

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2013**

	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	Individual Quarter		Cumulative Quarter	
	Current Year	Preceding Year	Current Year	Preceding Year
	Quarter	Quarter	To Date	To Date
	30 Jun 2013	30 Jun 2012	30 Jun 2013	30 Jun 2012
	RM'000	RM'000	RM'000	RM'000
Revenue	33,802	10,941	60,948	19,591
Cost of Sales	(20,329)	(4,920)	(36,277)	(9,041)
Gross profit	13,473	6,021	24,671	10,550
Other income	247	2,085	485	2,313
Other expenses	(5,726)	(5,021)	(12,087)	(8,944)
Share of profit of an associate	21	-	28	-
Profit before taxation	8,015	3,085	13,097	3,919
Tax expense	(1,236)	(189)	(1,394)	(281)
Profit for the financial period	6,779	2,896	11,703	3,638
Other comprehensive income:				
Foreign currency translations	38	39	68	13
Total comprehensive income	6,817	2,935	11,771	3,651
Profit/(loss) attributable to:				
Owners of the parent	6,788	2,969	11,713	3,788
Non-controlling interests	(9)	(73)	(10)	(150)
	6,779	2,896	11,703	3,638
Total comprehensive income/(loss) attributable to:				
Owners of the parent	6,826	3,008	11,781	3,801
Non-controlling interests	(9)	(73)	(10)	(150)
	6,817	2,935	11,771	3,651
<b>Earnings per share attributable to owners of the parent</b>	sen	sen	sen	sen
Basic	5.95	2.60	10.27	3.32
Fully diluted	5.95	2.60	10.27	3.32

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 30 JUNE 2013**

	(Unaudited) As at 30.06.2013 RM'000	(Audited) As at 31.12.2012 RM'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	57,220	52,234
Investment properties	65,460	65,460
Investment in an associate	103	75
	<u>122,783</u>	<u>117,769</u>
<b>Current assets</b>		
Property development costs	56,670	56,628
Inventories	54,614	54,648
Trade and other receivables	21,694	15,989
Other investments	28	39
Tax recoverable	1,019	1,134
Deposits, cash and bank balances	13,297	16,112
	<u>147,322</u>	<u>144,550</u>
<b>TOTAL ASSETS</b>	<u><u>270,105</u></u>	<u><u>262,319</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	114,486	114,486
Reserves	70,475	63,254
Treasury shares	(509)	(509)
Attributable to equity owners of the parent	<u>184,452</u>	<u>177,231</u>
Non-controlling interests	109	119
<b>TOTAL EQUITY</b>	<u><u>184,561</u></u>	<u><u>177,350</u></u>
<b>Non-current liabilities</b>		
Trade and other payables	-	978
Deferred tax liabilities	2,155	2,155
	<u>2,155</u>	<u>3,133</u>
<b>Current liabilities</b>		
Trade and other payables	82,539	81,519
Current tax liabilities	850	317
	<u>83,389</u>	<u>81,836</u>
<b>TOTAL LIABILITIES</b>	<u><u>85,544</u></u>	<u><u>84,969</u></u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><u>270,105</u></u>	<u><u>262,319</u></u>
Net Assets per share (RM)	<u>1.62</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 30 JUNE 2013**

	<----- Attributable to owners of the parent ----->					<----- Non-distributable -----> Distributable			
	Share capital	Treasury shares	Share premium	Revaluation reserve	Exchange translation difference	(Accumulated losses)/ retained earnings	Total	Non-controlling interests	Total equity
(Audited)	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>Balance as at 1 January 2012</b>	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 paid	-	-	-	-	-	(1,064)	(1,064)	-	(1,064)
Total transactions with owners	-	7,962	(363)	-	-	(8,663)	(1,064)	-	(1,064)
<b>Balance as at 31 December 2012</b>	114,486	(509)	60,167	1,331	17	1,739	177,231	119	177,350
<b>(Unaudited)</b>									
<b>Balance as at 1 January 2013</b>	114,486	(509)	60,167	1,331	17	1,739	177,231	119	177,350
Total comprehensive income/(loss) for the year	-	-	-	-	68	11,713	11,781	(10)	11,771
Transaction with owners:	-	-	-	-	-	-	-	-	-
Share dividend	-	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	(4,560)	(4,560)	-	(4,560)
	-	-	-	-	-	(4,560)	(4,560)	-	(4,560)
<b>Balance as at 30 June 2013</b>	114,486	(509)	60,167	1,331	85	8,892	184,452	109	184,561

