

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME  
FOR THE QUARTER ENDED 30 SEPTEMBER 2014**

	Note	(Unaudited) Individual Quarter		(Unaudited) Cumulative Quarter	
		Current Quarter 30 Sep 2014 RM'000	Preceding Year Quarter 30 Sep 2013 RM'000	Current Year To Date 30 Sep 2014 RM'000	Preceding Year To Date 30 Sep 2013 RM'000
Revenue	12	77,389	35,538	192,952	96,486
Cost of sales		(50,628)	(24,743)	(115,527)	(61,020)
Gross profit		26,761	10,795	77,425	35,466
Other income	23	650	305	1,162	790
Other expenses		(10,005)	(7,400)	(27,108)	(19,487)
Share of profit/(loss) of an associate		10	(11)	(20)	17
Profit before taxation	23	17,416	3,689	51,459	16,786
Tax expense	17	(3,177)	(1,020)	(11,687)	(2,414)
Profit for the financial period		14,239	2,669	39,772	14,372
Other comprehensive income:					
Foreign currency translations		20	18	-	86
Total comprehensive income		14,259	2,687	39,772	14,458
Profit/(Loss) attributable to:					
Owners of the parent		14,237	2,677	39,746	14,390
Non-controlling interests		2	(8)	26	(18)
		14,239	2,669	39,772	14,372
Total comprehensive income/(loss) attributable to:					
Owners of the parent		14,257	2,695	39,746	14,476
Non-controlling interests		2	(8)	26	(18)
		14,259	2,687	39,772	14,458
<b>Earnings per share ("EPS") attributable to owners of the parent</b>		sen	sen	sen	sen
Basic	22	6.23	1.17*	17.42	6.31*
Fully diluted	22	2.88	1.17*	12.52	6.31*

\* Restated for the effects of enlarged share capital pursuant to the share splits.

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 30 SEPTEMBER 2014**

	Note	(Unaudited) As at 30.09.2014 RM'000	(Audited) As at 31.12.2013 RM'000
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment		88,368	65,020
Investment properties		77,615	73,373
Investments in associates		3,428	3,480
Other investments		0	0
Deferred tax assets		6,250	-
		<u>175,661</u>	<u>141,873</u>
<b>Current assets</b>			
Property development costs		592,474	61,672
Inventories		54,457	54,472
Trade and other receivables		103,860	58,988
Other investments		39	39
Current tax assets		444	834
Deposits, cash and bank balances		3,176	7,107
		<u>754,450</u>	<u>183,112</u>
<b>TOTAL ASSETS</b>	12	<u>930,111</u>	<u>324,985</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity attributable to owners of the parent</b>			
Share capital		114,486	114,486
Reserves		137,135	102,784
Treasury shares		-	(509)
Equity Component - ICULS		281,509	-
Equity Component - RCULS		14,547	-
		<u>547,677</u>	<u>216,761</u>
Non-controlling interests		146	120
<b>TOTAL EQUITY</b>		<u>547,823</u>	<u>216,881</u>
<b>Non-current liabilities</b>			
Deferred tax liabilities		7,463	2,869
Liability Component - ICULS		26,042	-
Liability Component - RCULS		182,790	-
		<u>216,295</u>	<u>2,869</u>
<b>Current liabilities</b>			
Borrowing		10,000	-
Trade and other payables		151,545	104,544
Current tax liabilities		4,448	691
		<u>165,993</u>	<u>105,235</u>
<b>TOTAL LIABILITIES</b>	12	<u>382,288</u>	<u>108,104</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u>930,111</u>	<u>324,985</u>
Net assets per share attributable to owners of the parent (RM)*		<u>1.20</u>	<u>0.47</u>

\* Net assets per share attributable to owners of the parent is calculated based on net assets divided by the enlarged share capital pursuant to share split.

