

ZELAN BERHAD 27676-V

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE QUARTER ENDED 31 OCTOBER 2007

	Individual Quarter	Cumulative Period
	Current year quarter 31/10/2007 RM'000 Unaudited	Current year to date 31/10/2007 RM'000 Unaudited
Revenue	216,669	695,826
Cost of sales	(179,469)	(575,991)
Gross profit	<u>37,200</u>	<u>119,835</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
- Write back of allowance for decline in market value of investments	0	0
- Interest income	3,555	6,393
- Profit from Islamic deposits	387	998
- Other operating income	1,925	5,219
Marketing expenses	(4,999)	(27,562)
Administrative expenses	(9,379)	(23,132)
Other operating expenses	(2,667)	(6,300)
Finance costs	(213)	(324)
Share of results of:		
- Associates	713	11,333
- Jointly controlled entities	(1)	(8)
Profit before taxation	<u>26,521</u>	<u>128,290</u>
Tax expense	(7,723)	(21,529)
Profit for the period	<u><u>18,798</u></u>	<u><u>106,761</u></u>
Attributable to:		
Equity holders of the parent	17,849	105,157
Minority interest	949	1,604
	<u><u>18,798</u></u>	<u><u>106,761</u></u>
Earnings per share *		
- Basic (sen)	<u>3.17</u>	<u>18.67</u>
- Diluted (sen)	<u>3.17</u>	<u>18.67</u>

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

(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 OCTOBER 2007

	AS AT END OF CURRENT QUARTER 31 OCTOBER 2007 RM'000 Unaudited
ASSETS	
Non current assets	
Property, plant and equipment	70,595
Lease prepayments	132
Investment properties	6,043
Investments in associates	8,091
Investments in jointly controlled entities	135
Available-for-sale investment	716,309
Goodwill	47,338
Other assets	21,641
	<u>870,284</u>
Current assets	
Inventories	18,150
Property development costs	16,895
Other investments	0
Trade and other receivables	504,897
Tax recoverable	7,526
Deposits, bank and cash balances	426,605
	<u>974,073</u>
Non-current assets classified as held for sale	146
	<u>974,219</u>
TOTAL ASSETS	<u><u>1,844,503</u></u>
EQUITY AND LIABILITIES	
Equity attributable to equity holders of the parent	
Share capital	281,632
Reserves	712,908
	<u>994,540</u>
Minority interest	21,182
Total equity	<u>1,015,722</u>
Non current liabilities	
Borrowings	2,883
Other payables	64,383
Deferred tax liabilities	4,032
	<u>71,298</u>
Current liabilities	
Trade and other payables	710,578
Borrowings	38,583
Dividend payable	1,087
Current tax liabilities	7,235
	<u>757,483</u>
Total liabilities	<u>828,781</u>
TOTAL EQUITY AND LIABILITIES	<u><u>1,844,503</u></u>
Net assets per share (RM) *	<u>1.77</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 OCTOBER 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
Movements during the period										
Currency translation differences	-	-	267	-	-	-	-	267	781	1,048
Reclassification of an associate to other investment	-	-	(1,598)	-	-	-	-	(1,598)	-	(1,598)
Available-for-sale investment:										
- Fair value movement	-	-	-	-	-	270,255	-	270,255	-	270,255
- Disposal	-	-	-	-	-	(31,624)	-	(31,624)	-	(31,624)
Liquidation of a subsidiary	-	-	-	(37)	-	-	(132)	(169)	(310)	(479)
Net income/(expense) directly recognised in equity	-	-	(1,331)	(37)	-	238,631	(132)	237,131	471	237,602
Dividend paid	-	-	-	-	-	-	(63,085)	(63,085)	-	(63,085)
Profit for the period	-	-	-	-	-	-	105,157	105,157	1,604	106,761
Total recognised income for the period	-	-	(1,331)	(37)	-	238,631	41,940	279,203	2,075	281,278
Dividend paid to minority interest	-	-	-	-	-	-	-	-	(420)	(420)
Balance as at 31 October 2008	281,632	124,396	27,713	35,457	3,733	238,631	282,978	994,540	21,182	1,015,722

* 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 OCTOBER 2007**

Current year
to date
31/10/2007
RM'000

OPERATING ACTIVITIES

Profit for the period, attributable to equity holders of the parent	105,157
Adjustments for :	
Taxation	21,529
Allowance for doubtful debts	807
Write back of allowance for decline in market value of investments	0
Depreciation of property, plant and equipment	2,678
Fixed assets written off	205
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	(96)
Gain on disposal of non current assets held for sale	(159)
Gain on disposal of investment properties	(693)
Dividend income	0
Interest income	(6,393)
Profit from Islamic deposits	(998)
Finance costs	324
Minority interest	1,604
Share of results of jointly controlled entities	8
Share of results of associates	(11,333)
	<u>70,802</u>

Changes in working capital :

Property development costs	44,951
Inventories	200
Receivables	(308,521)
Payables	401,360
Cash generated from/(used in) operations	208,792
Taxation paid	(22,255)
Net cash flow from operating activities	<u>186,537</u>

INVESTING ACTIVITIES

Investments in associates	0
Purchase of property, plant and equipment	(39,884)
Proceeds from disposal of other investments	103,303
Proceeds from disposal of investment properties	1,430
Proceeds from disposal of property, plant and equipment	315
Proceeds from disposal of non-current assets held for sale	539
Dividends received	8,160
Interest income received	6,393
Profit from Islamic deposits received	998
Net cash flow from investing activities	<u>81,254</u>

FINANCING ACTIVITIES

Repayments of borrowings	(6,504)
Proceeds from borrowings	1,572
Repayments of hire purchase liabilities	(604)
Finance costs	(324)
Deposits pledged as security	513
Dividends paid	(24,502)
Dividends paid to minority interest of a subsidiary	(420)
Net cash flow from financing activities	<u>(30,269)</u>

Net movement in cash and cash equivalents	237,522
Cash and cash equivalents at beginning of the period	187,916
Currency translation differences	726
Cash and cash equivalents at end of the period	<u>426,164</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)