

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE THIRD QUARTER ENDED 31 DECEMBER 2011**

	Individual Quarter		Cumulative Period	
	Current year quarter 31/12/2011 RM'000 Unaudited	Preceding year quarter 31/12/2010 RM'000 Unaudited	Current year to date 31/12/2011 RM'000 Unaudited	Preceding year to date 31/12/2010 RM'000 Unaudited
Continuing operations				
Revenue	86,156	(39,204)	200,023	89,610
Cost of sales	7,860	8,077	(105,007)	(144,879)
Gross profit/(loss)	94,016	(31,127)	95,016	(55,269)
Other operating income				
- Interest income	733	5,529	1,261	15,928
- Profit from Islamic deposits	0	0	1	0
- Other operating income	1,469	455	3,580	5,545
- Loss on disposal of associate and jointly controlled entity	0	(166)	0	(166)
- Gain on disposal of available-for-sale financial assets	0	17,980	0	47,664
- Gain on liquidation of a subsidiary company	3,179	0	3,179	0
- Loss on fair value of derivative	(26,104)	0	(26,104)	0
Marketing expenses	0	(5)	0	(55)
Administrative expenses	(6,938)	(3,919)	(14,924)	(17,317)
Other operating expenses	(337)	304	(2,489)	(3,098)
Depreciation	(255)	(340)	(821)	(6,092)
Unrealised foreign exchange gain / (loss), net	(3,285)	3,509	22,315	(20,839)
Finance costs	349	(3,666)	(5,514)	(5,188)
Share of results of associates	673	(12,819)	673	(16,999)
Profit/(loss) before taxation	63,500	(24,265)	76,173	(55,886)
Tax expense	(136)	(16,232)	(1,131)	(15,417)
Profit/(loss) for the period from continuing operations	63,364	(40,497)	75,042	(71,303)
Discontinuing operation				
Loss for the period from discontinued operation	0	0	0	(4,339)
Profit/(loss) for the period	63,364	(40,497)	75,042	(75,642)
Other comprehensive (loss) / income :				
Changes in the fair value of available-for-sale financial asset	43,140	76,571	(50,439)	106,530
Reversal of fair value on disposal of available-for-sale financial assets	0	(17,980)	0	(47,664)
Exchange difference from translation of foreign operations	10,443	(1,329)	(26,544)	16,569
Reversal of exchange difference on disposal of subsidiary	0	0	0	74
Other comprehensive income / (loss) for the period	53,583	57,262	(76,983)	75,509
Total comprehensive income/ (loss) for the period	116,947	16,765	(1,941)	(133)
Profit/(loss) for the period				
Attributable to:				
Equity holders of the parent	63,377	(41,295)	75,051	(75,527)
Non controlling interest	(13)	798	(9)	(115)
	63,364	(40,497)	75,042	(75,642)
Total comprehensive income / (loss) for the period				
Equity holders of the parent	117,172	17,130	(1,925)	1,378
Non controlling interest	(225)	(365)	(16)	(1,511)
	116,947	16,765	(1,941)	(133)
Basic and diluted loss per share attributable to equity holders of the Company (sen):				
- loss from continuing operations	11.25	(7.33)	13.32	(12.65)
- loss from discontinued operations	-	-	-	(0.76)
	11.25	(7.33)	13.32	(13.41)

(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 31 DECEMBER 2011

	AS AT END OF CURRENT QUARTER ENDED 31 DECEMBER 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	31,237	39,353
Investment properties	5,451	5,557
Investments in associates	13,856	15,383
Available-for-sale financial assets (restricted)	374,980	425,420
	<u>425,524</u>	<u>485,713</u>
Current assets		
Inventories	9,080	9,194
Trade and other receivables	372,109	508,532
Tax recoverable	42,737	47,640
Cash and bank balances	78,357	18,601
	<u>502,283</u>	<u>583,967</u>
TOTAL ASSETS	<u>927,807</u>	<u>1,069,680</u>
EQUITY AND LIABILITIES		
Equity attributable to equity holders of the parent		
Share capital	281,632	281,632
Reserves	(15,799)	(12,161)
	<u>265,833</u>	<u>269,471</u>
Minority interest	(42)	11,631
Total equity	<u>265,791</u>	<u>281,102</u>
Non-current liabilities		
Borrowings	285,607	36
Deferred tax liabilities	2,693	2,697
	<u>288,300</u>	<u>2,733</u>
Current liabilities		
Trade and other payables	333,213	584,302
Derivative financial liability	26,104	0
Borrowings	14,059	201,525
Current tax liabilities	340	18
	<u>373,716</u>	<u>785,845</u>
Total liabilities	<u>662,016</u>	<u>788,578</u>
TOTAL EQUITY AND LIABILITIES	<u>927,807</u>	<u>1,069,680</u>
Net assets per share (RM)	<u>0.47</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 THIRD QUARTER ENDED 31 DECEMBER 2011

