

## UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE FINAL QUARTER ENDED 31 MARCH 2009

	Individual Quarter	Cumulative Period
	Current quarter 31/03/2009 RM'000 Unaudited	Current year to date 31/03/2009 RM'000 Unaudited
Revenue	526,255	2,008,224
Cost of sales	(571,107)	(2,068,971)
Gross loss	<u>(44,852)</u>	<u>(60,747)</u>
Other operating income		
- Interest income	137	4,355
- Profit from Islamic deposits	70	571
- Investment income	167	1,179
- Other operating income	10,702	21,504
Impairment loss on goodwill	(2,942)	(2,942)
Impairment loss on marketable securities	0	(2,552)
Marketing expenses	(5,097)	(17,223)
Administrative expenses	(10,009)	(37,317)
Other operating expenses	(18,583)	(39,188)
Finance costs	(1,645)	(1,791)
Share of results of:		
- Associates	2,662	10,853
- Jointly controlled entities	0	1,338
<b>Loss before taxation</b>	<u>(69,390)</u>	<u>(121,960)</u>
Tax expense	(547)	(19,608)
<b>Loss for the period</b>	<u>(69,937)</u>	<u>(141,568)</u>
Attributable to:		
Equity holders of the parent	(67,448)	(147,132)
Minority interest	(2,489)	5,564
	<u>(69,937)</u>	<u>(141,568)</u>
Earnings per share		
- Basic (sen)	<u>(11.97)</u>	<u>(26.12)</u>
- Diluted (sen)	<u>N/A</u>	<u>N/A</u>

On 17 December 2007, the financial year of the Company was changed from 31 January to end on 31 March commencing financial period ending 31 March 2008 and thereafter to end on 31 March of every subsequent year. Accordingly, there are no comparative figures for the current quarter and year to date ended 31 December 2008.

**(The Unaudited Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the fourteen-month period ended 31 March 2008)**

ZELAN BERHAD 27676-V

## UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 MARCH 2009

	AS AT END OF CURRENT QUARTER 31 MARCH 2009 RM'000 Unaudited	AS AT END OF FINANCIAL PERIOD ENDED 31 MARCH 2008 RM'000 Audited
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	125,559	117,133
Lease prepayments	46	106
Investment properties	5,841	5,984
Investments in associates	24,344	11,291
Investments in jointly controlled entities	8,161	6,823
Available-for-sale investment	344,158	502,240
Goodwill	44,396	47,338
	<u>552,505</u>	<u>690,915</u>
<b>Current assets</b>		
Inventories	16,079	18,635
Property development costs	2,014	52,827
Trade and other receivables	705,611	800,611
Tax recoverable	26,772	14,784
Marketable securities	1,564	0
Other investments	17,092	89,795
Deposits, bank and cash balances	93,882	202,266
	<u>863,014</u>	<u>1,178,918</u>
Non-current assets classified as held for sale	0	3,424
	<u>863,014</u>	<u>1,182,342</u>
<b>TOTAL ASSETS</b>	<u><u>1,415,519</u></u>	<u><u>1,873,257</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	281,632	281,632
Reserves	183,626	537,162
	<u>465,258</u>	<u>818,794</u>
Minority interest	33,009	28,926
<b>Total equity</b>	<u>498,267</u>	<u>847,720</u>
<b>Non-current liabilities</b>		
Borrowings	1,392	1,598
Other payables	2,039	9,531
Deferred tax liabilities	2,867	3,803
	<u>6,298</u>	<u>14,932</u>
<b>Current liabilities</b>		
Trade and other payables	764,439	952,751
Borrowings	138,487	43,557
Current tax liabilities	8,028	14,297
	<u>910,954</u>	<u>1,010,605</u>
<b>Total liabilities</b>	<u>917,252</u>	<u>1,025,537</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>1,415,519</u></u>	<u><u>1,873,257</u></u>
Net assets per share (RM)	<u>0.83</u>	<u>1.45</u>

(The Unaudited Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statements for the fourteen-month period ended 31 March 2008)

