



**IBRACO BERHAD (011286-P)**  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

For the quarter and year ended 31 December 2011

(The figures have not been audited)

	Note	3 months ended 31 December		12 months ended 31 December	
		2011 RM'000	2010 RM'000	2011 RM'000	2010 RM'000
Revenue		38,715	27,428	113,588	28,244
Cost of sales		(30,429)	(13,234)	(89,430)	(14,782)
<b>Gross profit</b>		8,286	14,194	24,158	13,462
Other income		212	150	469	880
Net increment/(decrement) in net market value of nursery plants		9	(7)	38	(9)
Administrative expenses		(1,806)	(1,683)	(6,990)	(5,272)
Selling and marketing Expenses		(4)	(8)	(39)	(8)
Other expenses		(127)	(1)	(130)	(2)
Finance costs		(532)	(18)	(636)	(361)
<b>Profit before tax</b>	21	6,038	12,627	16,870	8,690
Income tax expense	24	(1,510)	(649)	(4,298)	(941)
<b>Profit for the period/year</b>		4,528	11,978	12,572	7,749
<b>Other comprehensive income</b>		-	-	-	-
<b>Total comprehensive income for the period/year</b>		4,528	11,978	12,572	7,749
<b>Profit for the period/year attributable to :</b>					
<b>Owners of the Parent</b>		4,535	11,978	12,579	7,749
<b>Non-controlling interests</b>		(7)	-	(7)	-
		4,528	11,978	12,572	7,749
<b>Total Comprehensive Income attributable to :</b>					
<b>Owners of the Parent</b>		4,535	11,978	12,579	7,749
<b>Non-controlling interests</b>		(7)	-	(7)	-
		4,528	11,978	12,572	7,749



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**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (contd)**

For the quarter and year ended 31 December 2011

(The figures have not been audited)

**Profit Per Share  
attributable to Owners of  
the Parent:**

Basic, for profit for the period/year (Sen)	29	3.81	11.85	10.74	7.76
Diluted, for profit for the period/year (Sen)	29	3.77	11.85	10.67	7.76

The condensed consolidated statement of comprehensive income should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.



**IBRACO BERHAD (011286-P)**  
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**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

As at 31 December 2011 and 31 December 2010

(The figures for 31 December 2011 have not been audited)

	Note	Unaudited As at 31 December 2011 RM'000	Audited As at 31 December 2010 RM'000
<b>ASSETS</b>			
Property, plant & equipment		2,716	1,734
Land held for property development		60,196	21,033
Investment properties		44,454	21,524
Deferred tax assets		957	1,339
<b>Total non-current assets</b>		108,323	45,630
Property development costs		118,785	135,603
Inventories		1,074	163
Trade receivables		39,228	15,764
Other receivables		2,117	4,023
Deposits with licensed banks & finance companies		3,350	6
Short term investments	16	-	2,108
Cash and bank balances		8,644	6,170
<b>Total current assets</b>		173,198	163,837
<b>TOTAL ASSETS</b>		281,521	209,467
<b>Equity attributable to Owners of the Parent</b>			
Share capital		118,904	115,494
Share premium		8,483	7,733
Other reserves		569	-
Retained earnings	20	49,375	36,796
		177,331	160,023
<b>Non-controlling interests</b>		293	-
<b>Total Equity</b>		177,624	160,023
<b>LIABILITIES</b>			
Loans and borrowings	26	29,443	65
Deferred tax liabilities		10	78
<b>Total non-current Liabilities</b>		29,453	143
Loans and borrowings	26	35,936	9,012
Trade payables	17	36,678	37,863
Other payables		901	2,426
Tax payables		929	-
<b>Total current liabilities</b>		74,444	49,301
<b>Total Liabilities</b>		103,897	49,444
<b>TOTAL EQUITY AND LIABILITIES</b>		281,521	209,467

The condensed consolidated statements of financial position should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.