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 30 JUNE 2013**

	(Unaudited) As at 30.06.2013 RM'000	(Audited) As at 31.12.2012 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	13,097	18,238
Adjustments for:		
Non-cash/operating items	5,160	4,856
Operating profit before working capital changes	18,257	23,094
Net changes in current assets	(5,702)	(43,304)
Net changes in current liabilities	42	31,080
Cash generated from operations	12,597	10,870
Tax paid	(754)	(986)
Tax refund	7	7
Net cash generated from operating activities	11,850	9,891
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(10,363)	(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	67	520
Net cash used in investing activities	(10,173)	(17,207)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend paid	(4,560)	(1,064)
Fixed deposit pledged	-	(123)
Net cash used in financing activities	(4,560)	(1,187)
Net decrease in cash and cash equivalents	(2,883)	(8,503)
Effect of foreign exchange rate changes	68	(46)
Cash and cash equivalents at beginning of the financial year	15,989	24,538
Cash and cash equivalents at end of the financial year	13,174	15,989
<b>Cash and cash equivalents comprise :</b>		
Cash and bank balances	3,127	3,552
Deposits with licensed banks/financial institutions	10,170	12,560
Deposits pledged as bank guarantee (Note b)	(123)	(123)
Total	13,174	15,989

**Note:**

Included in the cash and cash equivalents:-

(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 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 unaudited interim financial report has been prepared in accordance with FRS 134: Interim Financial Reporting and Chapter 9, Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad. 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 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 significant 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)**

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 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 Material 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**

The Company paid an interim single tier dividend of 4 sen, amounting to RM4,560,016 on 25 April 2013 in respect of the financial year ended 31 December 2012.

**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 financial year ended 31 December 2012.

**8 Material events subsequent to the end of the interim period**

Subsequent to the Company's announcement on 13 May 2013 in relation to the joint venture between Central Pattana Public Company Limited of Thailand ("CPN"), the Company and I-City Properties Sdn. Bhd. ("ICP"), the Company and ICP had on 19 July 2013, executed the Joint Venture and Shareholders' Agreement ("JVSA") with CPN Real Estate Sdn. Bhd., CPN Mall Malaysia Sdn. Bhd., Central Plaza I-City Malls Malaysia Sdn. Bhd., Central Plaza I-City Sdn. Bhd. and Central Plaza I-City Real Estate Sdn. Bhd. for the development and management of a regional Retail Mall to be known as CentralPlaza at i-City, Section 7, Shah Alam, Selangor Darul Ehsan.

Other than the above, there were no material events subsequent to the end of the current quarter under review that have not been reflected in the financial statements.

**9 Changes in composition of the Group**

There were no changes in the composition of the Group as at 30 June 2013.

**10 Changes in contingent liabilities and contingent assets**

	<b>As at 30.06.2013 RM'000</b>	<b>As at 31.12.2012 RM'000</b>
Contingent liabilities:		
Bank guarantees given to third parties in respect of services rendered to certain subsidiaries	1,560	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	2,909	6,401
	<u>4,469</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**

	<b>As at 30.06.2013 RM'000</b>
Approved and contracted for, analysed as follow:	
New leisure attractions	<u>2,187</u>

**12 Significant Related Party Transactions**

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

## INTERIM FINANCIAL REPORT FOR THE SECOND QUARTER ENDED 30 JUNE 2013

**13 Segmental information- By business segments**

6 months ended 30 June 2013	Property Development RM'000	Property Investment RM'000	Leisure RM'000	ICT Services RM'000	Others RM'000	Consolidated RM'000
<b>Revenue</b>						
Total revenue	36,472	4,663	20,088	584	208	62,015
Inter-segment revenue	(580)	(292)	-	(68)	(127)	(1,067)
External revenue	35,892	4,371	20,088	516	81	60,948
<b>Results</b>						
Segment results	7,777	(1,753)	7,359	(135)	(257)	12,991
Interest income	18	-	6	7	47	78
Share of profit of an associate	-	-	28	-	-	28
(Loss)/Profit before taxation	7,795	(1,753)	7,393	(128)	(210)	13,097
Tax expense						(1,394)
Profit for the financial period						11,703
As at 30 June 2013						
<b>Assets</b>						
Segment assets	140,791	65,533	50,804	878	10,977	268,983
Tax recoverable	-	-	-	-	-	1,019
Investment in an associate	-	-	-	-	-	103
Total assets						270,105
<b>Liabilities</b>						
Segment liabilities	72,909	7,810	840	413	567	82,539
Current tax liabilities	-	-	-	-	-	850
Deferred tax liabilities	-	-	-	-	-	2,155
Total liabilities						85,544
6 months ended 30 June 2012						
<b>Revenue</b>						
Total revenue	3,374	4,339	13,608	679	408	22,408
Inter-segment revenue	(2,275)	(272)	-	(73)	(197)	(2,817)
External revenue	1,099	4,067	13,608	606	211	19,591
<b>Results</b>						
Segment results	(3,107)	(1,819)	7,618	(820)	1,743	3,615
Interest income	167	-	67	7	63	304
Profit before taxation	(2,940)	(1,819)	7,685	(813)	1,806	3,919
Tax expense						(281)
Profit for the financial period						3,638
As at 30 June 2012						
<b>Assets</b>						
Segment assets	154,992	62,325	9,345	1,095	10,016	237,773
Tax recoverable	-	-	-	-	-	517
Total assets						238,290
<b>Liabilities</b>						
Segment liabilities	63,694	5,592	752	473	841	71,352
Deferred tax liabilities	-	-	-	-	-	1,486
Total liabilities						72,838

**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) 2<sup>nd</sup> quarter ended 30 June 2013**

The Group registered higher revenue and profit before taxation of RM33.8 million and RM8.0 million respectively for current quarter compared to RM10.9 million and RM3.1 million respectively for the preceding year's corresponding quarter. The increase in revenue of 210% was mainly due to higher percentage of completion recognised from on-going projects in the Property Development division.

