

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2013**

	(Unaudited)		(Audited)	
	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Quarter	To Date	To Date
	31 Mar 2013	31 Mar 2012	31 Mar 2013	31 Mar 2012
	RM'000	RM'000	RM'000	RM'000
Revenue	27,146	8,650	27,146	8,650
Cost of Sales	(15,948)	(4,121)	(15,948)	(4,121)
Gross profit	11,198	4,529	11,198	4,529
Other income	238	228	238	228
Other expenses	(6,361)	(3,923)	(6,361)	(3,923)
Share of profit of an associate	7	-	7	-
Profit before taxation	5,082	834	5,082	834
Tax expense	(158)	(92)	(158)	(92)
Profit for the year	4,924	742	4,924	742
Other comprehensive (loss)/income:				
Foreign currency translations	30	(26)	30	(26)
Total comprehensive income	4,954	716	4,954	716
Profit/(loss) attributable to:				
Owners of the parent	4,925	819	4,925	819
Non-controlling interests	(1)	(77)	(1)	(77)
	4,924	742	4,924	742
Total comprehensive income/(loss) attributable to:				
Owners of the parent	4,955	793	4,955	793
Non-controlling interests	(1)	(77)	(1)	(77)
	4,954	716	4,954	716
Earnings per share attributable to owners of the parent	sen	sen	sen	sen
Basic	4.32	0.77	4.32	0.77
Fully diluted	4.32	0.77	4.32	0.77

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2012 and the accompanying notes.

I-Berhad (7029-H)**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2013**

	(Unaudited) As at 31.03.2013 RM'000	(Audited) As at 31.12.2012 RM'000
ASSETS		
Non-current assets		
Property, plant and equipment	55,826	52,234
Investment property	65,460	65,460
Investment in an associate	82	75
	<u>121,368</u>	<u>117,769</u>
Current assets		
Property development costs	57,526	56,628
Inventories	54,635	54,648
Trade and other receivables	25,208	15,989
Other investments	39	39
Current tax assets	1,417	1,134
Cash and cash equivalents	16,505	16,112
	<u>155,330</u>	<u>144,550</u>
TOTAL ASSETS	<u><u>276,698</u></u>	<u><u>262,319</u></u>
EQUITY AND LIABILITIES		
Equity		
Share capital	114,486	114,486
Reserves	63,649	63,254
Treasury shares	(509)	(509)
Equity attributable to owners of the parent	<u>177,626</u>	<u>177,231</u>
Non-controlling interests	118	119
TOTAL EQUITY	<u>177,744</u>	<u>177,350</u>
Non-current liabilities		
Trade and other payable	978	978
Deferred tax liabilities	2,155	2,155
	<u>3,133</u>	<u>3,133</u>
Current liabilities		
Trade and other payables	90,969	81,519
Current tax liabilities	292	317
Dividend payable	4,560	-
	<u>95,821</u>	<u>81,836</u>
TOTAL LIABILITIES	<u>98,954</u>	<u>84,969</u>
TOTAL EQUITY AND LIABILITIES	<u><u>276,698</u></u>	<u><u>262,319</u></u>
Net Assets per share (RM)	<u>1.56</u>	<u>1.56</u>

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the financial year ended 31 December 2012 and the accompanying notes.

I-Berhad (7029-H)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2013

	Attributable to owners of the parent						Total	Non-controlling interests	Total equity
	Non-distributable			Distributable (Accumulated losses)/					
	Share capital	Treasury shares	Share premium	Revaluation reserve	Exchange translation difference	retained earnings			
(Audited)	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January 2012	114,486	(8,471)	60,530	1,331	63	(6,416)	161,523	278	161,801
Total comprehensive income/(loss) for the year	-	-	-	-	(46)	16,818	16,772	(159)	16,613
Transaction with owners:	-	-	-	-	-	-	-	-	-
Share dividend	-	7,962	(363)	-	-	(7,599)	-	-	-
Dividend to shareholders	-	-	-	-	-	(1,064)	(1,064)	-	(1,064)
Total transactions with owners	-	7,962	(363)	-	-	(8,663)	(1,064)	-	(1,064)
Balance as at 31 December 2012	114,486	(509)	60,167	1,331	17	1,739	177,231	119	177,350
(Unaudited)									
Balance as at 1 January 2013	114,486	(509)	60,167	1,331	17	1,739	177,231	119	177,350
Total comprehensive income/(loss) for the year	-	-	-	-	30	4,925	4,955	(1)	4,954
Transaction with owners:	-	-	-	-	-	-	-	-	-
Share dividend	-	-	-	-	-	-	-	-	-
Dividend to shareholders	-	-	-	-	-	(4,560)	(4,560)	-	(4,560)
	-	-	-	-	-	(4,560)	(4,560)	-	(4,560)
Balance as at 31 March 2013	114,486	(509)	60,167	1,331	47	2,104	177,626	118	177,744