**IBRACO BERHAD (011286-P)**  
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**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

For the year ended 31 December 2011  
(The figures have not been audited)

	Attributable to equity holders of the Company					Total equity RM'000
	<i>Non-distributable</i> Share capital RM'000	Share premium RM'000	<i>Distributable</i> Retained earnings RM'000	Other reserves RM'000	Non Controlling interest RM'000	
<b>At 1 January 2010</b>	99,494	7,733	29,566	-	-	136,793
Effect of adopting FRS 139	-	-	(519)	-	-	(519)
<b>At 1 January 2010 (restated)</b>	99,494	7,733	29,047	-	-	136,274
Total comprehensive income	-	-	7,749	-	-	7,749
<b>Transactions with owners:</b>						
Shares issued	16,000	-	-	-	-	16,000
<b>At 31 December 2010</b>	115,494 =====	7,733 =====	36,796 =====	- =====	- =====	160,023 =====
<b>At 1 January 2011</b>	115,494	7,733	36,796	-	-	160,023
Total comprehensive income	-	-	12,579	-	(7)	12,572
Contribution of capital by non controlling interest	-	-	-	-	300	300
Grant of equity-settled share options to employee	-	-	-	1,285	-	1,285
Exercise of employees share options	3,410	750	-	(716)	-	3,444
<b>At 31 December 2011</b>	118,904 =====	8,483 =====	49,375 =====	569 =====	293 =====	177,624 =====

The condensed consolidated statement of changes in equity should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.



**IBRACO BERHAD (011286-P)**  
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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**

For the year ended 31 December 2011

(The figures have not been audited)

	<b>12 months ended 31 December</b>	
	<b>2011</b>	<b>2010</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before tax	16,870	8,691
Adjustments for:		
Depreciation	288	245
Dividend income	(121)	(174)
Gain on disposal of property, plant and equipment	(27)	(258)
Grant of equity-settled share options to employees	1,285	-
Interest expenses	636	552
Interest income	(87)	(17)
Net (increment)/decrement in net market value of nursery plants	(38)	9
Plant written off	126	
Property, plant and equipment written off	86	1
Operating profit before working capital changes	<u>19,018</u>	<u>9,049</u>
Changes in working capital:		
Land held for property development	2,449	56,857
Property development costs	16,818	(87,783)
Inventories	(999)	275
Receivables	(23,285)	(8,109)
Payables	(2,924)	33,130
Cash generated from operations	<u>11,077</u>	<u>3,419</u>
Tax paid	(4,380)	(958)
Tax refunded	3,051	60
<b>Net cash generated from operating activities</b>	<u><b>9,748</b></u>	<u><b>2,521</b></u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Dividend received	121	174
Expenditure on investment property	(22,931)	(5,524)
Interest received	87	17
Proceeds from shares issued to non-controlling interests	300	-
Proceeds from disposal of investment securities	11,621	7,960
Proceeds from disposal of property, plant and equipment	27	270
Purchase of land held for property development	(41,612)	-
Purchase of investment securities	(9,513)	(195)
Purchase of property, plant and equipment	(316)	(43)
<b>Net cash (used in)/generated from investing activities</b>	<u><b>(62,216)</b></u>	<u><b>2,659</b></u>



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**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS (contd)**

For the year ended 31 December 2011  
(The figures have not been audited)

	<b>12 months ended 31 December</b>	
	<b>2011</b>	<b>2010</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Dividend paid	-	(4)
Interest paid	(422)	(552)
Proceeds from exercise of employee share options	3,444	-
Proceeds from loans and borrowings	71,937	7,400
Repayment of finance leases	(96)	(16)
Repayment of loans and borrowings	(14,984)	(8,902)
<b>Net cash generated from/(used in) financing activities</b>	<b>59,879</b>	<b>(2,074)</b>
<b>Net increase in cash and cash equivalents</b>	<b>7,411</b>	<b>3,106</b>
<b>Cash and cash equivalents at beginning of financial year</b>	<b>4,583</b>	<b>1,477</b>
<b>Cash and cash equivalents at end of financial year</b>	<b>11,994</b>	<b>4,583</b>

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

	<b>As at 31 December</b>	
	<b>2011</b>	<b>2010</b>
	<b>RM'000</b>	<b>RM'000</b>
Cash and bank balances	8,644	6,170
Deposits with licensed banks & finance companies	3,350	6
Bank overdrafts	-	(1,593)
	<b>11,994</b>	<b>4,583</b>

The condensed consolidated statement of cash flows should be read in conjunction with the audited financial statements for the year ended 31 December 2010 and the accompanying explanatory notes attached to the interim financial statements.



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**PART A – EXPLANATORY NOTES PURSUANT TO FRS 134**

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**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 2010. 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 2010.