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 30 SEPTEMBER 2014

-----> Attributable to owners of the parent <-----

	Share capital	Treasury shares	Share premium	Contribution From Shareholders	Revaluation reserve	Exchange translation difference	Equity Component RCULS	Equity Component ICULS	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	RM'000	RM'000	RM'000
<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 financial period	-	-	-	-	-	86	-	-	14,390	14,476	(18)	14,458
Transaction with owners:												
Dividend paid	-	-	-	-	-	-	-	-	(4,560)	(4,560)	-	(4,560)
	-	-	-	-	-	-	-	-	(4,560)	(4,560)	-	(4,560)
<b>Balance as at 30 September 2013</b>	114,486	(509)	60,167	-	1,331	103	-	-	11,569	187,147	101	187,248
<b>(Unaudited)</b>												
<b>Balance as at 1 January 2014</b>	114,486	(509)	60,167	-	1,331	139	-	-	41,147	216,761	120	216,881
Total comprehensive income/(loss) for the financial period	-	-	-	-	-	-	-	-	39,746	39,746	26	39,772
Transaction with owners:												
Issuance of ICULS & RCULS	-	-	-	-	-	-	281,509	14,547	-	296,056	-	296,056
Resale of treasure shares	-	509	-	1,474	-	-	-	-	-	1,983	-	1,983
Dividend paid	-	-	-	-	-	-	-	-	(6,869)	(6,869)	-	(6,869)
	-	509	-	1,474	-	-	281,509	14,547	(6,869)	291,170	-	291,170
<b>Balance as at 30 September 2014</b>	114,486	-	60,167	1,474	1,331	139	281,509	14,547	74,024	547,677	146	547,823

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.

**I-Berhad** (7029-H)  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE QUARTER ENDED 30 SEPTEMBER 2014**

	(Unaudited) Quarter ended 30.09.2014 RM'000	(Unaudited) Quarter ended 30.09.2013 RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	51,459	16,786
Adjustments for:		
Non-cash/operating items	9,232	11,028
Operating profit before working capital changes	60,691	27,814
Net changes in current assets	(72,465)	(24,185)
Net changes in current liabilities	47,001	10,120
Cash generated from operations	35,227	13,749
Tax paid	(7,846)	(3,316)
Tax refunded	306	-
Net cash generated from operating activities	27,687	10,433
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant and equipment	(32,674)	(15,724)
Proceeds from disposal of property, plant and equipment	-	123
Development costs incurred for investment properties	(4,242)	-
Repayment from/(Advances to) associates	32	(2,906)
Interest received	152	167
Net cash used in investing activities	(36,732)	(18,340)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend paid	(6,869)	(4,560)
Release of fixed deposit	-	123
Borrowing	10,000	-
Resale of Treasury Shares	1,983	-
Net cash from financing activities	5,114	(4,437)
Net decrease in cash and cash equivalents	(3,931)	(12,344)
Effect of foreign exchange rate changes	-	86
Cash and cash equivalents at beginning of the financial period	7,068	15,989
Cash and cash equivalents at end of the financial period	3,137	3,731
<b>Cash and cash equivalents comprise :</b>		
Cash and bank balances	1,706	1,646
Deposits with licensed banks/financial institutions	1,470	2,085
Deposits pledged as bank guarantee	(39)	-
Total	3,137	3,731

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 2016

Amendment to FRS 11	Accounting for Acquisitions of Interests in Joint Operations
Amendment to FRS 14	Regulatory Deferral Accounts
Amendment to FRS 116 and FRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation

#### To be announced by MASB

FRS 9	Financial Instruments
Amendments to FRS 9	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. Subsequently on the 2 September 2014, MASB has further announced that Transitioning Entities shall be required to apply the Malaysian Financial Reporting Standards ('MFRS') Framework for annual periods beginning on or after 1 January 2017.

## **1 Basis of preparation (cont'd)**

### **Malaysian Financial Reporting Standards (MFRS Framework) (cont'd)**

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 2017. 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 30 September 2014 except as disclosed in note 5 and note 8.

## **4 Material changes in estimates**

There were no material changes in estimates that have material effect as at quarter ended 30 September 2014.