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the financial year ended 31 December 2012 and the accompanying notes.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2013**

	(Unaudited) As at 31.03.2013 RM'000	(Audited) As at 31.12.2012 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	5,082	18,238
Adjustments for:		
Non-cash/operating items	2,490	4,856
Operating profit before working capital changes	7,572	23,094
Net changes in current assets	(10,093)	(43,304)
Net changes in current liabilities	9,451	31,080
Cash generated from operations	6,930	10,870
Tax paid	(474)	(986)
Tax refund	7	7
Net cash generated from operating activities	6,463	9,891
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(6,252)	(19,584)
Proceeds from disposal of property, plant & equipment	123	97
Proceeds from disposal of trademarks	-	1,800
Investment in an associate	-	(40)
Interest received	29	520
Net cash used in investing activities	(6,100)	(17,207)
CASH FLOWS FROM FINANCING ACTIVITIES		
Dividend paid	-	(1,064)
Fixed deposit pledged	(123)	(123)
Net cash used in financing activities	(123)	(1,187)
Net increase/(decrease) in cash and cash equivalents	240	(8,503)
Effect of foreign exchange rate changes	30	(46)
Cash and cash equivalents at beginning of the year	16,112	24,538
Cash and cash equivalents at end of the year	16,382	15,989
Cash and cash equivalents comprise :		
Cash and bank balances	3,552	3,552
Deposits with licensed banks/financial institutions	12,830	12,437
Total	16,382	15,989

Note:

Included in the deposits with licensed banks/financial institutions:-

- (a) an amount of RM1,167,000 being unutilised right issue proceeds, which are restricted for certain usage as prescribed by the relevant authorities.
- (b) an amount of RM123,000.00 has been pledged to a bank as bank guarantee, hence, it is not available for general use.

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2012 and the accompanying notes.

Part A – Explanatory Notes Pursuant to FRS 134

1 Basis of preparation

The significant accounting policies and method of computation adopted by the Group in this quarterly report are consistent with those in the annual financial statements for the year ended 31 December 2012 except as follows:

On 1 January 2013, the Group adopted the following new and amended FRS and IC Interpretations mandatory for annual financial periods beginning on or after 1 January 2013.

Amendments to FRS 1	Government Loans
Amendments to FRS 7	Disclosure – Offsetting Financial Assets and Financial Liabilities
FRS 10	Consolidated Financial Statements
Amendments to FRS 10, FRS 11 and FRS 12	Consolidated Financial Statement, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance
FRS 11	Joint Arrangements
FRS 12	Disclosure of Interest in Other Entities
FRS 13	Fair Value Measurement
Amendments to FRS 101	Presentation of items of Other Comprehensive Income
Amendments to FRS 116	Property, plant and equipment
FRS 119	Employee Benefits (Revised)
FRS 127	Separate Financial Statement (Revised)
FRS 128	Investment in Associates and Joint Ventures (Revised)
Amendments to FRS 134	Interim Financial Reporting

Adoption of the above standards and interpretations did not have any effect on the financial performance or position of the Group.

The Group has not adopted the following standards and interpretations that have been issued but not yet effective:

1 January 2014

Amendments to FRS 10, FRS 12 and FRS 127	Investment Entities
Amendments to FRS 132	Offsetting Financial Assets and Financial Liabilities
Malaysian Financial Reporting Standards (MFRS Framework)	

Malaysian Financial Reporting Standards (MFRS Framework)

On 19 November 2011, the Malaysian Accounting Standards Board (MASB) issued a new MASB approved accounting framework, the Malaysian Financial Reporting Standards (MFRS Framework.)

The MFRS Framework that is to be applied by all Entities Other Than Private Entities for annual periods beginning on or after 1 January 2012, with the exception of entities that are within the scope of MFRS 141 Agriculture (MFRS 141) and IC Interpretation 15 Agreements for Construction of Real Estate (IC 15), including its parent, significant investor and venturer (herein called 'Transitioning Entities').