**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 2010.

On 1 January 2011, the Group adopted the following FRSs and interpretations :-

**FRSs and Interpretations**

FRS 1	:	First-time Adoption of Financial Reporting Standards
FRS 3	:	Business Combinations (revised)
Amendments to FRS 1	:	Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters
Amendments to FRS 1	:	Additional Exemptions for First-time Adopters
Amendments to FRS 1	:	First-time Adoption of Financial Reporting Standards [Improvements for FRSs (2010)]
Amendments to FRS 2	:	Share-based Payment
Amendments to FRS 2	:	Group Cash-settled Share-based Payment Transactions
Amendments to FRS 3	:	Business Combinations
Amendments to FRS 5	:	Non-current Assets Held for Sale and Discontinued Operations
Amendments to FRS 7	:	Improving Disclosures about Financial Instruments
Amendments to FRS 7	:	Financial Instruments : Disclosures [Improvements to FRSs (2010)]
Amendments to FRS 101	:	Presentation to Financial Statements [Improvements to FRSs (2010)]
Amendments to FRS 121	:	The Effects of Changes in Foreign Exchange Rates [Improvements to FRSs (2010)]
Amendments to FRS 127	:	Consolidated and Separate Financial Statements
Amendments to FRS 128	:	Investments in Associates [Improvements to FRSs (2010)]
Amendments to FRS 131	:	Interests in Joint Ventures [Improvements to FRSs (2010)]
Amendments to FRS 132	:	Financial Instruments : Presentation [Improvements to FRSs (2010)]
Amendments to FRS 134	:	Interim Financial Reporting [Improvements to FRSs (2010)]
Amendments to FRS 138	:	Intangible Assets
Amendments to FRS 139	:	Financial Instruments : Recognition and Measurement [Improvements to FRSs (2010)]



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IC Interpretation 4	:	Determining Whether an Arrangement contains a Lease
Amendments to IC Int. 9	:	Reassessment of Embedded Derivatives
Amendments to IC Int. 12	:	Service Concession Arrangements
Amendments to IC Int. 13	:	Customer Loyalty Programmes [Improvements to FRSs (2010)]
Amendments to IC Int. 16	:	Hedges of a Net Investment in a Foreign Operation
Amendments to IC Int. 17	:	Distributions of Non-cash Assets to Owners
Amendments to IC Int. 18	:	Transfers of Assets from Customers
Technical Release 3	:	Guidance on Disclosure of Transition to IFRSs

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.

**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 2011.

**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**

**Acquisition and Disposals**

During the year ended 31 December 2011 the Group acquired property, plant and equipment with an aggregate cost of RM1,039,600 (year ended 31 December 2010: RM99,500) by means of finance lease. The cash outflow on acquisition of property, plant and equipment amounted to RM316,029 (year ended 31 December 2010: RM43,040).

Property, plant and equipment with carrying amount of RM 1 were disposed off during the year ended 31 December 2011 (year ended 31 December 2010: RM11,947), resulting in a gain on disposal of RM 26,546 (year ended 31 December 2010: gain of RM258,323), 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.





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**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. Significant Events**

- (a) On 24 May 2011, the Company has proposed an establishment of an employees' share option scheme (ESOS) of up to fifteen percent (15%) of the issued and paid-up share capital of Ibraco. On 8 June 2011, Bursa Malaysia Securities Berhad had approved the listing of such number of additional new ordinary shares of RM1.00 each. The Company had obtained shareholders' approval on 29 June 2011 and made an offer of 12,490,000 share options to eligible directors and employee of the company and two active subsidiary companies, out of which 12.24 million share options were accepted.

On 7 July 2011, 3.41 million of shares have been issued under this corporate proposal. The Company latest issued and paid up share capital has increased to 118,904,095 units after the above corporate proposal.

- (b) On 14 November 2011, the Board of Directors of the Company announced that the Ibu Pejabat Tanah Dan Survei, Kuching ("L&S") has approved the Company's application for alienation of approximately 49.5 hectares of mixed zone land described as Lot 2975 Block 12 Muara Tebas Land District. The Company had agreed and accepted the terms and conditions as outlined in the L&S's Formal Offer and made cash payment of RM41.6 million for the alienation of the said land.