**a) Property development**

Revenue for current quarter and financial period ended rose respectively compared to the previous financial year as a result of encouraging sales since the launch of i-Residence, i-SOVO and i-SOHO respectively.

**b) Property investment**

There is no significant change in revenue or profit as the occupancy remains about the same.

**c) Leisure**

While there was no significant change in revenue, there was a slight drop in profit before taxation for this division due to higher depreciation charge from the additional attractions.

**d) ICT Services**

The decline in losses for current quarter as compared to the preceding year's corresponding quarter was due to the 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 higher at RM8.0 million as compared to RM5.1 million in preceding quarter mainly due to increase in sales and progressive recognition of profit from the property development.

**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 from ongoing projects such as i-Residence and i-SOVO which were launched in 2012, the Property Development's revenue for 2013 will also include sales from the residential incubator/SOHO project.

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. Phase 1 has been opened for sales while Phase 2 and Phase 3 will be launched in Q3 2013 and 2014 respectively.

In Q3 2013, the Group's Leisure division plans to unveil new attractions such as Malaysia's first interactive wax figures museum, the "Red Carpet" and "House of Horror". These additional attractions are expected to snowball the number of visitors to i-City.

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**

Although the profit before taxation for the first half of the financial year is RM13.1 million, the Board is confident that the Group would achieve the estimated profit before taxation of RM65.0 million for financial year ending 2013 as the performance in the second half would be boosted by the sales from the SOHO project. Furthermore the performance of the Leisure Division, which historically is higher in the last quarter of the year, would be enhanced by the new attractions.

**19 Tax Expense**

	Current quarter/ 3 months ended		Year to date/ 6 months ended	
	30.06.2013 RM'000	30.06.2012 RM'000	30.06.2013 RM'000	30.06.2012 RM'000
Current taxation				
- income tax	1,238	210	1,396	302
- deferred tax	-	-	-	-
	<u>1,238</u>	<u>210</u>	<u>1,396</u>	<u>302</u>
Over provision in prior years				
- income tax	(2)	(21)	(2)	(21)
- deferred tax	-	-	-	-
Total	<u>1,236</u>	<u>189</u>	<u>1,394</u>	<u>281</u>

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>	<b>Approved revised utilisation</b> RM'000	<b>Utilisation as at 30.06.2013</b> RM'000	<b>Balance unutilised as at 30.06.2013</b> 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 30 June 2013.

**22 Material litigation**

The Group is not engaged in any material litigation as at 14 August 2013, the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report.

**23 Dividend**

No interim dividend has been recommended in respect of the financial period ended 30 June 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.

	<b>Current quarter/ 3 months ended</b>		<b>Year to date/ 6 months ended</b>	
	<b>30.06.2013</b> RM'000	<b>30.06.2012</b> RM'000	<b>30.06.2013</b> RM'000	<b>30.06.2012</b> RM'000
Profit attributable to owners of the parent (RM'000)	6,788	2,969	11,713	3,788
Weighted average number of ordinary shares in issue less treasury shares ('000)	114,000	114,000	114,000	114,000
Basic earnings per share (sen)	5.95	2.60	10.27	3.32
Diluted earnings per share (sen)	5.95	2.60	10.27	3.32

**25 Note to statement of comprehensive income**

	Current quarter/ 3 months ended		Year to date/ 6 months ended	
	30.06.2013 RM'000	30.06.2012 RM'000	30.06.2013 RM'000	30.06.2012 RM'000
Profit/(Loss) before taxation for the period is arrived at after crediting:				
Interest income	38	174	78	304
Other income	209	1,911	358	2,009
Gain on disposal of property, plant and equipment	-	-	49	-
and charging:				
Depreciation of property, plant and equipment	2,754	1,851	5,340	3,570
Provision for and write off of receivables	-	20	-	114
(Reversal of)/Allowance for diminution in value of quoted investment	(3)	-	11	-

**26 Disclosure of realised and unrealised profits/losses**

	Financial period ended	Financial year ended
	30.06.2013 RM'000	31.12.2012 RM'000
Total (accumulated losses)/retained earnings of I-Berhad and its subsidiaries:		
- Realised	823	(6,504)
- Unrealised	5,405	5,405
	6,228	(1,099)
Total share of retained earnings from associate:		
- Realised	28	35
	6,256	(1,064)
Consolidation adjustments	2,636	2,803
Total retained earnings as per consolidated accounts	8,892	1,739

**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 21 August 2013.

By Order of the Board

TOO YET LAN  
Secretary  
Shah Alam  
21 August 2013