ZELAN BERHAD 27676-V

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINAL QUARTER ENDED 31 MARCH 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 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 year</u>										
Currency translation differences	-	-	259	-	-	-	-	259	(768)	(509)
Transfer to general reserve					520		(520)	-	-	-
Available-for-sale investment: - Fair value movement	-	-	-	-	-	(158,082)	-	(158,082)	-	(158,082)
Net expense directly recognised in equity	-	-	259	-	520	(158,082)	(520)	(157,823)	(768)	(158,591)
Loss for the year	-	-	-	-	-	-	(147,132)	(147,132)	5,564	(141,568)
Total recognised income/(expenses) for the year	-	-	259	-	520	(158,082)	(147,652)	(304,955)	4,796	(300,159)
Dividend paid	-	-	-	-	-	-	(48,581)	(48,581)	-	(48,581)
Dividend paid to minority interest	-	-	-	-	-	-	-	-	(713)	(713)
Balance as at 31 March 2009	281,632	124,396	28,285	35,457	4,253	(133,520)	124,755	465,258	33,009	498,267

\* 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 fourteen-month period ended 31 March 2008)

ZELAN BERHAD 27676-V

**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT  
FOR THE FINAL QUARTER ENDED 31 MARCH 2009**

Current year  
to date  
31/03/2009  
RM'000

**OPERATING ACTIVITIES**

Loss for the period, attributable to equity holders of the parent	(147,132)
Adjustments for :	
Tax expense	19,608
Allowance for doubtful debts	1,248
Allowance for doubtful debts written back	(335)
Impairment loss on marketable securities	2,552
Impairment loss on goodwill	2,942
Bad debt recovered	(40)
Depreciation of property, plant and equipment	19,433
Amortisation of prepaid lease	60
Depreciation of investment properties	143
Property, plant and equipment written off	2,147
Provision for impairment on non-current asset held for sale	3,072
Loss on disposal of property, plant and equipment	113
Gain on disposal of non current assets held for sale	(2)
Dividend income	(24,700)
Interest income	(4,355)
Profit from Islamic deposits	(571)
Investment income	(1,179)
Finance costs	1,791
Unrealised foreign exchange gain	(10,833)
Minority interest	5,564
Share of results of jointly controlled entities	(1,338)
Share of results of associates	(10,853)
	<u>(142,665)</u>

## Changes in working capital :

Property development costs	51,232
Inventories	2,556
Receivables	145,724
Payables	(209,315)
Cash used in operations	(152,468)
Taxation paid	(33,655)
<b>Net cash flow from operating activities</b>	<u>(186,123)</u>

**INVESTING ACTIVITIES**

Additional investments in associates	(1,000)
Additional investment in associate classified as non-current assets held for sale	(950)
Proceeds from other investments	72,703
Purchase of property, plant and equipment	(52,977)
Proceeds from disposal of property, plant and equipment	267
Repayment of advances by an investment classified as non-current assets held for sale	1,184
Proceeds from disposal of non-current assets held for sale	120
Dividends received	15,438
Interest income received	4,355
Profit from Islamic deposits received	571
Investment income received	1,179
<b>Net cash flow from investing activities</b>	<u>40,890</u>

**FINANCING ACTIVITIES**

Repayments of borrowings	(11,572)
Proceeds from borrowings	107,165
Dividend paid to minority interest	(713)
Repayments of hire purchase liabilities	(869)
Finance costs	(2,210)
Release of deposits pledged as security	81
Dividends paid	(48,581)
<b>Net cash flow from financing activities</b>	<u>43,301</u>

Net movement in cash and cash equivalents	(101,932)
Cash and cash equivalents at beginning of the period	201,825
Currency translation differences	(6,371)
<b>Cash and cash equivalents at end of the period</b>	<u>93,522</u>

(The Unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the fourteen-month period ended 31 March 2008)

## UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE TWO MONTHS ENDED 31 DECEMBER 2007

	Individual Quarter	Cumulative Period
	Current Period 2 months to 31/12/2007 RM'000 Unaudited	Current Period to Date 11 Months to 31/12/2007 RM'000 Unaudited
Revenue	147,112	842,938
Cost of sales	(127,237)	(703,228)
Gross profit	19,875	139,710
Other operating income		
- Gain on disposal of other investments	0	31,750
- Gain on deemed disposal of investment in an associate	0	10,088
- Write back of allowance for decline in market value of investments	0	0
- Interest income	2,844	9,237
- Profit from Islamic deposits	163	1,161
- Other operating income	110	5,329
Marketing expenses	(2,837)	(30,399)
Administrative expenses	(7,465)	(30,597)
Other operating expenses	(2,185)	(8,485)
Finance costs	(31)	(355)
Share of results of:		
- Associates	736	12,069
- Jointly controlled entities	(2)	(10)
<b>Profit before taxation</b>	11,208	139,498
Tax expense	(2,426)	(23,955)
<b>Profit for the period</b>	8,782	115,543
Attributable to:		
Equity holders of the parent	7,651	112,808
Minority interest	1,131	2,735
	8,782	115,543
Earnings per share *		
- Basic (sen)	1.36	20.03
- Diluted (sen)	1.36	20.03

\* The earnings per share has been calculated based on the weighted average number of ordinary shares which has been adjusted to take into consic the enlarged share capital due to the share split exercise which was completed on 18 July 2007. The comparative period's earnings per share has be adjusted accordingly.

**(The Unaudited Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the financial year ended 31 January 2007)**

ZELAN BERHAD 27676-V

## UNAUDITED CONDENSED CONSOLIDATED BALANCE SHEET AS AT 31 DECEMBER 2007

	AS AT END OF CURRENT QUARTER 31 DECEMBER 2007 RM'000 Unaudited
<b>ASSETS</b>	
<b>Non current assets</b>	
Property, plant and equipment	72,080
Lease prepayments	122
Investment properties	6,019
Investments in associates	8,607
Investments in jointly controlled entities	133
Available-for-sale investment	708,076
Goodwill	47,338
Other assets	20,236
	<u>862,611</u>
<b>Current assets</b>	
Inventories	18,839
Property development costs	13,589
Other investments	0
Trade and other receivables	540,519
Tax recoverable	9,379
Deposits, bank and cash balances	339,149
	<u>921,475</u>
Non-current assets classified as held for sale	146
	<u>921,621</u>
<b>TOTAL ASSETS</b>	<u><u>1,784,232</u></u>
<b>EQUITY AND LIABILITIES</b>	
<b>Equity attributable to equity holders of the parent</b>	
Share capital	281,632
Reserves	712,478
	<u>994,110</u>
Minority interest	22,546
<b>Total equity</b>	<u><u>1,016,656</u></u>
<b>Non current liabilities</b>	
Borrowings	2,672
Other payables	61,049
Deferred tax liabilities	3,996
	<u>67,717</u>
<b>Current liabilities</b>	
Trade and other payables	693,211
Borrowings	994
Current tax liabilities	5,654
	<u>699,859</u>
<b>Total liabilities</b>	<u><u>767,576</u></u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>1,784,232</u></u>
Net assets per share (RM) *	<u>1.76</u>

\* The net assets per share has been calculated based on the weighted average number of ordinary shares which has been adjusted to take into consideration the enlarged share capital due to the share split exercise which was completed on 18 July 2007. The comparative period's net assets per share has been adjusted accordingly.

(The Unaudited Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statements for the financial year ended 31 January 2007)

ZELAN BERHAD 27676-V

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 DECEMBER 2007

	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 February 2007	281,632	124,396	29,044	35,494	3,733	-	241,038	715,337	19,527	734,864
<b>Movements during the period</b>										
Currency translation differences	-	-	419	-	-	-	-	419	872	1,291
Reclassification of an associate to other investment	-	-	(1,598)	-	-	-	-	(1,598)	-	(1,598)
Available-for-sale investment:										
- Fair value movement	-	-	-	-	-	262,022	-	262,022	-	262,022
- Disposal	-	-	-	-	-	(31,624)	-	(31,624)	-	(31,624)
Liquidation of a subsidiary	-	-	-	(37)	-	-	(132)	(169)	-	(169)
Net income/(expense) directly recognised in equity	-	-	(1,179)	(37)	-	230,398	(132)	229,050	872	229,922
Liquidation of a subsidiary	-	-	-	-	-	-	-	-	(310)	(310)
Reclassification of a subsidiary to an associate	-	-	-	-	-	-	-	-	142	142
Dividend paid	-	-	-	-	-	-	(63,085)	(63,085)	-	(63,085)
Profit for the period	-	-	-	-	-	-	112,808	112,808	2,735	115,543
Total recognised income for the period	-	-	(1,179)	(37)	-	230,398	49,591	278,773	3,439	282,212
Dividend paid to minority interest	-	-	-	-	-	-	-	-	(420)	(420)
Balance as at 31 December 2007	281,632	124,396	27,865	35,457	3,733	230,398	290,629	994,110	22,546	1,016,656