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

The Board of Directors of the Company had approved and given consent for six subsidiaries to make application to the Companies Commission of Malaysia to strike off its name pursuant to Section 308 of the Companies Act, 1965. These subsidiaries have been dormant since incorporation and have no intention to commence any business in the future. Except for Ibraco Rise Sdn Bhd, which the application has been rejected as this company is also a holding company, the proposed strike off is expected to be completed within first quarter of 2012.

During the extraordinary general meeting held on 10 October 2011 it was resolved that Ibraco Shine Sdn Bhd, a wholly owned subsidiary of Ibraco Berhad, be wound up voluntarily, and that Mr. Liu Tow Hua be appointed as liquidator for the purpose of such winding up. The liquidator has been authorised to make distribution in specie of the company's assets and to exercise any of the powers set out in section 269 (1) & (2) of the Companies Act, 1965.

The Board of Directors of Ibraco Berhad announced that a new subsidiary namely Ibraco HGS Sdn Bhd (Company no. 964174-A) was incorporated on 13 October 2011. Upon incorporation, Ibraco HGS Sdn Bhd issued 100 subscriber shares of RM1.00 each at par for cash. On 21 October 2011, Ibraco HGS Sdn Bhd issued additional 999,900 new shares of RM1.00 each at par for cash. Ibraco HGS Sdn Bhd's issued and paid-up capital of RM1,000,000 is 70% owned by Ibraco Berhad and 30% owned by Hiap Ghee Seng Development Sdn Bhd. The principal activities of the subsidiary are property development and investment holding.

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

There were no contingent liabilities and contingent assets since the last annual statement of financial position as at 31 December 2010 till the date of this quarterly report.



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**13. Capital Commitments**

	<b>As at 31 December</b>	
	<b>2011</b>	<b>2010</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Contracted for but not provided for in interim financial statements</b>		
Acquisition of land	20	-
Construction of a single storey commercial mall	-	43,964

**14. Directors and Key Management Personnel Compensation**

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

	<b>3 months ended 31 December</b>	
	<b>2011</b>	<b>2010</b>
	<b>RM'000</b>	<b>RM'000</b>
Directors	349	196
Key management personnel	227	187

**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:

	<b>Note</b>	<b>Transaction value</b>		<b>Balance outstanding</b>	
		<b>3 months ended</b>		<b>3 months ended</b>	
		<b>31 December</b>		<b>31 December</b>	
		<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
		<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Ibraco Properties Sdn. Bhd.</b>	(a)				
Landscape maintenance work		-	24	-	-
<b>Sharifah Deborah Sophia Ibrahim</b>	(b)				
Rental paid for office premises		102	102	-	-
<b>Dato' Wee Song Ching</b>	(c)				
Landscape maintenance work		1	-	-	-



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**15. Related Party Transactions (contd)**

**Notes**

- (a) Companies in which Non-executive Director and major shareholder namely Sharifah Deborah Sophia Ibrahim have significant interest.
- (b) Sharifah Deborah Sophia Ibrahim is a Non-executive Director and major shareholder of Ibraco Berhad.
- (c) Dato' Wee Song Ching is an Executive Director and major shareholder of Ibraco Berhad.

The Directors are of the opinion that the related party transactions and balances described above were carried out in the ordinary course of business and on mutually agreed terms.

**16. Short Term Investments**

	<b>Unaudited 31 December 2011 RM'000</b>	<b>Audited 31 December 2010 RM'000</b>
Quoted securities in Malaysia:		
Unit trusts, at fair value	-	2,108

**17. Trade Payables**

	<b>Unaudited 31 December 2011 RM'000</b>	<b>Audited 31 December 2010 RM'000</b>
Trade payables	14,317	30,927
Provision for projects	22,361	6,936
	<u>36,678</u>	<u>37,863</u>



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

**18. Review of Performance**

**(a) Current Financial Quarter (4Q2011) Vs Corresponding Financial Quarter (4Q2010)**

The Group's revenue for 4Q2011 increased to RM38.72 million from RM27.43 million in 4Q2010. Despite achieving higher revenue, the group recorded a lower profit before tax of RM6.04 million for 4Q2011 compared to RM12.63 million recorded in 4Q2010. During this reporting quarter, revenue was mainly recognised from the sales of 4-storey shop houses at Tabuan Tranquility Phase 1, residential houses at Tabuan Tranquility Phase 5 project, sales of inventories and rental income from investment property. In comparison, about half of the revenue in 4Q2010 was recognised from sales of lands which have a much higher profit margin. Revenue from landscaping works is insignificant compared to the overall revenue of the Group.

