

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE SECOND QUARTER ENDED 30 SEPTEMBER 2011**

	Individual Quarter		Cumulative Period	
	Current year quarter 30/09/2011 RM'000 Unaudited	Preceding year quarter 30/09/2010 RM'000 Unaudited	Current year to date 30/09/2011 RM'000 Unaudited	Preceding year to date 30/09/2010 RM'000 Unaudited
Continuing operations				
Revenue	101,064	30,701	113,867	128,814
Cost of sales	(98,572)	(61,658)	(112,867)	(152,956)
Gross profit/(loss)	2,492	(30,957)	1,000	(24,142)
Other operating income				
- Interest income	234	5,618	528	10,399
- Profit from Islamic deposits	0	0	1	0
- Other operating income	1,149	2,014	2,111	5,090
- Gain on disposal of available-for-sale financial assets	0	23,173	0	29,684
Marketing expenses	0	(10)	0	(50)
Administrative expenses	(3,792)	(6,098)	(7,986)	(13,398)
Other operating expenses	(510)	(3,289)	(2,718)	(9,154)
Unrealised foreign exchange gain / (loss), net	26,429	(21,801)	25,600	(24,348)
Finance costs	(5,657)	1,036	(5,863)	(1,522)
Share of results of associates	0	(4,681)	0	(4,180)
Profit/(loss) before taxation	20,345	(34,995)	12,673	(31,621)
Tax (expense) / credit	(624)	(898)	(995)	815
Profit/(loss) for the period from continuing operations	19,721	(35,893)	11,678	(30,806)
Discontinuing operation				
Loss for the period from discontinued operation	0	0	0	(4,339)
Profit/(loss) for the period	19,721	(35,893)	11,678	(35,145)
Other comprehensive (loss) / income :				
Changes in the fair value of available-for-sale financial assets	(96,233)	26,131	(93,579)	29,959
Reversal of fair value on disposal of available-for-sale financial assets	0	(23,173)	0	(29,684)
Exchange difference from translation of foreign operations	(34,700)	18,251	(36,987)	17,898
Reversal of exchange difference on disposal of subsidiary	0	0	0	74
Other comprehensive (loss) / income for the period	(130,933)	21,209	(130,566)	18,247
Total comprehensive loss for the period	(111,212)	(14,684)	(118,888)	(16,898)
Profit/(loss) for the period				
Attributable to:				
Equity holders of the parent	19,719	(35,106)	11,674	(34,232)
Minority interest	2	(787)	4	(913)
	19,721	(35,893)	11,678	(35,145)
Total comprehensive income / (loss) for the period				
Equity holders of the parent	(111,214)	(15,349)	(119,097)	(15,752)
Minority interest	2	665	209	(1,146)
	(111,212)	(14,684)	(118,888)	(16,898)
Basic and diluted profit/(loss) per share attributable to equity holders of the Company (sen):				
- profit/(loss) from continuing operations	3.50	(6.23)	2.07	(5.32)
- loss from discontinued operations	-	-	-	(0.76)
	3.50	(6.23)	2.07	(6.08)