## **5 Debt and equity securities**

There were no issues, cancellations, repurchases, resale and repayments of debt and equity securities, except for the following:

- i. 971,890 treasury shares were sold in the current quarter;
- ii. Share split comprising 228,972,712 subdivided shares involving the subdivision of every one existing ordinary share of RM1.00 each in the Company into two ordinary shares of RM0.50 each with effect from 12 August 2014;
- iii. Issuance of 264,000,000 five-year 3% to 5% Redeemable Convertible Unsecured Loan Stocks of RM132,000,000 at 100% of its nominal value of RM0.50 each ("RCULS-A") by the Company to Sumuracres Sdn. Bhd. as settlement of the Kia Peng Land Acquisition on 27 August 2014;
- iv. Issuance of 138,000,000 five-year 3% to 5% Redeemable Convertible Unsecured Loan Stocks of RM69,000,000 at 100% of its nominal value of RM0.50 each ("RCULS-B") by the Company to Sumurwang Sdn. Bhd. ("Sumurwang") as part settlement for the SOHO land acquisition and Tower Land Acquisition ("Acquisitions") on 27 August 2014.
- v. Issuance of 602,600,000 five-year 2% to 3% Irredeemable Convertible Unsecured Loan Stocks of RM301,300,000 at 100% of its nominal value of RM0.50 each ("ICULS") provisionally allotted to Sumurwang pursuant to the completion of the abovementioned Acquisitions of which 289,132,870 ICULS were offered for sale by Sumurwang at an offer price of RM0.50 per ICULS ("OFS")

**5 Debt and equity securities (cont'd)**

vi. With reference to announcements dated 20 December 2013, 22 January 2014, 28 March 2014, 12 May 2014, 16 May 2014, 27 June 2014, 22 July 2014, 12 August 2014, 27 August 2014, 28 August 2014, 4 September 2014, 12 September 2014 and 19 September 2014 including the Prospectus dated 12 September 2014 which sets out the details of the offer for sale of Renounceable Rights Issue of 286,215,890 shares together with 57,243,178 warrants and the 289,132,870 OFS ICULS, as at the close of acceptance, excess application and payment for the Rights Shares and the OFS ICULS at 5.00 p.m. on 30 September 2014 ("Closing Date"), the Company had received valid acceptances and excess applications for a total of 309,039,755 Rights Shares and 326,002,870 OFS ICULS. This represents a subscription of 108% of the total number of available Rights Shares and a subscription of 113% of the total number of available OFS ICULS.

**6 Dividends paid**

In respect of financial year ended 31 December 2013, a final single tier dividend of 6 sen per ordinary share amounting to RM6,869,181 was paid on 29 September 2014.

**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**

- i. Further to the Company's announcements made via CIMB Investment Bank Berhad ("CIMB") dated 20 December 2013, 22 January 2014, 28 March 2014, 12 May 2014, 16 May 2014, 27 June 2014, 22 July 2014, 12 August 2014, 27 August 2014, 28 August 2014, 4 September 2014, 12 September 2014, 19 September 2014, 3 October 2014 and 13 October 2014 including the Prospectus dated 12 September 2014, Renounceable Rights Issue of 286,215,890 shares with 57,243,178 free detachable warrants and 602,600,000 five-year 2% to 3% ICULS were admitted, listed and quoted on the Main Market of Bursa Securities on 14 October 2014.
- ii. Further to the Company's announcements made via CIMB dated 20 December 2013, 16 May 2014, 27 June 2014, 22 July 2014, 11 September 2014, 29 September 2014 and 14 October 2014, the bonus issue was completed on 15 October 2014 following the listing of and quotation for the 103,037,720 bonus shares and the 11,448,635 additional warrants.
- iii. As at 13 November 2014, a total of 133,624,927 ICULS have been converted to 98,253,580 new ordinary shares. Pursuant to that, the enlarged issued and paid-up ordinary share capital of the Company will be RM358,239,951 comprising 716,479,902 ordinary shares.

