

## UNAUDITED CONDENSED CONSOLIDATED INCOME STATEMENT FOR THE THIRD QUARTER ENDED 31 DECEMBER 2009

	Individual Quarter		Cumulative Period	
	Current year quarter 31/12/2009 RM'000 Unaudited	Preceding year quarter 31/12/2008 RM'000 Unaudited	Current year to date 31/12/2009 RM'000 Unaudited	Preceding year to date 31/12/2008 RM'000 Unaudited
Revenue	233,139	407,081	968,533	1,481,969
Cost of sales	(283,512)	(524,723)	(1,003,241)	(1,508,469)
Gross loss	(50,373)	(117,642)	(34,708)	(26,500)
Other operating income				
- Interest income	117	1,016	983	4,218
- Profit from Islamic deposits	4	132	70	501
- Investment income	7	278	14	1,012
- Other operating income	1,307	1,679	4,575	10,802
- (Allowance for) / Reversal of decline in value of marketable securities	-	(288)	2,507	(2,552)
- Gain on disposal of marketable securities	1,920	-	3,014	-
- Gain on disposal of non-current asset classified as held for sale	3,627	-	3,627	-
Marketing expenses	(79)	(2,720)	(2,538)	(12,126)
Administrative expenses	(7,536)	(8,921)	(22,645)	(27,308)
Other operating expenses	(4,944)	(8,535)	(18,277)	(10,000)
Finance costs	(8)	(29)	(34)	(146)
Share of results of:				
- Associates	2,222	3,469	7,298	8,191
- Jointly controlled entities	294	137	654	1,338
<b>Loss before taxation</b>	<b>(53,442)</b>	<b>(131,424)</b>	<b>(55,460)</b>	<b>(52,570)</b>
Tax expense /(credit)	(10,979)	600	(16,482)	(19,061)
<b>Loss for the period</b>	<b>(64,421)</b>	<b>(130,824)</b>	<b>(71,942)</b>	<b>(71,631)</b>
Attributable to:				
Equity holders of the parent	(60,378)	(127,902)	(69,924)	(79,684)
Minority interest	(4,043)	(2,922)	(2,018)	8,053
	<b>(64,421)</b>	<b>(130,824)</b>	<b>(71,942)</b>	<b>(71,631)</b>
Loss per share				
- Basic (sen)	(10.72)	(22.71)	(12.41)	(14.15)
- Diluted (sen)	N/A	N/A	N/A	N/A

(The Unaudited Condensed Consolidated Income Statement should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2009)

ZELAN BERHAD 27676-V

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

	AS AT END OF CURRENT QUARTER 31 DECEMBER 2009 RM'000 Unaudited	AS AT END OF FINANCIAL YEAR ENDED 31 MARCH 2009 RM'000 Audited
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	85,024	125,559
Lease prepayments	-	46
Investment properties	5,735	5,841
Investments in associates	31,642	24,344
Investments in jointly controlled entities	166	8,161
Available-for-sale investment	516,401	344,158
Goodwill	44,396	44,396
	<u>683,364</u>	<u>552,505</u>
<b>Current assets</b>		
Inventories	13,285	16,079
Property development costs	657	2,014
Trade and other receivables	644,118	705,155
Tax recoverable	34,297	38,750
Marketable securities	2,348	1,564
Other investments	11,103	8,092
Deposits, bank and cash balances	49,723	102,882
	<u>755,531</u>	<u>874,536</u>
Non-current assets classified as held for sale	8,647	-
	<u>764,178</u>	<u>874,536</u>
<b>TOTAL ASSETS</b>	<u><u>1,447,542</u></u>	<u><u>1,427,041</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity attributable to equity holders of the parent</b>		
Share capital	281,632	281,632
Reserves	306,775	193,547
	<u>588,407</u>	<u>475,179</u>
Minority interest	29,993	34,863
<b>Total equity</b>	<u>618,400</u>	<u>510,042</u>
<b>Non-current liabilities</b>		
Borrowings	665	1,383
Deferred tax liabilities	3,748	3,936
	<u>4,413</u>	<u>5,319</u>
<b>Current liabilities</b>		
Trade and other payables	606,443	765,668
Borrowings	217,385	138,496
Current tax liabilities	901	7,516
	<u>824,729</u>	<u>911,680</u>
<b>Total liabilities</b>	<u>829,142</u>	<u>916,999</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>1,447,542</u></u>	<u><u>1,427,041</u></u>
Net assets per share (RM)	<u>1.04</u>	<u>0.84</u>

(The Unaudited Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2009)