	Attributable to equity holders of the parent							Non Controlling 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 income:</u>										
Profit for the period	-	-	-	-	-	-	75,051	75,051	(9)	75,042
<u>Other comprehensive income:</u>										
Currency translation reserve	-	-	(26,537)	-	-	-	-	(26,537)	(7)	(26,544)
Fair value loss on available-for-sale financial assets	-	-	-	-	-	(50,439)	-	(50,439)	-	(50,439)
Total comprehensive income/(loss) for the period	-	-	(26,537)	-	-	(50,439)	75,051	(1,925)	(16)	(1,941)
<u>Transactions with owners</u>										
Liquidation of a subsidiary	-	-	(1,713)	-	-	-	-	(1,713)	(11,657)	(13,370)
Balance as at 31 December 2011	281,632	124,396	25,757	35,457	4,254	99,947	(305,610)	265,833	(42)	265,791
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	-	-	-	-	-	-	(75,527)	(75,527)	(115)	(75,642)
<u>Other comprehensive income:</u>										
Currency translation difference	-	-	18,039	-	-	-	-	18,039	(1,396)	16,643
Fair value gain on available-for-sale financial assets	-	-	-	-	-	106,530	-	106,530	-	106,530
Reversal of fair value gain on disposal of available-for-sale financial assets	-	-	-	-	-	(47,664)	-	(47,664)	-	(47,664)
Total comprehensive income/(loss) for the period	-	-	18,039	-	-	58,866	(75,527)	1,378	(1,511)	(133)
<u>Transactions with owners</u>										
Disposal of a subsidiary	-	-	-	-	-	-	-	-	(4,228)	(4,228)
Dividend paid to non controlling interest	-	-	-	-	-	-	-	-	(473)	(473)
Balance as at 31 December 2010	281,632	124,396	68,756	35,457	4,254	143,697	(223,279)	434,913	11,061	445,974

* 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 financial asset.

(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 THIRD QUARTER ENDED 31 DECEMBER 2011**

	Current year to date 31/12/2011 RM'000	Preceding year to date 31/12/2010 RM'000
OPERATING ACTIVITIES		
Profit/(loss) for the period, attributable to shareholders	75,051	(75,527)
Adjustments for :		
Tax expense	1,131	15,587
Allowance for doubtful debts	-	1,599
Depreciation of property, plant and equipment	715	5,986
Depreciation of investment properties	106	106
Property, plant and equipment written off	-	169
Loss/ (gain) on disposal of property, plant and equipment	586	(1,168)
Gain on liquidation of a subsidiary company	(3,179)	166
Gain on disposal of other investments	-	(42)
Gain on disposal of available-for-sale investments	-	(47,664)
Loss on fair value of derivative	26,104	-
Dividend income	(7,300)	(13,726)
Loss on disposal of a subsidiary	-	4,040
Interest income	(1,261)	(15,933)
Profit from Islamic deposits	(1)	-
Investment income	-	(1)
Finance costs	5,514	5,188
Unrealised foreign exchange (gain) / loss	(22,315)	20,839
Minority interest	(9)	(115)
Share of results of associates	(673)	16,999
	<u>74,469</u>	<u>(83,497)</u>
Changes in working capital :		
Inventories	114	343
Receivables	129,089	55,382
Payables	(250,973)	(175,263)
Cash used in operations	(47,301)	(203,035)
Tax paid / (received)	4,090	(4,290)
Net cash flows used in operating activities	<u>(43,211)</u>	<u>(207,325)</u>
INVESTING ACTIVITIES		
Investments in associate	2,200	629
Proceeds from disposal of other investments	-	557
Proceeds from disposal of available-for-sale financial assets	-	234,051
Purchase of property, plant and equipment	(9)	(733)
Proceeds from disposal of property, plant and equipment	3,555	6,032
Dividends received	7,300	11,006
Proceeds from disposal of a subsidiary	-	10,000
Interest income received	1,261	15,928
Profit from Islamic deposits received	1	-
Net cash flows from investing activities	<u>14,308</u>	<u>277,470</u>
FINANCING ACTIVITIES		
Repayments of borrowings	(362,194)	(70,010)
Proceeds from borrowings	455,607	-
Dividend paid to minority interest	-	(473)
Repayments of hire purchase liabilities	(80)	(545)
Finance costs	(5,514)	(5,188)
Release of / (Additional) deposits pledged as security	(55,894)	771
Net cash flows from / (used in) financing activities	<u>31,925</u>	<u>(75,445)</u>
Net movement in cash and cash equivalents	3,022	(5,300)
Cash and cash equivalents at beginning of the period	16,632	41,359
Currency translation differences	840	(1,328)
Cash and cash equivalents at end of the period	<u>20,494</u>	<u>34,731</u>

