

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 31 MARCH 2014**

	Note	(Unaudited) Individual Quarter		(Unaudited) Cumulative Quarter	
		Current Quarter 31 Mar 2014 RM'000	Preceding Year Quarter 31 Mar 2013 RM'000	Current Year To Date 31 Mar 2014 RM'000	Preceding Year To Date 31 Mar 2013 RM'000
Revenue	12	44,914	27,146	44,914	27,146
Cost of sales		(28,310)	(15,948)	(28,310)	(15,948)
Gross profit		16,604	11,198	16,604	11,198
Other income	23	253	238	253	238
Other expenses		(8,498)	(6,361)	(8,498)	(6,361)
Share of profit/(loss) of an associate		(0)	7	(0)	7
Profit before taxation	23	8,359	5,082	8,359	5,082
Tax expense	17	(2,241)	(158)	(2,241)	(158)
Profit for the financial period		6,118	4,924	6,118	4,924
Other comprehensive income:					
Foreign currency translations		5	30	5	30
Total comprehensive income		6,123	4,954	6,123	4,954
Profit/(Loss) attributable to:					
Owners of the parent		6,103	4,925	6,103	4,925
Non-controlling interests		15	(1)	15	(1)
		6,118	4,924	6,118	4,924
Total comprehensive income/(loss) attributable to:					
Owners of the parent		6,108	4,955	6,108	4,955
Non-controlling interests		15	(1)	15	(1)
		6,123	4,954	6,123	4,954
Earnings per share attributable to owners of the parent		sen	sen	sen	sen
Basic	22	5.35	4.32	5.35	4.32
Fully diluted	22	5.35	4.32	5.35	4.32

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2013 and the accompanying notes.

I-Berhad (7029-H)**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2014**

	Note	(Unaudited) As at 31.03.2014 RM'000	(Audited) As at 31.12.2013 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		69,070	65,020
Investment properties		74,101	73,373
Investments in associates		3,483	3,480
Other investments		0	0
		<u>146,654</u>	<u>141,873</u>
Current assets			
Property development costs		72,250	61,672
Inventories		54,466	54,472
Trade and other receivables		51,450	58,988
Other investments		39	39
Current tax assets		1,413	834
Deposits, cash and bank balances		7,892	7,107
		<u>187,510</u>	<u>183,112</u>
TOTAL ASSETS	12	<u><u>334,164</u></u>	<u><u>324,985</u></u>
EQUITY AND LIABILITIES			
Equity			
Share capital		114,486	114,486
Reserves		108,892	102,784
Treasury shares		(509)	(509)
Equity attributable to owners of the parent		<u>222,869</u>	<u>216,761</u>
Non-controlling interests		135	120
TOTAL EQUITY		<u>223,004</u>	<u>216,881</u>
Non-current liabilities			
Deferred tax liabilities		2,869	2,869
		<u>2,869</u>	<u>2,869</u>
Current liabilities			
Borrowing		6,000	-
Trade and other payables		102,216	104,544
Current tax liabilities		75	691
		<u>108,291</u>	<u>105,235</u>
TOTAL LIABILITIES	12	<u>111,160</u>	<u>108,104</u>
TOTAL EQUITY AND LIABILITIES		<u><u>334,164</u></u>	<u><u>324,985</u></u>
Net assets per share attributable to owners of the parent (RM)		<u>1.95</u>	<u>1.90</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 2013 and the accompanying notes.

I-Berhad (7029-H)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 31 MARCH 2014**

	<----- Attributable to owners of the parent ----->								
	<----- Non-distributable ----->					Distributable			
	Share capital	Treasury shares	Share premium	Revaluation reserve	Exchange translation difference	Retained earnings	Total	Non-controlling interests	Total equity
(Unaudited)	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
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 financial period	-	-	-	-	30	4,925	4,955	(1)	4,954
Transaction with owners:									
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
(Unaudited)									
Balance as at 1 January 2014	114,486	(509)	60,167	1,331	139	41,147	216,761	120	216,881
Total comprehensive income for the financial period	-	-	-	-	5	6,103	6,108	15	6,123
Transaction with owners:									
Dividend to shareholders	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2014	114,486	(509)	60,167	1,331	144	47,250	222,869	135	223,004

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 2013 and the accompanying notes.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 31 MARCH 2014**