ZELAN BERHAD 27676-V

## UNAUDITED CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE THIRD QUARTER ENDED 31 DECEMBER 2009

	Attributable to equity holders of the parent									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	Minority Interest RM'000	
Balance as at 1 April 2009	281,632	124,396	28,301	35,457	4,254	(133,520)	134,659	475,179	34,863	510,042
<u>Movements during the period</u>										
Currency translation differences	-	-	10,909	-	-	-	-	10,909	390	11,299
Available-for-sale investment: - Fair value movement	-	-	-	-	-	172,243	-	172,243	-	172,243
Net income directly recognised in equity	-	-	10,909	-	-	172,243	-	183,152	390	183,542
Loss for the period	-	-	-	-	-	-	(69,924)	(69,924)	(2,018)	(71,942)
Total recognised income / (expense) for the period	-	-	10,909	-	-	172,243	(69,924)	113,228	(1,628)	111,600
Dividend paid to minority interest	-	-	-	-	-	-	-	-	(3,242)	(3,242)
Balance as at 31 December 2009	281,632	124,396	39,210	35,457	4,254	38,723	64,735	588,407	29,993	618,400
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 period</u>										
Currency translation differences	-	-	806	-	-	-	-	806	(639)	167
Available-for-sale investment: - Fair value movement	-	-	-	-	-	(271,703)	-	(271,703)	-	(271,703)
Net income/ (expense) directly recognised in equity	-	-	806	-	-	(271,703)	-	(270,897)	(639)	(271,536)
(Loss)/ Profit for the period	-	-	-	-	-	-	(79,684)	(79,684)	8,053	(71,631)
Total recognised income /(expense) for the period	-	-	806	-	-	(271,703)	(79,684)	(350,581)	7,414	(343,167)
Dividend paid	-	-	-	-	-	-	(48,581)	(48,581)	-	(48,581)
Dividend paid to minority interest	-	-	-	-	-	-	-	-	(713)	(713)
Balance as at 31 December 2008	281,632	124,396	28,832	35,457	3,733	(247,141)	192,723	419,632	35,627	455,259

\* 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 2009)

ZELAN BERHAD 27676-V

**UNAUDITED CONDENSED CONSOLIDATED CASH FLOW STATEMENT  
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2009**

	Current year to date 31/12/2009 RM'000	Preceding year to date 31/12/2008 RM'000
<b>OPERATING ACTIVITIES</b>		
Loss for the period, attributable to equity holders of the parent	(69,924)	(79,684)
Adjustments for :		
Tax expense	16,482	19,061
Allowance for doubtful debts	499	702
Allowance for doubtful debts written back	(295)	(183)
Bad debt recovered	-	(30)
Depreciation of property, plant and equipment	16,717	13,661
Amortisation of prepaid lease	46	45
Depreciation of investment properties	106	107
Property, plant and equipment written off	1,648	1,238
Impairment loss for non-current asset classified as held for sale	-	3,062
Gain on disposal of property, plant and equipment	(382)	(148)
(Reversal of) / Allowance for decline in value of marketable securities	(2,507)	2,552
Gain on disposal of marketable securities	(3,004)	-
Gain on disposal of non current assets classified as held for sale	(3,627)	-
Dividend income	(4,117)	(24,700)
Interest income	(983)	(4,218)
Profit from Islamic deposits	(70)	(501)
Investment income	(14)	(1,012)
Finance costs	34	146
Unrealised foreign exchange loss / (gain)	9,204	(5,888)
Minority interest	(2,018)	8,053
Share of results of jointly controlled entities	(654)	(1,338)
Share of results of associates	(7,298)	(8,191)
	<u>(50,157)</u>	<u>(77,266)</u>
Changes in working capital :		
Property development costs	3,383	26,336
Inventories	2,794	(1,578)
Receivables	88,817	3,151
Payables	(160,511)	(14,507)
Cash used in operations	(115,674)	(63,864)
Taxation paid	(17,803)	(21,925)
<b>Net cash flow from operating activities</b>	<u>(133,477)</u>	<u>(85,789)</u>
<b>INVESTING ACTIVITIES</b>		
Additional investments in associates	-	(1,950)
Acquisition of other investments	(3,011)	-
Acquisition of marketable securities	(2,881)	-
Proceeds from disposal of marketable securities	7,608	54,645
Purchase of property, plant and equipment	(7,673)	(45,097)
Proceeds from disposal of property, plant and equipment	922	217
Proceeds from disposal of non-current assets classified as held for sale	-	1,311
Dividend received	3,088	15,437
Interest income received	983	4,218
Profit from Islamic deposits received	70	501
Investment income received	14	1,012
<b>Net cash flow from investing activities</b>	<u>(880)</u>	<u>30,294</u>
<b>FINANCING ACTIVITIES</b>		
Repayments of borrowings	(290,732)	(11,273)
Proceeds from borrowings	382,399	59,163
Dividend paid to minority interest	(3,242)	(713)
Repayments of hire purchase liabilities	(625)	(682)
Finance costs	(2,060)	(367)
(Additional) / Release of deposits pledged as security	(1,749)	441
Dividends paid	-	(48,581)
<b>Net cash flow from financing activities</b>	<u>83,991</u>	<u>(2,012)</u>
Net movement in cash and cash equivalents	(50,367)	(57,507)
Cash and cash equivalents at beginning of the period	95,055	201,825
Currency translation differences	2,926	(7,827)
<b>Cash and cash equivalents at end of the period</b>	<u>47,614</u>	<u>136,491</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 2009)