(The Unaudited Condensed Consolidated Statements of Cash Flows should be read in conjunction with the Audited Financial Statements for the financial year ended 31 March 2011)

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

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

PART A – Explanatory Notes Pursuant to Financial Reporting Standard

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. It should be read in conjunction with the Group’s audited financial statements for the financial year ended 31 March 2011.

The Group recorded a net profit of RM63,364,000 and RM75,042,000 during the financial quarter and the nine months period ended 31 December 2011 respectively.

With regards to the Group’s project in Indonesia, at the date of this report, the consortium has concluded a global settlement and entered into a Negotiation Agreement dated 21 February 2012. Based on the revised Effective Date of the Contract and agreed Extension of Time, there is a delay of 45 days for Unit 1 and there was no delay for Unit 2.

The consortium has agreed with the project owner that the amount of the Liquidated Ascertained Damages (“LAD”) due to the owner for the said delay is USD9,199,703 (approximately RM28,983,000) only and the amount of deviations/variations due to the owner is USD4,744,710 (approximately RM14,948,000).

The Group has earlier recorded a provision for LAD of approximately RM97,134,000 and a provision of deviations/variations of approximately RM32,222,000 during the financial year ended 31 March 2011. Accordingly, the Group has recognised write back of provisions of LAD and deviations/variations amounting to RM68.0 million and RM17.2 million respectively as disclosed in Part A Note 4(ii) to the financial information.

The Group has also recognised an amount of approximately RM71,024,000 during the financial year ended 31 March 2011 in respect of estimated LAD to be recovered from a subcontractor / supplier as a result of its delay in completing their scope of work as set out in the agreement for supply. The Group is entitled to impose and receive the LAD in accordance with the provisions of the said agreement. This is supported by an external legal advice.

1. Basis of Preparation (Continued)

As part of the Group's planning for its cash flows requirement, the Group had, in June 2011, obtained a bridging loan facility of RM170,000,000 for a tenure of 5 months. Up to RM157,000,000 of the proceeds from the said bridging loan facility has been utilised to repay certain existing borrowings of the Group, which were previously secured by the available-for-sale financial assets.

During the quarter ended 31 December 2011, the Group has drawdown RM285,607,000 of a new term loan facility and fully settled the RM170,000,000 million bridging loan facility on 21 December 2011. The balance was utilised to repay certain existing borrowings and working capital requirements. The new term loan facility is secured by the available-for-sale financial asset.

The Directors are of the view that with the new term loan facility and other identified potential cash resources, the Group will have sufficient cash to carry on as a going concern. Accordingly, the financial statements of the Group and the Company are prepared on a going concern basis.

The significant accounting policies adopted are consistent with those of the audited financial statements for the financial year ended 31 March 2011. The new accounting standards which are effective and applicable to the Group in the current quarter did not result in a significant impact to the financial statement of the Group.

2. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the Group's financial statements for the financial year ended 31 March 2011 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 and Year to date**

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 the following:

- i) an increase of fair value reserve amounting to RM43.140 million in respect of the available-for-sale financial assets for the quarter ended 31 December 2011 due to the increase in market value from RM5.00 per IJM Corporation Berhad ("IJM") share to RM5.65 per IJM share.

4. **Unusual Items (Continued)**

- ii) included in the revenue are amounts relating to a write back of provisions of Liquidated Ascertained Damages of RM68.0 million and reversal of provision made on deviations/variations of RM17.2 million for a project in Indonesia. This is a result of the Negotiation Agreement entered by the consortium and the owner of the project on 21 February 2012.
- iii) a recognition of a loss on fair value of RM26.1 million in the profit and loss arising from the fair value changes on the equity collar option. The equity collar financial derivative option is embedded in the term loan facility of RM285 million obtained from a financial institution.

