



I-BERHAD (7029-H)
CONDENSED CONSOLIDATED INCOME STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2007
(The figures have not been audited)

		3 Months Ended		12 Months Ended	
	Note	31/12/2007	31/12/2006	31/12/2007	31/12/2006
Revenue	4	1,631	2,610	4,067	18,140
Operating Expenses		(1,958)	(3,421)	(6,796)	(21,204)
Other Operating Income		199	135	759	1,944
Operating Loss		<u>(128)</u>	<u>(676)</u>	<u>(1,970)</u>	<u>(1,120)</u>
Interest income		846	992	3,888	3,951
Share of loss of associate		(18)	0	(18)	0
Profit before taxation		<u>700</u>	<u>316</u>	<u>1,900</u>	<u>2,831</u>
Tax income/(expense)	19	(159)	(123)	45	(285)
Profit for the period		<u><u>541</u></u>	<u><u>193</u></u>	<u><u>1,945</u></u>	<u><u>2,546</u></u>
Earnings Per Share (sen)					
(a) Basic	27	0.51	0.26	2.03	3.37
(b) Fully diluted	27	0.51	0.26	2.03	3.37

(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 financial statements)



I-BERHAD (7029-H)
CONDENSED CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2007
(The figures have not been audited)

CONDENSED CONSOLIDATED BALANCE SHEET

	Note	As at 31/12/2007 RM '000	As at 31/12/2006 RM '000
ASSETS			
Non Current Assets			
Property, Plant and Equipment	9	7,502	7,440
Prepaid Lease Payments		2,932	2,977
Investment In Associate	11	857	-
Property Development Expenditure		42,050	7,439
		<u>53,341</u>	<u>17,856</u>
Current Assets			
Inventories		15	3,151
Investments	21	13,136	5,796
Marketable Securities	21	225	225
Receivables		3,345	2,409
Cash & Cash Equivalents		97,683	111,667
		<u>114,404</u>	<u>123,248</u>
TOTAL ASSETS		<u><u>167,745</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		44,020	22,341
ICULS		-	40,326
TOTAL EQUITY		<u>150,036</u>	<u>137,799</u>
Non Current Liabilities			
Other Deferred Liabilities		-	646
Total Non Current Liabilities		<u>-</u>	<u>646</u>
Current Liabilities			
Payables		17,088	2,205
Tax payables		621	454
Total Current Liabilities		<u>17,709</u>	<u>2,659</u>
TOTAL LIABILITIES		<u>17,709</u>	<u>3,305</u>
TOTAL EQUITY AND LIABILITIES		<u><u>167,745</u></u>	<u><u>141,104</u></u>
Net assets per share (RM) (Note 1)		<u><u>1.57</u></u>	<u><u>1.82</u></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 95,719,877 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 financial statements)



I-BERHAD (7029-H)
CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2007
(The figures have not been audited)

	Share Capital	ICULS	Reserve Attributable to Capital	Accumulated Loss	Treasury Shares	Total
At 1 January 2006	80,784	40,392	40,361	(16,320)	(3,635)	141,582
Movements during the year (cumulative)	66	(66)	(33)	2,604	(2,083)	488
Final dividend for the financial year ended 31 Dec 2005	-	-	-	(2,254)	-	(2,254)
Interest on ICULS	-	-	-	(2,017)	-	(2,017)
At 31 December 2006	<u>80,850</u>	<u>40,326</u>	<u>40,328</u>	<u>(17,987)</u>	<u>(5,718)</u>	<u>137,799</u>
At 1 January 2007	80,850	40,326	40,328	(17,987)	(5,718)	137,799
Movements during the year (cumulative)	33,636	(40,326)	21,788	2,021	(2,752)	14,367
Final dividend for the financial year ended 31 Dec 2006	-	-	-	(1,462)	-	(1,462)
Interest on ICULS	-	-	-	(668)	-	(668)
At 31 December 2007	<u>114,486</u>	<u>-</u>	<u>62,116</u>	<u>(18,096)</u>	<u>(8,470)</u>	<u>150,036</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 financial statements)



