



IBRACO BERHAD (Company No. 011286-P)

CONDENSED CONSOLIDATED INCOME STATEMENTS

For the year ended 31 December 2009

(The figures for 31 December 2009 have not been audited)

	Note	CURRENT QUARTER		CUMULATIVE QUARTER	
		3 months ended		12 months ended	
		2009	2008	2009	2008
		RM'000	RM'000	RM'000	RM'000
Revenue		2,510	356	3,506	66,463
Cost of Sales		(1,241)	(280)	(1,414)	(56,512)
Gross Profit		1,269	76	2,092	9,951
Other Income		5,548	116	5,999	197
Net (decrement)/increment in net market value of nursery plants		(8)	-	9	28
Administrative Expenses		(6,667)	(1,546)	(10,648)	(7,454)
Selling and Marketing Expenses		(1)	(6)	(31)	(30)
Other expenses		(1)	(1,244)	(5)	(3,506)
Finance Costs		(148)	(381)	(764)	(1,913)
Loss Before Tax		(8)	(2,985)	(3,348)	(2,727)
Income Tax Expense	21	(4,214)	890	(4,160)	(769)
Loss for the Period Attributable to Equity Holders of the Company		(4,222)	(2,095)	(7,508)	(3,496)
Earnings Per Share Attributable to Equity Holders of the Company:					
Basic, for loss for the period (Sen)	28	(4.24)	(2.11)	(7.55)	(3.51)
Diluted, for loss for the period (Sen)	28	(4.24)	(2.11)	(7.55)	(3.51)

The condensed consolidated income statements should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.



IBRACO BERHAD (Company No. 011286-P)

CONDENSED CONSOLIDATED BALANCE SHEETS

As at 31 December 2009 and 31 December 2008

(The figures for 31 December 2009 have not been audited)

	Note	Unaudited As at 31 December 2009 RM'000	Audited As at 31 December 2008 RM'000
ASSETS			
Non-Current Assets			
Property, plant & equipment		1,850	2,280
Land held for property development		77,890	75,342
Deferred tax assets		1,843	2,326
		81,583	79,948
Current Assets			
Property development costs		47,820	49,053
Inventories		446	1,864
Trade receivables		5,327	5,697
Other receivables		8,250	5,548
Deposits with licensed finance companies		11	31
Short term investments	15	9,873	24,449
Cash and bank balances		1,466	2,786
		73,193	89,428
TOTAL ASSETS		154,776	169,376
EQUITY AND LIABILITIES			
Equity attributable to equity holders of the Company			
Share capital		99,494	99,494
Share premium		7,733	7,733
Retained earnings		29,566	37,074
Total Equity		136,793	144,301
Non-Current Liabilities			
Borrowings	25	-	8,902
Deferred tax liability		90	142
		90	9,044
Current Liabilities			
Borrowings	25	8,902	10,000
Trade payables	16	4,104	5,530
Other payables		3,054	496
Current tax payable		1,830	
Dividends payable		3	5
		17,893	16,031
Total Liabilities		17,983	25,075
TOTAL EQUITY AND LIABILITIES		154,776	169,376

The condensed consolidated Balance Sheets should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.



IBRACO BERHAD (Company No. 011286-P)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2009

(The figures for 31 December 2009 have not been audited)

	Attributable to Equity Holders of the Company			Total Equity RM'000
	Non-Distributable		Distributable	
	Share Capital RM'000	Share Premium RM'000	Retained Earnings RM'000	
At 1 January 2008	99,494	7,733	44,252	151,479
Loss for the year	-	-	(3,496)	(3,496)
Dividends	-	-	(3,682)	(3,682)
At 31 December 2008	99,494	7,733	37,074	144,301
At 1 January 2009	99,494	7,733	37,074	144,301
Loss for the year	-	-	(7,508)	(7,508)
At 31 December 2009	99,494	7,733	29,566	136,793

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.