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

**NOTES TO THE INTERIM FINANCIAL REPORT**  
**FOR THE QUARTER ENDED 31 DECEMBER 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 financial year ended 31 March 2009.

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 financial year ended 31 March 2009.

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

The auditors’ report on the Group’s financial statements for the financial year ended 31 March 2009 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**

**Current quarter**

There was no unusual item 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 RM2.3 million in respect of the available-for-sale investment for the quarter ended 31 December 2009.
- ii) the loss on contracts amounting to RM50.5 million in respect of projects in Kingdom of Saudi Arabia (RM44.2 million) and United Arab Emirates (RM6.3 million).

**4. Unusual Items(Continued)****Year to date**

There was no unusual item 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 increase of fair value reserve amounting to RM172.2 million in respect of the available-for-sale investment for the financial year to date ended 31 December 2009.
- ii) the loss on contracts amounting to RM50.5 million in respect of projects in Kingdom of Saudi Arabia (RM44.2 million) and United Arab Emirates (RM6.3 million).

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

There was no change in estimates of amounts reported in the prior financial period that has a material effect in the current quarter.

**6. Debt and Equity Securities**

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

**7. Dividends Paid**

For the current financial year to date, no dividend has been paid.

For the preceding year's corresponding financial year to date, a second interim dividend of 6.5 sen per ordinary share of RM0.50 each, less income tax at 25% was paid on 30 June 2008 for the financial year ended 31 March 2008.

An interim dividend of 5.0 sen per ordinary share of RM0.50 each, less income tax at 25% was paid on 9 December 2008 for the financial year ended 31 March 2009.

## 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	232,497	220	3,793	4,857	241,367
Inter-segment	(8,147)	0	(77)	(4)	(8,228)
External	<b>224,350</b>	<b>220</b>	<b>3,716</b>	<b>4,853</b>	<b>233,139</b>
<b>Results</b>					
Segment (loss)/profit	(65,312)	4,796	(436)	(673)	(61,625)
Interest income	68	13	26	10	117
Profit from Islamic deposits	0	0	0	4	4
Investment income	0	7	0	0	7
Gain on disposal of marketable securities	0	0	0	1,920	1,920
Gain on disposal of other investments	0	0	0	3,627	3,627
Finance costs	(2)	(1)	(1)	(4)	(8)
Share of results of associates and jointly controlled entities	2,466	0	0	50	2,516
(Loss)/profit before taxation	(62,780)	4,815	(411)	4,934	(53,442)
Tax expense					(10,979)
Loss for the quarter					<b>(64,421)</b>

### 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	948,779	21,728	16,016	19,949	1,006,472
Inter-segment	(36,712)	0	(1,215)	(12)	(37,939)
External	<b>912,067</b>	<b>21,728</b>	<b>14,801</b>	<b>19,937</b>	<b>968,533</b>

**8. Segmental Reporting (Continued)**

	Engineering & construction RM'000	Property & development RM'000	Manufacturing & trading RM'000	Investment & others RM'000	Total RM'000
Segment (loss)/profit	(88,067)	12,742	(1,401)	3,133	(73,593)
Interest income	587	77	299	20	983
Profit from Islamic deposits	0	0	0	70	70
Investment income	0	14	0	0	14
Gain on disposal of marketable securities	0	0	0	3,014	3,014
Reversal of allowance for decline in value of marketable securities	0	0	0	2,507	2,507
Gain on disposal of other investments	0	0	0	3,627	3,627
Finance costs	(9)	(4)	(5)	(16)	(34)
Share of results of associates and jointly controlled entities	7,908	0	0	44	7,952
(Loss)/profit before Taxation	(79,581)	12,829	(1,107)	12,399	(55,460)
Tax expense					(16,482)
Loss for the period					<b>(71,942)</b>