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, except as disclosed in the financial information

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 the period to date ended 31 December 2011, except for as disclosed in Part B, Note 7.

7. **Dividends Paid**

For the current financial year-to-date, no dividend has been paid. For the preceding year's corresponding period, no dividend was paid.

8. **Segmental Reporting**

Segment analysis for the current quarter is as follows:

	Engineering & construction RM'000	Property & development RM'000	Investment & Others RM'000	Total RM'000
<u>Revenue</u>				
Total	83,217	183	2,838	86,238
Inter-segment	(78)	-	(4)	(82)
External	83,139	183	2,834	86,156

8. Segmental Reporting (Continued)

	Engineering & construction RM'000	Property & development RM'000	Investment & Others RM'000	Total RM'000
Results				
Segment profit/(loss)	88,883	182	(4,395)	84,670
Interest income	280	1	452	733
Gain on liquidation of a subsidiary	-	-	3,179	3,179
Loss on fair value of derivative	-	-	(26,104)	(26,104)
Finance costs	352	-	(3)	349
Share of results of associate	673	-	-	673
Profit/(Loss) before taxation	90,188	183	(26,871)	63,500
Tax expense				(136)
Profit for the quarter				63,364

Analysis by business segments for the nine months period to date:

	Engineering & construction RM'000	Property & development RM'000	Investment & Others RM'000	Total RM'000
Revenue				
Total	191,744	739	7,847	200,330
Inter-segment	(294)	-	(13)	(307)
External	191,450	739	7,834	200,023

	Engineering & construction RM'000	Property & development RM'000	Investment & Others RM'000	Total RM'000
Segment profit/(loss)	107,004	496	(4,823)	102,677
Interest income	473	4	784	1,261
Profit from Islamic deposits	-	-	1	1
Gain on liquidation of a subsidiary	-	-	3,179	3,179
Loss on fair value of derivative	-	-	(26,104)	(26,104)
Finance costs	(5,509)	-	(5)	(5,514)
Share of results of associate	673	-	-	673
Profit/(loss) before taxation	102,641	500	(26,968)	76,173
Tax expense				(1,131)
Profit for the period				75,042

8. Segmental Reporting (Continued)

The Group's segmental report for the corresponding three-month financial quarter and the nine months period ended 31 December 2010 are as follows:-

Segment analysis for the quarter is as follows:

	Engineering & construction RM'000	Property & development RM'000	Investment & Others RM'000	Total RM'000
Revenue				
Total	(42,246)	366	6,435	(35,445)
Inter-segment	(3,759)	-	-	(3,759)
External	(46,005)	366	6,435	(39,204)
Results				
	Engineering & construction RM'000	Property & development RM'000	Investment & Others RM'000	Total RM'000
Segment loss	(28,106)	(186)	(2,808)	(31,100)
Interest income	5,447	2	80	5,529
Gain on disposal of financial assets	-	-	17,980	17,980
Loss on disposal of associate and jointly controlled entity	(150)	-	(16)	(166)
Finance costs	(3,688)	-	(1)	(3,689)
Share of results of associates and jointly controlled entities	(12,819)	-	-	(12,819)
Profit/(Loss) before taxation	(39,316)	(184)	15,235	(24,265)
Tax expense				(16,232)
Loss for the quarter				(40,497)

Analysis by business segments for the financial period to date:

	Engineering & construction RM'000	Property & development RM'000	Investment & others RM'000	Total RM'000	Discontinued operation RM'000
Revenue					
Total	75,276	31,147	51,511	157,934	6,476
Inter-segment	(8,316)	(30,000)	(30,008)	(68,324)	(4,385)
External	66,960	1,147	21,503	89,610	2,091

8. Segmental Reporting (Continued)

	Engineering & construction RM'000	Property & development RM'000	Investment & others RM'000	Total RM'000	Discontinued operation RM'000
<u>Results</u>					
Segment loss	(88,773)	(897)	(1,999)	(91,669)	(176)
Interest income	15,777	13	138	15,928	48
Gain on disposal of financial assets	0	0	47,664	47,664	-
Loss on disposal of associate and jointly controlled entity	(150)	0	(16)	(166)	-
Loss on disposal of a subsidiary	-	-	-	-	(4,040)
Finance costs	(10,637)	0	(7)	(10,644)	(1)
Share of results of associates	(16,999)	0	0	(16,999)	0
Profit/(Loss) before taxation	(100,782)	(884)	45,780	(55,886)	(4,169)
Tax expense				(15,417)	(170)
Loss for the period				(71,303)	(4,339)

9. Material Events Subsequent to the End of the Reporting Period

There is no material event subsequent to the end of the current quarter under review that has not been reflected in the interim financial report, except as disclosed in the basis of preparation in the financial information.