IBRACO BERHAD (Company No. 011286-P)

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 December 2009

(The figures for 31 December 2009 have not been audited)

	12 months ended 31 December 2009 RM'000	2008 RM'000
Net cash (used in)/generated from operating activities	(5,789)	71,865
Net cash generated from investing activities	637	144
Net cash used in financing activities	(10,764)	(51,560)
Net (decrease)/increase in cash and cash equivalents	(15,916)	20,449
Cash and cash equivalents at beginning of financial year	27,266	6,817
Cash and cash equivalents at end of financial year	11,350	27,266

Cash and cash equivalents at the end of the financial year comprised the following:

	As at 31 December 2009 RM'000	2008 RM'000
Cash and bank balances	1,466	7,176
Deposits with licensed finance companies	11	30
Short term investments	9,873	-
Bank Overdrafts	-	(389)
	11,350	6,817

The condensed consolidated cash flow statement should be read in conjunction with the audited financial statements for the year ended 31 December 2008 and the accompanying explanatory notes attached to the interim financial statements.



IBRACO BERHAD (Company No. 011286-P)

PART A – EXPLANATORY NOTES PURSUANT TO FRS 134

1. Basis of Preparation

The interim financial statements have been prepared on a historical basis, except for nursery plants (which are self-generating and regenerating assets), which have been measured at net market value.

The interim financial statements are unaudited and have been prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2008. 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 year ended 31 December 2008.

2. Changes in Accounting Policies

The significant accounting policies adopted are consistent with those of the audited financial statement for the year ended 31 December 2008.

At the date of authorization of these financial statements, the following FRS and Interpretations were issued but not yet effective and have not been adopted by the Group.

FRSs and Interpretations	Effective for financial periods beginning on or after
FRS 1(revised) : First-time Adoption of Financial Reporting Standards	1 July 2010
FRS 3(revised) : Business Combinations	1 July 2010
FRS 4 : Insurance Contracts	1 January 2010
FRS 7 : Financial Instruments : Disclosures	1 January 2010
FRS 8 : Operating Segments	1 July 2009
FRS 101 : Presentation of Financial Statements (revised 2009)	1 January 2010
FRS 123 : Borrowing Costs	1 January 2010
FRS 127 : Consolidated and Separate Financial Statements	1 July 2010
FRS 139 : Financial Instruments : Recognition and Measurements	1 January 2010
Amendments to FRS 1 : First-time Adoption of Financial Reporting Standards	1 January 2010
Amendments to FRS 2 : Share-based Payment : Vesting Conditions and Cancellations	1 January 2010
Amendments to : Share-based Payment	1 July 2010



IBRACO BERHAD (Company No. 011286-P)

FRS 2			
Amendment FRS 5	to :	Non-current Assets Held for Sale and Discontinued operations	1 January 2010 & 1 July 2010
Amendment FRS 7	to :	Financial Instruments: Disclosures	1 January 2010
Amendment FRS 8	to :	Operating Segments	1 January 2010
Amendment FRS 107	to :	Statement of Cash Flows	1 January 2010
Amendment FRS 108	to :	Accounting Policies, Changes in Accounting Estimates and Errors	1 January 2010
Amendment FRS 110	to :	Events after the Reporting Period	1 January 2010
Amendment FRS 116	to :	Property, Plant and Equipment	1 January 2010
Amendment FRS 117	to :	Leases	1 January 2010
Amendment FRS 118	to :	Revenue	1 January 2010
Amendment FRS 119	to :	Employee Benefits	1 January 2010
Amendment FRS 120	to :	Accounting for Government Grants and Disclosure of Government Assistance	1 January 2010
Amendment FRS 123	to :	Borrowing Costs	1 January 2010
Amendment to FRS 127	:	Consolidation and Separate Financial Statement: Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate	1 January 2010
Amendment FRS 128	to :	Investment in Associates	1 January 2010
Amendment FRS 129	to :	Financial Reporting in Hyperinflationary Economies	1 January 2010
Amendment FRS 131	to :	Interest in Joint Ventures	1 January 2010
Amendments FRS 132	to :	Financial Instruments : Presentation	1 January 2010
Amendment FRS 134	to :	Interim Financial Reporting	1 January 2010
Amendment FRS 136	to :	Impairment of Assets	1 January 2010
Amendment FRS 138	to :	Intangible Assets	1 January 2010 & 1 July 2010



