

SEAL INCORPORATED BERHAD (4887-M)
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2011
(THE FIGURES HAVE NOT BEEN AUDITED)

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	Current Year Quarter Ended 31/12/2011 RM' 000	Preceding Year Corresponding Quarter Ended 31/12/2010 RM' 000	Current Year To Date 31/12/2011 RM' 000	Preceding Year Corresponding Period 31/12/2010 RM' 000
Revenue	9,733	11,662	21,773	18,088
Cost of sales	(4,586)	(4,268)	(10,228)	(5,658)
Gross profit	5,147	7,394	11,545	12,430
Other income	1,442	1,508	1,818	1,766
Operating expenses	(4,865)	(5,705)	(10,265)	(10,147)
Finance cost	(8)	(2)	(17)	(3)
Profit before tax	1,716	3,195	3,081	4,046
Income tax	-	-	-	-
Profit for the period	1,716	3,195	3,081	4,046
Other comprehensive income				
Fair value movement on available-for-sale investment	3	-	5	(3)
Total comprehensive income for the period	1,719	3,195	3,086	4,043
Profit attributable to:				
Owners of the parent	1,923	3,207	3,473	4,165
Non-controlling interests	(207)	(12)	(392)	(119)
	1,716	3,195	3,081	4,046
Total comprehensive income attributable to:				
Owners of the parent	1,926	3,207	3,478	4,162
Non-controlling interests	(207)	(12)	(392)	(119)
	1,719	3,195	3,086	4,043
Earnings per share (sen)				
- Basic	0.97	1.79	1.76	2.33
- Diluted	-	-	-	-

(The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2011)

SEAL INCORPORATED BERHAD (4887-M)
CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2011

	(UNAUDITED) As At End Of Current Quarter 31/12/2011 RM' 000	(AUDITED) As At Preceding Financial Year End 30/06/2011 RM' 000
ASSETS		
Non-current assets		
Property, plant and equipment	6,259	6,250
Investment properties	2,876	1,532
Land held for development	17,428	17,415
Held-to-maturity investments	27,960	27,960
Available-for-sale financial assets	25	27
Timber concessions	26,270	24,937
Deferred tax assets	19,796	19,796
	100,614	97,917
Current assets		
Property development costs	34,099	14,471
Inventories	1,869	61
Trade receivables	36,482	12,474
Other receivables, deposits and prepayments	10,582	8,210
Tax recoverable	247	56
Available-for-sale financial assets	6,869	7,749
Fixed deposits with licensed banks	36,208	38,043
Cash and bank balances	5,405	2,861
	131,761	83,925
TOTAL ASSETS	232,375	181,842
EQUITY AND LIABILITIES		
Equity attributable to owners of the parent		
Share capital	80,708	80,708
Share premium	45,306	45,306
Treasury shares	(1,869)	(1,455)
Reserves	394	389
Retained profits	17,364	13,891
	141,903	138,839
Non-controlling interests	3,548	3,940
Total equity	145,451	142,779
Non-current liabilities		
Hire purchase payable	462	535
Bank borrowings	1,240	-
	1,702	535
Current liabilities		
Trade payables	77,523	12,170
Other payables and accruals	7,346	26,009
Hire purchase payable	144	140
Current tax payable	209	209
	85,222	38,528
Total liabilities	86,924	39,063
TOTAL EQUITY AND LIABILITIES	232,375	181,842
Net assets per share attributable to owners of the parent (RM)	0.72	0.70

(The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Audited Financial Statements for the year ended 30 June 2011)

SEAL INCORPORATED BERHAD (4887-M)
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2011
(THE FIGURES HAVE NOT BEEN AUDITED)

	←----- Attributable to owners of the parent -----→						Distributable Retained profits/ (Accumulated losses) RM'000	Total RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Share Premium RM'000	Treasury Shares RM'000	Revaluation Reserve RM'000	Fair Value Reserve RM'000	Non-distributable				
6 Months Ended 31 December 2011										
Balance at 1 July 2011	80,708	45,306	(1,455)	353	36	13,891	138,839	3,940	142,779	
Purchase of treasury shares	-	-	(414)	-	-	-	(414)	-	(414)	
Total comprehensive income for the period	-	-	-	-	5	3,473	3,478	(392)	3,086	
Balance at 31 December 2011	<u>80,708</u>	<u>45,306</u>	<u>(1,869)</u>	<u>353</u>	<u>41</u>	<u>17,364</u>	<u>141,903</u>	<u>3,548</u>	<u>145,451</u>	
6 Months Ended 31 December 2010										
Balance at 1 July 2010	183,427	247,847	(1,455)	353	-	(307,169)	123,003	4,167	127,170	
Effects of applying FRS 139	-	-	-	-	21	(4)	17	-	17	
Restated balance	<u>183,427</u>	<u>247,847</u>	<u>(1,455)</u>	<u>353</u>	<u>21</u>	<u>(307,173)</u>	<u>123,020</u>	<u>4,167</u>	<u>127,187</u>	
Capital reduction	(110,056)	(204,073)	-	-	-	314,129	-	-	-	
Total comprehensive income for the period	-	-	-	-	(3)	4,165	4,162	(119)	4,043	
Balance at 31 December 2010	<u>73,371</u>	<u>43,774</u>	<u>(1,455)</u>	<u>353</u>	<u>18</u>	<u>11,121</u>	<u>127,182</u>	<u>4,048</u>	<u>131,230</u>	

