

**IFCA MSC BERHAD**  
**(453392-T)**  
**(Incorporated in Malaysia)**

**QUARTERLY REPORT ON CONSOLIDATED RESULTS**  
**FOR THE 2ND QUARTER ENDED 30 JUNE 2006**

**IFCA MSC BERHAD (453392-T)**  
**(Incorporated in Malaysia)**

**Condensed Consolidated Income Statements**  
**For the Three Month Period Ended 30 June 2006**

	Note	3 months ended		6 months ended	
		30.6.2006 RM	30.6.2005 RM (restated)	30.6.2006 RM	30.6.2005 RM (restated)
Revenue		6,485,466	6,649,032	12,274,834	12,061,259
Cost of sales		(1,314,453)	(1,733,633)	(2,579,603)	(3,021,506)
<b>Gross profit</b>		<b>5,171,013</b>	<b>4,915,399</b>	<b>9,695,231</b>	<b>9,039,753</b>
Other operating income		89,444	95,353	162,153	211,282
Selling and marketing expenses		(952,679)	(790,035)	(1,888,389)	(1,415,350)
General and administrative expenses		(4,288,983)	(3,487,253)	(7,880,107)	(6,627,473)
<b>Profit from operations</b>		<b>18,795</b>	<b>733,464</b>	<b>88,888</b>	<b>1,208,212</b>
Finance costs		(20,749)	(20,934)	(41,234)	(35,975)
Share of results of associate		157,427	252,700	(157,606)	378,505
<b>Profit/(Loss) before tax</b>		<b>155,473</b>	<b>965,230</b>	<b>(109,952)</b>	<b>1,550,742</b>
Income tax expense	B5	(197,156)	(40,987)	(396,328)	(53,615)
<b>(Loss)/Profit for the period</b>		<b>(41,683)</b>	<b>924,243</b>	<b>(506,280)</b>	<b>1,497,127</b>
Attributable to:					
Equity holders of the parent		(122,711)	911,548	(538,048)	1,533,997
Minority interest		81,028	12,695	31,768	(36,870)
		<b>(41,683)</b>	<b>924,243</b>	<b>(506,280)</b>	<b>1,497,127</b>
<b>(Loss)/Earnings per share attributable to equity holders of the parent in sen:</b>					
- Basic	B12	(0.04)	0.32	(0.19)	0.55
- Diluted	B12	(0.04)	0.32	(0.19)	0.54

The unaudited condensed consolidated income statements should be read in conjunction with the audited annual financial statements for the year ended 31 December 2005 and the accompanying explanatory notes attached to the interim financial statements.

**IFCA MSC BERHAD (453392-T)**  
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**Condensed Consolidated Balance Sheets**  
**As at 30 June 2006**

		As at 30.6.2006 (Unaudited) RM	As at 31.12.2005 (Audited) RM
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, plant and equipment		9,787,197	9,934,862
Deferred development costs		10,868,032	8,950,034
Software assets		1,871,593	-
Investment in an associate		7,497,759	7,655,364
Other investments		216,274	216,274
Goodwill		111,647	111,647
		<u>30,352,502</u>	<u>26,868,181</u>
<b>Current Assets</b>			
Trade receivables		11,732,750	13,123,398
Other receivables		871,227	760,128
Cash and cash equivalents		10,497,900	15,048,750
		<u>23,101,877</u>	<u>28,932,276</u>
<b>TOTAL ASSETS</b>		<u>53,454,379</u>	<u>55,800,457</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to equity holders of the parent</b>			
Share capital	A7	28,501,400	28,111,770
Share premium		6,278,561	5,888,931
Retained earnings		12,484,472	13,022,520
Exchange Reserve		(1,329,270)	(1,273,128)
		<u>45,935,163</u>	<u>45,750,093</u>
<b>Minority interest</b>		<u>287,201</u>	<u>255,433</u>
<b>Total equity</b>		<u>46,222,364</u>	<u>46,005,526</u>
<b>Non-current liabilities</b>			
Hire purchase payables	B8	1,084,468	1,207,705
Deferred tax liabilities		1,112,558	736,120
		<u>2,197,026</u>	<u>1,943,825</u>
<b>Current Liabilities</b>			
Trade payables		398,954	677,676
Other payables		818,101	2,442,890
Deposits and advance maintenance fees		3,495,446	3,024,616
Hire purchase payables	B8	322,488	300,335
Dividend payable		-	1,405,589
		<u>5,034,989</u>	<u>7,851,106</u>
Total liabilities		<u>7,232,015</u>	<u>9,794,931</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>53,454,379</u>	<u>55,800,457</u>
Net asset per share		0.16	0.16