	(Unaudited) Quarter ended 31.03.2014 RM'000	(Unaudited) Quarter ended 31.03.2013 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	8,359	5,082
Adjustments for:		
Non-cash/operating items	3,337	2,490
Operating profit before working capital changes	11,696	7,572
Net changes in current assets	(3,073)	(10,093)
Net changes in current liabilities	(2,327)	9,451
Cash generated from operations	6,296	6,930
Tax paid	(3,741)	(474)
Tax refunded	306	7
Net cash generated from operating activities	2,861	6,463
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(7,425)	(6,252)
Proceeds from disposal of property, plant and equipment	-	123
Investment in associate company	(3)	-
Development costs incurred for investment properties	(728)	-
Interest received	75	29
Net cash used in investing activities	(8,081)	(6,100)
CASH FLOWS FROM FINANCING ACTIVITIES		
Borrowing	6,000	-
Net cash from financing activities	6,000	-
Net increase in cash and cash equivalents	780	363
Effect of foreign exchange rate changes	5	30
Cash and cash equivalents at beginning of the financial year	7,068	15,989
Cash and cash equivalents at end of the financial year	7,853	16,382
Cash and cash equivalents comprise :		
Cash and bank balances	2,407	3,552
Deposits with licensed banks/financial institutions	5,485	12,953
Deposits pledged as bank guarantee	(39)	(123)
Total	7,853	16,382

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2013 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 2013 except as follows:

On 1 January 2014, the Group adopted the following new and amended FRS and IC Interpretations mandatory for annual financial periods beginning on or after 1 January 2014.

Amendments to FRS 10, FRS 12 and FRS 127	Investment Entities
Amendments to FRS 132	Offsetting Financial Assets and Financial Liabilities
Amendments to FRS 136	Recoverable Amount Disclosures for Non-financial Assets
Amendments to FRS 139	Novation of Derivatives and Continuation of Hedge Accounting
IC Interpretations 21	Levies

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 and not yet effective:

1 July 2014

Amendments to FRSs	Annual Improvements 2010-2012 Cycle
Amendments to FRSs	Annual Improvements 2011-2013 Cycle
Defined Benefit Plans: Employee Contributions (Amendments to FRS 119)	

1 January 2015

FRS 9	Financial Instruments
Mandatory effective date of FRS 9 and Transition Disclosures	

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 7 August 2013, the MASB issued another announcement that Transitioning Entities would only be required to adopt the MFRS framework for the annual periods beginning on or after 1 January 2015.

The Group falls within the scope definition of Transitioning Entities and has opted to defer adoption of the new MFRS Framework. Accordingly, the Group will be required to prepare financial statements using MFRS Framework in its first MFRS financial statements for the year ending 31 December 2015. 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 were not materially impacted by any seasonal or cyclical factors apart from the Leisure segment 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 quarter ended 31 March 2014.

4 Material changes in estimates

There were no material changes in estimates that have material effect as at quarter ended 31 March 2014.

5 Debt and equity securities

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

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

6 Dividends paid

There was no dividend payment in the current quarter.

7 Carrying amount of revalued assets

The carrying values of investment properties have been brought forward without significant changes from the audited financial statements for the financial year ended 31 December 2013.

8 Material events subsequent to the end of interim period

The Company had on 1 April 2014 announced that its wholly-owned subsidiary, I-R&D Sdn. Bhd. has incorporated a new wholly-owned subsidiary namely I-City Travel Sdn. Bhd. with an authorised capital of RM400,000 divided into 400,000 ordinary shares of RM1.00 each and a paid-up capital of RM2.00 divided into 2 ordinary shares of RM1.00 each. The intended principal activity of the new subsidiary is to provide transportation services.

9 Changes in composition of the Group

There was no change in the composition of the Group as at 31 March 2014.

10 Capital commitments

	As at 31.03.2014
	RM'000
Approved and contracted for, analysed as follows:	
New leisure attractions	5,996
Hotel development	19,411
Investment properties	12,400
	<hr/>
	37,807
	<hr/> <hr/>

11 Significant related party transactions

There was no significant related party transaction in current quarter.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR QUARTER ENDED
31 MARCH 2014 - UNAUDITED**12 Segmental information - By business segments**

