IBRACO BERHAD
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the three-month period ended 31 March 2010
(The figures have not been audited)

	Note	Current Quarter 3 months ended 31 March 2010 RM'000	Current Quarter 3 months ended 31 March 2009 RM'000 not restated	Cumulative Quarter 3 months ended 31 March 2010 RM'000	Cumulative Quarter 3 months ended 31 March 2009 RM'000 not restated
Revenue		68	395	68	395
Cost of sales		(19)	(90)	(19)	(90)
Gross profit		49	305	49	305
Other income		266	162	266	162
Net increment in net market value of nursery plants		-	17	-	17
Administrative expenses		(1,184)	(1,267)	(1,184)	(1,267)
Selling and marketing Expenses		-	(7)	-	(7)
Other expenses		-	(1)	-	(1)
Finance costs		(131)	(240)	(131)	(240)
Loss before tax		(1,000)	(1,031)	(1,000)	(1,031)
Income tax expense	22	-	(3)	-	(3)
Loss for the period		(1,000)	(1,034)	(1,000)	(1,034)
Other comprehensive income		-	-	-	-
Total comprehensive income for the period		(1,000)	(1,034)	(1,000)	(1,034)
Loss for the period Attributable to owners of the Company		(1,000)	(1,034)	(1,000)	(1,034)
Total Comprehensive Income Attributable to Owners of the Company		(1,000)	(1,034)	(1,000)	(1,034)

IBRACO BERHAD
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (con't)
For the three-month period ended 31 March 2010
(The figures have not been audited)

Loss Per Share Attributable to Owners of the Company:

Basic, for loss for the period (Sen)	29	(1.01)	(1.04)	(1.01)	(1.04)
Diluted, for loss for the period (Sen)	29	(1.01)	(1.04)	(1.01)	(1.04)

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

IBRACO BERHAD
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 March 2010 and 31 December 2009
(The figures for 31 March 2010 have not been audited)

	Note	Unaudited As at 31 March 2010 RM'000	Audited As at 31 December 2009 RM'000
ASSETS			
Property, plant & equipment		1,867	1,850
Land held for property development		77,905	77,890
Deferred tax assets		1,843	1,843
Total non-current assets		81,615	81,583
Property development costs		47,856	47,820
Inventories		446	447
Trade receivables		4,381	5,327
Other receivables		6,732	6,420
Deposits with licensed finance companies		11	11
Short term investments	16	7,348	9,873
Cash and bank balances		2,212	1,473
Total current assets		68,986	71,371
TOTAL ASSETS		150,601	152,954
EQUITY			
Share capital		99,494	99,494
Share premium		7,733	7,733
Retained earnings		28,047	29,566
Total Equity attributable to owners of the Company		135,274	136,793
LIABILITIES			
Loans and borrowings	26	66	-
Deferred tax liability		90	90
Total non-current Liabilities		156	90
Loans and borrowings	26	8,832	8,909
Trade payables	17	3,749	4,104
Other payables		2,590	3,054
Dividends payable		-	4
Total current liabilities		15,171	16,071
Total Liabilities		15,327	16,161
TOTAL EQUITY AND LIABILITIES		150,601	152,954

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

IBRACO BERHAD
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the three-month period ended 31 March 2010
(The figures have not been audited)

	Attributable to Owners of the Company			
	Non-Distributable		Distributable	
	Share Capital	Share Premium	Retained Earnings	Total Equity
	RM'000	RM'000	RM'000	RM'000
At 1 January 2009	99,494	7,733	37,074	144,301
Total comprehensive income for the period	-	-	(1,034)	(1,034)
At 31 March 2009	99,494	7,733	36,040	146,267
At 1 January 2010	99,494	7,733	29,566	136,793
Effect of adopting FRS139			(519)	(519)
At 1 January 2010, as restated	99,494	7,733	29,047	136,274
Total comprehensive income for the period	-	-	(1,000)	(1,000)
At 31 March 2010	99,494	7,733	28,047	135,274

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

IBRACO BERHAD
(Incorporated in Malaysia)

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
For the three-month period ended 31 March 2010
(The figures have not been audited)

	3 months ended 31 March	
	2010	**2009**
	RM'000	**RM'000**
Net cash used in operating activities	(1,796)	(1,792)
Net cash generated from investing activities	255	147
Net cash used in financing activities	(238)	(2,741)
Net decrease in cash and cash equivalents	(1,779)	(4,386)
Cash and cash equivalents at beginning of financial period	11,350	27,266
Cash and cash equivalents at end of financial period	9,571	22,880

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

	As at 31 March	
	2010	**2009**
	RM'000	**RM'000**
Cash and bank balances	2,212	2,248
Deposits with licensed finance companies	11	31
Short term investments	7,348	20,601
Bank overdrafts	-	-
	9,571	22,880

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2009 and the accompanying explanatory notes attached to the interim financial statements.

