

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 SEPTEMBER 2015**

		(Unaudited) Individual Quarter	(Unaudited) Preceding Year Quarter	(Unaudited) Cumulative Quarter	(Unaudited) Preceding Year Quarter
	Note	Current Quarter 30 Sep 2015 RM'000	Preceding Year Quarter 30 Sep 2014 RM'000	Current Year To Date 30 Sep 2015 RM'000	Preceding Year To Date 30 Sep 2014 RM'000
Revenue	12	55,218	77,389	183,289	192,952
Cost of sales		(37,684)	(50,628)	(126,801)	(115,527)
Gross profit		17,534	26,761	56,488	77,425
Other income		1,348	650	5,401	1,162
Other expenses		(8,443)	(10,005)	(28,774)	(27,108)
Share of profit/(loss) of an associate		(27)	10	(28)	(20)
Profit before taxation	23	10,412	17,416	33,087	51,459
Tax expense	17	(1,848)	(3,177)	(5,750)	(11,687)
Profit for the financial period		8,564	14,239	27,337	39,772
Other comprehensive income:					
Foreign currency translations		193	20	251	-
Total comprehensive income		8,757	14,259	27,588	39,772
Profit attributable to:					
Owners of the parent		8,556	14,237	27,309	39,746
Non-controlling interests		8	2	28	26
		8,564	14,239	27,337	39,772
Total comprehensive income attributable to:					
Owners of the parent		8,749	14,257	27,560	39,746
Non-controlling interests		8	2	28	26
		8,757	14,259	27,588	39,772
Earnings per share ("EPS") attributable to owners of the parent		sen	sen	sen	sen
Basic	22	0.81	2.96 *	2.57	8.27 *
Fully diluted	22	0.65	2.96 *	2.08	8.27 *

* Restated for the effects of enlarged share capital pursuant to the share splits, rights issues and bonus issues.

The condensed consolidated statements of comprehensive income should be read in conjunction with the audited financial statements for the financial year ended 31 December 2014 and the accompanying notes.

I-Berhad (7029-H)**CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2015**

	Note	(Unaudited) As at 30.09.2015 RM'000	(Audited) As at 31.12.2014 RM'000
ASSETS			
Non-current assets			
Property, plant and equipment		98,707	99,277
Investment properties		279,946	273,918
Investments in associates		470	578
Other investments		0	0
Deferred tax assets		1,067	202
		<u>380,190</u>	<u>373,975</u>
Current assets			
Property development costs		449,818	410,803
Inventories		54,895	55,122
Trade and other receivables		123,350	106,830
Other investments		39	39
Current tax assets		2,256	604
Deposits, cash and bank balances		115,097	163,474
		<u>745,455</u>	<u>736,872</u>
TOTAL ASSETS	12	<u><u>1,125,645</u></u>	<u><u>1,110,847</u></u>
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent			
Share capital		494,925	365,006
Reserves		232,558	172,801
Equity component - ICULS		45,404	210,488
Equity component - RCULS		14,547	14,547
		<u>787,434</u>	<u>762,842</u>
Non-controlling interests		175	147
TOTAL EQUITY		<u>787,609</u>	<u>762,989</u>
Non-current liabilities			
Deferred tax liabilities		4,916	2,253
Liability component - ICULS		4,443	19,728
Liability component - RCULS		192,934	185,324
		<u>202,293</u>	<u>207,305</u>
Current liabilities			
Trade and other payables		133,385	136,213
Current tax liabilities		2,358	4,340
		<u>135,743</u>	<u>140,553</u>
TOTAL LIABILITIES	12	<u>338,036</u>	<u>347,858</u>
TOTAL EQUITY AND LIABILITIES		<u><u>1,125,645</u></u>	<u><u>1,110,847</u></u>
Net assets per share attributable to owners of the parent (RM)		<u>0.81</u>	<u>1.04</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 2014 and the accompanying notes.