I-BERHAD (7029-H)
CONDENSED CONSOLIDATED CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2007
(The figures have not been audited)

	12 Months Ended	
	31/12/2007	31/12/2006
	RM '000	RM '000
Net cash (used in) / generated from operating activities	(19,657)	238
Net cash (used in) / generated from investing activities	(4,276)	1,466
Net cash (used in) / generated from financing activities	9,949	(6,329)
Net (decrease) / increase in cash & cash equivalents	(13,984)	(4,625)
Cash & cash equivalents at beginning of financial year	111,667	116,292
Cash & cash equivalents at end of the financial year	97,683	111,667

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

	As at	As at
	31/12/2007	31/12/2006
	RM '000	RM '000
Cash and bank balances	97,683	111,667

(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 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

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

For the current financial year, the Group has adopted the following revised Financial Reporting Standards ("FRS") issued by the Malaysian Accounting Standards Board ("MASB"), which are relevant to its operations.

FRS 117 - Leases

FRS 119 - Employee Benefits - Actuarial gains and Losses, Group Plans and Disclosure

FRS 124 - Related Party Disclosures

The adoption of FRS 119 and FRS 124 did not result in any changes to the Group's accounting policies nor any significant impact on the Group.

In line with the revised FRS 117, the Group changed its accounting policy with respect to the classification of its leasehold lands. This change in accounting policy was applied retrospectively and has no financial impact on the Group.

FRS 117 requires a leasehold land to be accounted for as an operating lease. The upfront payment for leasehold land represents a prepaid lease payment and is amortised on a straight-line basis over the remaining lease period. Prior to 1 January 2007, the Group's leasehold land was classified as part of property, plant and equipment and was stated at cost less accumulated depreciation and impairment losses.

With the adoption of FRS 117, the carrying amounts of the Group's leasehold land as at 31 December 2007 and 2006 of RM2.932 million and RM2.977 million respectively were reclassified as prepaid lease payments on the face of the balance sheet. Consequently, the Group's property, plant and equipment were reduced accordingly by the same amounts in those respective years.

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		12 Months	
	Ended 31 December 2007	2006	Ended 31 December 2007	2006
	RM'000	RM'000	RM'000	RM'000
Segment Revenue				
Digital Convergent Products	467	4,520	5,071	31,042
Property Development	33,486	-	33,486	-
Others	-	-	4	406
Total revenue including inter-segment sales	33,953	4,520	38,561	31,448
Elimination of inter-segment sales	(32,322)	(1,910)	(34,494)	(13,308)
Total	1,631	2,610	4,067	18,140

Segment Results

Digital Convergent Products	(77)	(430)	(1,645)	(1,087)
Property Development	80	(153)	(68)	(153)
Others	(126)	(47)	(151)	(585)
	(123)	(630)	(1,864)	(1,825)
Elimination of inter-segment sales	2	86	118	183
Loss from operations	(121)	(544)	(1,746)	(1,642)
Gain from sale of property	-	-	-	1,101
Unallocated corporate expenses	(7)	(132)	(224)	(579)
Operating profit/(loss)	(128)	(676)	(1,970)	(1,120)
Share of loss of associate	(18)	-	(18)	-
Interest income	846	992	3,888	3,951
Income taxes	(159)	(123)	45	(285)
Net profit for the period	541	193	1,945	2,546

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 year ended 31 December 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 financial period.

7 Comments about Seasonal or Cyclical Factors

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

8 Dividends Paid

No dividend was paid in the current quarter.

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 Price RM	Lowest Price RM	Average Price RM	Total 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 31 December 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

Other than I-Office2 Sdn Bhd (formerly known as Sumurgreens Sdn Bhd) becoming an associate Company of I-R&D Sdn Bhd (a subsidiary of I-Berhad) on 5 September 2007, there were no changes in the composition of the Group during the interim financial period.