On 4 July 2012, MASB has decided to allow Transitioning Entities to defer the adoption of the MFRS Framework for an additional one year. MFRS Framework will therefore be mandated for all Transitioning Entities for annual periods beginning on or after 1 January 2014.

The Group falls within the scope definition of Transitioning Entities and have opted to defer adoption of the new MFRS Frameworks. Accordingly, the Group will be required to prepare financial statement using MFRS Framework in its first MFRS financial statements for the year ending 31 December 2014. In presenting its first MFRS financial statements, the Group will be required to restate the comparative financial statements to amounts reflecting the application of MFRS Framework. The majority of the adjustments required on transition will be made, retrospectively, against opening retained profits.

2 Seasonal or cyclical factors

The Group's results for the current financial year were not materially impacted by any seasonal or cyclical factors apart from the Leisure division as the i-City's attractions receive more visitors during weekends, school holidays and festive seasons.

3 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 current quarter.

4 Changes in estimates

There were no material changes in estimates that have had material effect in the current quarter.

5 Debt and equity securities

There were no issues, cancellations, repurchases, resale and repayments of debt and equity securities.

None of the balance treasury shares of 485,945 shares was sold or cancelled in the current quarter.

6 Dividends paid

No dividends were paid in the current quarter.

7 Carrying amount of revalued assets

The valuations of property, plant and equipment and investment properties have been brought forward without amendment from the financial report for the year ended 31 December 2012.

8 Material events subsequent to the end of the interim period

The Company and its wholly owned subsidiary, I-City Properties Sdn. Bhd. ("ICP") as well as CPN Global Company Limited ("CPN Global"), a subsidiary of Central Pattana Public Company Limited had on 13th May 2013 entered into an agreement for CPN Global within a 2 months period to procure the incorporation of two local subsidiaries - CPN Real Estate Sdn. Bhd. and CPN Malls Malaysia Sdn. Bhd. which will then enter into a Shareholders Agreement with ICP and the Company for the purpose of acquiring 484,375.968 sq ft of land in i-City, Section 7, Shah Alam for the development of a commercial complex which will substantially comprise a Retail Mall. The form of the Shareholders Agreement and the Sale and Purchase Agreement for the land has already been agreed to by the respective parties and attached as Appendices to the agreement that was signed on 13th May 2013.

9 Changes in composition of the Group

There were no changes in the composition of the Group as at 31 March 2013.

10 Changes in contingent liabilities and contingent assets

	As at 31.03.2013 RM'000	As at 31.12.2012 RM'000
Contingent liabilities:		
Bank guarantees given to third parties in respect of services rendered to certain subsidiaries	1,542	1,261
Guarantee given to a third party for securing sale and leaseback arrangement owing to third party as part of the conditions of sale between the third party and a subsidiary	4,655	6,401
	<u>6,197</u>	<u>7,662</u>

There were no contingent assets since the end of the last annual reporting period on 31 December 2012.

11 Capital commitments

	As at 31.03.2013 RM'000	As at 31.12.2012 RM'000
Capital expenditure in respect of construction and purchase of property, plant and equipment:-		
- Contracted but not provided for	<u>3,219</u>	<u>1,897</u>

12 Significant Related Party Transactions

There were no significant related party transactions in the current quarter.

