



I-BERHAD (7029-H)
CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2007
(The figures have not been audited)

		3 Months Ended		6 Months Ended	
	Note	30/06/2007	30/06/2006	30/06/2007	30/06/2006
		RM'000	RM'000	RM'000	RM'000
Revenue	4	742	4,598	2,253	12,119
Operating Expenses		(1,751)	(5,398)	(3,881)	(13,638)
Other Operating Income		138	1,475	428	1,677
Operating Profit/(Loss)		<u>(871)</u>	<u>675</u>	<u>(1,200)</u>	<u>158</u>
Interest income		987	1,014	1,954	1,965
Profit before taxation		<u>116</u>	<u>1,689</u>	<u>754</u>	<u>2,123</u>
Tax income/(expense)	19	433	(60)	325	(95)
Profit for the period		<u><u>549</u></u>	<u><u>1,629</u></u>	<u><u>1,079</u></u>	<u><u>2,028</u></u>
Earnings Per Share (sen)					
(a) Basic	27	0.57	2.15	1.26	2.68
(b) Fully diluted	27	0.57	2.15	1.26	2.68

(The Condensed Consolidated Income Statements should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2006 and the accompanying explanatory notes attached to the interim financial statements)



I-BERHAD (7029-H)
CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 30 JUNE 2007
(The figures have not been audited)

CONDENSED CONSOLIDATED BALANCE SHEET

	Note	As at 30/06/2007 RM '000	As at 31/12/2006 RM '000
ASSETS			
Non Current Assets			
Property, Plant and Equipment	9	10,207	10,417
Property Development Costs		13,475	7,439
		<u>23,682</u>	<u>17,856</u>
Current Assets			
Inventories		788	3,151
Investments	21	14,993	5,796
Marketable Securities	21	225	225
Receivables		2,286	2,409
Cash & Cash Equivalents		109,203	111,667
		<u>127,495</u>	<u>123,248</u>
TOTAL ASSETS		<u><u>151,177</u></u>	<u><u>141,104</u></u>
EQUITY AND LIABILITIES			
Equity Attributable to Equity Holders			
Share Capital		114,486	80,850
Treasury Shares	10	(8,470)	(5,718)
Reserves		43,155	22,341
ICULS		-	40,326
TOTAL EQUITY		<u>149,171</u>	<u>137,799</u>
Non Current Liabilities			
Other Deferred Liabilities		-	646
Total Non Current Liabilities		<u>-</u>	<u>646</u>
Current Liabilities			
Payables		1,454	2,205
Tax payables		552	454
Total Current Liabilities		<u>2,006</u>	<u>2,659</u>
TOTAL LIABILITIES		<u>2,006</u>	<u>3,305</u>
TOTAL EQUITY AND LIABILITIES		<u><u>151,177</u></u>	<u><u>141,104</u></u>
Net assets per share (RM) (Note 1)		<u>1.75</u>	<u>1.82</u>

Note 1:

The net assets per share for 2007 is calculated by dividing the total net assets by the weighted number of ordinary shares in issue of 85,423,833 ordinary shares.

The net assets per share for 2006 is calculated by dividing the total net assets by the weighted number of ordinary shares in issue of 75,619,429 ordinary shares.

(The Condensed Consolidated Balance Sheet should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2006 and the accompanying explanatory notes attached to the interim financial statements)



I-BERHAD (7029-H)
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2007
(The figures have not been audited)

	Share Capital RM '000	ICULS RM '000	Reserve Attributable to Capital RM '000	Accumulated Loss RM '000	Treasury Shares RM '000	Total RM '000
At 1 January 2006	80,784	40,392	40,361	(16,320)	(3,635)	141,582
Movements during the period (cumulative)	66	(66)	43	2,028	(1,114)	957
Interest on ICULS	-	-	-	(1,009)	-	(1,009)
At 30 June 2006	<u>80,850</u>	<u>40,326</u>	<u>40,404</u>	<u>(15,301)</u>	<u>(4,749)</u>	<u>141,530</u>
At 1 January 2007	80,850	40,326	40,310	(17,969)	(5,718)	137,799
Movements during the period (cumulative)	33,636	(40,326)	21,865	1,079	(2,752)	13,502
Final dividend for the financial year ended 31 Dec 2006	-	-	-	(1,462)	-	(1,462)
Interest on ICULS	-	-	-	(668)	-	(668)
At 30 June 2007	<u>114,486</u>	<u>-</u>	<u>62,175</u>	<u>(19,020)</u>	<u>(8,470)</u>	<u>149,171</u>

(The Condensed Consolidated Statement Of Changes In Equity should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2006 and the accompanying explanatory notes attached to the interim financial statements)



I-BERHAD (7029-H)
CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2007
(The figures have not been audited)

	6 Months Ended	
	30/06/2007	30/06/2006
	RM '000	RM '000
Net cash (used in) / generated from operating activities	(5,221)	(3,048)
Net cash (used in) / generated from investing activities	(7,191)	6,664
Net cash used in financing activities	9,948	(2,072)
Net (decrease) / increase in cash & cash equivalents	(2,464)	1,544
Cash & cash equivalents at beginning of financial period	111,667	116,292
Cash & cash equivalents at end of the financial period	109,203	117,836

