

UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2009

	Individual Quarter		Cumulative Period	
	Current year quarter 30/09/2009 RM'000 Unaudited	Preceding year quarter 30/09/2008 RM'000 Unaudited	Current year to date 30/09/2009 RM'000 Unaudited	Preceding year to date 30/09/2008 RM'000 Unaudited
Revenue	357,134	477,126	735,394	1,074,888
Cost of sales	(351,785)	(438,382)	(719,584)	(983,746)
Gross profit	5,349	38,744	15,810	91,142
Other operating income				
- Interest income	419	2,125	866	3,202
- Profit from Islamic deposits	27	154	66	369
- Investment income	3	309	7	734
- Other operating income	541	6,334	3,268	9,123
- Reversal of / (Allowance for) decline in value of marketable securities	(22)	(2,264)	2,507	(2,264)
- Gain on disposal of marketable securities	32	-	1,094	-
Marketing expenses	(1,281)	(5,420)	(2,459)	(9,406)
Administrative expenses	(8,672)	(10,354)	(15,109)	(18,387)
Other operating expenses	(6,555)	(83)	(13,333)	(1,465)
Finance costs	(78)	(67)	(171)	(117)
Share of results of:				
- Associates	1,754	3,830	5,076	4,722
- Jointly controlled entities	(2)	670	360	1,201
(Loss)/ Profit before taxation	(8,485)	33,978	(2,018)	78,854
Tax expense	(7,344)	(6,813)	(5,503)	(19,661)
(Loss)/ Profit for the period	(15,829)	27,165	(7,521)	59,193
Attributable to:				
Equity holders of the parent	(13,855)	21,926	(9,546)	48,218
Minority interest	(1,974)	5,239	2,025	10,975
	(15,829)	27,165	(7,521)	59,193
(Loss)/ earnings per share				
- Basic (sen)	(2.46)	3.89	(1.69)	8.56
- Diluted (sen)	N/A	3.89	N/A	8.56

(The Unaudited Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2009)

ZELAN BERHAD 27676-V

UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET AS AT 30 SEPTEMBER 2009

	AS AT END OF CURRENT QUARTER 30 SEPTEMBER 2009 RM'000 Unaudited	AS AT END OF FINANCIAL YEAR ENDED 31 MARCH 2009 RM'000 Audited
ASSETS		
Non-current assets		
Property, plant and equipment	99,948	125,559
Lease prepayments	-	46
Investment properties	5,771	5,841
Investments in associates	29,420	24,344
Investments in jointly controlled entities	8,521	8,161
Available-for-sale investment	518,707	344,158
Goodwill	44,396	44,396
	<u>706,763</u>	<u>552,505</u>
Current assets		
Inventories	13,697	16,079
Property development costs	657	2,014
Trade and other receivables	685,941	705,155
Tax recoverable	39,778	38,750
Marketable securities	0	1,564
Other investments	11,099	8,092
Deposits, bank and cash balances	68,852	102,882
	<u>820,024</u>	<u>874,536</u>
TOTAL ASSETS	<u>1,526,787</u>	<u>1,427,041</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	281,632	281,632
Reserves	367,789	193,547
	<u>649,421</u>	<u>475,179</u>
Minority interest	35,648	34,863
Total equity	<u>685,069</u>	<u>510,042</u>
Non-current liabilities		
Borrowings	836	1,383
Deferred tax liabilities	3,763	3,936
	<u>4,599</u>	<u>5,319</u>
Current liabilities		
Trade and other payables	620,283	765,668
Borrowings	216,431	138,496
Current tax liabilities	405	7,516
	<u>837,119</u>	<u>911,680</u>
Total liabilities	<u>841,718</u>	<u>916,999</u>
TOTAL EQUITY AND LIABILITIES	<u>1,526,787</u>	<u>1,427,041</u>
Net assets per share (RM)	<u>1.15</u>	<u>0.84</u>

(The Unaudited Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2009)