The Group's segmental report for the corresponding three-month financial quarter and year to date ended 31 December 2008 is as follows:-

**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	380,304	19,749	11,196	24,332	435,581
Inter-segment	(27,538)	0	(958)	(4)	(28,500)
External	<b>352,766</b>	<b>19,749</b>	<b>10,238</b>	<b>24,328</b>	<b>407,081</b>



**8. Segmental Reporting (Continued)**

	Engineering & construction RM'000	Property & development RM'000	Manufacturing & trading RM'000	Investment & others RM'000	Total RM'000
<b>Results</b>					
Segment (loss)/profit	(157,058)	(2,313)	1,245	21,987	(136,139)
Interest income	891	86	19	20	1,016
Profit from Islamic deposits	0	0	0	132	132
Investment income	0	278	0	0	278
Finance costs	(12)	0	(7)	(10)	(29)
Allowance for decline in value of marketable securities	0	0	0	(288)	(288)
Share of results of associates and jointly controlled entities	3,611	0	0	(5)	3,606
(Loss)/ Profit before taxation	(152,568)	(1,949)	1,257	21,836	(131,424)
Tax expense					600
Loss for the quarter					<b>(130,824)</b>

**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	1,380,469	139,016	29,976	28,856	1,578,317
Inter-segment	(91,760)	0	(4,575)	(13)	(96,348)
External	<b>1,288,709</b>	<b>139,016</b>	<b>25,401</b>	<b>28,843</b>	<b>1,481,969</b>
<b>Results</b>					
Segment (loss) /profit	(104,683)	18,590	2,604	18,357	(65,132)
Interest income	2,885	858	441	34	4,218
Profit from Islamic deposits	0	0	0	501	501
Investment income	0	802		210	1,012
Finance costs	(82)	0	(31)	(33)	(146)
Allowance for decline in value of marketable securities	0	0	0	(2,552)	(2,552)
Share of results of associates and jointly controlled entities	9,572	0	0	(43)	9,529
(Loss) /Profit before Taxation	(92,308)	20,250	3,014	16,474	(52,570)
Tax expense					(19,061)
Loss for the period					<b>(71,631)</b>

**8. Segmental Reporting (Continued)**

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 offers.

**9. Valuation of Property, Plant and Equipment**

Property, plant and equipment 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**

Zelan Holdings (M) Sdn Bhd entered into a Share Sale Agreement ("SSA") to sell its entire (50%) equity interest in Zelan EPC Limited for a sale consideration of RM7.7 million. The SSA was dated 2 November 2009 and was completed on 13 January 2010.

Save for the above, there was no material event subsequent to the end of the current quarter under review that has not been reflected in the interim financial report.

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

There was no change in the composition of the Group during the current quarter ended 31 December 2009, except for the disposal of Ratcha Ploen Co. Ltd, a former associate of the Group, which was disposed on 12 November 2009.

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

There was no change 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 December 2009.

**14. Review of Performance**

For the current quarter under review, the Group recorded a revenue of RM233.1 million, a decrease of 42.7% as compared to the preceding year's corresponding quarter. This is due to lower contributions from the overseas projects of the Engineering and Construction Business Unit.

The Group recorded a lower loss after tax of RM64.4 million as compared to RM130.9 million loss in the preceding year's quarter. This is mainly attributable to lower gross loss recorded for the current quarter.

**15. Comparison of Profit Before Tax for the Current Quarter with Immediate Preceding Quarter**

For the current quarter, the Group recorded a loss before taxation of RM53.4 million as compared to the preceding quarter's loss before taxation of RM8.5 million. Loss for the current quarter was mainly derived from higher gross loss incurred during the quarter, as a result of additional project losses recognised, which is offset by a gain from sale of quoted and other investments.

**16. Current Year Prospects**

The Group expects to make a loss for the current financial year ending 31 March 2010.

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

There are signs of recovery in the global economy. The Group is geared to meet the challenges of an improving economic environment.

**17. Profit Forecast or Profit Guarantee**

There was no profit forecast or profit guarantee issued in a public document for the current financial year.

**18. Taxation**

	Current Quarter Ended		Year-To-Date Ended	
	31/12/2009 RM'000	31/12/2008 RM'000	31/12/2009 RM'000	31/12/2008 RM'000
Malaysian income tax	14,773	5,817	23,944	15,010
Overseas income tax	(3,779)	(6,405)	(7,274)	4,087
Deferred tax	(15)	(12)	(188)	(36)
Tax expense/(credit)	10,979	(600)	16,482	19,061

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>
<i>India</i>	33%	N/A
<i>Indonesia</i>		
-Financial period beginning 1 January 2009	3% of billings made	
-Financial period ended 31 December 2008	30%	12.5%
<i>Kingdom of Saudi Arabia (KSA)</i>	20%	N/A
<i>United Arab Emirates (UAE)</i>	Nil	N/A

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

The effective tax rates for the Group's operations in KSA is lower than the statutory tax rate in the respective jurisdictions mainly due to project losses incurred.

