

SEAL INCORPORATED BERHAD (4887-M)
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2009
(THE FIGURES HAVE NOT BEEN AUDITED)

CONDENSED CONSOLIDATED INCOME STATEMENT

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter Ended 30/09/2009 RM' 000	Preceding Year Corresponding Quarter Ended 30/09/2008 RM' 000	Current Year To Date 30/09/2009 RM' 000	Preceding Year Corresponding Period 30/09/2008 RM' 000
Revenue	5,664	5,592	5,664	5,592
Cost of sales	(1,175)	(2,232)	(1,175)	(2,232)
Gross profit	4,489	3,360	4,489	3,360
Other income	264	4,822	264	4,822
Operating expenses	(2,869)	(4,150)	(2,869)	(4,150)
Other expenses	-	-	-	-
Finance cost	(2)	(2)	(2)	(2)
Profit before tax	1,882	4,030	1,882	4,030
Income tax expenses	-	-	-	-
Profit for the period	1,882	4,030	1,882	4,030
Attributable to :				
Equity holders of the parent	1,574	2,427	1,574	2,427
Minority interests	308	1,603	308	1,603
	1,882	4,030	1,882	4,030
Earnings per share attributable to equity holders of the parent :				
Basic earnings per ordinary share (sen)	0.88	1.34	0.88	1.34
Diluted earning per ordinary share (sen)	-	-	-	-

(The Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2009)

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2009

(THE FIGURES HAVE NOT BEEN AUDITED)

CONDENSED CONSOLIDATED BALANCE SHEET

	(UNAUDITED) As At End Of Current Quarter 30/09/2009 RM' 000	(AUDITED) As At Preceding Financial Year End 30/06/2009 RM' 000
ASSETS		
Non-current assets		
Property, plant and equipment	4,408	4,478
Prepaid land lease payments	968	972
Investment properties	1,768	1,768
Land held for development	17,376	17,364
Other investments	27,964	27,964
Timber concessions	14,468	14,291
Deferred tax assets	24,422	24,422
	91,374	91,259
Current assets		
Property development costs	3,795	3,793
Inventories	9	9
Trade receivables	4,332	4,762
Other receivables, deposits and prepayments	5,817	5,924
Tax recoverable	173	30
Short term investments	11,548	10,325
Fixed deposits with licensed banks	16,237	14,863
Cash and bank balances	931	2,227
	42,842	41,933
TOTAL ASSETS	134,216	133,192
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	183,427	183,427
Share premium	247,847	247,847
Treasury shares	(1,454)	(1,454)
Other reserves	353	353
Accumulated losses	(312,555)	(314,129)
	117,618	116,044
Minority interests	4,581	4,273
Total equity	122,199	120,317
Non-current liabilities		
Hire purchase payable	85	89
Current liabilities		
Trade payables	3,941	3,310
Other payables and accruals	7,975	9,445
Hire purchase payable	16	16
Taxation	0	15
	11,932	12,786
Total liabilities	12,017	12,875
TOTAL EQUITY AND LIABILITIES	134,216	133,192
Net assets per share attributable to equity holders of the parent (RM)	0.66	0.65

(The Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2009)

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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

3 Months Period Ended 30 September 2009	← Attributable to equity holders of the parent →							
	← Non-distributable →				Distributable			
	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	Revaluation Reserve RM'000	Accumulated losses RM'000	Total RM'000	Minority Interest RM'000	Total Equity RM'000
Balance at 1 July 2009	183,427	247,847	(1,454)	353	(314,129)	116,044	4,273	120,317
Profit for the period	-	-	-	-	1,574	1,574	308	1,882
Balance at 30 September 2009	<u>183,427</u>	<u>247,847</u>	<u>(1,454)</u>	<u>353</u>	<u>(312,555)</u>	<u>117,618</u>	<u>4,581</u>	<u>122,199</u>