(The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Audited Financial Statement for the year ended 30 June 2011)

SEAL INCORPORATED BERHAD (4887-M)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 DECEMBER 2011
(THE FIGURES HAVE NOT BEEN AUDITED)

	Current Year To Date 31/12/2011 RM'000	Preceding Year Corresponding Period 31/12/2010 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	3,081	4,046
Adjustments for:		
Non-cash items	257	(78)
Non-operating items	(2)	5
Interest expenses	17	3
Interest income	(473)	(185)
Dividend income	(1,305)	(1,318)
Operating profit before working capital changes	<u>1,575</u>	<u>2,473</u>
Inventories	(1,808)	(1,538)
Timber concession	(1,333)	(1,667)
Property development costs	(19,641)	(2,755)
Trade and other receivables	(26,380)	2,091
Trade and other payables	<u>46,690</u>	<u>4,147</u>
Cash (used in) / generated from operations	(897)	2,751
Interest paid	(17)	(3)
Tax paid	(191)	(209)
Net cash (used in) / generated from operating activities	<u>(1,105)</u>	<u>2,539</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investment properties	(1,344)	(263)
Purchase of property, plant and equipment	(267)	(108)
Placement of Institutional Bond Fund	(110)	(83)
Placement of Principal Money Market Income Fund	(2)	(7)
Proceeds from redemption of other investments	1,001	-
Dividend received	1,305	1,318
Interest received	473	185
Net cash generated from investing activities	<u>1,056</u>	<u>1,042</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Drawdown from bank borrowings	1,240	-
Payment of hire purchase payable	(69)	(9)
Purchase of treasury shares	(414)	-
Changes in fixed deposits with licensed bank	(6)	(4)
Net cash generated from / (used in) financing activities	<u>751</u>	<u>(13)</u>
NET CHANGES IN CASH AND CASH EQUIVALENTS	702	3,568
CASH AND CASH EQUIVALENTS AT BEGINNING OF THE FINANCIAL PERIOD	40,490	16,129
CASH AND CASH EQUIVALENTS AT END OF THE FINANCIAL PERIOD	<u>41,192</u>	<u>19,697</u>

(The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Audited
Financial Statements for the year ended 30 June 2011)

NOTES TO THE INTERIM FINANCIAL REPORT FOR THE YEAR ENDED 31 DECEMBER 2011

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 2011. 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 2011.

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 2011 except for the adoption of the following new and revised FRSs, amendments to FRSs and IC Interpretations:-

Amendments to FRS 1	Limited Exemption from Comparative FRS 7 Disclosures for the First-time Adopters
Amendments to FRS 1	Additional Exemptions for First-time Adopters
Amendments to FRS 2	Group Cash-settled Share-based Payment Transactions
Amendments to FRS 7	Improving Disclosures about Financial Instruments
Improvements to FRSs (2010)	
IC Interpretation 4	Determining whether an Arrangement contains a Lease
IC Interpretation 18	Transfers of Assets from Customers
IC Interpretation 19	Extinguishing Financial Liabilities with Equity Instruments
Amendments to IC Interpretation 14	Prepayments of a Minimum Funding Requirement

The adoption of the above standards, amendments and interpretations has no significant impact on the financial statements to the Group.

2 Seasonality or Cyclicity of Interim Operations

The operations of the Group were not significantly affected by any seasonal or cyclical factors.

3 Unusual Items

There were no unusual items of nature, size or incidence that affecting assets, liabilities, equity, net income or cash flows during the current quarter and financial period ended 31 December 2011.

4 Changes in Estimates

There were no changes in estimates that have had any material effect in the current quarter and financial period ended 31 December 2011.

5 Issuances, Repurchases, and Repayments of Debts and Equity Securities

Share Buy Backs

During the financial period ended 31 December 2011, the Company has repurchased 1,017,900 of its issued ordinary shares from the open market for total consideration of RM414,379, including the transaction costs, and this was financed by internally generated funds. The total number of shares repurchased as at 31 December 2011 was 5,341,400, being held as treasury shares in accordance with the requirement of Section 67A of the Companies Act, 1965.

6 Dividend Paid

No dividend has been paid during financial period ended 31 December 2011.