10. Changes in Composition of the Group

There was no change in the composition of the Group during the current quarter, except for the liquidation of Golden Solitaire (Australia) B.V, a 66.6% subsidiary of the Company.

11. Changes in Contingent Liabilities or Contingent Assets

There was no change in contingent liabilities or contingent assets since the last annual reporting date.

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

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

PART B Additional Information as required by Part A of Appendix 9B of the Bursa Malaysia Listing Requirements

1. Review of Performance

For the current quarter under review, the Group recorded a revenue from engineering and construction operations of RM83.1 million as compared to a negative revenue of RM46.0 million in the same quarter last year. The revenue is mainly attributed to the reversal of provisions made on the Liquidated Ascertained Damages (“LAD”) for a project in Indonesia amounting to RM68.0 million.

The revenue recorded from property and development division for the quarter is lower than the preceding quarter last year, due to lower rental income from car park.

The revenue recorded from the investment holding and others division is lower than the preceding quarter last year due to lower dividend income received from other investments.

The Group recorded a profit after taxation of RM63.4 million for the current quarter as compared to loss after tax from continuing operations of RM40.5 million loss in the preceding quarter last year.

For the nine months period ended 31 December 2011, the Group recorded a profit after taxation of RM75.0 million as compared to a loss after taxation from continuing operations of RM71.3 million last year. The profit is attributable to a reversal of provisions made on LAD of RM68.0 million and reversal of provisions for deviations/variations of RM17.2 million for the project in Indonesia, offset by a loss on fair value of derivatives of RM26.1 million recorded during the period under review.

2. Material Changes in the Quarterly Results Compared to the preceding quarter

For the current quarter under review, the Group recorded a revenue from engineering and construction operations of RM83.1 million as compared to a revenue of RM95.9 million in the preceding quarter. The revenue is attributed to a reversal of provision made on the LAD of RM68.0 million from a project in Indonesia. The higher revenue in the preceding quarter is mainly attributed to the recognition of the balance of revenue of RM99.1 million from the project in Indonesia.

2. **Material Changes in the Quarterly Results Compared to the preceding quarter (Continued)**

The revenue recorded from property and development division is slightly lower than the preceding quarter due to lower rental income.

The revenue recorded from the investment holding and others division is lower than the preceding quarter due to lower dividend income received from other investments.

For the current quarter, the Group recorded a profit after taxation of RM63.4 million as compared to the preceding quarter's profit after taxation of RM19.7 million. The profit for the current quarter was mainly due to the reversal of provisions for LAD and deviations/ variations of RM85.2 million and offset by the loss on fair value derivatives of RM26.1 million. In the preceding quarter, the Group recorded a significant net gain of RM26.4 million of unrealised foreign exchange.

3. **Current Year Prospects**

With the recommencement of Meena Plaza project in Abu Dhabi and also the significant milestone achievements in the project in Indonesia, the Group is in a better position to record an improved performance for the financial year ending 31 March 2012.

4. **Profit Forecast or Profit Guarantee**

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

5. **Taxation**

	Current Quarter Ended		Nine months Ended	
	31/12/2011	31/12/2010	31/12/2011	31/12/2010
	RM'000	RM'000	RM'000	RM'000
Continuing operations				
Malaysian income tax	21	15,545	664	13,967
Overseas income tax	116	688	471	1,163
Deferred tax	(1)	(1)	(4)	287
Tax expense	136	16,232	1,131	15,417

5. Taxation (Continued)

The tax charge incurred by the Group for the quarter and the nine months period to date is principally in respect of tax payment made by the Company during the financial period for the prior years' additional assessment.

6. Status of Corporate Proposals Announced

There was no corporate proposal announced but not completed as at 27 February 2012.

7. Borrowings and Debt Securities

**As at
31.12.11
RM'000**

(i) Current borrowings	
<i>Secured:-</i>	
- Term loans	14,008
- Hire purchase liabilities	51
	14,059
(ii) Non current borrowings	
<i>Secured:-</i>	
- Equity Collar Loan	285,607
	285,607
Total	299,666

Included in the term loan (current portion) is an amount of RM14.0 million which is denominated in United Arab Emirates Dirhams.