3 Months Period Ended 30 September 2008	← Attributable to equity holders of the parent →							
	← Non-distributable →				Distributable			
	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	Revaluation Reserve RM'000	Accumulated losses RM'000	Total RM'000	Minority Interest RM'000	Total Equity RM'000
Balance at 1 July 2008	183,427	247,847	(878)	353	(323,677)	107,072	3,037	110,109
Purchase of treasury shares	-	-	(133)	-	-	(133)	-	(133)
Profit for the period	-	-	-	-	2,427	2,427	1,603	4,030
Balance at 30 September 2008	<u>183,427</u>	<u>247,847</u>	<u>(1,011)</u>	<u>353</u>	<u>(321,250)</u>	<u>109,366</u>	<u>4,640</u>	<u>114,006</u>

(The Condensed Consolidated Statements of Changes in Equity should be read in conjunction with the Audited Financial Statement for the year ended 30 June 2009)

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CONDENSED CONSOLIDATED CASH FLOW STATEMENT

	Current Year To Date 30/09/2009 RM'000	Preceding Year Corresponding Period 30/09/2008 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	1,882	4,030
Adjustments for:		
Non-cash items	76	143
Non-operating items	0	4
Interest expenses	2	2
Interest income	(105)	(216)
Dividend income	(89)	-
Operating profit before working capital changes	<u>1,766</u>	<u>3,963</u>
Inventories	(0)	(42)
Timber concession	(177)	483
Property development costs	(14)	(2,323)
Trade and other receivables	565	(5,986)
Trade and other payables	<u>(840)</u>	<u>(1,698)</u>
Cash generated from / (used in) operations	1,300	(5,603)
Interest paid	(2)	(2)
Tax paid	(157)	(175)
Tax refund	0	3
Net cash generated from / (used in) operating activities	<u>1,141</u>	<u>(5,777)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of short term investments	(1,223)	-
Purchase of property, plant and equipment	(3)	(158)
Proceeds from disposal of property, plant and equipment	-	1
Dividend received	89	-
Interest received	78	189
Net cash (used in) / generated from investing activities	<u>(1,059)</u>	<u>32</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of hire purchase payables	(4)	(4)
Purchase of treasury shares	(0)	(133)
Changes in fixed deposit with licensed bank	(3)	(3)
Net cash used in financing activities	<u>(7)</u>	<u>(140)</u>
NET CHANGES IN CASH AND CASH EQUIVALENTS	75	(5,885)
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	<u>16,697</u>	<u>30,356</u>
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	<u>16,772</u>	<u>24,471</u>

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2009)

**SEAL INCORPORATED BERHAD AND ITS SUBSIDIARY COMPANIES
QUARTERLY REPORT ON CONSOLIDATED RESULTS FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2009**

NOTES TO THE INTERIM FINANCIAL REPORT

1 Basis of Preparation and Accounting Policies

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134, Interim Financial Reporting and paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements of the Group for the financial year ended 30 June 2009. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 30 June 2009.

The accounting policies and methods of computation adopted by the Group in this interim financial statements are consistent with those adopted in the financial statements for the financial year ended 30 June 2009 except for the adoption of FRS 8, Operating Segments that effective for the financial statements of the Group commencing 1 July 2009:-

FRS 8, Operating Segments

FRS 8, which replaced FRS 114²⁰⁰⁴, Segment Reporting, requires identification and reporting of operating segments based on internal reports that are regularly reviewed by the chief operating decision maker of the Group in order to allocate resources to the segment and to assess its performance. Adoption of FRS 8 will not have any significant impact on the financial statements of the Group other than the changes in disclosures.