7 Segment Reporting

Period ended 31 December 2011	Investment Properties RM'000	Property Construction RM'000	Property Development RM'000	Timber Related RM'000	Others RM'000	Total RM'000
Segment revenue	8,890	-	2,022	10,861	0	21,773
Segment results	2,991	-	(151)	888	(1,103)	2,625
Interest income						473
Profit from operations						3,098
Finance cost						(17)
Profit before tax						3,081
Income tax						-
Profit for the period						3,081
Period ended 31 December 2010	Investment Properties RM'000	Property Construction RM'000	Property Development RM'000	Timber Related RM'000	Others RM'000	Total RM'000
Segment revenue	8,625	-	2,958	6,505	-	18,088
Segment results	2,943	-	781	1,104	(964)	3,864
Interest income						185
Profit from operations						4,049
Finance cost						(3)
Profit before tax						4,046
Income tax						-
Profit for the period						4,046

8 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 2011.

9 Material Subsequent Events

There were no material subsequent events at the date of this announcement.

10 Changes in the Composition of the Group

There were no changes in the composition of the Group for the current quarter and financial period ended 31 December 2011.

11 Contingent Liabilities and Contingent Assets

There were no changes in contingent liabilities or contingent assets since the end of the last annual reporting date.

12 Capital Commitments

There were no capital commitments as at the date of this report.

13 Operating Lease Commitments

	As at 31 December 2011 RM'000
Not later than one year	9,385
Later than one year and not later than five years	38,749
	<u>48,134</u>

The operating lease commitments are in respect of leaseback of Selayang Mall for a term of ten years.

14 Related Party Transactions

	As at
	31 December 2011
	RM'000
Seal Incorporated Berhad and its subsidiaries	
- Administration fee	45
- Project management fee	<u>460</u>

ADDITIONAL INFORMATION REQUIRED BY BURSA MALAYSIA SECURITIES BERHAD LISTING REQUIREMENTS

15 Review of Performance of the Company and Its Principal Subsidiaries

For the current quarter under review, the Group recorded total revenue of RM9.73 million and profit before taxation of RM1.72 million as compared to the revenue of RM11.66 million and profit before taxation of RM3.20 million in the preceding year corresponding quarter.

The Group recorded a revenue of RM21.77 million and profit before taxation of RM3.08 million as compared to the revenue of RM18.09 million and profit before taxation of RM4.05 million in the preceding year corresponding period. Increased revenue of timber activities in Perak do not increase profit due to the high payout for respective timber compartments. The Group's overall profit has decreased as compared to the same quarter in preceding year mainly due to the decrease in profit recognition from Krai Eco Park for the current financial period and expenses of Bayan City Project the income from which have yet to be recognised.

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

Apart from the decrease in profit recognition from Krai Eco Park, there are no other material changes in revenue generating activities of the Group in the current quarter.

17 Prospect for the Current Financial Year

Barring unforeseen circumstances, the Board expects the Group's performance to improve for the remaining quarters with property activities leading the way. The Group continue to look for new revenue to generate sustainable income.

18 Variance from Forecast Profit and Profit Guarantee

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

19 Income Tax Expenses

There were no tax charges for the current quarter and financial period ended 31 December 2011.

20 Sale of Unquoted Investments and Properties

There were no sale of unquoted investment and/or properties during the current quarter and financial period ended 31 December 2011.

21 Quoted Securities

There were no purchase or disposal of quoted securities during the current quarter and financial period ended 31 December 2011.

The investments in quoted securities as at 31 December 2011 is:

	RM
i) Cost	4,000
ii) Book value	4,000
iii) Market value	25,332

22 Corporate Proposals

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

23 Group Borrowings and Debts Securities

Total Group borrowings as at 31 December 2011 are as follows:

<u>Long term borrowings</u>	RM'000
Secured	<u>1,240</u>

24 Off Balance Sheet Financial Instruments

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

25 Changes in Material Litigation

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

26 Dividends

No dividend has been proposed for the financial period ended 31 December 2011.

27 Earnings Per Share

Basic Earnings per Share

The calculation of basic earnings per share is based on the profit attributable to the owners of the parent of RM3,472,709 divided by the weighted average number of ordinary shares in issue as at 31 December 2011 of 196,935,626 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 31 December 2011.

28 Disclosure of Realised and Unrealised Profits/Losses

	As at 31 December 2011 RM'000	As at 30 June 2011 RM'000
The retained profits of the Company and its subsidiaries		
- Realised	(2,432)	(5,905)
- Unrealised	19,796	19,796
Total retained profits as per consolidated accounts	<u>17,364</u>	<u>13,891</u>

29 Profit before taxation

	3 months ended 31 December 2011 RM'000	6 months ended 31 December 2011 RM'000
Profit before taxation is arrived at after crediting/(charging):		
Depreciation	(129)	(257)
Dividend income	1,230	1,305
Doubtful debts	(42)	(42)
Gain on redemption of investment	0	2
Interest expenses	(8)	(17)
Interest income	<u>210</u>	<u>473</u>

Save as disclosed above, there were no provision for and write off of inventories, impairment of assets, foreign exchange gain or loss, gain or loss on derivatives and exceptional items for the current quarter and financial period ended 31 December 2011.

30 Auditors' Report on Preceding Annual Financial Statements

The auditors' report in respect of financial statements for the financial year ended 30 June 2011 was not subject to any qualification.