**9 Changes in composition of the Group**

There was no change in the composition of the Group as at 30 September 2014.

**10 Capital commitments**

	<b>As at 30.09.2014</b>
	<b>RM'000</b>
Approved and contracted for, analysed as follows:	
New leisure attractions	4,145
Hotel development	1,611
Investment properties	17,570
	<hr/>
	23,326
	<hr/>

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR QUARTER ENDED  
30 SEPTEMBER 2014 - UNAUDITED**11 Significant related party transactions**

- i. The acquisition by I-Marcom Sdn. Bhd., a wholly-owned subsidiary of the Company of a piece of freehold land held under Geran 26180, Lot 242, Seksyen 63, Town and District of Kuala Lumpur, Wilayah Persekutuan Kuala Lumpur ("Kia Peng Land") 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 RCULS issued by the Company ("Kia Peng Land Acquisition") has been unconditional as all the conditions precedent as set out in the Kia Peng Land SPA have been met on 23 July 2014.
- ii. The acquisition by i-City Properties Sdn. Bhd., a wholly-owned subsidiary of the Company, of a piece of freehold land held under Geran 311884, Lot 16964, Seksyen 7, Bandar Shah Alam, District of Petaling, State of Selangor Darul Ehsan ("SOHO Land") measuring approximately 12.13 acres from The Peak @ KLCC Sdn. Bhd. ("The Peak @ KLCC") for a purchase consideration of RM241.3 million to be settled by a combination of ICULS and RCULS issued by the Company ("SOHO Land acquisition"); and the acquisition by City Centrepoint Sdn. Bhd., a wholly-owned subsidiary of the Company, of a piece of freehold land which currently forms part of the land held under Geran 311886, Lot 16966, Seksyen 7, Bandar Shah Alam, District of Petaling, State of Selangor Darul Ehsan ("Tower Land") 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 the Company. Both the land acquisitions have become unconditional as all the condition precedents as set out in the SOHO Land and Tower Land SPA have been met on 12 August 2014.

**12 Segmental information - By business segments**

Financial period ended 30 September 2014	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	155,819	7,834	33,291	814	375	198,133
Inter-segment revenue	(3,020)	(977)	(734)	(107)	(343)	(5,181)
External revenue	152,799	6,857	32,557	707	32	192,952
<b>Results</b>						
Segment results	49,591	(479)	5,500	3	(3,250)	51,365
Interest income	24	7	-	6	77	114
Share of loss of an associate	-	-	(20)	-	-	(20)
Profit / (Loss) before taxation	49,615	(472)	5,480	9	(3,173)	51,459
Tax expense	-	-	-	-	-	(11,687)
Profit for the financial period						39,772
As at 30 September 2014						
<b>Assets</b>						
Segment assets	693,740	152,625	55,095	338	18,191	919,989
Tax recoverable	-	-	-	-	-	444
Deferred tax assets	-	-	-	-	-	6,250
Investment in associates	-	-	-	-	-	3,428
Total assets						930,111
<b>Liabilities</b>						
Segment liabilities	349,061	18,658	884	283	1,491	370,377
Current tax liabilities	-	-	-	-	-	4,448
Deferred tax liabilities	-	-	-	-	-	7,463
Total liabilities						382,288



CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR QUARTER ENDED  
30 SEPTEMBER 2014 - UNAUDITED**12 Segmental information - By business segments (cont'd)**