The followings new and revised FRSs and Interpretations were issued but not yet effective and have not been adopted by the Group:-

FRSs/ Interpretations		Effective for financial periods beginning on or after
Amendments to FRS 1, First-time Adoption of Financial Reporting Standard and FRS 127, Consolidated and Separate Financial Statements	Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	1 January 2010
Amendments to FRS 2	Share-based Payment - Vesting Conditions and Cancellations	1 January 2010
FRS 4	Insurance Contracts	1 January 2010
FRS 7	Financial Instruments : Disclosures	1 January 2010
FRS 123	Borrowing Costs	1 January 2010
FRS 139	Financial Instruments : Recognition and Measurement	1 January 2010
IC Interpretation 9	Reassessment of Embedded Derivatives	1 January 2010
IC Interpretation 10	Interim Financial Reporting and Impairment	1 January 2010
IC Interpretation 11	FRS 2 - Group and Treasury Shares Transactions	1 January 2010
IC Interpretation 13	Customer Loyalty Programmes	1 January 2010
IC Interpretation 14	FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	1 January 2010

2 Auditors' Report on Preceding Annual Financial Statements

The auditors' report in respect of financial statements for the financial year ended 30 June 2009 was not subject to any qualification.

3 Seasonality or Cyclicity of Interim Operations

The operations of the Group were not subject to any seasonal or cyclical changes for the current quarter under review.

4 Unusual Items

There were no material unusual items in the current quarter and financial period ended 30 September 2009 that affecting assets, liabilities, equity, net income or cash flows based on their nature, size and/or incidence.

5 Changes in Accounting Estimates

There were no changes in accounting estimates of amounts reported in prior financial year which have material effect in the current quarter and financial period ended 30 September 2009.

6 Issuances, Cancellations, Repurchases, Resale and Repayments of Debts and Equity Securities

Share Buy Backs

There were no shares buy back during the quarter under review and financial period ended 30 September 2009. The total number of shares buy back as at 30 September 2009 was 4,320,500 of its issued ordinary shares from the open market for total consideration of RM1,454,048, including the transaction costs, and this was financed by internally generated funds. The shares repurchased were held as treasury shares in accordance with the requirement of Section 67A of the Companies Act 1965.

7 Dividend

No dividend has been recommended and paid during the current quarter and financial period ended 30 September 2009.

8 Segment Reporting

Period ended 30 September 2009	Investment Properties RM'000	Property Construction RM'000	Property Development RM'000	Timber Related RM'000	Others RM'000	Total RM'000
Segment revenue	3,949	-	1,330	385	-	5,664
Segment results	750	-	474	741	(186)	1,779
Interest income						105
Profit from operations						1,884
Finance costs						(2)
Profit before tax						1,882
Income tax expenses						-
Profit for the year						1,882
Segment assets	56,484	157	25,013	27,961	6	109,621
Deferred tax assets						24,422
Tax recoverable						173
Total assets						134,216
Segment liabilities	6,115	616	2,665	2,617	4	12,017
Taxation						0
Total liabilities						12,017
Period ended 30 September 2008	Investment Properties RM'000	Property Construction RM'000	Property Development RM'000	Timber Related RM'000	Others RM'000	Total RM'000
Segment revenue	3,504	-	(357)	2,445	-	5,592
Segment results	391	-	(435)	4,069	(209)	3,816
Interest income						216
Profit from operations						4,032
Finance costs						(2)
Profit before tax						4,030
Income tax expenses						-
Profit for the year						4,030
Segment assets	51,312	157	27,558	26,098	11	105,136
Deferred tax assets						25,842
Tax recoverable						58
Total assets						131,036
Segment liabilities	7,241	616	5,548	3,611	13	17,029
Taxation						1
Total liabilities						17,030

9 Valuation of Property, Plant and Equipment, Investment Properties and Development Properties

There has been no valuation undertaken by the Group since the last annual financial statements for the financial year ended 30 June 2009.

10 Material Subsequent Events

There were no material events subsequent to the end of the quarter under review.

11 Changes in the Composition of the Group

There were no significant changes in the composition of the Group for the current quarter and financial period ended 30 September 2009.

12 Contingent Liabilities and Contingent Assets

Certain creditors have filed claims against the Group and the Company to recover the principal debts amounting to approximately RM0.10 million and RM0.05 million respectively plus interest and costs which pending the outcome and settlement of the legal proceedings. The Directors are of the opinion that such contingent liabilities, if any, are not significant to the financial statements of the Group and the Company.