The condensed consolidated balance sheets should be read in conjunction with the audited annual financial statements for the year ended 31 December 2005 and the accompanying explanatory notes attached to the interim financial statements.

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**Condensed Consolidated Statement of Changes in Equity**  
**For the Six Month Period Ended 30 June 2006**

	← Attributable to Equity Holders of the Parent →				Minority Interest	Total Equity
	← Non - distributable →		Distributable			
	Share Capital	Share Premium	Foreign Exchange Reserve	Retained Earnings		
RM	RM	RM	RM	RM	RM	
At 1 January 2006	28,111,770	5,888,931	(1,273,128)	13,022,520	255,433	46,005,526
Arising from translation of foreign subsidiary & associate	-	-	(56,142)	-	-	(56,142)
Loss for the period	-	-	-	(538,048)	31,768	(506,280)
Total recognised income and expenses for the period	28,111,770	5,888,931	(1,329,270)	12,484,472	287,201	45,443,104
Issue of ordinary shares pursuant to ESOS	389,630	389,630	-	-	-	779,260
At 30 June 2006	28,501,400	6,278,561	(1,329,270)	12,484,472	287,201	46,222,364
At 1 January 2005	28,090,650	5,867,811	(7,724)	12,591,259	333,554	46,875,550
Arising from translation of foreign subsidiary	-	-	(1,984)	-	-	(1,984)
Profit for the period	-	-	-	1,533,997	(36,870)	1,497,127
Total recognised income and expenses for the period	28,090,650	5,867,811	(9,708)	14,125,256	296,684	48,370,693
Issue of ordinary shares pursuant to ESOS	21,120	21,120	-	-	-	42,240
At 30 June 2005	28,111,770	5,888,931	(9,708)	14,125,256	296,684	48,412,933

The condensed consolidated statements of equity changes should be read in conjunction with the audited annual financial statements for the year ended 31 December 2005 and the accompanying explanatory notes attached to the interim financial statements.

**IFCA MSC BERHAD (453392-T)**  
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**Condensed Consolidated Cash Flow Statements**  
**For the Six Month Period Ended 30 June 2006**

	6 months ended	
	30.6.2006	30.6.2005
	RM	RM
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		(restated)
(Loss)/Profit before tax	(109,952)	1,550,742
Adjustments for :		
Non cash items	2,110,648	1,061,828
Non-operating items	(40,535)	(69,301)
Operating profit before working capital changes	1,960,161	2,543,269
Working capital changes:		
Net changes in assets	(628,651)	(1,296,981)
Net changes in liabilities	(1,429,956)	(1,157,904)
Total working capital changes	(2,058,607)	(2,454,885)
Net cash used in operations	(98,446)	88,384
Taxation paid	(40,614)	(50,272)
Net cash used in operating activities	(139,060)	38,112
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest received	81,769	105,275
Purchase of property, plant and equipment	(384,475)	(495,608)
Development costs	(3,251,417)	(2,647,775)
Net cash used in investing activities	(3,554,123)	(3,038,108)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Interest paid	(41,234)	(35,975)
Dividend paid	(1,405,589)	-
Proceeds from issuance of ordinary shares	779,260	42,240
Payments to hire purchase creditors	(149,084)	(109,438)
Net cash used in financing activities	(816,647)	(103,173)
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>	(4,509,830)	(3,103,169)
<b>EFFECTS OF EXCHANGE RATE CHANGES</b>	(41,020)	(1,984)
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	15,048,750	16,683,855
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	10,497,900	13,578,702

The condensed consolidated cash flow statements should be read in conjunction with the audited annual financial statements for the year ended 31 December 2005 and the accompanying explanatory notes attached to the interim financial statements.