



**IBRACO BERHAD (Company No. 011286-P)**

**CONDENSED CONSOLIDATED INCOME STATEMENTS**

For the Three-Month Period Ended 31 March 2005

(The figures have not been audited)

	Note	CURRENT QUARTER 3 months ended 31 March		CUMULATIVE QUARTER 3 months ended 31 March	
		2005 RM'000	2004 RM'000	2005 RM'000	2004 RM'000
<b>Revenue</b>		33,719	26,829	33,719	26,829
Cost of sales		28,658	17,780	28,658	17,780
Gross Profit		5,061	9,049	5,061	9,049
Other Operating Income		18	6	18	6
Administrative Expenses		(3,035)	(2,763)	(3,035)	(2,763)
<b>Operating Profit</b>		2,044	6,292	2,044	6,292
Finance Costs		(15)	(43)	(15)	(43)
<b>Profit Before Taxation</b>		2,029	6,249	2,029	6,249
Tax Expense	21	(656)	(1,080)	(656)	(1,080)
<b>Profit After Taxation</b>		1,373	5,169	1,373	5,169
Pre-acquisition Profit		-	(573)	-	(573)
<b>Net Profit</b>		1,373	4,596	1,373	4,596
<b>Earnings Per Ordinary Share (Sen)</b>	29	1.53	6.70	1.53	6.70



**IBRACO BERHAD (Company No. 011286-P)**

**CONDENSED CONSOLIDATED BALANCE SHEET**

As at 31 March 2005 and 31 December 2004

(The figures for 31 March 2005 have not been audited)

	Note	Unaudited 31 March 2005 RM'000	Audited 31 December 2004 RM'000
Property, plant & equipment	9	4,536	4,435
Land & development expenditure		69,264	67,876
<b>Current Assets</b>			
Property development costs		73,028	83,710
Inventories		931	932
Due from customer on contracts		-	273
Trade receivables	15	60,863	42,845
Other receivables, prepayments & deposits		3,630	3,492
Fixed deposits with licensed bank		30	4,744
Cash & bank balances		611	940
		<b>139,093</b>	<b>136,936</b>
<b>Current Liabilities</b>			
Amounts due to bankers – bank overdrafts	25	2,202	94
Trade payables	16	20,695	21,525
Other payables & accruals		533	1,245
Term loan	25	5,450	3,469
Lease payables	25	273	282
Tax payable		-	37
Borrowings – trade financings	25	28,880	26,768
		<b>58,033</b>	<b>53,420</b>
<b>Net Current Assets</b>		<b>81,060</b>	<b>83,516</b>
		<b>154,860</b>	<b>155,827</b>
<b>Financed by:</b>			
<b>Capital &amp; reserves</b>			
Share capital		90,000	90,000
Share premium		2,416	2,416
Retained profits		45,235	43,862
Reserve on consolidation		3,841	3,841
<b>Shareholders' funds</b>		<b>141,492</b>	<b>140,119</b>
<b>Long term &amp; deferred liabilities</b>			
Term loan	25	12,866	15,151
Lease payables	25	435	490
Deferred taxation		67	67
		<b>154,860</b>	<b>155,827</b>



**IBRACO BERHAD (Company No. 011286-P)**

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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

For the Three-Month Period Ended 31 March 2005

(The figures have not been audited)

	Note	Share capital RM'000	Share premium RM'000	Reserve on consolidation RM'000	Retained profits RM'000	Total RM'000
<b>At 1 January 2005</b>		90,000	2,416	3,841	43,862	140,119
Net profit for the period		-	-	-	1,373	1,373
<b>At 31 March 2005</b>		90,000	2,416	3,841	45,235	141,492



**IBRACO BERHAD (Company No. 011286-P)**

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**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

For the Three-Month Period Ended 31 March 2005

(The figures have not been audited)

	<b>31 March 2005 RM'000</b>
Net cash used in operating activities	(7,192)
Net cash used in investing activities	(1,687)
Net cash generated from financing activities	1,729
<b>Net decrease in cash &amp; cash equivalents</b>	<b>(7,150)</b>
<b>Cash &amp; cash equivalents at 1 January 2005</b>	<b>5,589</b>
<b>Cash &amp; cash equivalents at 31 March 2005</b>	<b>(1,561)</b>

**Cash & cash equivalents at 31 March 2005 comprised the followings:**

Cash and bank balances	611
Fixed deposits	30
Amount due to bankers – bank overdrafts	(2,202)
	<b>(1,561)</b>



**IBRACO BERHAD (Company No. 011286-P)**

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**PART A – EXPLANATORY NOTES PURSUANT TO FRS134 (PREVIOUSLY MASB STANDARD 26)**

**1. Basis of Preparation**

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS134 (Previously MASB Standard 26): Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (Bursa Malaysia).

The interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2004. These explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2004.

The same accounting policies and methods of computation are followed in the interim financial statements as compared with the financial statements for the financial year ended 31 December 2004.

**2. Auditors' Report on Preceding Annual Financial Statements**

The auditors' report on the financial statements for the financial year ended 31 December 2004 was not qualified.

**3. Seasonal or Cyclical Factors**

The Group's performance was not materially affected by any seasonal or cyclical factors other than the Chinese New Year's holidays and the Sarawak rainy season for the quarter under review.

**4. 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.

**5. Changes in Estimates**

There were no changes in estimates that have had a material effect in the current quarter's results.



**IBRACO BERHAD (Company No. 011286-P)**

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**6. Debt and Equity Securities**

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities for the current interim period.

**7. Dividend Paid**

No dividends were paid in the current interim period.

**8. Segmental Reporting**

Segmental information is not presented as the Group is principally engaged in realty development in Malaysia.

**9. Carrying Amount of Property, Plant and Equipment**

Property, plant and equipment are stated at cost less accumulated depreciation. The Group did not revalue any of its property, plant and equipment.

**10. Subsequent Events**

There were no material events subsequent to the end of the current quarter that were not reflected in the financial statements for the said period, made up to the date of this quarterly report.

**11. Changes in Composition of the Group**

There were no changes in the composition of the Group during the current quarter.

**12. Changes in Contingent Liabilities and Contingent Assets**

There were no contingent liabilities or contingent assets in respect of the Group that have arisen since 31 December 2004 to the date of this quarterly report.



**IBRACO BERHAD (Company No. 011286-P)**

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**13. Capital Commitments**

There were no capital commitments in respect of the Group that have arisen since 31 December 2004 (other than that disclosed in the audited financial statements for the year ended 31 December 2004) to the date of this quarterly report.

**14. Related Party Transactions**

	Note	3 months ended 31 March 2005 (RM)
<b>Ibraco Berhad</b>		
Sale of developed property to Henry Yeo Hap Soon and associate	(a)	368,000
Sale of developed properties to Deanna Ibrahim @ Sorayah bt Abdullah	(b)	654,000
<b>Syarikat Pemegang Palma Lilin Sdn. Bhd.</b>		
Rental paid for office premises	(c)	69,300
<b>Irama Tabuan Sdn. Bhd.</b>		
Purchase of goods and other sundries	(d)	5,940

**Notes**

- (a) Henry Yeo Hap Soon is an alternate director of Ibraco Berhad.
- (b) Deanna Ibrahim @ Sorayah bt Abdullah, a substantial shareholder and director of Ibraco Berhad.
- (c) Company in which Deanna Ibrahim @ Sorayah bt Abdullah, Wan Kamal Ibrahim bin Wan Alwi Ibrahim, Sharifah Deborah Sophia Ibrahim and Wan Aziz Ibrahim have an interest.
- (d) Company in which Wan Kamal Ibrahim bin Wan Alwi Ibrahim holds a majority interest.

All the transactions above were carried out on terms and conditions not materially different from those obtainable in transactions with unrelated parties and in the normal course of business of the Group.

**15. Trade Receivables**

	Unaudited 31 March 2005 RM'000	Audited 31 December 2004 RM'000
Trade receivables	28,227	7,534
Accrued billings in respect of property development costs	32,636	35,311
	<u>60,863</u>	<u>42,845</u>



**IBRACO BERHAD (Company No. 011286-P)**

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**16. Trade Payables**

	<b>Note</b>	<b>Unaudited 31 March 2005 RM'000</b>	<b>Audited 31 December 2004 RM'000</b>
Trade payables		3,012	6,331
Provision for land costs	(a)	<u>17,683</u>	<u>15,194</u>
		<u>20,695</u>	<u>21,525</u>

Note (a) This amount represents the provisional cost of land currently being developed by Ibraco Berhad under the Option Agreement as disclosed in the Prospectus dated 12 May 2004.





**IBRACO BERHAD (Company No. 011286-P)**

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**PART B – EXPLANATORY NOTES PURSUANT TO APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA**

**17. Review of Performance**

The Group's revenue for the current financial quarter ended 31 March 2005 increased to RM33.7 Million from RM26.8 Million in the prior financial quarter ended 31 March 2004 while the profit before taxation decreased to RM2.03 Million from RM6.25 Million for the respective financial quarters.