Cash and cash equivalents at the end of the financial period comprise the following :

	As at	As at
	6/30/2007	6/30/2006
	RM '000	RM '000
Cash and bank balances	109,203	117,836

(The Condensed Consolidated Cash Flow Statement should be read in conjunction with the Audited Financial Statements for the year ended 31 December 2006 and the accompanying explanatory notes attached to the interim financial statements)

**PART A -EXPLANATORY NOTES PURSUANT TO FRS 134****1 Basis of Preparation**

The interim financial statements have been prepared in accordance with Financial Reporting Standards ("FRS") No. 134, Interim Financial Reporting and Chapter 9, Part K of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2006. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the year ended 31 December 2006.

2 Changes in Accounting Policies

The same accounting policies and method of computation are followed in the interim financial statements as compared with the annual financial statements for the year ended 31 December 2006.

3 Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the year ended 31 December 2006 was not qualified.

4 Segmental Information

	3 Months		6 Months	
	Ended 30 June		Ended 30 June	
	2007	2006	2007	2006
	RM'000	RM'000	RM'000	RM'000
Segment Revenue				
Digital Convergent Products	1,578	8,339	4,002	20,786
Property Development	-	-	-	-
Others	4	125	4	404
Total revenue including inter-segment sales	1,582	8,464	4,006	21,190
Elimination of inter-segment sales	(840)	(3,866)	(1,753)	(9,071)
Total	742	4,598	2,253	12,119
Segment Results				
Digital Convergent Products	(673)	(189)	(1,122)	(320)
Property Development	(43)	-	(67)	-
Others	(56)	(228)	69	(669)
	(772)	(417)	(1,120)	(989)
Elimination of inter-segment sales	-	(9)	117	46
Loss from operations	(772)	(426)	(1,003)	(943)
Gain from sale of property	-	1,101	-	1,101
Unallocated corporate expenses	(99)	-	(197)	-
Operating profit/(loss)	(871)	675	(1,200)	158
Interest income	987	1,014	1,954	1,965
Income taxes	433	(60)	325	(95)
Net profit for the period	549	1,629	1,079	2,028

5 Unusual Items due to their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income, or cash flows during the financial period ended 30 June 2007.

6 Change in Estimates

There are no changes in estimates reported in prior interim periods of the current financial year or prior financial year which have a material effect in the current interim period.

7 Comments about Seasonal or Cyclical Factors

The Group's operation was not materially affected by seasonal demand.

8 Dividends Paid

Final tax-exempt dividend of 2% amounting to RM1,462,106 in respect of ordinary shares for the year ended 31 December 2006 was paid by the Company on 23 May 2007.

**9 Carrying Amount of Revalued Assets**

The valuation of property, plant and equipment have been brought forward, without amendment from the previous annual financial statements.

10 Debt and Equity Securities

Save as disclosed below, there were no issuance or repayment of debt and equity securities for the current financial year to date.

a. Share buy-backs, share cancellations and sale of treasury shares

During the current financial year-to-date, the Company bought back its issued shares from the open market as follows:-

Month	No of Shares	Highest	Lowest	Average	Total
		Price RM	Price RM	Price RM	Consideration Paid # RM
Jan-07	73,100	0.94	0.94	0.95	69,341
Feb-07	43,200	1.03	1.03	1.04	45,021
Mar-07	324,700	1.13	0.98	1.07	346,927
Apr-07	1,646,100	1.61	1.09	1.39	2,291,390
	<u>2,087,100</u>				<u>2,752,679</u>

Inclusive of commission, stamp duty and other charges

All the above shares were being held and retained as treasury shares as defined under Section 67A of the Companies Act, 1965. As at 30 June 2007, the total number of treasury shares held were 8,085,000 representing 7.06% of the total paid-up share capital of the Company. None of the treasury shares were sold or cancelled during the current quarter.

11 Changes in Composition of the Group

There were no changes in the composition of the Group during the interim period, including business combinations, acquisition or disposal of subsidiaries and long term investments, restructurings and discontinuing operations.

12 Capital Commitments

There were no capital commitments as at the end of the current quarter or last annual balance sheet date except an eventual subscription of equity in a Joint Venture as disclosed in Note 14 to the amount of RM1.225 million.

13 Changes in Contingent Liabilities or Contingent Assets**a. Contingent Liabilities**

	3 Months Ended 30/06/2007 RM'000	12 Months Ended 31/12/2006 RM'000
i. Bank guarantees given to third parties in respect of services rendered to a subsidiary company	60	60
ii. Bank guarantees given to third parties in respect of commercial development project granted to subsidiary companies	313	238
	<u>373</u>	<u>298</u>

b. Contingent Assets

There were no contingent assets as at the end of the current quarter or last annual balance sheet date.