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 30 SEPTEMBER 2015

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

	Share capital	Treasury shares	Share premium	Revaluation reserve	Exchange translation reserve	Warrant reserve	Contribution from shareholders	Equity component ICULS	Equity component RCULS	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	RM'000
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 year	-	-	-	-	-	-	-	-	-	39,746	39,746	26	39,772
Transactions with owners:													
Issuance of ICULS & RCULS								281,509	14,547		296,056	-	296,056
Resale of treasury shares		509					1,474				1,983	-	1,983
Dividends paid										(6,869)	(6,869)	-	(6,869)
	-	509	-	-	-	-	1,474	281,509	14,547	(6,869)	291,170	-	291,170
Balance as at 30 September 2014	114,486	-	60,167	1,331	139	-	1,474	281,509	14,547	74,024	547,677	146	547,823
(Unaudited)													
Balance as at 1 January 2015	365,006	-	42,972	1,331	208	39,126	1,474	210,488	14,547	87,690	762,842	147	762,989
Total comprehensive income for the financial period	-	-	-	-	251	-	-	-	-	27,309	27,560	28	27,588
Transactions with owners:													
Conversion of ICULS during the financial period	129,919	-	47,130	-	-	-	-	(165,084)	-	-	11,965	-	11,965
Dividends paid	-	-	-	-	-	-	-	-	-	(14,933)	(14,933)	-	(14,933)
	129,919	-	47,130	-	-	-	-	(165,084)	-	(14,933)	(2,968)	-	(2,968)
Balance as at 30 September 2015	494,925	-	90,102	1,331	459	39,126	1,474	45,404	14,547	100,066	787,434	175	787,609

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 2014 and the accompanying notes.

I-Berhad (7029-H)
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER ENDED 30 SEPTEMBER 2015

	(Unaudited) Quarter ended 30.09.2015 RM'000	(Unaudited) Quarter ended 30.09.2014 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	33,087	51,459
Adjustments for:		
Non-cash/operating items	7,918	9,232
Operating profit before working capital changes	41,005	60,691
Net changes in current assets	(47,255)	(72,465)
Net changes in current liabilities	(2,968)	47,001
Cash (used)/generated from operations	(9,218)	35,227
Tax paid	(11,298)	(7,846)
Tax refunded	2	306
Net cash (used)/generated from operating activities	(20,514)	27,687
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	(12,421)	(32,674)
Investment in associate company	(60)	-
Development costs incurred for investment properties	(6,028)	(4,242)
Repayment from associates	140	32
Interest received	3,562	152
Net cash used in investing activities	(14,807)	(36,732)
CASH FLOWS FROM FINANCING ACTIVITIES		
Borrowing	-	10,000
Dividends paid	(14,933)	(6,869)
Disposal of Treasury Shares	-	1,983
Net cash (used)/generated from financing activities	(14,933)	5,114
Net decrease in cash and cash equivalents	(50,254)	(3,931)
Effects of foreign exchange rate changes	251	-
Cash and cash equivalents at beginning of financial period	159,195	7,068
Cash and cash equivalents at end of financial period	109,192	3,137
Cash and cash equivalents comprise:		
Cash and bank balances	18,874	1,706
Deposits with licensed banks/financial institutions	94,597	1,470
Deposits pledged as bank guarantee	(4,279)	(39)
Total	109,192	3,137

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the financial year ended 31 December 2014 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 2014 except as follows:

On 1 January 2015, the Group adopted the following new and amended FRS and IC Interpretations mandatory for annual financial periods beginning on or after 1 January 2015.

1 July 2014

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

Adoption of the above standards and interpretations did not have any significant effect on the financial performance or position of the Group.⁴

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

1 January 2016

FRS 14	Regulatory Deferral Accounts
Amendments to FRS 11	Accounting for Acquisitions of Interests in Joint Operations
Amendments to FRS 116 and FRS 138	Clarification of Acceptable Methods of Depreciation and Amortisation
Amendment to FRSs	Annual Improvements to FRSs 2012-2014 Cycle
Amendments to FRS10 and FRS 128	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
Amendments to FRS 10, FRS 12 and FRS 128	Investment Entities: Applying the Consolidation Exception
Amendments to FRS 101	Disclosure Initiative
Amendment to FRS 119	Annual Improvements to FRSs 2012-2014 Cycle
Amendments to FRS 127	Equity Method in Separate Financial Statements
Amendment to FRS 134	Annual Improvements to FRSs 2012-2014 Cycle

1 January 2018

FRS 9 Financial Instruments

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.