\* 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 January 2007)

ZELAN BERHAD 27676-V

**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT  
FOR THE PERIOD ENDED 31 DECEMBER 2007**

11 Months  
Ended  
31/12/2007  
RM'000

**OPERATING ACTIVITIES**

Profit for the period, attributable to equity holders of the parent	112,808
Adjustments for :	
Taxation	23,955
Allowance for doubtful debts	892
Depreciation of property, plant and equipment	3,642
Fixed assets written off	169
Gain on disposal of investments	(31,750)
Gain on deemed disposal of investment in an associate	(10,088)
Gain on disposal of property, plant and equipment	(205)
Gain on disposal of non current assets held for sale	(159)
Gain on disposal of investment properties	(563)
Interest income	(9,237)
Profit from Islamic deposits	(1,161)
Finance costs	355
Minority interest	2,735
Share of results of jointly controlled entities	10
Share of results of associates	(12,069)
	<u>79,334</u>
Changes in working capital :	
Property development costs	48,257
Inventories	(489)
Receivables	(343,805)
Payables	<u>383,951</u>
Cash generated from/(used in) operations	167,248
Taxation paid	<u>(28,158)</u>
<b>Net cash flow from operating activities</b>	<u>139,090</u>

**INVESTING ACTIVITIES**

Net cash outflow on disposal of subsidiaries	(526)
Purchase of property, plant and equipment	(44,480)
Proceeds from disposal of other investments	103,303
Proceeds from disposal of investment properties	1,300
Proceeds from disposal of property, plant and equipment	480
Proceeds from disposal of non-current assets held for sale	539
Dividends received	8,160
Interest income received	9,237
Profit from Islamic deposits received	1,161
<b>Net cash flow from investing activities</b>	<u>79,174</u>

**FINANCING ACTIVITIES**

Repayments of borrowings	(6,621)
Proceeds from borrowings	1,572
Repayments of hire purchase liabilities	(791)
Finance costs	(355)
Deposits pledged as security	513
Dividends paid	(63,085)
Dividends paid to minority interest of a subsidiary	(420)
<b>Net cash flow from financing activities</b>	<u>(69,187)</u>

Net movement in cash and cash equivalents	149,077
Cash and cash equivalents at beginning of the period	187,916
Currency translation differences	1,715
<b>Cash and cash equivalents at end of the period</b>	<u>338,708</u>

(The Unaudited Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the financial year ended 31 January 2007)



**ZELAN BERHAD**  
**(“ZB” or “the Group”)**  
**(Company No: 27676-V)**

**NOTES TO THE INTERIM FINANCIAL REPORT**  
**FOR THE QUARTER ENDED 31 MARCH 2009**

**1. Basis of Preparation**

The interim financial report of the Group has been prepared in accordance with FRS 134, “Interim Financial Reporting” and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad and should be read in conjunction with the Group’s audited financial statements for the fourteen-month period ended 31 March 2008.

The significant accounting policies and presentation adopted for the interim financial report are consistent with those adopted in the Group’s most recent audited financial statements for the fourteen-month period ended 31 March 2008, except for the adoption of the following new / revised Financial Reporting Standards (“FRS”) which are effective for the financial period commencing on 1 April 2008:

- FRS 107 : Cash Flow Statements
- FRS 111 : Construction Contracts
- FRS 112 : Income Taxes
- FRS 118 : Revenue
- Amendments to FRS 121 : The Effects of Changes in Foreign Exchange Rates - Net Investments in a Foreign Operation
- FRS 134 : Interim Financial Reporting
- FRS 137 : Provisions, Contingent Liabilities and Contingent Assets.

The adoption of the above new / revised FRSs did not result in a significant change in the accounting policies of the Group.

**2. Auditors’ Report on Preceding Annual Financial Statements**

The auditors’ report on the Group’s financial statements for the fourteen-month period ended 31 March 2008 was not subject to any qualification.