14 Subsequent Events

There were no significant events subsequent to the end of the current quarter except for the following:

- a. On 1 August 2007, the Company announced that its wholly-owned subsidiary, I-R&D Sdn Bhd has on the same date entered into a Joint Venture Agreement with Office Squared Malaysia Sdn Bhd to deliver workspace management, communications and productivity benefits through a managed network to the tenants, occupants and residents of I-City, an ICT-based commercial development project in Shah Alam ("Proposed JV").
- b. On 13 July 2007, the Company announced that there were no new developments in relation to the Memorandum of Understanding ("MOU") entered between Cisco and the Company's wholly owned subsidiary, I-City Properties Sdn Bhd ("I-City Properties") whereby Cisco will work together with I-City Properties to develop infrastructure and services for I-City.

Further to the above announcements, there were no new developments to the Proposed JV and MOU.

**PART B -EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA
SECURITIES BERHAD****15 Performance Review**

For the current financial period ended 30 June 2007, the Group's revenue was RM2.253 million compared to RM12.119 million in the preceding financial period ended 30 June 2006. The decrease in revenue was mainly due to the phasing out of the digital convergent business.

The Group recorded a lower profit before tax of approximately RM0.754 million compared to RM2.123 million for the corresponding financial period ended 30 June 2006 mainly due to a lower turnover of the digital convergent business.

16 Comment on the Profit Before Taxation for the Quarter Reported against the First Quarter 2007

The Group recorded a profit before taxation of approximately RM0.116 million for the current quarter as compared to a profit before taxation of approximately RM0.638 million for the quarter ended 31 March 2007 mainly due to a lower turnover of the digital convergent business.

17 Commentary on Prospects

The performance of the Group's business is expected, barring any unforeseen circumstances, to improve in the forthcoming quarter with the recognition of revenue from the property development segment.

18 a. Explanatory Note for Variance of Actual Profit After Tax and Minority Interest and Profit Forecast After Tax and Minority Interest

Not applicable

b. Explanatory Note for Any Shortfall in Profit Guarantee

Not applicable

19 Income Tax Expense

	3 Months Ended 30/06/2007 RM'000	3 Months Ended 30/06/2006 RM'000	6 Months Ended 30/06/2007 RM'000	6 Months Ended 30/06/2006 RM'000
Current Year Provision	(206)	(42)	(321)	(84)
Deferred Tax	639	8	646	15
Real Property Gains Tax	-	(26)	-	(26)
Tax Income/(Expense)	<u>433</u>	<u>(60)</u>	<u>325</u>	<u>(95)</u>

For the current quarter and financial year to date, the Group has Tax Income mainly due to the reversal of the Deferred Tax Liabilities which was previously provided in the Real Property Gains Tax.

20 Sale of Unquoted Investments and/or Properties

There were no sale of unquoted investments and/or properties for the current quarter and financial year-to-date.

21 Quoted Securities

	3 Months Ended 30/06/2006 RM'000	6 Months Ended 30/06/2007 RM'000
a. Investments in quoted securities as at the reporting period:		
At Cost/Book Value	225	225
At Market value	252	252
b. Investments in Money Market Fund		
At Cost/Book Value	14,993	14,993
At Market value	14,946	14,946

**22 a. Status of Corporate Proposals**

There were no new corporate proposals for the financial quarter under review.

b. Status on Utilisation of Right Issue Proceeds

Utilisation As Approved	Revised Amount As Approved RM'000	Utilisation As at 30/06/07 RM'000	Balance Unutilised RM'000
Working Capital	37,431	37,430	1
Replacement, upgrading and expansion of existing manufacturing facilities	27,000	-	27,000
Investment in research and development centre	25,000	-	25,000
Advertising and promotions	20,000	6,064	13,936
Expansion and improvement in the marketing network, setting up of new sales and service outlet and showroom in Malaysia	7,000	674	6,326
Investment in Group's computerisation	2,000	307	1,693
Fund raising expenses	725	725	-
Total	119,156	45,200	73,956

23 Group Borrowings and Debt Securities

All the outstanding ICULS 2002/2007 had been converted into new ordinary shares of RM1.00 each on 3 May 2007.

24 Summary of Off Balance Sheet Financial Instruments

There were no financial instruments with off balance sheet risk at the date of the report.

25 Changes in Material Litigation

There were no material litigation pending since the last annual balance sheet date up to the date of this report.

26 Dividend

No interim dividend has been declared for the financial period ended 30 June 2007 (30 June 2006 : Nil)

27 Earnings Per Ordinary Share

	3 Months Ended 30/06/2007 RM'000	3 Months Ended 30/06/2006 RM'000	6 Months Ended 30/06/2007 RM'000	6 Months Ended 30/06/2006 RM'000
a. Basic				
Net profit for the period	549	1,629	1,079	2,028
Weighted number of ordinary shares in issue, net of treasury shares ('000)	96,268	75,713	85,424	75,713
Basic earnings per ordinary share (sen)	0.57	2.15	1.26	2.68

b. Diluted

The fully diluted earnings per share have not been presented as there is no diluted effect for the shares of the Company.

28 Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 28 August 2007.

BY ORDER OF THE BOARD

TOO YET LAN
Secretary

Kuala Lumpur
28 August 2007