PART A – EXPLANATORY NOTES PURSUANT TO FRS 134

1. Basis of Preparation

These condensed consolidated 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 condensed consolidated 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 condensed consolidated interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2009. 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 2009.

2. Changes in Accounting Policies

Except as described below, the significant accounting policies adopted are consistent with those of the audited financial statement for the year ended 31 December 2009.

On 1 January 2010, the group adopted the following FRSs and interpretations :-

FRSs and Interpretations

FRS 4	:	Insurance Contracts
FRS 7	:	Financial Instruments : Disclosures
FRS 8	:	Operating Segments
FRS 101	:	Presentation of Financial Statements (Revised 2009)
FRS 123	:	Borrowing Costs
FRS 139	:	Financial Instruments: Recognition and Measurement
Amendment to FRS 1	:	First-time Adoption of Financial Reporting Standards
Amendment to FRS 2	:	Share-based Payment - Vesting Conditions and Cancellations
Amendment to FRS 7	:	Financial Instruments: Disclosures
Amendment to FRS 8	:	Operating Segments
Amendment to FRS 107	:	Statement of Cash Flows
Amendment to FRS 108	:	Accounting Policies, Changes in Accounting Estimates and Errors
Amendment to FRS 110	:	Events after the Reporting Period
Amendment to FRS 116	:	Property, Plant and Equipment
Amendment to FRS 117	:	Leases
Amendment to FRS 118	:	Revenue
Amendment to FRS 119	:	Employee Benefits
Amendment to FRS 120	:	Accounting for Government Grants and Disclosure of Government Assistance
Amendment to FRS 123	:	Borrowing Costs
Amendment to FRS 128	:	Investments in Associates
Amendment to FRS 129	:	Financial Reporting in Hyperinflationary Economies

Amendment to FRS 131	:	Interest in Joint Ventures
Amendment to FRS 132	:	Financial Instruments: Presentation
Amendment to FRS 134	:	Interim Financial Reporting
Amendment to FRS 136	:	Impairment of Assets
Amendment to FRS 139	:	Financial Instruments: Recognition and Measurement
Amendment to FRS 140	:	Investment Property
IC Interpretation 9	:	Reassessment of Embedded Derivatives
IC Interpretation 10	:	Interim Financial Reporting and Impairment
IC Interpretation 11	:	FRS 2 - Group and Treasury Share Transactions
IC Interpretation 13	:	Customer Loyalty Programmes
IC Interpretation 14	:	FRS 119 - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction

Other than for the application of FRS 101 and FRS 139, the application of the above FRSs, Amendments to FRSs and Interpretations did not result in any significant changes in the accounting policies and presentation of the financial results of the Group.

(a) FRS 101 (Revised): Presentation of Financial Statements

The Group applies revised FRS 101 (revised) which became effective on 1 January 2010. As a result the current consolidated statement of changes in equity only includes details of transactions with owners. All non-owner changes in equity are presented in the consolidated statement of comprehensive income. Comparative information has been re-presented so that it is also in conformity with the revised standard. Except for the change on the presentation aspects, there is no impact on the financial position and results of the Group.

(b) FRS 139: Financial Instruments - Recognition and Measurement

The adoption of FRS 139 has resulted in changes to accounting policies relating to recognition and measurement of financial instruments.

A financial instrument is recognized in the financial statements when, and only when, the Group becomes a party to the contractual provisions of the instrument.

A financial instrument is recognized initially, at its fair value plus, in the case of a financial instrument not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial instrument.

An embedded derivative is recognized separately from the host contract and accounted for as a derivative if, and only if, it is not closely related to the economic characteristics and risk of the host contract and the host contract is not categorised at fair value through profit and loss. The host contract, in the event an embedded derivative is recognized separately, is accounted for in accordance with policy applicable to the nature of the host contract.

The Group determines the classification at initial recognition and for the purpose of the first adoption of the standard, as at transitional date on 1 January 2010.

Financial assets

Financial assets are classified as financial assets at fair value through profit or loss, loans and receivables, held to maturity investments, AFS financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

The Group's financial assets comprise cash and short-term deposits, units trust investment, trade and other receivables.

(i) Loans and receivables

Prior to the adoption of FRS 139, loans and receivables were stated at gross receivables less provision for doubtful debts. Under FRS 139, loans and receivables are initially measured at fair value and subsequently at amortised cost using the effective interest rate (EIR) method. Gains and losses arising from the derecognition of the loans and receivables, EIR amortisation and impairment losses are recognised in the income statement.

(ii) Financial asset at fair value through profit and loss

This category of financial asset comprises financial asset that are held for trading including derivatives except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument.