Financial period ended	Property Development RM'000	Property Investment RM'000	Leisure RM'000	ICT Services RM'000	Others RM'000	Consolidated RM'000
31 March 2014						
Revenue						
Total revenue	33,373	2,460	9,573	267	98	45,771
Inter-segment revenue	(656)	(74)	-	(35)	(92)	(857)
External revenue	32,717	2,386	9,573	232	6	44,914
Results						
Segment results	8,755	(343)	782	31	(903)	8,322
Interest income	5	0	7	2	23	37
Share of loss of an associate	-	-	(0)	-	-	(0)
Profit / (Loss) before taxation	8,760	(343)	789	33	(880)	8,359
Tax expense	-	-	-	-	-	(2,241)
Profit for the financial period						6,118
As at 31 March 2014						
Assets						
Segment assets	137,444	134,977	38,950	661	17,236	329,268
Tax recoverable	-	-	-	-	-	1,413
Investment in associates	-	-	-	-	-	3,483
Total assets						334,164
Liabilities						
Segment liabilities	91,675	10,122	841	185	5,393	108,216
Current tax liabilities	-	-	-	-	-	75
Deferred tax liabilities	-	-	-	-	-	2,869
Total liabilities						111,160
Financial period 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 /(Loss) before taxation	2,687	(898)	3,398	(47)	(58)	5,082
Tax expense	-	-	-	-	-	(158)
Profit for the financial period						4,924
As at 31 March 2013						
Assets						
Segment assets	116,959	119,546	23,411	906	14,377	275,199
Tax recoverable	-	-	-	-	-	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
Current tax liabilities	-	-	-	-	-	292
Deferred tax liabilities	-	-	-	-	-	2,155
Total liabilities						98,954

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

13 Auditors' Report on preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 December 2013 was not qualified.

14 Review of performance - Current financial period ended 31 March 2014 by segment.

The Group registered higher revenue of RM44.9 million for the quarter ended 31 March 2014 compared to RM27.1 million for the preceding financial year's corresponding quarter. The increase in revenue of 66% was mainly due to higher sales from on-going projects in the Property Development segment.

The Group has posted a higher profit before taxation of RM8.4 million for quarter ended 31 March 2014 compared to RM5.1 million for the preceding financial year's corresponding quarter. The increase in profit before taxation was mainly due to the higher profit recognition from on-going projects in the Property Development segment.

a) Property development

The increase in revenue and profit before tax for the 1st quarter of the current financial year increased by RM18.3 million and RM6.1 million respectively compared to the corresponding quarter of the preceding financial year driven by higher percentage of recognition for both the project completion and sales for i-Residence, i-SOVO and i-SOHO projects.

b) Property investment

There are no significant changes in both the revenue and profit before tax for 1st quarter of current financial year as compared to the preceding year's corresponding quarter as the occupancy rate remains stable.

c) Leisure

The slightly lower revenue for the 1st quarter of current financial year as compared to the 1st quarter of preceding financial year as well as the additional costs incurred for the new attractions has resulted in a RM2.6 million reduction in the 1st quarter segment profit of current financial year as compared to the profit in preceding financial year's corresponding quarter.

d) ICT Services

The decline in losses for the 1st quarter of current financial year as compared to the corresponding quarter of preceding financial year was mainly due to more effective cost management.

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

The Group registered lower revenue and profit before taxation for the current quarter at RM44.9 million and RM8.4 million respectively compared to RM55.7 million and RM36.2 million respectively for the preceding quarter. The drop in performance in current quarter as compared to preceding quarter as our Leisure segment had attained its peak seasonal revenue in preceding quarter due to the year-end school holidays and festive holidays. In addition, the preceding quarter's result was boosted by the fair value gain from the revaluation of investment properties by approximately RM13.0 million.

16 Commentary on prospects – current financial year

The Board expects both the Property Development and Leisure segment to continue to contribute positively to the Group's performance for the remaining quarters of current financial year.

For the Leisure division, apart from the efforts to increase the revenue from the existing attractions, the Group will continue to introduce new attractions in the second half of the financial year.

16 Commentary on prospects – current financial year (cont'd)

As for the Property division, the Group is looking into launching two new projects, namely Grand i-Residence and the next phase of i-Suite, with a combined Gross Development Value of approximately RM1.6 billion. Grand i-Residence which is the Group's maiden property project in Kuala Lumpur is a 50 storey luxury condominium project located on 1.05 acres along Jalan Kia Peng in the vicinity of Kuala Lumpur City Centre ('KLCC').

Barring any unforeseen circumstances and based on the aforementioned factors, the Board is confident that the Group would achieve better operating results for the financial year ending 31 December 2014.

17 Tax Expense

	Quarter ended	Quarter ended
	31.03.2014	31.03.2013
	RM'000	RM'000
Taxation		
- Current tax	2,241	160
- Over provision in prior year	-	(2)
Total	2,241	158

Overall, the effective tax rate for the quarter ended 31 March 2014 is higher than the statutory tax rate mainly due to full utilisation of capital allowances and tax losses brought forward from prior years.