**3. Seasonal or Cyclical Factors**

The Group’s operations were not materially affected by any seasonal or cyclical factors.

#### 4. **Unusual Items**

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the quarter under review because of their nature, size, or incidence except for:-

- i) the reduction of fair value reserve amounting to RM113.621 million in respect of the available-for-sale investment.
- ii) The loss on contracts amounting to RM67.4 million in respect of projects in United Arab Emirates (RM38.4 million) and Kingdom of Saudi Arabia (RM29.0 million).
- iii) The impairment loss on goodwill amounting to RM2.9 million.

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the financial year to date under review because of their nature, size, or incidence except for:-

- i) the reduction of fair value reserve amounting to RM158.082 million in respect of the available-for-sale investment.
- ii) The loss on contracts amounting to RM173.5 million in respect of projects in United Arab Emirates (RM47.1 million) and Kingdom of Saudi Arabia (RM126.4 million).
- iii) The impairment loss on goodwill amounting to RM2.9 million.

#### 5. **Changes in Estimates of Amount Reported Previously**

There were no changes in estimates of amounts reported in the prior financial period that have a material effect in the current quarter.

#### 6. **Debt and Equity Securities**

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities for the current quarter and year to date.

#### 7. **Dividends Paid**

The amount of dividends paid during the financial year ended 31 March 2009 was as follows:

	RM'000
In respect of the fourteen-month period ended 31 March 2008	
Second interim dividend of 6.5 sen per ordinary share of RM0.50 each, less income tax at 25%	<u>27,459</u>

The dividend was paid on 30 June 2008.

**7. Dividends Paid (Continued)**

RM'000

In respect of the financial year ended 31 March 2009

Interim dividend of 5.0 sen per ordinary share of RM0.50 each, less income tax at 25%

21,122

The dividend was paid on 9 December 2008.

**8. Segmental Reporting****Analysis by business segments for the quarter:**

	Engineering & construction RM'000	Property & development RM'000	Manufacturing & trading RM'000	Investment & others RM'000	Total RM'000
<b>Revenue</b>					
Total	532,348	60,998	8,555	2,332	604,233
Inter-segment	(63,247)	(9,000)	(5,728)	(4)	(77,979)
External	<b>469,101</b>	<b>51,998</b>	<b>2,827</b>	<b>2,328</b>	<b>526,254</b>
<b>Results</b>					
Segment (loss)/profit	(34,439)	17,094	(555)	(49,939)	(67,839)
Interest income	(52)	154	34	1	137
Profit from Islamic deposits	0	0	0	70	70
Investment income	0	211	0	(44)	167
Finance costs	(1,639)	(3)	3	(6)	(1,645)
Impairment loss on goodwill	0	0	(2,942)	0	(2,942)
Share of results of associates and jointly controlled entities	2,621			41	2,662
(Loss)/Profit before taxation	(33,509)	17,456	(3,460)	(49,877)	(69,390)
Tax expense					(547)
Loss for the quarter					<b>(69,937)</b>

## 8. Segmental Reporting (Continued)

### Analysis by business segments for the financial year to date:

	Engineering & construction RM'000	Property & development RM'000	Manufacturing & trading RM'000	Investment & Others RM'000	Total RM'000
<b>Revenue</b>					
Total	1,912,817	200,014	38,531	31,189	2,182,551
Inter-segment	(155,007)	(9,000)	(10,303)	(17)	(174,327)
External	<b>1,757,810</b>	<b>191,014</b>	<b>28,228</b>	<b>31,172</b>	<b>2,008,224</b>
<b>Results</b>					
Segment (loss)/profit	(139,122)	35,684	2,049	(31,582)	(132,971)
Interest income	2,833	1,012	475	35	4,355
Profit from Islamic deposits	0	0	0	571	571
Investment income	0	1,013		166	1,179
Finance costs	(1,721)	(3)	(28)	(39)	(1,791)
Impairment loss on goodwill	0	0	(2,942)	0	(2,942)
Impairment loss on marketable securities	0	0	0	(2,552)	(2,552)
Share of results of associates and jointly controlled entities	12,193	0	0	(2)	12,191
(Loss)/Profit before taxation	(125,817)	37,706	(446)	(33,403)	(121,960)
Tax expense					(19,608)
Loss for the period					<b>(141,568)</b>

The primary reporting segment information of the Group is in respect of business segments as the Group's risks and returns are affected predominantly by the differences in the products and services it produces.