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 earnings.

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 both the Leisure Park@i-City and Best Western i-City 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 2015.

4 Material changes in estimates

There were no material changes in estimates that have material effect as at quarter ended 30 September 2015.

5 Debt and equity securities

There were no issues, cancellations, repurchases, resale and repayments of debt and equity securities, in the current quarter.

6 Dividend paid

In respect of financial year ended 31 December 2014, a final single tier dividend of 1.51 sen per ordinary share amounting to RM14,933,452 was paid on 22 September 2015.

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 2014.

8 Material events subsequent to the end of interim period

I-Digital (Shanghai) Trading Co. Ltd. ("I-Digital"), a wholly-owned subsidiary of I-Silicon Sdn. Bhd. which in turn is a wholly-owned subsidiary of I-Berhad has applied for voluntary liquidation in the People's Republic of China. I-Digital is currently dormant.

The voluntary liquidation of I-Digital will not have any material financial and operational impact on the net assets and earnings of the Group for the financial year ending 31 December 2015.

There was no material event subsequent to the end of the current quarter under review that has not been reflected in the financial statements other than the above.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR QUARTER ENDED
30 SEPTEMBER 2015 - UNAUDITED**9 Changes in composition of the Group**

There was no change in the composition of the Group as at 30 September 2015.

10 Capital commitments

	As at 30.09.2015
	RM'000
Approved and contracted for, analysed as follows:	
New leisure attractions	2,541
Hotel development	67
Investment properties	14,661
	<u>17,269</u>

11 Significant related party transactions

There was no significant related party transaction during the current quarter.

12 Segmental information- By business segments

Financial period ended	Property	Property	Leisure	Others	Consolidated
30 September 2015	Development	Investment			
	RM'000	RM'000	RM'000	RM'000	RM'000
Revenue					
Total revenue	141,545	7,838	36,606	861	186,850
Inter-segment revenue	(704)	(1,317)	(1,401)	(139)	(3,561)
External revenue	<u>140,841</u>	<u>6,521</u>	<u>35,205</u>	<u>722</u>	<u>183,289</u>
Results					
Segment results	28,894	(1,827)	3,594	(1,070)	29,591
Interest income	236	7	-	3,281	3,524
Share of loss of an associate	-	-	(28)	-	(28)
Profit /(Loss) before taxation	<u>29,130</u>	<u>(1,820)</u>	<u>3,566</u>	<u>2,211</u>	<u>33,087</u>
Tax expense					<u>(5,750)</u>
Profit for the financial period					<u>27,337</u>
As at 30 September 2015					
Assets					
Segment assets	601,561	341,531	81,555	97,205	1,121,851
Tax recoverable	-	-	-	-	2,256
Deferred tax assets	-	-	-	-	1,067
Investment in associates	-	-	-	-	470
Total assets					<u>1,125,645</u>
Liabilities					
Segment liabilities	121,947	11,081	213	197,521	330,762
Current tax liabilities	-	-	-	-	2,358
Deferred tax liabilities	-	-	-	-	4,916
Total liabilities					<u>338,036</u>

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR QUARTER ENDED
30 SEPTEMBER 2015 - UNAUDITED**12 Segmental information- By business segments (cont'd)**