Derivatives that are linked to and must be settled by delivery of unquoted equity instrument whose fair value cannot be reliably measured are measured at cost. Other financial assets categorized as fair value through profit and loss are subsequently measured at fair value with the gain and loss recognized in profit or loss

Financial liabilities

Financial liabilities are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

The Group's financial liabilities include trade and other payables, loans and borrowings and hire purchase. All financial liabilities of the Group are subsequently measured at amortised cost.

Impact on opening balances

In accordance with the transitional provisions of FRS 139, the above changes are applied prospectively and the comparatives as at 31 December 2009 are not restated. Instead, the changes have been accounted for by restating the following opening balances in the balance sheet as at 1 January 2010.

	Fair value reserve (RM'000)		Retained earnings (RM'000)	
	2010	2009	2010	2009
At 1 January, as previously stated	-	-	29,566	37,074
Adjustment arising from adoption of FRS 139:				
Impairment of trade and other receivables, net of tax	-	-	(519)	-
At 1 January, as restated			29,047	37,074

Impairment of trade and other receivables

Prior to the adoption of FRS 139, an allowance for doubtful debts was made when a receivable is considered irrecoverable by the management. With the adoption of FRS 139, an impairment loss is recognized for trade and other receivables and is measured as the difference between an asset's carrying amount and the present value of estimated future cash flows discounted at the prevailing base lending rate which is taken as the effective interest rate.

These change in accounting policies have been made in accordance with the transitional provision of FRS 139. In accordance with the transitional provisions of FRS 139 for the first-time adoption, adjustments arising from remeasuring the financial instruments at the beginning of the financial period were recognized as adjustments of the opening balance of retained earnings or another appropriate reserve. Comparatives are not adjusted.

Consequently, the adoption of FRS 139 does not affect the basic and diluted earnings per ordinary share for prior period. It is not practicable to estimate the impact arising from the adoption of FRS 139 to the current period's basic and diluted earning per ordinary share.

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 March 2010 except for the effects arising from the adoption of FRS 139 as disclosed in Note 2.

5. Significant Estimates and Changes in Estimates

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

6. Property, plant and equipment

a) Acquisition and Disposals

During the three months ended 31 March 2010 the Group acquired assets with a cost of RM113,602 (three months ended 31 March 2009: RM4,261).

Assets with carrying amount of RM9,937 were disposed off during the three months ended 31 March 2010 (three months ended 31 March 2009: RMNil), resulting in a gain on disposal of RM205,063 (three months ended 31 March 2009: gain of RMNil), which is included in other income.

7. Debt and Equity Securities

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

8. Dividends Paid

There were no dividends paid during the quarter under review.

9. 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.

10. Subsequent Events

On 10 May 2010, Ibraco Berhad announced that it has triggered prescribed criteria 2.1(h) of Practice Note 17 and hence is considered a PN17 company. Prescribed criteria 2.1(h) apply to listed issuer with an insignificant business or operations. As defined by paragraph 2.2(d) of the Practice Note "insignificant business or operations" means business or operations which generate revenue on a consolidated basis that represents 5% or less of the issued and paid-up capital of the listed issuer based on its latest annual audited or unaudited financial statements.

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 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 RM6.402 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 2009 till the date of this quarterly report.

13. Capital Commitments

There were no capital commitments for the purchase of property, plant and equipment and land held for property development not provided for in the interim financial statements as at the balance sheet date.

14. Directors and Key Management Personnel Compensation

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

	3 months ended 31 March	
	2010 RM'000	2009 RM'000
Directors	241	329
Key management personnel	97	70

15. Related Party Transactions

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

		Transaction value 3 months ended 31 March		Balance outstanding 3 months ended 31 March	
		2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Ibraco Properties Sdn. Bhd.	(a)				
Landscape maintenance work		54	27	18	-
Rental of lands		8	8	-	-
Sale of one unit of Mercedes Benz (S320L)		135	-	-	-
Sale of furniture and fitting, renovation works, mechanical and electrical installations		50	-	-	-
Syarikat Pemegang Palma Lilin Sdn. Bhd.	(a)				
Rental paid for office premises		102	119	-	-

Notes

(a) Companies in which Non-executive Directors namely Deanna Ibrahim @ Sorayah bt Abdullah and Sharifah Deborah Sophia Ibrahim have significant 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.

16. Short Term Investments

	Unaudited 31 March 2010 RM'000	Audited 31 December 2009 RM'000
Quoted securities in Malaysia:		
Unit trusts, at cost	7,348	9,873

17. Trade Payables

	Unaudited 31 March 2010 RM'000	Audited 31 December 2009 RM'000
Trade payables	14	8
Provision for projects	3,735	4,096
	3,749	4,104

18. Review of Performance

The Group recorded a loss before tax of RM1 million compared to a loss before tax of RM1.03 million recorded in the corresponding financial quarter ended 31 March 2009.