13 Write-down of Inventories to Net Realisable Value and the Reversal of Such a Write-Down

There was no write-down of inventories to net realisable value and the reversal of such a write-down for the current quarter and financial period ended 30 September 2009.

14 Loss from the Impairment of Property, Plant and Equipment, Intangible Assets or Other Assets and the Reversal of Such An

There was no provision and/or reversal on the impairment of property, plant and equipment, intangible assets or other assets during the current quarter and financial period ended 30 September 2009.

15 Reversal of any Provision for the Costs of Restructuring

There was no provision for the costs of restructuring has been made as at financial period ended 30 September 2009.

16 Acquisitions and Disposals of Items of Property, Plant and Equipment

	Current quarter RM	Financial year to date RM
a) Acquisitions of property, plant and equipment - at cost	<u>2,600</u>	<u>2,600</u>
b) Disposals of property, plant and equipment:		
Proceeds from disposal	-	-
Net Book Value at the date of disposals	<u>-</u>	<u>-</u>
Loss on disposals	<u>-</u>	<u>-</u>

17 Commitments for the Purchase of Property, Plant and Equipment

There were no material capital commitments for current quarter and financial period ended 30 September 2009.

18 Fundamental Errors

There were no corrections of fundamentals errors in previously reported financial data during current quarter and financial period ended 30 September 2009.

19 Debt Default or Any Breach of a Debt Covenant

As at 30 September 2009, the Group was not in default in payments to financial institutions in respect of credit facilities granted to the Group.

20 Related Party Transactions

There were no significant related party transactions occurred during the current quarter and financial period ended 30 September 2009.

ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS**21 Review of Performance of the Company and Its Principal Subsidiaries**

The Group recorded a revenue of RM5.66 million and profit before taxation of RM1.88 million as compared to the revenue of RM5.59 million and profit before taxation of RM4.03 million in the preceding year corresponding period. A slight improvement in Group's revenue was mainly contributed by revenue recognition from Krai Eco Park and the rental generated from "Value Creation Exercise" of Selayang Mall even there was a slow down in timber activities. On the other hand, the decline in profit before taxation mainly due to the absence of income from the reversal of the claims by Union which has been featured in the preceding year corresponding period.

22 Material Changes for the Current Quarter as Compared with the Preceding Quarter

Apart from the slow down in timber segment, there are no material changes in current quarter as compared with preceding quarter.

23 Prospect for the Current Financial Year

Barring unforeseen circumstances, the Board expects to maintain its performance for the remaining quarters. Looking at the current financial scenario, the Group will continue to be vigilant against unnecessary spending and risk taking.

24 Variance of Actual Profit from Forecast Profit

The Company has not provided any profit forecast or profit guarantee.

25 Tax Charges and Variance Between the Effective and Statutory Tax Rate

There were no tax charges for the current quarter and financial period ended 30 September 2009.

26 Sale of Unquoted Investments and/or Properties

There were no sale of unquoted investment and/or properties during the current quarter and financial period ended 30 September 2009.

27 Purchase or Disposal of Quoted Securities

There were no purchase or disposal of quoted securities during the current quarter and financial period ended 30 September 2009.

The investments in quoted securities as at 30 September 2009 is:

	RM
i) Cost	4,000
ii) Book value	4,000
iii) Market value	26,132

28 Corporate Proposals

There were no corporate proposals announced but not completed as at the date of this announcement.

29 Group Borrowings

There were no outstanding Group Borrowings as at 30 September 2009.

30 Financial Instruments with Off Balance Sheet Risk

There were no financial instruments with off balance sheet risk for the Group as at the date of this announcement.

31 Changes in Material Litigation

There were no pending material litigations as at the date of this announcement.

32 Earnings Per Share**Basic Earnings per Share**

The calculation of basic earnings per share is based on the profit attributable to the ordinary holders of the parent of RM1,574,437 divided by the weighted average number of ordinary shares in issue as at 30 September 2009 of 179,106,667 shares after taking into the effects of share buy back of the Company

Diluted Earnings per Share

There is no diluted earnings per share as there were no potential dilutive ordinary shares as at 30 September 2009.