

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 30 JUNE 2011**

	Individual Quarter		Cumulative Period	
	Current year quarter 30/06/2011 RM'000 Unaudited	Preceding year quarter 30/06/2010 RM'000 Unaudited	Current year to date 30/06/2011 RM'000 Unaudited	Preceding year to date 30/06/2010 RM'000 Unaudited
Continuing operations				
Revenue	12,803	98,113	12,803	98,113
Cost of sales	(14,295)	(91,298)	(14,295)	(91,298)
Gross (loss)/profit	(1,492)	6,815	(1,492)	6,815
Other operating income				
- Interest income	294	4,781	294	4,781
- Profit from Islamic deposits	1	0	1	0
- Other operating income	916	3,076	916	3,076
- Gain on disposal of available-for-sale investment	0	6,511	0	6,511
Marketing expenses	0	(40)	0	(40)
Administrative expenses	(4,194)	(7,300)	(4,194)	(7,300)
Other operating expenses	(2,823)	(7,799)	(2,823)	(7,799)
Finance costs	(374)	(3,171)	(374)	(3,171)
Share of results of associates	0	501	0	501
(Loss) / profit before taxation	(7,672)	3,374	(7,672)	3,374
Tax (expense)/ credit	(371)	1,713	(371)	1,713
(Loss)/ Profit for the period from continuing operations	(8,043)	5,087	(8,043)	5,087
Discontinuing operation				
Loss for the period from discontinued operation	0	(4,339)	0	(4,339)
(Loss) / profit for the period	(8,043)	748	(8,043)	748
Other comprehensive income /(loss):				
Changes in the fair value of available-for-sale investment	2,654	3,828	2,654	3,828
Reversal of fair value on disposal of available-for-sale investment	0	(6,511)	0	(6,511)
Exchange difference from translation of foreign operations	(2,287)	(353)	(2,287)	(353)
Reversal of exchange difference on disposal of subsidiary	0	74	0	74
Other comprehensive (loss) / income for the period	367	(2,962)	367	(2,962)
Total comprehensive loss for the period	(7,676)	(2,214)	(7,676)	(2,214)
(Loss) / profit for the period				
Attributable to:				
Equity holders of the parent	(8,045)	874	(8,045)	874
Minority interest	2	(126)	2	(126)
	(8,043)	748	(8,043)	748
Total comprehensive income / (loss) for the period				
Equity holders of the parent	(7,883)	(403)	(7,883)	(403)
Minority interest	207	(1,811)	207	(1,811)
	(7,676)	(2,214)	(7,676)	(2,214)
Basic loss per share attributable to equity holders of the Company (sen):				
- (loss)/profit from continuing operations	(1.43)	0.92	(1.43)	0.92
- loss from discontinued operations	-	(0.76)	-	(0.76)
	(1.43)	0.16	(1.43)	0.16
Diluted loss per share attributable to equity holders of the Company (sen)	N/A	N/A	N/A	N/A

(The Unaudited Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2011)

ZELAN BERHAD 27676-V

STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2011

	AS AT END OF CURRENT QUARTER 30 JUNE 2011 RM'000 Unaudited	AS AT END OF FINANCIAL YEAR ENDED 31 MARCH 2011 RM'000 Audited
ASSETS		
Non-current assets		
Property, plant and equipment	33,588	39,353
Investment properties	5,522	5,557
Investments in associates	15,383	15,383
Available-for-sale financial assets	428,074	425,420
	<u>482,567</u>	<u>485,713</u>
Current assets		
Inventories	9,194	9,194
Trade and other receivables	411,099	508,532
Tax recoverable	47,333	47,640
Cash and bank balances	14,331	18,601
	<u>481,957</u>	<u>583,967</u>
TOTAL ASSETS	<u><u>964,524</u></u>	<u><u>1,069,680</u></u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	281,632	281,632
Reserves	(20,044)	(12,161)
	<u>261,588</u>	<u>269,471</u>
Minority interest	11,838	11,631
Total equity	<u><u>273,426</u></u>	<u><u>281,102</u></u>
Non-current liabilities		
Borrowings	21	36
Deferred tax liabilities	2,695	2,697
	<u>2,716</u>	<u>2,733</u>
Current liabilities		
Trade and other payables	486,805	584,302
Borrowings	201,484	201,525
Current tax liabilities	93	18
	<u>688,382</u>	<u>785,845</u>
Total liabilities	<u><u>691,098</u></u>	<u><u>788,578</u></u>
TOTAL EQUITY AND LIABILITIES	<u><u>964,524</u></u>	<u><u>1,069,680</u></u>
Net assets per share (RM)	<u>0.46</u>	<u>0.48</u>

(The Unaudited Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2011)