## 9. Valuation of Property, Plant and Equipment and Investment Properties

Property, plant and equipment and investment properties are stated at historical cost less accumulated depreciation. Fair value adjustments that have been made at Group level on the acquisition of subsidiaries in the previous years have been brought forward without amendment.

**10. Material Events Subsequent to the End of the Reporting Period**

There were no material events subsequent to the end of the current quarter under review that have not been reflected in the interim financial report for the current quarter.

**11. Changes in Composition of the Group**

There were no changes in the composition of the Group during the current quarter ended 31 March 2009.

**12. Changes in Contingent Liabilities or Contingent Assets**

There were no changes in contingent liabilities or contingent assets since the last annual balance sheet date.

**13. Capital Commitments**

The Group did not have any capital commitment as at 31 March 2009.

**14. Change of Financial Year**

On 17 December 2007, the financial year of the Company has been changed from 31 January to 31 March commencing financial period ending 31 March 2008 and thereafter to end on 31 March of every subsequent year.

Accordingly, there are no comparative figures for the current quarter and the preceding year corresponding period.

**15. Review of Performance**

For the current quarter under review, the Group recorded a revenue of RM526.3 million, derived principally from the overseas projects in Indonesia, Kingdom of Saudi Arabia ("KSA") and United Arab Emirates ("UAE"). The Group recorded a loss after taxation of RM69.9 million, mainly attributable to:

Foreseeable losses for on-going projects in the Middle East as a result of higher sub-contracting costs for specialist works (due to unforeseen adverse weather conditions), higher contracted material prices, increase in staff costs, other higher project expenses and financing costs now considered due to the global economic crisis .

**15. Review of Performance (Continued)**

Due to the change in the financial year end as stated in Note 14, there are no comparative figures for the current quarter ended 31 March 2009 against preceding year's corresponding two months ended 31 December 2007. The two months results ended 31 December 2007 have been attached for illustration purpose only.

**16. Comparison of (Loss) / Profit Before Tax for the Current Quarter with Immediate Preceding Quarter**

For the current quarter, the Group recorded a revenue of RM526.3 million and a loss before taxation of RM69.4 million as compared to a revenue of RM407.1 million and a loss before taxation of RM131.4 million in the preceding quarter.

The Group's losses before taxation in the current quarter is contributed mainly by the project losses in KSA and UAE and impairment losses on marketable securities and impairment on goodwill.

**17. Current Year Prospects**

Looking forward, the Group's revenue will continue to come from the order book secured and promising prospects in the overseas and domestic markets.

Considering the current financial turmoil worldwide the Group is cautiously mindful of the challenges ahead. Notwithstanding the above, the Group is expected to produce a relatively satisfactory performance for the financial year ending 31 March 2010.

**18. Profit Forecast or Profit Guarantee**

There was no profit forecast or profit guarantee issued for the current financial year.

**19. Taxation**

	Current Quarter Ended	Current Year to Date Ended
	31/03/2009 RM'000	31/03/2009 RM'000
Malaysian income tax	1,892	16,902
Overseas taxation	(1,330)	2,757
Deferred tax	(15)	(51)
Tax expense	<b>547</b>	<b>19,608</b>

The Group operates in the following overseas countries and the statutory tax rates applicable in the respective countries are:-

	<i>Corporate Tax</i>	<i>Branch profit tax</i>
India	33%	N/A
Indonesia	30%	12.5%
Kingdom of Saudi Arabia (KSA)	20%	N/A
United Arab Emirates (UAE)	Nil	N/A

The effective tax rates for the Group's operations in India and Indonesia approximate the applicable statutory tax rates in the jurisdictions.

The effective tax rates for the Group's operations locally and in KSA are lower than the applicable statutory tax rates mainly due to the losses incurred.

**20. Profit/(Loss) on Sale of Unquoted Investments and Properties**

There were no sale of unquoted investments and properties outside the ordinary course of business for the current quarter and financial year to date under review.