Financial period ended 30 September 2014	Property Development RM'000	Property Investment RM'000	Leisure RM'000	Others RM'000	Consolidated RM'000
Revenue					
Total revenue	155,819	7,834	33,291	1,189	198,133
Inter-segment revenue	(3,020)	(977)	(734)	(450)	(5,181)
External revenue	152,799	6,857	32,557	739	192,952
Results					
Segment results	49,591	(479)	5,500	(3,247)	51,365
Interest income	24	7	-	83	114
Share of loss of an associate	-	-	(20)	-	(20)
Profit/(Loss) before taxation	49,615	(472)	5,480	(3,164)	51,459
Tax expense	-	-	-	-	(11,687)
Profit for the financial period					39,772
As at 30 September 2014					
Assets					
Segment assets	693,740	152,625	55,095	18,529	919,989
Tax recoverable	-	-	-	-	444
Deferred tax assets	-	-	-	-	6,250
Investment in an associate	-	-	-	-	3,428
Total assets					930,111
Liabilities					
Segment liabilities	349,061	18,658	884	1,774	370,377
Current tax liabilities	-	-	-	-	4,448
Deferred tax liabilities	-	-	-	-	7,463
Total liabilities					382,288

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 2014 was not qualified.

14 Review of performance – Current quarter and financial period ended 30 September 2015 by segment

For the current quarter ended 30 September 2015, the Group posted lower revenue and profit before tax of RM55.2 million and RM10.4 million respectively as compared to the revenue and profit before tax of RM77.4 million and RM17.4 million respectively for the corresponding quarter ended 30 September 2014.

For the financial period ended 30 September 2015, the Group posted lower revenue and lower profit before tax of RM183.3 million and RM33.1 million respectively as compared to the revenue and profit before tax of RM193.0 million and RM51.5 million for the financial period ended 30 September 2014.

a) Property development

There is lower revenue and profit before tax for the financial period ended 30 September 2015 as compared to financial period ended 30 September 2014. This is because in 2014 the revenue and contribution were mainly from i-Residence and i-SOVO whereas in 2015, the contribution was mainly from i-SOHO, i-Suites, Liberty and Parisien towers projects which are on-going developments at their initial stage of construction.

b) Property investment

The slight decrease in the revenue for the period ended 30 September 2015 compared to the corresponding period ended 30 September 2014 is due to changes in the tenants mix. At the same time the loss before tax for the current quarter and financial period ended 30 September 2015 as compared to a profit before tax for the preceding financial year's corresponding quarter and financial period was due to once-off cost saving in previous financial quarter ended 30 September 2014.

c) Leisure

The increase in revenue for the financial period ended 30 September 2015 as compared to the preceding financial year is due to contribution from the 3-star Best Western i-City ("Best Western Hotel") that commenced operations in January 2015 while the drop in profit before taxation for the financial period ended 30 September 2015 as compared to that in the preceding financial year was due to the hotel's pre-opening expenses.

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

The Group's revenue and profit before tax for the current quarter was higher at RM55.2 million and RM10.4 million respectively compared to the revenue and profit before tax of RM52.7 million and RM9.0 million respectively for the preceding quarter. The Group has maintained a sustainable performance with slight improvement as compared to preceding quarter.

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR QUARTER ENDED
30 SEPTEMBER 2015 - UNAUDITED**16 Commentary on prospects – current financial year**

The Board expects both the Property Development and Leisure segments to continue to contribute positively to the Group's performance in the current financial year.

As at Q3 of this year, year to date sales generated by the Property Development segment was higher as compared to the year to date sales recorded for Q3 2014. This has resulted in the unbilled sales as at the end of September 2015 growing to RM679.2 million as compared to RM453.4 million at the end of September 2014. The Board expects this to translate into higher revenue for the Group when the construction progresses further in the future.

The growth in the occupancy of Best Western i-City Hotel as well as the contribution from the new attractions at Leisure Park @ i-City that were opened in the beginning of this year, will drive the growth of the Leisure segment.

Barring any unforeseen circumstances and based on the aforementioned factors, the Board is confident that the Group would achieve sustainable operating results for the financial year ending 31 December 2015.