The Group's revenue for the current financial quarter ended 31 March 2010 decreased to RM0.068 million from RM0.395 million in the corresponding financial quarter ended 31 March 2009. In both quarters, there is no launching of new project and the Group's revenue for the current financial quarter is generated primarily from landscaping works.

Other income increased from RM0.162 million in the corresponding quarter to RM0.266 million in this reporting quarter. The increase is primarily due to dividends received from short term investments and gain from disposal of property, plant and equipment.

Administrative expenses decreased to RM1.184 million compared to RM1.267 million in the corresponding quarter. The decrease is mainly due to reduction in staff cost and a better control over expenses.

Finance cost was also reduced substantially to RM0.131 million from RM0.240 million in the corresponding quarter ended 31 March 2009. This is mainly due to substantial repayments of banking facility in 2009.

19. Comparison with Preceding Quarter's Results

The Group recorded a loss before tax of RM1 million compared to a loss before tax of RM0.008 million recorded in the immediate preceding financial quarter ended 31 December 2009.

The Group's revenue for the current financial quarter ended 31 March 2010 decreased to RM0.068 million compared to RM2.51 million in the immediate preceding quarter ended 31 December 2009. Revenue for the current financial quarters was primarily generated from landscaping works, while the immediate preceding quarter revenue was mainly generated from sales of inventories.

Other income decreased from RM5.548 million in the immediate preceding quarter to RM0.266 million in this reporting quarter. The decrease is primarily due to tax recovery of RM5.284 million recognised in the immediate preceding quarter.

Administrative expenses decreased to RM1.184 million compared to RM6.667 million in the immediate preceding quarter. The higher administrative cost incurred in the immediate preceding quarter is mainly due to tax penalty incurred for YA2004. Reduction in staff cost and a better control over expenses contribute to a lower administrative expense for this reporting quarter.

Finance costs were also reduced substantially to RM0.131 million from RM0.148 million in the immediate preceding quarter ended 31 December 2009. This is mainly due to reduced banking facilities outstanding arising from substantial repayments of banking facilities in 2009.

20. Prospects

The property market has been severely affected by crisis in the financial and banking sector since earlier 2008. However, there seemed to be some movements now in the Malaysian property scene as detected by increased activities in recent months, especially after Bank Negara slashed the overnight policy rate to an all-time low of 2% per annum in February 2009. The Residential Property Index also shows similar upturn, although it's too early to say if the recovery is permanent. The Sarawak property market also seems to be slowly lifting itself out from the gloom of 2008 by the 2nd quarter of 2009, and showing signs of recovery by the 3rd quarter of 2009.

With these favouring indicators, the Group would be launching new projects comprising residential and commercial properties especially during the second half of 2010. Nevertheless, the Company would continue to adopt a prudent and cautious approach with respect to any new launches in the short term.

21. 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.

22. Income Tax Expense

	3 months ended 31 March		3 months ended 31 March	
	2010 RM'000	2009 RM'000	2010 RM'000	2009 RM'000
Current income tax:				
Malaysian income tax	-	-	-	-
Under-provision of Malaysian income tax in prior year	-	-	-	-
Deferred tax	-	3	-	3
Total income tax expense	-	3	-	3

Income tax is calculated at the Malaysian statutory tax rate of 25% (2009: 25%) of the estimated assessable profit for the year.

23. Sale of Unquoted Investments and Properties

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

24. Quoted Securities

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

25. Status of Corporate Proposals

There were no corporate proposals announced but not completed as at the reporting date.

26. Loans and borrowings

	Unaudited As at 31 March 2010 RM'000	Audited As at 31 December 2009 RM'000
Short term borrowings		
Secured: Bank overdrafts	-	7
Finance lease liabilities	30	-
Revolving credits	2,400	-
Term loans	6,402	8,902
	8,832	8,909
Long term borrowings		
Secured: Finance lease liabilities	66	-
Total borrowings	8,898	8,909

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

The Group did not issue any debt securities.

27. Off Balance Sheet Financial Instruments

The Group does not have any financial instruments with off balance sheet risk as at 19 May 2010, the latest practicable date which is not earlier than 7 days from the date of this quarterly report.

28. Changes in Material Litigation

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

29. Loss Per Share

(a) Basic

	3 months ended 31 March		3 months ended 31 March	
	2010	2009	2010	2009
Loss for the period attributable to owners of the Company (RM'000)	(1,000)	(1,034)	(1,000)	(1,034)
Weighted average number of ordinary shares in issue	99,494,095	99,494,095	99,494,095	99,494,095
Basic loss per share (sen)	(1.01)	(1.04)	(1.01)	(1.04)

(b) Diluted

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

30. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the financial statements for the financial year ended 31 December 2009 was not qualified.

31. 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 24 May 2010.