12 Capital Commitments

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

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

	12 Months Ended 31/12/2007 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	135	60
ii. Bank guarantees given to third parties in respect of commercial development project granted to subsidiary company	-	238
iii. Guarantee given to third party in respect of water reticulation works granted to a subsidiary company	142	-
	<u>277</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 other than the following:

- a. Further to the Company's announcement on 27 November 2007 in relation to the joint venture known as I-Office2 between Office Squared Malaysia Sdn Bhd and the Company's wholly-owned subsidiary, I-R&D Sdn Bhd, which was set-up to deliver workspace management, communications and productivity benefits through a managed network to the tenants, occupants and residents of i-City, I-Office2 is currently in the midst of designing the IP-based network system for I-City.

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

For the current financial year ended 31 December 2007, the Group's revenue was RM4.067 million compared to RM18.140 million in the preceding financial year ended 31 December 2006. The decrease in revenue was mainly due to the phasing out of the digital convergent business. As noted in our announcement dated 19 October 2005, the Group has commenced its property development activities, particularly the I-City project in Shah Alam, Selangor. Accordingly, the future revenue of the Group will be derived mainly from property development.

The Group recorded a lower profit before tax of approximately RM1.900 million compared to RM2.831 million for the corresponding financial year ended 31 December 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 Third Quarter 2007

The Group recorded a profit before taxation of approximately RM0.700 million for the current quarter as compared to a profit before taxation of approximately RM0.446 million for the quarter ended 30 September 2007. This increase is mainly due to the initial contribution from property development division.

17 Commentary on Prospects

The performance of the Group's business is expected, barring any unforeseen circumstances, to improve in the forthcoming quarter.

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 31/12/2007	3 Months Ended 31/12/2006	12 Months Ended 31/12/2007	12 Months Ended 31/12/2006
	RM'000	RM'000	RM'000	RM'000
Current Year Provision	(159)	(130)	(601)	(289)
Deferred Tax	0	7	646	30
Real Property Gains Tax	-	0	-	(26)
Tax Income/(Expense)	<u>(159)</u>	<u>(123)</u>	<u>45</u>	<u>(285)</u>

For the 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 31/12/2007	12 Months Ended 31/12/2007
	RM'000	RM'000
a. Investments in quoted securities as at the reporting period:		
At Cost/Book Value	225	225
At Market value	239	239
b. Investments in Money Market Fund		
At Cost/Book Value	13,136	13,136
At Market value	13,146	13,146

**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 31/12/07 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

On 22 November 2007, the Board resolved to further extend the utilisation period up to 22 November 2008 for the Company's unutilised right issue proceeds of RM73.956 million.

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

A suit has been initiated by BBDO (M) Sdn. Bhd. against the Company and its subsidiary company for advertising services rendered by BBDO (M) Sdn. Bhd. amounting to RM1,130,341 plus interest and costs. Both the Company and its subsidiary company have filed an amended defence and its subsidiary company has also filed a counterclaim for RM897,016. The case has been fixed for trial from 10 March 2008 to 13 March 2008.

The directors, on the advice of the Company's solicitors, are of the opinion that the Company and its subsidiary company have a strong defense against BBDO (M) Sdn. Bhd.'s claim. Consequently, no provision for contingency claim has been made in the financial statements.

26 Dividend

- a. i. A final tax-exempt dividend of 2% has been recommended for the financial year ended 31 December 2007;
- ii. Amount per share: 2.0 sen (gross)
- iii. Previous corresponding period: 2% (gross);
- iv. The payment and entitlement dates will be announced at a later date.

- b. Total dividend for the current financial year: 2.0 sen (gross)

27 Earnings Per Ordinary Share

	3 Months Ended 31/12/2007 RM'000	3 Months Ended 31/12/2006 RM'000	12 Months Ended 31/12/2007 RM'000	12 Months Ended 31/12/2006 RM'000
a. Basic				
Net profit for the period	541	193	1,945	2,546
Weighted number of ordinary shares in issue, net of treasury shares ('000)	106,401	75,619	95,720	75,619
Basic earnings per ordinary share (sen)	0.51	0.26	2.03	3.37

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 financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 27 February 2008.

BY ORDER OF THE BOARD

TOO YET LAN
Secretary
Kuala Lumpur
27 February 2008