Financial period ended 30 September 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	60,673	6,972	29,204	855	285	97,989
Inter-segment revenue	(762)	(442)	-	(101)	(198)	(1,503)
External revenue	59,911	6,530	29,204	754	87	96,486
<b>Results</b>						
Segment results	13,184	(2,506)	6,632	(218)	(452)	16,640
Interest income	26	6	20	11	66	129
Share of profit of an associate	-	-	17	-	-	17
Profit /(Loss) before taxation	13,210	(2,500)	6,669	(207)	(386)	16,786
Tax expense						(2,414)
Profit for the financial period						14,372
As at 30 September 2013						
<b>Assets</b>						
Segment assets	154,060	62,991	50,017	835	9,399	277,302
Tax recoverable	-	-	-	-	-	1,974
Investment in an associate	-	-	-	-	-	2,998
Total assets						282,274
<b>Liabilities</b>						
Segment liabilities	82,714	7,803	992	441	666	92,616
Current tax liabilities	-	-	-	-	-	255
Deferred tax liabilities	-	-	-	-	-	2,155
Total liabilities						95,026

**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 quarter and financial period ended 30 September 2014 by segment.**

For the quarter ended 30 September 2014, the Group posted higher revenue and profit before tax of RM77.4 million and RM17.4 million respectively as compared to the revenue and profit before tax of RM35.5 million and RM3.7 million respectively for the quarter ended 30 September 2013. The increase in both the revenue and profit before tax of 119% and 370% respectively was mainly contributed by the Property Development segment.

For the financial period ended 30 September 2014, the Group posted higher revenue and profit before tax of RM193.0 million and RM51.5 million respectively as compared to the revenue and profit before tax of RM96.5 million and RM16.8 million for the financial period ended 30 September 2013. The increase in both the revenue and profit before tax of 100% and 207% respectively was mainly contributed by the Property Development segment.

**a) Property development**

The more than two-fold increment in revenue and three-fold increment in profit before tax for both the current quarter and the financial period ended 30 September 2014 is driven by the higher percentage of recognition for both the project completion and sales for i-Residence, i-SOVO, i-SOHO and i-Suites projects.

**b) Property investment**

The improvement in performance for both revenue and profit before tax for both the current quarter and the financial period ended 30 September 2014 are due to higher occupancy rate and a once off waiver of the service charges in the preceding quarter.

**c) Leisure**

The higher revenue and profit before tax for the current quarter as compared to the same quarter preceding financial year is due to the commencement of the operation of the new attractions in the current quarter. While the new attractions accounted for the higher revenue for the financial period ended 30 September 2014 as compared to previous financial period ended 30 September 2013 there was lower profit before tax for the corresponding comparison due to the higher pre-operating costs incurred for the new attractions during the first half of the current financial year.

**d) ICT Services**

The improvement in performance for this segment is mainly due to a more effective cost management.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR QUARTER ENDED  
30 SEPTEMBER 2014 - UNAUDITED**15 Comment on material changes in profit before taxation of the current quarter compared with the preceding quarter**

The Group registered an increase in revenue for the current quarter at RM77.9 million as compared to RM70.6 million for the preceding quarter while a decrease in profit before taxation for the current quarter at RM17.4 million as compared to RM25.7 million for the preceding quarter. The improvement in revenue is contributed by all the operating segments with the highest contribution from the Property Development segment. The Property Development segment is growing rapidly in line with the promising sale performance as well as the continuous construction programme. The decrease in profit before tax for the current quarter as compared to the preceding quarter is mainly due to higher project promotional expenses and the introduction of the new attractions such as "Typhoon", "Submarine", "Fun Drive" and etc. in i-City Leisure Park. On top of the aforementioned, the overall performance of the preceding quarter is boosted by once-off costs saving.

**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 quarter of the current financial year.

For the Leisure division, the Group expects the new attractions that are coming on stream before the final quarter of the financial year to boost the segment's performance.

As for the Property Development division, the Group has recently launched "Liberty Tower", a fully furnished 350 units serviced apartment with Gross Development Value of approximately RM178.0 million in the final quarter of current financial year. Based on the encouraging market response to the new launch, the Group has strong confidence the project will be a success.

