

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE FIRST QUARTER ENDED 30 JUNE 2008

	Individual Quarter	Cumulative Period
	Current quarter 30/06/2008 RM'000 Unaudited	Current year to date 30/06/2008 RM'000 Unaudited
Revenue	597,762	597,762
Cost of sales	<u>(545,364)</u>	<u>(545,364)</u>
Gross profit	52,398	52,398
Other operating income		
- Interest income	1,077	1,077
- Profit from Islamic deposits	215	215
- Investment income	425	425
- Other operating income	2,789	2,789
Marketing expenses	(3,986)	(3,986)
Administrative expenses	(8,033)	(8,033)
Other operating expenses	(1,382)	(1,382)
Finance costs	(50)	(50)
Share of results of:		
- Associates	892	892
- Jointly controlled entities	531	531
Profit before taxation	<u>44,876</u>	<u>44,876</u>
Tax expense	(12,848)	(12,848)
Profit for the period	<u><u>32,028</u></u>	<u><u>32,028</u></u>
Attributable to:		
Equity holders of the parent	26,292	26,292
Minority interest	<u>5,736</u>	<u>5,736</u>
	<u><u>32,028</u></u>	<u><u>32,028</u></u>
Earnings per share		
- Basic (sen)	<u>4.67</u>	<u>4.67</u>
- Diluted (sen)	<u>4.67</u>	<u>4.67</u>

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 quarter ended 30 June 2008.

(The Unaudited Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the fourteen-month period ended 31 March 2008)

ZELAN BERHAD 27676-V

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30 JUNE 2008

	AS AT END OF CURRENT QUARTER 30 JUNE 2008 RM'000 Unaudited	AS AT END OF FINANCIAL PERIOD ENDED 31 MARCH 2008 RM'000 Audited
ASSETS		
Non current assets		
Property, plant and equipment	141,145	117,133
Lease prepayments	91	106
Investment properties	5,948	5,984
Investments in associates	13,883	11,291
Investments in jointly controlled entities	7,354	6,823
Available-for-sale investment	452,839	502,240
Goodwill	47,338	47,338
	<u>668,598</u>	<u>690,915</u>
Current assets		
Inventories	20,904	18,635
Property development costs	52,459	52,827
Trade and other receivables	1,153,453	800,611
Tax recoverable	18,632	14,784
Other investments	47,253	89,795
Deposits, bank and cash balances	242,249	202,266
	<u>1,534,950</u>	<u>1,178,918</u>
Non-current assets classified as held for sale	3,424	3,424
	<u>1,538,374</u>	<u>1,182,342</u>
TOTAL ASSETS	<u><u>2,206,972</u></u>	<u><u>1,873,257</u></u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	281,632	281,632
Reserves	486,072	537,162
	<u>767,704</u>	<u>818,794</u>
Minority interest	35,040	28,926
Total equity	<u>802,744</u>	<u>847,720</u>
Non current liabilities		
Borrowings	1,495	1,598
Other payables	9,530	9,531
Deferred tax liabilities	3,738	3,803
	<u>14,763</u>	<u>14,932</u>
Current liabilities		
Trade and other payables	1,285,460	952,751
Borrowings	86,923	43,557
Current tax liabilities	17,082	14,297
	<u>1,389,465</u>	<u>1,010,605</u>
Total liabilities	<u>1,404,228</u>	<u>1,025,537</u>
TOTAL EQUITY AND LIABILITIES	<u><u>2,206,972</u></u>	<u><u>1,873,257</u></u>
Net assets per share (RM)	<u>1.36</u>	<u>1.45</u>

(The Unaudited Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statements for the fourteen-month period ended 31 March 2008)

ZELAN BERHAD 27676-V

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FIRST QUARTER ENDED 30 JUNE 2008

	Attributable to equity holders of the parent									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	Minority Interest RM'000	
Balance as at 1 April 2008	281,632	124,396	28,026	35,457	3,733	24,562	320,988	818,794	28,926	847,720
<u>Movements during the period</u>										
Currency translation differences	-	-	(522)	-	-	-	-	(522)	378	(144)
Available-for-sale investment: - Fair value movement	-	-	-	-	-	(49,401)	-	(49,401)	-	(49,401)
Net income/(expense) directly recognised in equity	-	-	(522)	-	-	(49,401)	-	(49,923)	378	(49,545)
Profit for the period	-	-	-	-	-	-	26,292	26,292	5,736	32,028
Total recognised income for the quarter	-	-	(522)	-	-	(49,401)	26,292	(23,631)	6,114	(17,517)
Dividend paid	-	-	-	-	-	-	(27,459)	(27,459)	-	(27,459)
Balance as at 30 June 2008	281,632	124,396	27,504	35,457	3,733	(24,839)	319,821	767,704	35,040	802,744

* 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 fourteen-month period ended 31 March 2008)

ZELAN BERHAD 27676-V

**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE FIRST QUARTER ENDED 30 JUNE 2008**

Current year
to date
30/06/2008
RM'000

OPERATING ACTIVITIES

Profit for the period, attributable to equity holders of the parent	26,292
Adjustments for :	
Tax expense	12,848
Allowance for doubtful debts	80
Allowance for doubtful debts written back	(123)
Bad debt recovered	(10)
Depreciation of property, plant and equipment	1,170
Property, plant and equipment written off	129
Gain on disposal of property, plant and equipment	(249)
Interest income	(1,077)
Profit from Islamic deposits	(215)
Investment income	(425)
Finance costs	50
Unrealised foreign exchange gain	506
Minority interest	5,736
Share of results of jointly controlled entities	(531)
Share of results of associates	(892)
	<u>43,289</u>

Changes in working capital :

Property development costs	389
Inventories	(2,269)
Receivables	(365,440)
Payables	<u>331,507</u>
Cash generated from operations	7,476
Taxation paid	<u>(13,976)</u>
Net cash flow from operating activities	<u>(6,500)</u>

INVESTING ACTIVITIES

Additional investments in associates	(500)
Other investments	42,542
Purchase of property, plant and equipment	(29,754)
Proceeds from disposal of property, plant and equipment	399
Interest income received	1,077
Profit from Islamic deposits received	215
Investment income received	425
Net cash flow from investing activities	<u>14,404</u>

FINANCING ACTIVITIES

Repayments of borrowings	(8,000)
Proceeds from borrowings	48,876
Repayments of hire purchase liabilities	(87)
Finance costs	(70)
Deposits pledged as security	(14,175)
Dividends paid	<u>(27,459)</u>
Net cash flow from financing activities	<u>(915)</u>

Net movement in cash and cash equivalents	6,989
Cash and cash equivalents at beginning of the period	201,825
Currency translation differences	<u>(319)</u>
Cash and cash equivalents at end of the period	<u>208,495</u>

(The Unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the fourteen-month period ended 31 March 2008)