18 Corporate proposals

As announced in the previous quarterly reports, the Company has entered into the following corporate proposals:

- a. On 19 July 2013, the Company and its wholly owned subsidiary, I-City Properties Sdn. Bhd. ('ICP') had executed the Joint Venture and Shareholders' Agreement ('JVSA') with CPN Real Estate Sdn. Bhd. ('CPN Real Estate'), CPN Malls Malaysia Sdn. Bhd. ('CPN Malls'), Central Plaza I-City Malls Malaysia Sdn. Bhd., Central Plaza I-City Sdn. Bhd. and Central Plaza I-City Real Estate Sdn. Bhd. ('Central Plaza I-City Real Estate') for the development and management of a regional Retail Mall to be known as Central Plaza at i-City, Section 7, Shah Alam, Selangor Darul Ehsan.

The corporate structure of the joint venture with Central Pattana Public Company Limited of Thailand ('CPN') is as follows:

- i. The Company through ICP holds a 40% stake in a newly incorporated joint venture company, Central Plaza I-City Malls Malaysia Sdn. Bhd. ('JVCo') thereby making it an associated company of the Group. CPN through its subsidiaries, CPN Real Estate and CPN Malls holds 60% stake in the JVCo.
- ii. A newly incorporated Central Plaza I-City Sdn. Bhd., a wholly owned subsidiary of Central Plaza I-City Malls Malaysia Sdn. Bhd. would be the Mall Manager.
- iii. A newly incorporated Central Plaza I-City Real Estate, a wholly owned subsidiary of Central Plaza I-City Sdn. Bhd., would develop and own the Mall.

In accordance with the terms of the JVSA, Central Plaza I-City Real Estate and the Company had also executed a Land Sale and Purchase Agreement with Sumur Heights Sdn. Bhd., Sumurwang Industries Sdn. Bhd., Top Capital Sdn. Bhd., Sumur Marketing Sdn. Bhd. and Sumurwang Development Sdn. Bhd. and The Peak @ KLCC Sdn. Bhd. ('The Peak @ KLCC'), the vendor and beneficial owner for a piece of freehold land which forms part of the land held under Geran No. 311885, Lot No. 16965 and part of Geran No. 311886, Lot No. 16966 of Seksyen 7, Bandar Shah Alam, District of Petaling, State of Selangor Darul Ehsan ('Mall Land') measuring approximately 11.12 acres (484,376 sq ft) for a purchase consideration of RM72.7 million for the development of the Retail Mall ('Proposed Mall Land Acquisition').