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/ Three months ended		Year to date/ Nine months ended	
	30.09.2014 RM'000	30.09.2013 RM'000	30.09.2014 RM'000	30.09.2013 RM'000
Taxation				
- Income tax	3,756	1,154	12,267	2,550
- Deferred tax	-	-	(2)	-
	<u>3,756</u>	<u>1,154</u>	<u>12,264</u>	<u>2,550</u>
Over provision in prior years				
- Income tax	(579)	(134)	(578)	(136)
Total	<u>3,177</u>	<u>1,020</u>	<u>11,687</u>	<u>2,414</u>

Overall, the effective tax rate for the both quarter and financial period ended 30 September 2014 is slightly lower than the statutory tax rate mainly due the tax incentive for the Leisure segment.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR QUARTER ENDED  
30 SEPTEMBER 2014 - UNAUDITED**18 Corporate proposals**

The Company has informed Bursa Malaysia Securities Berhad via its letter dated 23 October 2014 that the corporate proposals as listed below have been successfully completed:-

- (i) Proposed Share Split;
- (ii) Proposed Rights Issue with Warrants;
- (iii) Proposed Bonus Issue;
- (iv) Proposed Increase in Authorised Share Capital;
- (v) Proposed Kia Peng Land Acquisition;
- (vi) Proposed SOHO Land Acquisition;
- (vii) Proposed Tower Land Acquisition;
- (viii) Proposed Ratification;
- (ix) Proposed Amendment; and
- (x) Proposed OFS

The corporate proposals on issuance of right issues with free detachable warrants, ICULS and bonus issue are disclosed in Note 5 and Note 8.

**19 Group borrowings and debt securities**

The Group has drawn down a total of RM10.0 million from its short term revolving credit facility as at 30 September 2014.

**20 Material litigation**

The Group is not engaged in any material litigation as at 6 November 2014 the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report.

**21 Dividend**

No interim dividend has been recommended in respect of the financial period ended 30 September 2014.

**22 Earnings per share**

(i) Basic Earnings Per Share

	<b>Quarter ended/ Three months ended</b>		<b>Year to date/ Nine months ended</b>	
	<b>30.09.2014</b>	<b>30.09.2013 restated</b>	<b>30.09.2014</b>	<b>30.09.2013 restated</b>
Profit attributable to owners of the parent (RM'000)	14,237	2,677	39,746	14,390
Weighted average number of ordinary shares in issue ('000)	228,421	228,001	228,142	228,001
Basic earnings per share (sen)	6.23	1.17	17.42	6.31

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR QUARTER ENDED  
30 SEPTEMBER 2014 - UNAUDITED**22 Earnings per share (cont'd)**

(ii) Diluted Earnings Per Share

	Quarter ended/ Three months ended		Year to date/ Nine months ended	
	30.09.2014	30.09.2013 restated	30.09.2014	30.09.2013 restated
Profit attributable to owners of the parent (RM'000)	14,237	2,677	39,746	14,390
Weighted average number of ordinary shares in issue ('000)	228,421	228,001	228,142	228,001
Effect of dilution ('000)	265,321	-	89,412	-
Diluted earnings per share (sen)	2.88	1.17	12.52	6.31

**23 Note to consolidated statements of comprehensive income**

	Quarter ended/ Three months ended		Year to date/ Nine months ended	
	30.09.2014 RM'000	30.09.2013 RM'000	30.09.2014 RM'000	30.09.2013 RM'000
Profit before taxation for the financial period is arrived at after crediting:				
Interest income	38	52	114	129
Other income	612	253	1,048	612
Gain on disposal of property, plant and equipment	-	-	-	49
and charging:				
Depreciation of property, plant and equipment	3,290	2,882	9,517	8,222
Reversal of diminution in value of quoted investment	-	(11)	-	-

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

	Quarter ended/ Three months ended	Financial year ended
	30.09.2014 RM'000	31.12.2013 RM'000
Total retained earnings of I-Berhad and its subsidiaries:		
- Realised	55,528	21,465
- Unrealised	17,233	17,687
	72,761	39,152
Total share of retained earnings from an associate:		
- Realised	(20)	93
	72,741	39,245
Consolidation adjustments	1,283	1,902
Total retained earnings as per consolidated accounts	74,024	41,147

**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 13 November 2014.