ZELAN BERHAD 27676-V

UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2009

	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 April 2009	281,632	124,396	28,301	35,457	4,254	(133,520)	134,659	475,179	34,863	510,042
<u>Movements during the period</u>										
Currency translation differences	-	-	9,239	-	-	-	-	9,239	703	9,942
Available-for-sale investment:										
- Fair value movement	-	-	-	-	-	174,549	-	174,549	-	174,549
Net income directly recognised in equity	-	-	9,239	-	-	174,549	-	183,788	703	184,491
Loss for the period	-	-	-	-	-	-	(9,546)	(9,546)	2,025	(7,521)
Total recognised income / (expense) for the period	-	-	9,239	-	-	174,549	(9,546)	174,242	2,728	176,970
Dividend paid to minority interest	-	-	-	-	-	-	-	-	(1,943)	(1,943)
Balance as at 30 September 2009	<u>281,632</u>	<u>124,396</u>	<u>37,540</u>	<u>35,457</u>	<u>4,254</u>	<u>41,029</u>	<u>125,113</u>	<u>649,421</u>	<u>35,648</u>	<u>685,069</u>
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	-	-	(569)	-	-	-	-	(569)	(239)	(808)
Available-for-sale investment:										
- Fair value movement	-	-	-	-	-	(115,268)	-	(115,268)	-	(115,268)
Net expense directly recognised in equity	-	-	(569)	-	-	(115,268)	-	(115,837)	(239)	(116,076)
Profit for the period	-	-	-	-	-	-	48,218	48,218	10,975	59,193
Total recognised (expense)/ income for the period	-	-	(569)	-	-	(115,268)	48,218	(67,619)	10,736	(56,883)
Dividend paid	-	-	-	-	-	-	(27,459)	(27,459)	-	(27,459)
Dividend paid to minority interest	-	-	-	-	-	-	-	-	(713)	(713)
Balance as at 30 September 2008	<u>281,632</u>	<u>124,396</u>	<u>27,457</u>	<u>35,457</u>	<u>3,733</u>	<u>(90,706)</u>	<u>341,747</u>	<u>723,716</u>	<u>38,949</u>	<u>762,665</u>

* 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 March 2009)

ZELAN BERHAD 27676-V

**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2009**

	Current year to date 30/09/2009 RM'000	Preceding year to date 30/09/2008 RM'000
OPERATING ACTIVITIES		
(Loss)/ Profit for the period, attributable to equity holders of the parent	(9,546)	48,218
Adjustments for :		
Tax expense	5,503	19,661
Allowance for doubtful debts	497	25
Allowance for doubtful debts written back	(295)	(168)
Bad debt recovered	-	(10)
Depreciation of property, plant and equipment	11,237	3,477
Amortisation of prepaid lease	46	30
Depreciation of investment properties	70	71
Property, plant and equipment written off	1,394	373
Loss on disposal of property, plant and equipment	22	111
(Reversal of) / Allowance for decline in value of marketable securities	(2,507)	2,264
Gain on disposal of marketable securities	(1,094)	-
Dividend income	(4,117)	(4,117)
Interest income	(866)	(3,202)
Profit from Islamic deposits	(66)	(369)
Investment income	(7)	(734)
Finance costs	171	117
Unrealised foreign exchange loss / (gain)	8,139	(5,987)
Minority interest	2,025	10,975
Share of results of jointly controlled entities	(360)	(1,201)
Share of results of associates	(5,076)	(4,722)
	<u>5,170</u>	<u>64,812</u>
Changes in working capital :		
Property development costs	3,383	28,833
Inventories	2,382	(995)
Receivables	33,627	(177,566)
Payables	(145,606)	51,438
Cash generated from operations	(101,044)	(33,478)
Taxation paid	(12,786)	(21,780)
Net cash flow from operating activities	<u>(113,830)</u>	<u>(55,258)</u>
INVESTING ACTIVITIES		
Additional investments in associates	-	(500)
(Acquisition of) / Proceeds from disposal of other investments	(3,007)	33,893
Purchase of property, plant and equipment	(6,594)	(48,260)
Proceeds from disposal of property, plant and equipment	486	88
Proceeds from disposal of non-current assets held for sale	-	1,311
Dividend received	3,088	-
Interest income received	866	3,202
Profit from Islamic deposits received	66	369
Investment income received	7	734
Net cash flow from investing activities	<u>(5,088)</u>	<u>(9,163)</u>
FINANCING ACTIVITIES		
Proceeds from disposal of other investments	5,165	-
Repayments of borrowings	(198,981)	(10,114)
Proceeds from borrowings	288,816	59,163
Dividend paid to minority interest	(1,943)	(713)
Repayments of hire purchase liabilities	(497)	(394)
Finance costs	(2,197)	(1,839)
(Additional) / Release of deposits pledged as security	(1,514)	441
Dividends paid	-	(27,459)
Net cash flow from financing activities	<u>88,849</u>	<u>19,085</u>
Net movement in cash and cash equivalents	(30,069)	(45,336)
Cash and cash equivalents at beginning of the period	95,055	201,825
Currency translation differences	1,992	(3,407)
Cash and cash equivalents at end of the period	<u>66,978</u>	<u>153,082</u>

(The Unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2009)