INTERIM FINANCIAL REPORT FOR THE FIRST QUARTER ENDED 31 MARCH 2013

13 Segmental information- By business segments

3 months ended 31 March 2013	Property Development RM'000	Property Investment RM'000	Leisure RM'000	ICT Services RM'000	Others RM'000	Consolidated RM'000
Revenue						
Total revenue	14,416	2,347	10,200	295	124	27,382
Inter-segment revenue	-	(152)	-	(35)	(49)	(236)
External revenue	14,416	2,195	10,200	260	75	27,146
Results						
Segment results	2,672	(898)	3,385	(50)	(74)	5,035
Interest income	15	-	6	3	16	40
Share of profit of an associate	-	-	7	-	-	7
Profit before taxation	2,687	(898)	3,398	(47)	(58)	5,082
Tax expense	-	-	-	-	-	(158)
Profit for the year	-	-	-	-	-	4,924
As at 31 March 2013						
Assets						
Segment assets	171,431	65,074	23,411	906	14,377	275,199
Current tax assets	-	-	-	-	-	1,417
Investment in an associate	-	-	-	-	-	82
Total assets	-	-	-	-	-	276,698
Liabilities						
Segment liabilities	82,010	8,070	1,000	368	499	91,947
Dividend payable	-	-	-	-	4,560	4,560
Current tax liabilities	-	-	-	-	-	292
Deferred tax liabilities	-	-	-	-	-	2,155
Total liabilities	-	-	-	-	-	98,954
3 months ended 31 March 2012						
Revenue						
Total revenue	-	2,133	6,274	351	67	8,825
Inter-segment revenue	-	(133)	-	(39)	(3)	(175)
External revenue	-	2,000	6,274	312	64	8,650
Results						
Segment results	(1,202)	(1,006)	3,406	(425)	(69)	704
Interest income	61	-	31	2	36	130
Profit before taxation	(1,141)	(1,006)	3,437	(423)	3	834
Tax expense	-	-	-	-	-	(92)
Profit for the year	-	-	-	-	-	742
As at 31 March 2012						
Assets						
Segment assets	114,594	64,988	22,306	1,470	8,098	211,456
Current tax assets	-	-	-	-	-	676
Total assets	-	-	-	-	-	212,132
Liabilities						
Segment liabilities	40,856	5,654	549	449	621	48,129
Current tax liabilities	-	-	-	-	-	-
Deferred tax liabilities	-	-	-	-	-	1,486
Total liabilities	-	-	-	-	-	49,615

Part B – Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia and other directives

14 Auditors' Report on preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 December 2012 was not qualified.

15 Review of performance by segment

(i) 1st quarter ended 31 March 2013

The Group registered higher revenue and profit before taxation of RM27.1 million and RM5.1 million respectively for current quarter compared to RM8.7 million and RM0.8 million respectively for the preceding year's corresponding quarter. The increase in revenue by 214% was mainly due to the profit recognition from on-going projects from the Property Development division as well as the introduction of more Theme Park games, "*FunWorld*", "*Trick Art Museum*" and "*WaterWorld@i-City*" for the Leisure division.

a) Property development

This division has recognized revenue progressively from i-Residence and i-SOVO projects that were launched in the last two quarters of the previous financial year as well as from Phase 1 of the residential incubator/i-SOHO project that had its soft launch in the current quarter whereas there was no revenue recognized in the preceding year's corresponding quarter.

b) Property investment

The increase in revenue and decrease in losses was mainly due to the introduction of retail kiosks in i-City.

c) Leisure

There was significant increase in revenue but slight decrease in profit before taxation for this division. The increase in revenue was mainly due to the new Theme Park attractions, "*FunWorld*", "*Trick Art Museum*" and "*WaterWorld@i-City*" which started operations on 15 November 2012 while the decrease in profit before taxation was mainly due to higher depreciation recognized from the additional attractions.

d) ICT Services

There were lower losses in the current quarter as compared to the preceding year corresponding quarter mainly due to lower depreciation charge.

16 Comment on material changes in profit before taxation of the current quarter compared with the preceding quarter

The profit before taxation for the current quarter was lower at RM5.1 million as compared to RM13.4 million in preceding quarter mainly due to the adjustment effect on one of the development project's profit margin which has been revised based on the actual construction costs awarded. At the same time, the Leisure division registered a lower revenue and profit in current quarter compared to the preceding quarter as the preceding quarter performance was boosted by the school holidays and year end festivals.

17 Commentary on prospects – current financial year

The Property Development division and Leisure division are expected to be the key contributors to the Group's 2013 estimated profit before tax of RM65.0 million.

Other than the progressive revenue recognition of the i-Residence and i-SOVO projects that were launched in 2012, revenue from the Property Development for 2013 will also include sales from the residential incubator/SOHO and Grand i-Residence projects.

The residential incubator/SOHO project is a 3 phased development with two towers for Phase 1, two towers for Phase 2 and 3 towers for Phase 3. The first tower of Phase 1 had its soft launch in the current quarter while the second tower of Phase 1 and Phase 2 will be launched in 2013. Phase 3 will be launched in 2014. In the current quarter, the Group has successfully sold all the 387 units in first tower of the Phase 1 residential incubator/SOHO development. The Group expects the same response when the second tower is launched in May 2013.

Grand i-Residence is a RM500 million GDV luxury residential project on an acre site within the heart of Kuala Lumpur City Centre that will be launched in Q4 2013.