The tax rates for the Group's operations in Indonesia is based on billings made, which does not take into account the project profitability.

The effective tax rates for the Group's operations locally is higher than the applicable statutory rates mainly due to certain companies within the Group which were loss making and certain expenses which were not deductible for tax purposes.

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

Save for the disclosures under Note 10 and 11 above, there was no sale of unquoted investments and properties outside the ordinary course of business for the current quarter and financial year to date under review.

**20. Quoted Securities****Current quarter**

During the financial quarter under review, the Group had subscribed for 11,526,809 rights issue of IJM Corporation Berhad's ("IJM") warrants at a cash consideration of RM2.882 million. Subsequently, the Group disposed of 2,134,800 IJM warrants for a net cash consideration of RM2.443 million.

**Year to date**

During the financial year to date under review, the Group had:

- i) subscribed for 11,526,809 rights issue of IJM warrants at a cash consideration of RM2.882 million.
- ii) disposed of 8,233,436 of IJM Land Berhad's warrants for a net cash consideration of RM5.165 million.
- iii) disposed of IJM warrants for a net cash consideration of RM2.443 million.

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

*a) IJM Quoted Ordinary Shares.*

(i)	at cost	= RM477,827,647
(ii)	at carrying value	= RM516,401,118
(iii)	at market value	= RM516,401,118

*b) IJM Warrants*

(i)	at cost	= RM2,348,002
(ii)	at carrying value	= RM2,348,002
(iii)	at market value	= RM10,612,970

**21. Status of Corporate Proposals Announced**

There was no corporate proposal announced but not completed as at 25 February 2010.

**22. Borrowings and Debt Securities**

**As at  
31.12.09  
RM'000**

<b>(i) Current borrowings</b>	
<i>Secured:-</i>	
- Revolving credit	158,530
- Term loans	48,335
- Hire purchase liabilities	520
	<b>207,385</b>
<i>Unsecured:-</i>	
- Term Loan	10,000
	<b>217,385</b>
<b>(ii) Non current borrowings</b>	
<i>Secured:-</i>	
- Term loan	180
- Hire purchase liabilities	485
	<b>665</b>
<b>Total</b>	<b>218,050</b>

Included in the term loan (current portion) is an amount of RM35.5 million which is denominated in United Arab Emirates Dirhams, and RM2.8 million which is denominated in Saudi Riyal.

Included in term loan (non-current balances) is an amount of RM0.18 million which is denominated in United Arab Emirates Dirhams.

Included in the hire purchase liabilities is an amount of RM0.15 million which is denominated in United Arab Emirates Dirhams, of which RM0.12 million and RM0.03 million relate to current and non-current balances, respectively.

**23. Off Balance Sheet Financial Instruments**

The position of forward foreign exchange contracts of the Group as at 18 February 2010 is as follows:-

	Tenure	Currency to be received	Currency to be paid	Amount in foreign currency '000	Contractual rate	RM'000 equivalent
(i)	23 November 2009 to 24 May 2010	United States Dollar (USD)	Ringgit Malaysia (RM)	USD 173	1 USD= RM3.3970	588
(ii)	27 August 2009 to 1 March 2010	Singapore Dollar (SGD)	Ringgit Malaysia (RM)	SGD 17	1 SGD= RM2.4573	42

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.

**24. Loss Per Share**

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

	Current Quarter Ended		Year-To-Date Ended	
	31/12/09	31/12/08	31/12/09	31/12/08
Group's loss for the period, attributable to the equity holders of the parent (RM' Million)	(60,378)	(127,902)	(69,924)	(79,684)
Weighted average number of ordinary shares in issue (Million)	563.264	563.264	563.264	563.264
<b>Loss per share (sen)</b>				
<b>(a) Basic</b>	(10.72)	(22.71)	(12.41)	(14.15)
<b>(b) Diluted</b>	N/A	N/A	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 loss per share.

**25. Changes in Material Litigation**

There was no change 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 2009.

**26. Dividends**

There was no dividend declared for the quarter under review. An interim dividend of 5.0 sen per ordinary share of RM0.50 each less income tax of 25%, was declared in the preceding year's corresponding quarter.

**27. 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 25 February 2010.

**By order of the Board**

**Suhla Al Asri  
Secretary**

**Kuala Lumpur  
25 February 2010**