On June 2011, the Group has obtained a term loan facility with equity collar financial derivative of RM285.6 million for tenure of up to 36 months and secured by the available-for-sale financial asset. The proceeds of the term loan was utilised to repay in full for the RM170 million existing bridging loan and other term loans facility obtained by the Group.

In relation to the term loan facility with equity collar above, the Group is required to perform a valuation of the equity collar financial derivative on each reporting date. As a result, the Group has recognised a loss on fair value of RM26.1 million during the quarter ended 31 December 2011 arising from the fair value changes on the equity collar options.

These shares are reflected as available-for-sale financial assets. A fair value assessment of the available-for-sale financial assets is carried out on each reporting date, and the changes in fair value is recorded in available-for-sale reserves. As at 31 December 2011, the fair value on available-for-sale financial assets reserve stood at RM99.9 million.

8. Earnings / (Loss) Per Share

The basic earnings per share for the financial period are calculated based on the Group's consolidated profit/(loss) attributable to the equity holders of the Company, divided by the number of ordinary shares outstanding at the end of the period.

	Current Quarter Ended		Nine months Ended	
	31/12/11	31/12/10	31/12/11	31/12/10
Group's profit/(loss) from continuing operations attributable to ordinary equity holders of the parent (RM' 000)	63,377	(41,295)	75,051	(71,236)
Group's loss from discontinued operations attributable to ordinary equity holders of the parent (RM' 000)	-	-	-	(4,291)
Group's profit/(loss) for the period, attributable to the equity holders of the parent (RM' 000)	63,377	(41,295)	75,051	(75,527)
Number of ordinary shares in issue (Million)	563.264	563.264	563.264	563.264
(a) Profit per share from continuing operations (sen)	11.25	(7.33)	13.32	(12.65)
(b) Profit/(loss) per share from discontinued operations (sen)	-	-	-	(0.76)
(c) Profit/ (loss) per share for the period(sen)	11.25	(7.33)	13.32	(13.41)
Diluted loss per share (sen)	N/A	N/A	N/A	N/A

The Group has no dilution in its earnings per ordinary share as there is no potential dilutive ordinary shares in issue during the current financial period.

9. Supplementary information disclosed pursuant to Bursa Malaysia Securities Listing Requirements

The following analysis of realised and unrealised accumulated losses at the Group is prepared in accordance with Guidance on Special Matter No. 1. Determination of Realised and Unrealised Profits in the Context of Disclosure pursuant to Bursa Malaysia Securities Berhad's Listing Requirements, as issued by the Malaysian Institute of Accountants whilst the disclosure at the Group level is based on the prescribed format by the Bursa Malaysia Securities Berhad.

9. Supplementary information disclosed pursuant to Bursa Malaysia Securities Listing Requirements (Continued)

	As at 31.12.2011 RM'000	As at 31.03.2011 RM'000
Accumulated losses of the Group and its subsidiaries		
- realised	(1,265,747)	(1,334,067)
- unrealised	(54,919)	(59,889)
	(1,320,666)	(1,393,956)
Consolidated Adjustments	1,015,056	1,013,295
Total accumulated losses as per consolidated accounts	(305,610)	(380,661)

The disclosure of realised and unrealised losses above is solely for compliance with the directive issued by the Bursa Malaysia Securities Berhad and should not be used for any other purposes.

10. 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 reporting date as at 31 March 2011 except in relation to Note 38(d) of the Audited Financial Statements where the Court of Appeal has made an order against a subsidiary company's branch in Abu Dhabi for AED13,427,212.75 (approximately RM11,811,919) as outstanding payment together with AED1,000,000 (approximately RM857,700) as compensation and dismissed the subsidiary company's appeal for a counter action to join the project owner as co-defendant in the suit. The subsidiary company has filed an appeal against the Court's dismissal of the appeal for a counter action to join the project owner at the Cassation Court in Abu Dhabi. As advised by the external solicitor in Abu Dhabi, it is likely that the Court would hold the project owner to be responsible to pay the outstanding payment on behalf of the subsidiary company as the project owner has contractual obligations to do so.

There is no financial impact to the Group as the project owner has the contractual obligation to reimburse the Group.

11. Dividends

There was no dividend declared for the quarter under review.

12. Authorisation for Issue

The interim financial report was authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 27 February 2012.

By order of the Board

**Muhammad Firdaus Bin Abdullah
Secretary**

**Kuala Lumpur
27 February 2012**