In 2013, the Group's Leisure division plans to introduce new attractions such as Malaysia's first ever celebrities' wax figure museum, the "Red Carpet", "Dead Sea" and "Scream". These will help to increase the number of visitors to i-City as compared to previous year.

Barring any unforeseen circumstances and based on the aforementioned factors, the Board is confident that the Group would achieve better operating results for the coming financial year as compared to the previous financial year.

18 Statement of the board of directors' opinion as to whether the revenue or profit estimate, forecast, projection or internal targets are likely to be achieved

The profit before taxation of RM5.1 million for current quarter has met the estimated profit before taxation for the first quarter of the financial year ending 31 December 2013. Barring any unforeseen circumstances, the Board is confident that the Group would achieve the estimated profit before taxation of RM65.0 million for financial year ending 2013.

19 Tax Expense

	Current quarter / Financial period ended	
	31.03.2013 RM'000	31.03.2012 RM'000
Current taxation		
- income tax	160	92
- deferred tax	-	-
	160	
Under/(over) provision in prior years		
- income tax	(2)	-
- deferred tax	-	-
Total	158	92

The effective tax rate for the current year is lower than the statutory tax rate mainly due to the utilisation of capital allowances and tax losses brought forward from prior years as well as the utilisation of the tax incentive for the Leisure division.

20 Corporate proposals

(a) Status of corporate proposals

Not applicable.

(b) Status of utilisation of rights issue proceeds

<u>Approved purpose</u>	Approved revised utilisation	Utilisation as at 31.03.2013	Balance unutilised as at 31.03.2013
	RM'000	RM'000	RM'000
Advertising and promotions	7,746	7,746	-
Development of i-City:			
- Bridge financing for i-City	25,209	25,209	-
- Long term investment in data centre	20,000	18,833	1,167
- Investment in ICT facilities	10,000	10,000	-
- Investment in retail centre	10,000	10,000	-
Marketing network, sales and service outlet showroom for i-City	1,000	1,000	-
Total	<u>73,955</u>	<u>72,788</u>	<u>1,167</u>

21 Group borrowings and debt securities

There were no group borrowings and debt securities as at 31 March 2013.

22 Material litigation

The Group is not engaged in any material litigation as at 6 May 2013, the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report.

23 Dividend

An interim single tier dividend of 4.0 sen per ordinary share tax exempt for the financial year ended 31 December 2012 amounting to RM4.56 million was declared in current quarter. The interim dividend is payable on 25 April 2013 to shareholders entitled to dividends determined on the basis of the record of depositors as at 28 March 2013.

24 Earnings per share

Basic earnings per share is calculated by dividing the profit for the year attributable to owners of the parent by the weighted average number of shares in issue during the period less treasury shares held by the Company.

	Quarter ended / Financial period ended	
	31.03.2013	31.03.2012
	RM'000	RM'000
Profit attributable to owners of the parent (RM'000)	4,925	819
Weighted average number of ordinary shares in issue less treasury shares ('000)	114,000	106,401
Basic earnings per share (sen)	4.32	0.77
Diluted earnings per share (sen)	4.32	0.77

25 Note to statement of comprehensive income

	Quarter ended / Financial period ended	
	31.03.2013 RM'000	31.03.2012 RM'000
Profit/(Loss) before taxation for the period is arrived at after crediting:		
Interest income	40	130
Other income	149	98
Gain on disposal of property, plant & equipment	49	-
and charging:		
Depreciation of property, plant & equipment	2,586	1,719
Provision for and write off of receivables	-	94
Impairment of assets	-	-
Allowance for diminution in value of quoted investment	14	-
Exceptional items	-	-

26 Disclosure of realised and unrealised profits/losses

	Current quarter / Financial period ended	
	31.03.2013 RM'000	31.03.2012 RM'000
Total (accumulated losses)/retained earnings of I-Berhad and its subsidiaries:		
- Realised	(9,298)	(15,629)
- Unrealised	5,405	6,075
	(3,893)	(9,554)
Total share of retained earnings from associate:		
- Realised	7	-
	(3,886)	(9,554)
Less: Consolidation adjustments	5,990	3,957
Total (accumulated losses)/retained earnings as per consolidated accounts	2,104	(5,597)

27 Authorisation for issue

The interim financial statements were authorized for issue by the Board of Directors in accordance with a resolution of the Directors on 13 May 2013.

By Order of the Board

TOO YET LAN
Secretary
Shah Alam
13 May 2013