capital :

Property development costs	48,257
Inventories	(489)
Receivables	(343,805)
Payables	<u>383,951</u>
Cash generated from operations	167,248
Taxation paid	<u>(28,158)</u>
Net cash flow from operating activities	<u>139,090</u>

INVESTING ACTIVITIES

Purchase of property, plant and equipment	(44,480)
Proceeds from disposal of investments	103,303
Proceeds from disposal of property, plant and equipment	480
Net cash outflow on disposal of subsidiaries	(526)
Proceeds from disposal of investment properties	1,300
Proceeds from disposal of non-current assets held for sale	539
Dividends received	8,160
Interest income received	9,237
Profit from Islamic deposits received	<u>1,161</u>
Net cash flow from investing activities	<u>79,174</u>

FINANCING ACTIVITIES

Repayments of borrowings	(6,621)
Proceeds from borrowings	1,572
Repayments of hire purchase liabilities	(791)
Finance costs	(355)
Deposits pledged as security	513
Dividends paid	(63,085)
Dividends paid to minority interest of a subsidiary	<u>(420)</u>
Net cash flow from financing activities	<u>(69,187)</u>

Net movement in cash and cash equivalents	149,077
Cash and cash equivalents at beginning of the period	187,916
Currency translation differences	<u>1,715</u>
Cash and cash equivalents at end of the period	<u>338,708</u>

(The Unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the financial year ended 31 January 2007)