**21. Quoted Securities**

There were no purchases or disposals of quoted securities for the current quarter and financial year to date under review except that during the year to date under review, the Group had received from IJM Berhad ("IJM"), 8,233,436 warrants in IJM Land Berhad for every ten shares held in IJM, as tax exempt dividends in specie.

- (i) at distributed value = RM4,116,718
- (ii) at carrying value = RM1,564,353
- (iii) at market value = RM1,564,353

**21. Quoted Securities (Continued)**

The investments in quoted securities as at 31 March 2009 are as follows:-

(i)	at cost/distributed value	= RM348,274,351
(ii)	at carrying value	= RM345,721,986
(iii)	at market value	= RM345,721,986

**22. Status of Corporate Proposals Announced**

There were no corporate proposals announced but not completed as at 28 May 2009.

**23. Borrowings and Debt Securities**

**As at  
31.03.09  
RM'000**

<b>(i) Current borrowings</b>	
<i>Secured:-</i>	
- Revolving Credit	35,974
- Term loans	76,898
<i>Unsecured</i>	
- Overdraft	7,467
- Term Loan	17,357
<i>Secured:-</i>	
- Hire purchase liabilities	791
	<b>138,487</b>
<b>(ii) Non-current borrowings</b>	
<i>Secured:-</i>	
- Term loans	291
<i>Unsecured:-</i>	
-Term Loan	220
<i>Secured:-</i>	
-Hire purchase liabilities	881
	<b>1,392</b>
<b>Total</b>	<b>139,879</b>



**23. Borrowings and Debt Securities (Continued)**

Included in the term loan (current portion) is an amount of RM58.0 million which is denominated in United Arab Emirates Dirhams, RM25.3 million which is denominated in United States Dollars and RM24.3 million which is denominated in Saudi Riyal .

Included in the term loan (non-current balance) is an amount of RM0.51 million which is denominated in United Arab Emirates Dirhams.

Included in the hire purchase liabilities is an amount of RM0.41 million which is denominated in United Arab Emirates Dirhams, of which RM0.29 million and RM0.12 million relate to current and non-current balances, respectively.

**24. Off Balance Sheet Financial Instruments**

The position of forward foreign exchange contracts of the Group as at 21 May 2009 is as follows:-

	Tenure	Currency to be received	Currency to be paid	Amount in foreign currency '000	Contractual rate	RM'000 Equivalent
(i)	8 May 2009 to 12 November 2009	US Dollar (USD)	Ringgit Malaysia (RM)	USD 95	1 USD= RM3.5280	335
(ii)	14 May 2009 to 18 November 2009	US Dollar (USD)	Ringgit Malaysia (RM)	USD 191	1 USD= RM3.6120	690
(iii)	23 February 2009 to 25 August 2009	SGD Dollar (SGD)	Ringgit Malaysia (RM)	SGD 608	1 SGD= RM2.3933	1,455

These contracts are executed with creditworthy financial institutions and therefore the Directors are of the view that, at present, the credit and market risks associated with these contracts are minimal.

**25. Earnings Per Share**

The basic earnings per share for the financial period has been calculated based on the Group's consolidated profit attributable to the equity holders of the Company, divided by the weighted average number of ordinary shares outstanding at the end of the period.

**25. Earnings Per Share (Continued)**

	Current Quarter Ended	Year-To-Date Ended
	31/03/09	31/03/09
Group's loss for the period, attributable to the equity holders of the parent (RM' Million)	(67.448)	(147.132)
Weighted average number of ordinary shares in issue (RM' Million)	563.264	563.264
<b>Earnings per share (sen)</b>		
<b>(a) Basic</b>	(11.97)	(26.12)
<b>(b) Diluted</b>	N/A	N/A

The Group does not have in issue any financial instruments or other contracts that may entitle its holder to ordinary shares and therefore dilute its basic earnings per share.

**26. Changes in Material Litigation**

There were no changes in material litigation, including the status of pending material litigation in respect of the Company and its subsidiaries since the last annual balance sheet date of 31 March 2008.

**27. Dividends**

There was no dividend declared for the quarter under review.

**28. Authorisation for Issue**

The interim financial report was authorized for issue by the Board of Directors in accordance with a resolution of the Directors on 28 May 2009.

**By order of the Board**

**Suhla Al Asri**  
**Secretary**

**Kuala Lumpur**  
**28 May 2009**