18 Corporate proposals (cont'd)

- b. On 17 September 2013, with reference to the Company's announcement dated 22 July 2013 in respect of the proposed joint venture between Central Pattana Public Company Limited of Thailand, I-City Properties Sdn Bhd and I-Berhad ('Proposed Joint Venture'), an application has been submitted to Bursa Securities to seek an extension of time to comply with Paragraph 9.33(1)(a) of Bursa Securities MMLR for the submission to Bursa Securities of the Company's draft circular in relation to the Proposed Joint Venture, and the subsequent approval granted by Bursa Securities dated 27 September 2013;
- c. Proposed acquisition by I-Marcom Sdn Bhd, a wholly-owned subsidiary of I-Berhad, of a piece of freehold land held under Geran 26180, Lot 242, Seksyen 63, Town and District of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur measuring approximately 1.05 acres and located along Jalan Changkat Kia Peng from Sumuracres Sdn Bhd for a consideration of RM132.0 million to be settled by I-Berhad through the issuance of RM132,000,000 five (5)-year 3% stepping up to 5% redeemable convertible unsecured loan stocks ('RCULS') at 100% nominal value of RM0.50 per RCULS, as announced on 24 October 2013;
- d. On 20 December 2013, CIMB Investment Bank Berhad ('CIMB') announced on behalf of the Company the following proposals to Bursa Malaysia Securities Berhad ('Bursa Securities'):
- (i) Proposed share split involving the subdivision of every one (1) existing ordinary share of RM1.00 each in I-Berhad into two (2) ordinary shares of RM0.50 each in I-Berhad ('Proposed Share Split');
 - (ii) Proposed renounceable rights issue of new ordinary shares in I-Berhad together with free detachable warrants to raise gross proceeds of up to RM200.0 million ('Proposed Rights Issue with Warrants');
 - (iii) Proposed bonus issue of new ordinary shares in I-Berhad ('Bonus Share(s)') on the basis of one (1) Bonus Share for every five (5) ordinary shares held ('Proposed Bonus Issue');
 - (iv) Proposed acquisition by I-City Properties Sdn Bhd, a wholly-owned subsidiary of the Company, of a piece of freehold land held under Geran No. 311884, Lot No. 16964, Seksyen 7, Bandar Shah Alam, District of Petaling, State of Selangor Darul Ehsan measuring approximately 12.13 acres from The Peak @ KLCC for a purchase consideration of RM241.30 million to be settled by a combination of irredeemable convertible unsecured loan stocks ('ICULS') and RCULS issued by I-Berhad ('Proposed SOHO Land Acquisition');
 - (v) Proposed acquisition by City Centrepoint Sdn Bhd ('CCSB'), a wholly-owned subsidiary of the Company, of a piece of freehold land which currently forms part of the land held under Geran No. 311886, Lot No.16966, Seksyen 7, Bandar Shah Alam, District of Petaling, State of Selangor Darul Ehsan measuring approximately 7.45 acres from The Peak @ KLCC for a purchase consideration of RM129.0 million to be settled by a combination of ICULS and RCULS issued by I-Berhad ('Proposed Tower Land Acquisition');
 - (vi) Proposed renounceable restricted offer for sale of up to 50% of up to RM301.3 million five (5)-year 2% stepping up to 3% ICULS at 100% of its nominal value of RM0.50 each to be issued pursuant to the Proposed SOHO Land Acquisition and/or the Proposed Tower Land Acquisition to the minority shareholders of I-Berhad;
 - (vii) Proposed increase in authorised share capital of I-Berhad from RM200,000,000 comprising 200,000,000 ordinary shares of RM1.00 each to RM1,000,000,000 ('Proposed Increase in Authorised Share Capital');
 - (viii) Proposed amendment to the memorandum of association of I-Berhad ('Proposed Amendment'); and
 - (ix) Proposed establishment of a long term incentive plan of up to 10% of the issued and paid-up share capital of the Company for eligible employees and eligible Directors of I-Berhad and its subsidiaries ('Proposed LTIP')

collectively known as the Proposals.

18 Corporate proposals (cont'd)

On 5 February 2014, an application to Bursa Securities to seek for a further extension of time in respect of the Proposed Joint Venture and an extension of time for other proposals associated with the Proposed Joint Venture (if applicable); and the remainder of the Proposals.

On 6 February 2014, the Board of Directors announced that the Company intends to undertake the Proposed Ratification, which is subject to I-Berhad's shareholders approval at an Extraordinary General Meeting to be convened.

Bursa Securities had vide its letter dated 24 February 2014, granted the Company a further extension of time in respect of the Proposed Joint Venture and an extension of time in respect of the remainder of the Proposals until 30 April 2014 or within a period of two (2) months from the Securities Commission Malaysia's authorisation and approval for the ICULS and RCULS, whichever is later.

On 28 March 2014, with reference to the announcements dated 20 December 2013, 8 January 2014 and 22 January 2014 in relation to the Proposed SOHO Land Acquisition and the Proposed Tower Land Acquisition, CIMB has announced on behalf of the Board that the application for the proposed issuance of the ICULS pursuant to the Proposed SOHO Land Acquisition and the Proposed Tower Land Acquisition has been approved under subsection 214(1) and authorised under subsection 256C(1) of the Capital Markets & Services Act 2007 ('CMSA') by the Securities Commission Malaysia vide its letter dated 26 March 2014, received on 27 March 2014.

On 1 April 2014, CIMB announced on behalf of the Company the proposed arrangement between the Company and The Peak @ KLCC in relation to the treatment of the purchase consideration from the Proposed Mall Land Acquisition ('Proposed Arrangement'). On even date, the Company and The Peak @ KLCC had entered into a termination and payment agreement to formalize the Proposed Arrangement. In addition, the Company has announced the full details of the Proposed Ratification resulting from the finalisation of the various appointments of advisers and the conclusions of the independent valuations on the affected properties. The Proposed Arrangement and Proposed Ratification are now pending approvals from the shareholders of the Company, Securities Commission Malaysia, Bursa Malaysia Securities and other relevant authorities.