IBRACO BERHAD (Company No. 011286-P)

Amendment to FRS 139	:	Financial Instruments : Recognition and Measurement	:	1 January 2010
Amendment to FRS 140	:	Investment Property	:	1 January 2010
IC Interpretation 9	:	Reassessment of Embedded Derivatives	:	1 January 2010
IC Interpretation 10	:	Interim Financial Reporting and Impairment	:	1 January 2010
IC Interpretation 11	:	FRS 2 – Group and Treasury Share Transactions	:	1 January 2010
IC Interpretation 12	:	Service Concession Arrangements	:	1 July 2010
IC Interpretation 13	:	Customer Loyalty Programmes	:	1 January 2010
IC Interpretation 14	:	FRS 119 – The limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	:	1 January 2010
IC Interpretation 15	:	Agreements for the Construction of Real Estate	:	1 July 2010
IC Interpretation 16	:	Hedges of a Net Investment in a foreign Operation	:	1 July 2010
IC Interpretation 17	:	Distributions of Non-cash Assets to Owners	:	1 July 2010
Amendments to IC Interpretation 9	:	Reassessment of Embedded Derivatives	:	1 July 2010

The adoptions of the above FRSs and Interpretations upon their effective dates are not expected to have any significant impact on the interim financial statements of the Group except for IC Interpretation 15 whereby the Company will have to use the completion method instead of the percentage completion method in the recognition of revenue from property developments. The Group is exempted from disclosing the possible impact, if any, to the financial statements upon its initial application of FRS 7 and FRS 139.

3. Comments about Seasonal or Cyclical Factors

The Group's performance was not materially affected by any seasonal or cyclical factors 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 quarter ended 31 December 2009.

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)

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. Dividends Paid

There were no dividends paid during the quarter under review.

8. Segmental Information

Segmental information is not presented as the Group is principally engaged in realty development in Malaysia. Revenue and profit generated from landscaping works is insignificant compared to the Group's overall revenue and profit.

9. 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 interim report.

10. Changes in Composition of the Group

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

11. Changes in Contingent Liabilities and Contingent Assets

There is no change in contingent liabilities amounted to RM63.302 million arising from corporate guarantees issued in favour of financial institutions granting banking facilities to subsidiary companies at the date of this quarterly report. Banking facilities amounted to RM8.902 million were utilised and remained outstanding as at the date of this quarterly report.

There were no contingent assets since the last annual balance sheet as at 31 December 2008 till the date of this quarterly report.

12. Capital Commitments

There were no capital commitments in respect of the Group that have arisen since 31 December 2008 to the date of this quarterly report.



IBRACO BERHAD (Company No. 011286-P)

13. Directors and Key Management Personnel Compensation

The total compensation to Directors of Ibraco Berhad and other members of key management during the quarter under review were as follows:

	3 months ended 31 December	
	2009	2008
	RM'000	RM'000
Directors	294	259
Key management personnel	86	120

14. Related Party Transactions

The following are transactions entered into with Directors of the Company and with companies in which certain directors have substantial financial interest:

		Transaction value		Balance outstanding	
		3 months ended		3 months ended	
		31 December		31 December	
		2009	2008	2009	2008
		RM'000	RM'000	RM'000	RM'000
Ibraco Properties Sdn. Bhd.	(a)				
Landscape maintenance work		27	27	-	-
Rental of lands		8	28	-	-
Acquisition of three parcels of mixed zone lands		2,441	-	-	-
Syarikat Pemegang Palma Lilin Sdn. Bhd.	(a)				
Rental paid for office premises		114	119	-	-
Sharifah Deborah Sophia Ibrahim	(b)				
Sale nursery plants		-	3	-	-
Deanna Ibrahim @ Sorayah Bt Abdullah	(c)				
Sale of one unit of used Toyota Landcruiser		110	-	-	-

Notes

- (a) Companies in which Directors namely Deanna Ibrahim @ Sorayah bt Abdullah, Wan Kamal Ibrahim bin Wan Alwi Ibrahim, Sharifah Deborah Sophia Ibrahim and Wan Aziz Ibrahim have significant interest.
- (b) Sharifah Deborah Sophia Ibrahim is a Non-executive Director of Ibraco



IBRACO BERHAD (Company No. 011286-P)

Berhad.

- (c) Deanna Ibrahim @ Sorayah bt Abdullah is the Chairman of Ibraco Group of Companies.

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. Short Term Investments

	Unaudited 31 December 2009 RM'000	Audited 31 December 2008 RM'000
Quoted securities in Malaysia:		
Unit trusts, at cost	9,873	24,449

16. Trade Payables

	Unaudited 31 December 2009 RM'000	Audited 31 December 2008 RM'000
Trade payables	8	17
Provision for projects	4,096	5,513
	<u>4,104</u>	<u>5,530</u>



IBRACO BERHAD (Company No. 011286-P)

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

17. Review of Performance

The Group recorded a loss after tax of RM4.222 million compared to a loss after tax of RM2.095 million recorded in the corresponding financial quarter ended 31 December 2008.

The Group's revenue for the current financial quarter ended 31 December 2009 increased to RM2.510 million from RM0.356 million in the corresponding financial quarter ended 31 December 2008. Revenue for this reporting quarter and the corresponding quarter were generated from sale of inventory, landscaping and maintenance works.

Other income increased from RM0.116 million in the corresponding quarter to RM5.548 million in this reporting quarter. The increase is mainly due to amount recoverable from Ibraco Properties Sdn Bhd in respect of additional tax and penalty for year of assessment 2004. Dividend received from short term investment also form part of the other income.

Administrative expenses increased to RM6.667 million compared to RM2.789 million in the corresponding quarter. The higher administrative expenses for the reporting quarter were mainly due to penalty imposed by Inland Revenue Board on the additional tax payable for year of assessment 2004 in respect of Syarikat Ibraco-Peremba Sdn Bhd as well as ex-gratia payment to retrenched employees.

Finance costs were also reduced substantially to RM0.148 million from RM0.381 million in the corresponding quarter ended 31 December 2008. This is mainly due to a reduced outstanding amount arising from periodic repayments of banking facilities.

18. Comparison with Preceding Quarter's Results

The Group recorded a loss after tax of RM4.222 million compared to a loss after tax of RM1.113 million recorded in the immediate preceding financial quarter ended 30 September 2009.

The Group's revenue for the current financial quarter ended 31 December 2009 increased to RM2.510 million compared to RM0.040 million in the immediate preceding quarter ended 30 September 2009. Revenue for this reporting quarter was generated sale of inventories and landscaping and maintenance works. Revenue for the immediate preceding quarters was generated solely from landscaping and maintenance work.



IBRACO BERHAD (Company No. 011286-P)

Other incomes increased from RM0.158 million in the immediate preceding quarter to RM5.548 million in this reporting quarter. The increase is mainly due to amount recoverable from Ibraco Properties Sdn. Bhd. in respect of additional tax and penalty for YA 2004.

Administrative expenses increased to RM6.667 million compared to RM1.319 million in the immediate preceding quarter. The higher administrative expenses incurred in this reporting quarter is mainly arose from penalty imposed by IRB on the additional tax payable for YA2004 in respect of Syarikat Ibraco-Peremba Sdn. Bhd. as well as ex-gratia payment to retrenched employees.