ZELAN BERHAD 27676-V

STATEMENT OF CHANGES IN EQUITY FOR THE FIRST QUARTER ENDED 30 JUNE 2011

	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	Accumulated Losses RM'000			Total RM'000
Balance as at 1 April 2011	281,632	124,396	54,007	35,457	4,254	150,386	(380,661)	269,471	11,631	281,102
<u>Comprehensive loss:</u>										
Loss for the period	-	-	-	-	-	-	(8,045)	(8,045)	2	(8,043)
<u>Other comprehensive income:</u>										
Currency translation reserve	-	-	(2,492)	-	-	-	-	(2,492)	205	(2,287)
Fair value gain on available-for-sale financial assets	-	-	-	-	-	2,654	-	2,654	-	2,654
Total comprehensive income/(loss) for the period	-	-	(2,492)	-	-	2,654	(8,045)	(7,883)	207	(7,676)
Balance as at 30 June 2011	<u>281,632</u>	<u>124,396</u>	<u>51,515</u>	<u>35,457</u>	<u>4,254</u>	<u>153,040</u>	<u>(388,706)</u>	<u>261,588</u>	<u>11,838</u>	<u>273,426</u>
Balance as at 1 April 2010										
- As previously reported	281,632	124,396	50,717	35,457	4,254	84,831	(140,258)	441,029	17,273	458,302
- Effects arising from adoption of FRS 139							(7,494)	(7,494)	-	(7,494)
Balance as at 1 April 2010 - as restated	281,632	124,396	50,717	35,457	4,254	84,831	(147,752)	433,535	17,273	450,808
<u>Comprehensive loss:</u>										
Profit for the period	-	-	-	-	-	-	874	874	(126)	748
<u>Other comprehensive income:</u>										
Currency translation difference	-	-	1,406	-	-	-	-	1,406	(1,685)	(279)
Fair value gain on available-for-sale financial assets	-	-	-	-	-	3,828	-	3,828	-	3,828
Reversal of fair value gain on disposal of available-for-sale financial assets	-	-	-	-	-	(6,511)	-	(6,511)	-	(6,511)
Total comprehensive income/(loss) for the period	-	-	1,406	-	-	(2,683)	874	(403)	(1,811)	(2,214)
<u>Transactions with owners</u>										
Disposal of a subsidiary	-	-	-	-	-	-	-	-	(4,228)	(4,228)
Dividend paid to minority interest	-	-	-	-	-	-	-	-	(473)	(473)
Balance as at 30 June 2010	<u>281,632</u>	<u>124,396</u>	<u>52,123</u>	<u>35,457</u>	<u>4,254</u>	<u>82,148</u>	<u>(146,878)</u>	<u>433,132</u>	<u>10,761</u>	<u>443,893</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 2011)

ZELAN BERHAD 27676-V

**STATEMENT OF CASH FLOWS
FOR THE FIRST QUARTER ENDED 30 JUNE 2011**

	Current year to date 31/06/2011 RM'000	Preceding year to date 30/06/2010 RM'000
OPERATING ACTIVITIES		
Loss for the period, attributable to shareholders	(8,045)	874
Adjustments for :		
Tax expense	371	(1,543)
Allowance for doubtful debts	-	1,333
Depreciation of property, plant and equipment	1,762	4,292
Amortisation of prepaid lease	-	25
Depreciation of investment properties	35	35
Property, plant and equipment written off	-	(91)
(Gain)/loss on disposal of property, plant and equipment	837	-
Gain on disposal of other investments	-	(42)
Gain on disposal of available-for-sale investments	-	(6,511)
Loss on disposal of a subsidiary	-	4,040
Interest income	(294)	(4,829)
Profit from Islamic deposits	(1)	-
Investment income	-	(1)
Finance costs	374	3,172
Unrealised foreign exchange loss / (gain)	(614)	311
Minority interest	2	(126)
Share of results of associates	-	(501)
	<u>(5,573)</u>	<u>438</u>
Changes in working capital :		
Receivables	97,433	(25,111)
Payables	<u>(97,498)</u>	<u>(42,509)</u>
Cash used in operations	(5,638)	(67,182)
Taxation paid	9	(3,552)
Net cash flows from operating activities	<u>(5,629)</u>	<u>(70,734)</u>
INVESTING ACTIVITIES		
Proceeds from disposal of other investments	-	557
Proceeds from disposal of available-for-sale investment	-	45,465
Purchase of property, plant and equipment	-	(401)
Proceeds from disposal of property, plant and equipment	3,151	434
Proceeds from disposal of a subsidiary	-	10,000
Interest income received	294	4,829
Profit from Islamic deposits received	1	-
Net cash flows from investing activities	<u>3,446</u>	<u>60,884</u>
FINANCING ACTIVITIES		
Repayments of borrowings	(218)	(44,703)
Proceeds from borrowings	204	64,028
Dividend paid to minority interest	-	(473)
Repayments of hire purchase liabilities	(43)	(452)
Finance costs	(374)	(3,172)
Release of / (Additional) deposits pledged as security	(1,148)	356
Net cash flows from financing activities	<u>(1,579)</u>	<u>15,584</u>
Net movement in cash and cash equivalents	(3,762)	5,734
Cash and cash equivalents at beginning of the period	16,632	41,359
Currency translation differences	<u>(1,656)</u>	<u>79</u>
Cash and cash equivalents at end of the period	<u>11,214</u>	<u>47,172</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 2011)