On 12 May 2014, with reference to the Company's announcement dated 20 December 2014 in respect of Proposed SOHO Land Acquisition, Proposed Tower Land Acquisition and Proposed OFS ("Transaction"), the Company has received nomination letters from The Peak @ KLCC whereby The Peak @ KLCC has identified Sumurwang Sdn Bhd ("Sumurwang") as the registered and beneficial holder of the RCULS-B and the ICULS to be issued pursuant to the terms and conditions of the SOHO Land SPA and the Tower Land SPA. Following the terms and conditions stipulated in the SOHO Land SPA and the Tower Land SPA, Sumurwang has also irrevocably and unconditionally undertaken to carry out the renounceable restricted offer for sale of up to 50% of up to RM301.30 million nominal value of ICULS at its nominal value to the minority shareholders of I-Berhad, in place of The Peak @ KLCC, as part of the Proposed SOHO Land Acquisition and the Proposed Tower Land Acquisition.

The Company had on 9 May 2014 received notices from the Land Proprietors confirming that upon the issuance of the RCULS-B and the ICULS to Sumurwang, being the holding company of the Land Proprietors, in accordance with the Nomination Letters when the SOHO Land SPA and Tower Land SPA are completed, the amounts owing by The Peak @ KLCC to the Land Proprietors shall be deemed as fully settled, and The Peak @ KLCC shall have thereupon fully discharged its obligation to settle the amounts owing. Pursuant to the aforesaid, the parties to the SOHO Land SPA and the Tower Land SPA had on 12 May 2014 entered into supplemental agreements to the SOHO Land SPA and the Tower Land SPA ('Supplemental Agreements') to delete a condition precedent in the SOHO Land SPA and the Tower Land SPA requiring for all amounts owing by The Peak @ KLCC to the Land Proprietors to be fully settled by the SOHO Cut-Off Date and the Tower Cut-Off Date. Resulting from the deletion, The Peak @ KLCC and the Land Proprietors shall instead deliver to ICP and CSSB (or their respective solicitors) on the completion date of the SOHO Land SPA and Tower Land SPA, confirmation in writing by the Land Proprietors that all amounts owing by The Peak @ KLCC to the Land Proprietors have been fully settled.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR QUARTER ENDED
31 MARCH 2014 - UNAUDITED**18 Corporate proposals (cont'd)**

On 16 May 2014, with reference to the Company's announcement dated 24 October 2013 and 20 December 2013 respectively, CIMB announced on behalf of the Company that the listing application for the securities to be issued in respect of the Proposals has been submitted to Bursa Securities.

19 Group borrowings and debt securities

The Group has drawn down a total of RM6.0 million from its short term revolving credit facility as at 31 March 2014.

20 Material litigation

The Group is not engaged in any material litigation as at 21 May 2014 the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report.

21 Dividend

In respect of the financial year ended 31 December 2013, a final single tier dividend of 6 sen per ordinary share has been proposed by the Board of Directors for shareholders' approval at the forthcoming Annual General Meeting. The payment and entitlement dates will be announced at a later date.

22 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	Quarter ended
	31.03.2014	31.03.2013
Profit attributable to owners of the parent (RM'000)	6,103	4,925
Weighted average number of ordinary shares in issue less treasury shares ('000)	114,000	114,000
Basic earnings per share (sen)	5.35	4.32
Diluted earnings per share (sen)	5.35	4.32

23 Note to consolidated statements of comprehensive income

	Quarter ended	Quarter ended
	31.03.2014	31.03.2013
	RM'000	RM'000
Profit before taxation for the financial period is arrived at after crediting:		
Interest income	37	40
Other income	216	149
Gain on disposal of property, plant and equipment	-	49
and charging:		
Depreciation of property, plant and equipment	3,374	2,586
Allowance for diminution in value of quoted investment	-	14

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR QUARTER ENDED
31 MARCH 2014 - UNAUDITED**24 Disclosure of realised and unrealised profits/losses**

	Quarter ended	Quarter ended
	31.03.2014	31.03.2013
	RM'000	RM'000
Total retained earnings/(accumulated losses) of I-Berhad and its subsidiaries:		
- Realised	25,941	(9,298)
- Unrealised	17,687	5,405
	<u>43,628</u>	<u>(3,893)</u>
Total share of retained earnings from associate:		
- Realised	-	7
	<u>43,628</u>	<u>(3,886)</u>
Consolidation adjustments	<u>3,622</u>	<u>5,990</u>
Total retained earnings as per consolidated accounts	<u>47,250</u>	<u>2,104</u>

25 Authorisation for issue

The interim financial report was authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 29 May 2014.

By Order of the Board

TOO YET LAN
Secretary
Shah Alam
29 May 2014