For the current quarter, the Group achieved a profit after tax of RM1.4 Million while the profit after tax in the prior financial quarter ended 31 March 2004 was RM5.2 Million.

The Group's current quarter's results are mainly attributable to sales of commercial and residential properties from the Heights Drive, Tabuan Jaya Baru 2 and Tabuan Heights Boulevard Projects. The Group's results for the current quarter are within budget and expectations.

**18. Comparison with Preceding Quarter's Results**

The Group's turnover and profit before taxation for the current quarter were RM33.7 Million and RM2.03 Million respectively. The Group's turnover and profit before taxation for the immediate preceding quarter ended 31 December 2004 were RM37.2 Million and RM7.7 Million respectively. The decrease in both turnover and profit before taxation in the current quarter as compared with the immediate preceding quarter is mainly attributable to certain projects/phases of projects being substantially completed in the immediate preceding quarter.

**19. Prospects**

The Directors maintain the view that the overall performance of the Group will depend substantially on the performance of the property market in Kuching.

**20. Actual Profit against Forecast Profit and Profit Guarantee**

The disclosure requirements for explanatory notes for the variance of actual profit after taxation and minority interest and forecast profit after taxation and minority interest and for the shortfall in profit guarantee are not applicable.



**IBRACO BERHAD (Company No. 011286-P)**

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**21. Tax Expense**

	<b>Unaudited 3 months ended 31 March 2005 (RM'000)</b>	<b>Unaudited 3 months ended 31 March 2004 (RM'000)</b>
Tax Expense for the Period – Malaysian Income Tax	<u>656</u>	<u>1,080</u>

The group's tax charge in the quarter ended 31 March 2004 was lower than the prima facie tax due to certain income not being subject to taxation.

**22. Sale of Unquoted Investments and Properties**

There was no sale of unquoted investments and/or properties included in properties, plant and equipment during the current quarter under review.

**23. Sale of Quoted Securities**

There was no sale of quoted investments during the current quarter under review.

**24. Status of Corporate Proposals**

There are no corporate proposals announced but not completed at the date of this quarterly report.



**IBRACO BERHAD (Company No. 011286-P)**

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**25. Borrowings and Debt Securities**

	<b>Unaudited As at 31 March 2005 RM'000</b>	<b>Audited As at 31 December 2004 RM'000</b>
Short term borrowings		
- Secured: Bank overdrafts	2,202	94
- Secured: Term loans	5,450	3,469
- Secured: Borrowings – trade financings	28,880	26,768
- Lease Payable	273	282
	<hr/>	<hr/>
	36,805	30,613
 Long term borrowings		
- Secured: Term loans	12,866	15,151
- Lease Payable	435	490
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	50,106	46,254
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All the above borrowings are from domestic Malaysian sources and are denominated in Ringgit Malaysia.

The Group did not issue any debt security.

**26. Off Balance Sheet Financial Instruments**

The Group did not enter into any financial instruments with off balance sheet risk during the reporting quarter.

**27. Changes in Material Litigation**

There was no known material litigation as at the end of this reporting quarter.

**28. Dividend Payable**

There was no dividend declared for the quarter under review.

At the Annual General Meeting held on 26 May 2005, the Company approved a first and final dividend of 7.5% less 28% taxation (in respect of the financial year ended 31 December 2004) on 90,000,000 ordinary shares, amounting to a dividend payable of RM4.86 Million. The financial statements for the year ended 31 December 2004 did not reflect this proposed dividend. Such dividend will be accounted for in equity as an appropriation of revenue reserve in the financial statements for the financial year ending 31 December 2005.



**IBRACO BERHAD (Company No. 011286-P)**

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This first and final dividend is payable on 1 July 2005 to shareholders who are registered in the Record of Depositors at the close of business on 15 June 2005.

**29. Earnings Per Share**

(a) Basic

	<b>3 months ended 31 March 2005 RM'000</b>	<b>3 months ended 31 March 2004 RM'000</b>
Net profit for the quarter	1,373	4,596
Number of ordinary shares in issue /Weighted average number of ordinary shares in issue ('000)	90,000	68,619
Earnings per share (sen)	1.53	6.70

(b) Diluted

The Group has no potential ordinary shares in issue for the quarter under review, and therefore diluted earnings per share has not been presented.

**30. 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 26 May 2005.