(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 SEPTEMBER 2011

	AS AT END OF CURRENT QUARTER 30 SEPTEMBER 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	33,123	39,353
Investment properties	5,486	5,557
Investments in associates	13,183	15,383
Available-for-sale financial assets	<u>331,841</u>	<u>425,420</u>
	<u>383,633</u>	<u>485,713</u>
Current assets		
Inventories	9,080	9,194
Trade and other receivables	397,279	508,532
Tax recoverable	43,825	47,640
Cash and bank balances	<u>97,097</u>	<u>18,601</u>
	<u>547,281</u>	<u>583,967</u>
TOTAL ASSETS	<u><u>930,914</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	<u>(131,258)</u>	<u>(12,161)</u>
	150,374	269,471
Minority interest	<u>11,840</u>	<u>11,631</u>
Total equity	<u><u>162,214</u></u>	<u><u>281,102</u></u>
Non-current liabilities		
Borrowings	5	36
Deferred tax liabilities	<u>2,694</u>	<u>2,697</u>
	<u>2,699</u>	<u>2,733</u>
Current liabilities		
Trade and other payables	478,442	584,302
Borrowings	286,330	201,525
Current tax liabilities	<u>1,229</u>	<u>18</u>
	<u>766,001</u>	<u>785,845</u>
Total liabilities	<u><u>768,700</u></u>	<u><u>788,578</u></u>
TOTAL EQUITY AND LIABILITIES	<u><u>930,914</u></u>	<u><u>1,069,680</u></u>
Net assets per share (RM)	<u>0.27</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 SECOND QUARTER ENDED 30 SEPTEMBER 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 profit:</u>										
Profit for the period	-	-	-	-	-	-	11,674	11,674	4	11,678
<u>Other comprehensive income:</u>										
Currency translation reserve	-	-	(37,192)	-	-	-	-	(37,192)	205	(36,987)
Fair value loss on available-for-sale financial assets	-	-	-	-	-	(93,579)	-	(93,579)	-	(93,579)
Total comprehensive income/(loss) for the period	-	-	(37,192)	-	-	(93,579)	11,674	(119,097)	209	(118,888)
Balance as at 30 September 2011	281,632	124,396	16,815	35,457	4,254	56,807	(368,987)	150,374	11,840	162,214
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	-	-	-	-	-	-	(34,232)	(34,232)	(913)	(35,145)
<u>Other comprehensive income:</u>										
Currency translation difference	-	-	18,205	-	-	-	-	18,205	(233)	17,972
Fair value gain on available-for-sale financial assets	-	-	-	-	-	29,959	-	29,959	-	29,959
Reversal of fair value gain on disposal of available-for-sale financial assets	-	-	-	-	-	(29,684)	-	(29,684)	-	(29,684)
Total comprehensive income/(loss) for the period	-	-	18,205	-	-	275	(34,232)	(15,752)	(1,146)	(16,898)
<u>Transactions with owners</u>										
Disposal of a subsidiary	-	-	-	-	-	-	-	-	(4,228)	(4,228)
Dividend paid to minority interest	-	-	-	-	-	-	-	-	(473)	(473)
Balance as at 30 September 2010	281,632	124,396	68,922	35,457	4,254	85,106	(181,984)	417,783	11,426	429,209

* 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 SECOND QUARTER ENDED 30 SEPTEMBER 2011**

	Current year to date 30/09/2011 RM'000	Preceding year to date 30/09/2010 RM'000
OPERATING ACTIVITIES		
Profit /(loss) for the period, attributable to shareholders	11,674	(34,232)
Adjustments for :		
Tax expense	995	(645)
Allowance for doubtful debts	-	1,333
Depreciation of property, plant and equipment	495	5,681
Depreciation of investment properties	71	71
Property, plant and equipment written off	-	4
Loss/ (gain) on disposal of property, plant and equipment	903	(1,153)
Gain on disposal of other investments	-	(42)
Gain on disposal of available-for-sale investments	-	(29,684)
Dividend income	(4,646)	(10,881)
Loss on disposal of a subsidiary	-	4,040
Interest income	(528)	(10,447)
Profit from Islamic deposits	(1)	-
Investment income	-	(1)
Finance costs	5,863	6,956
Unrealised foreign exchange (gain) / loss	(25,601)	18,712
Minority interest	2	(913)
Share of results of associates	-	4,180
	<u>(10,773)</u>	<u>(47,021)</u>
Changes in working capital :		
Inventories	114	228
Receivables	114,162	(6,879)
Payables	<u>(105,859)</u>	<u>(58,677)</u>
Cash used in operations	(2,356)	(112,349)
Taxation paid	<u>4,027</u>	<u>(1,556)</u>
Net cash flows from operating activities	<u>1,671</u>	<u>(113,905)</u>
INVESTING ACTIVITIES		
(Disposal) / Investments in associate	2,200	(10)
Proceeds from disposal of other investments	-	557
Proceeds from disposal of available-for-sale financial assets	-	134,986
Purchase of property, plant and equipment	-	(656)
Proceeds from disposal of property, plant and equipment	3,250	6,031
Dividends received	4,646	8,161
Proceeds from disposal of a subsidiary	-	10,000
Interest income received	528	10,447
Profit from Islamic deposits received	1	-
Net cash flows from investing activities	<u>10,625</u>	<u>169,516</u>
FINANCING ACTIVITIES		
Repayments of borrowings	(90,259)	(109,171)
Proceeds from borrowings	170,000	68,425
Dividend paid to minority interest	-	(473)
Repayments of hire purchase liabilities	(64)	(540)
Finance costs	(5,863)	(6,956)
Release of / (Additional) deposits pledged as security	(74,758)	(941)
Net cash flows from financing activities	<u>(944)</u>	<u>(49,656)</u>
Net movement in cash and cash equivalents	11,352	5,955
Cash and cash equivalents at beginning of the period	16,632	41,359
Currency translation differences	<u>(7,614)</u>	<u>(6,174)</u>
Cash and cash equivalents at end of the period	<u>20,370</u>	<u>41,140</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)