Finance costs were also reduced to RM0.148 million from RM0.173 million in the immediate preceding quarter ended 30 September 2009. This is mainly due to a reduced outstanding amount arising from periodic repayments of banking facilities.

19. Prospects

The current global property market has been severely affected by crises in the economic, financial and banking sectors. Many local banks started to impose stricter lending terms resulting in difficulties for potential property buyers to obtain bank financing. Arising from this, the Directors believe that the Company should be prudent with respect to any new launches in the short term. The Directors also believe that the Company is in a position to take advantage of the opportunities that may arise with the eventual recovery of the local economy in view of the fact that the Company has substantially reduced its corporate debts. Moreover, the Company has been granted approval for its mixed development schemes in a strategic location in the nearby Tabuan Jaya Baru area along the Kuching – Kota Samarahan highway.

20. Actual Profit against Forecast Profit and Profit Guarantee

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



IBRACO BERHAD (Company No. 011286-P)

21. Income Tax Expense

	3 months ended 31 December		12 months ended 31 December	
	2009 RM'000	2008 RM'000	2009 RM'000	2008 RM'000
Current income tax:				
Malaysian income tax	(36)	(1,235)	-	100
Under-provision of Malaysian income tax in prior year	3,821	-	3,728	272
Deferred tax	429	345	432	397
Total income tax expense	4,214	(890)	4,160	769

An assessment of additional tax payable was raised by Inland Revenue Board against a subsidiary company. An appeal was made against the assessment to the Special Commissioners but was not successful. The subsidiary company has taken up the additional tax payable as under-provision of income tax in prior year and has partially paid the additional tax based on the installments requested. Although the subsidiary company was not successful in their appeal to the Special Commissioners, the Group has decided to appeal to the High Court.

The Malaysian statutory tax rate was reduced to 25% in the current year of assessment from the previous year's rate of 26%. The computation of deferred tax has reflected these changes.

The effective tax rates of the Group for the current quarter and financial period ended 31 December 2009 was higher than the statutory tax rate principally due to the additional tax payable by a subsidiary company and the financial effect on deferred tax asset movement arising from utilization of project provisions and realization of inter-company profit.

22. Sale of Unquoted Investments and Properties

There were no sale of unquoted investments and properties during the current quarter under review.

23. Quoted Securities

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



IBRACO BERHAD (Company No. 011286-P)

24. Borrowings and Debt Securities

	Unaudited As at 31 December 2009 RM'000	Audited As at 31 December 2008 RM'000
Short term borrowings		
Secured: Term loans	8,902	10,000
	<hr/>	<hr/>
	8,902	10,000
Long term borrowings		
Secured: Term loans	-	8,902
	<hr/>	<hr/>
Total borrowings	-	18,902

All the above borrowings are from domestic Malaysian sources and are denominated in Ringgit Malaysia.

The Group did not issue any debt securities.

25. Off Balance Sheet Financial Instruments

There were no off balance sheet financial instruments as at 19 February 2010.

26. Changes in Material Litigation

There was no known material litigation as at 19 February 2010.

27. Earnings Per Share

(a) Basic

	3 months ended 31 December		12 months ended 31 December	
	2009	2008	2009	2008
Loss for the period attributable to equity holders of the Company (RM'000)	(4,222)	(2,095)	(7,508)	(3,496)
Weighted average number of ordinary shares in issue	99,494,095	99,494,095	99,494,095	99,494,095
Basic earnings per share for Loss for the period (sen)	(4.24)	(2.11)	(7.55)	(3.51)

(b) Diluted

The Group has no potential ordinary shares in issue for the quarter under review and therefore, diluted earnings per share is presented as equal to basic earnings per share.



IBRACO BERHAD (Company No. 011286-P)

28. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 December 2008 was not qualified.

29. Authorisation for Issue

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 22 February 2010.