17 Tax Expense

	Quarter ended/ Three months ended		Year to date/ Nine months ended	
	30.09.2015 RM'000	30.09.2014 RM'000	30.09.2015 RM'000	30.09.2014 RM'000
Taxation				
- Income tax	2,618	3,756	7,606	12,267
- Deferred tax	(635)	-	(1,916)	(2)
	<u>1,983</u>	<u>3,756</u>	<u>5,690</u>	<u>12,265</u>
Under/(Over) provision in prior year				
- Income tax	(135)	(579)	60	(578)
- Deferred tax	-	-	-	-
	<u>(135)</u>	<u>(579)</u>	<u>60</u>	<u>(578)</u>
Total	<u>1,848</u>	<u>3,177</u>	<u>5,750</u>	<u>11,687</u>

Overall, the effective tax rate is slightly lower than the statutory tax rate mainly due to the unutilised capital losses brought forward in certain subsidiaries.

18 Corporate proposals**Status of utilisation of rights issue proceeds**

Details of utilisation	Approved utilisation RM'000	Utilisation as at 30.09.2015 RM'000	Unutilised as at 30.09.2015 RM'000
Property development expenditure and/or activities	160,000	88,370	71,630
Repayment of amount owing to Holding Company	16,832	16,832	-
General working capital of the Group	16,657	-	16,657
Estimated expenses in relation to the Proposals	4,000	4,000	-
	<u>197,489</u>	<u>109,202</u>	<u>88,287</u>

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR QUARTER ENDED
30 SEPTEMBER 2015 - UNAUDITED**19 Group borrowings and debt securities**

The Group has no borrowing as at 30 September 2015 other than the liability components of remaining unconverted 97.2 million five year 2% to 3% irredeemable convertible unsecured loan stocks ("ICULS") of RM48.6 million; 264.0 million five year 3% to 5% redeemable convertible unsecured loan stocks ("RCULS-A") of RM132.0 million; and 138.0 million five year 3% to 5% redeemable convertible unsecured loan stocks ("RCULS-B") of RM69.0 million.

20 Material litigation

The Group is not engaged in any material litigation as at 16 November 2015 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 2015.

22 Earnings per share

(i) Basic Earnings per Share

	Quarter ended/ Three months ended		Year todate/ Nine months ended	
	30.09.2015	30.09.2014 Restated	30.09.2015	30.09.2014 Restated
Profit attributable to owners of the parent (RM'000)	8,556	14,237	27,309	39,746
Weighted average number of ordinary shares in issue ('000)	1,061,314	480,636	1,061,314	480,636
Basic earnings per share (sen)	0.81	2.96	2.58	8.27

(ii) Diluted Earnings per Share

	Quarter ended/ Three months ended		Year todate/ Nine months ended	
	30.09.2015	30.09.2014 Restated	30.09.2015	30.09.2014 Restated
Profit attributable to owners of the parent (RM'000)	8,556	14,237	27,309	39,746
Weighted average number of ordinary shares in issue ('000)	1,061,314	480,636	1,061,314	480,636
Effect of dilution ('000)	254,326	-	254,326	-
Diluted earnings per share (sen)	0.65	2.96	2.08	8.27

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR QUARTER ENDED
30 SEPTEMBER 2015 - UNAUDITED**23 Note to consolidated statements of comprehensive income**

	Quarter ended/ Three months ended		Year to date/ Nine months ended	
	30.09.2015 RM'000	30.09.2014 RM'000	30.09.2015 RM'000	30.09.2014 RM'000
Profit before taxation for the financial period is arrived at after crediting:				
Interest income	1,146	38	3,524	114
Other income	202	612	1,877	1,048
and charging:				
Depreciation of property, plant and equipment	3,919	3,290	11,498	9,517

24 Disclosure of realised and unrealised profits

	Year to date/ Nine months ended	Year to date/ Nine months ended
	30.09.2015 RM'000	30.09.2014 RM'000
Total retained earnings of I-Berhad and its subsidiaries:		
- Realised	77,957	55,528
- Unrealised	18,135	17,233
	96,092	72,761
Total share of retained earnings from an associate:		
- Realised	102	(20)
Consolidation adjustments	3,872	1,283
Total retained earnings as per consolidated accounts	100,066	74,024

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 23 November 2015.