Other income slightly increased from RM0.15 million in 4Q2010 to RM0.21 million in 4Q2011. This other income comprised of dividends received from short term investments, tender documents fee, administrative charges for sub-sale and refinancing by purchasers and interest from short term deposits with licensed banks.

Administrative expenses increased to RM1.81 million compared to RM1.68 million in 4Q2010. The increase is mainly due to increase in staff cost for this reporting quarter. Other component of the administrative expenses has not varied much compared to that incurred during 4Q2010.

Finance cost increased to RM0.53 million from RM0.018 million in 4Q2010. The increase is mainly due to interest incurred on term loan granted to finance the construction of investment property and banking facilities utilised to finance the acquisition of land.

**(b) Current 12-month financial period (12M2011) Vs corresponding 12-month financial period (12M2010)**

For 12M2011, the Group recorded a profit before tax of RM16.87 million compared to a profit before tax of RM8.69 million recorded in 12M2010.

The Group's revenue for 12M2011 increased to RM113.59 million compared to the revenue of RM28.24 million for 12M2010. During 12M2011, the revenue was primarily recognised from the sales of 4-storey shop houses at Tabuan Tranquility Phase 1, residential houses at Tabuan Tranquility Phase 5 project, sales of inventories and rental income from investment property. The Group's 12M2010 revenue was mainly recognised from the disposal of developed land as well as sales of 4-storey shop houses at Tabuan Tranquility Phase 1.

Other income decreased from RM0.88 million to RM0.47 million in 12M2011 compared to 12M2010. Other income is higher for 12M2010 mainly due to gain from disposal of used scaffolding, insurance compensation on loss of motor vehicle and higher dividend income recognised from investment securities.



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**18 Review of Performance (contd)**

Administrative expenses increased to RM6.99 million compared to RM5.27 million in 12M2010. The increase is mainly due to recognition of the fair value of share options granted under employee shares option scheme (ESOS) and increase in staff cost. Other component of the administrative expenses has not varied much compared to that incurred during prior year.

Finance cost increased from RM0.36 million in 12M2010 to RM0.64 million in 12M2011. This is primarily due to the interest incurred on term loan granted to finance the construction of investment property and banking facilities utilised to finance the acquisition of lands.

**19. Comparison with Immediate Preceding Quarter's Results**

The Group recorded a profit before tax of RM6.04 million compared to a profit before tax of RM3.21 million recorded in the immediate preceding financial quarter ended 30 September 2011.

The Group's revenue for the current financial quarter ended 31 December 2011 increased to RM38.72 million compared to RM26.98 million in the immediate preceding quarter ended 30 September 2011. Revenue source for both financial quarters are similar, i.e. recognition from on-going development projects namely Tabuan Tranquility Phase 1 and Phase 5 and sales of inventories. On top of that, for the current financial quarter, the Group also recognised rental income from its investment property.

Other income increased from RM0.11 million in the immediate preceding quarter to RM0.21 million in this reporting quarter. The slight increase is primarily due to tender documents fee and exhibition income recognised during the current financial quarter.

Administrative expenses decreased to RM1.81 million compared to RM2.64 million in the immediate preceding quarter ended 30 September 2011. The decrease is mainly due to recognition of fair value of share options granted under the ESOS in the immediate preceding quarter. Other component of the administrative expenses has not varied much compared to that incurred during the immediate preceding quarter.

Finance costs have increased from RM0.10 million in the immediate preceding quarter to RM0.53 million in this reporting quarter. This is primarily due to the interest incurred on term loan granted to finance the construction of investment property and banking facilities utilised to finance the acquisition of lands.

**20. Realised and Unrealised Profits**

	<b>RM'000</b>
Total retained profits as at 31 December 2010 :	
Realised profit	38,109
Unrealised loss	(1,313)
	<u>36,796</u>
Total retained profits as at 31 December 2011 :	
Realised profit	50,196
Unrealised loss	(821)
	<u>49,375</u>



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**21. Profit before tax**

The following amounts have been included in arriving at profit before tax:

	<b>3 months ended</b>		<b>12 months ended</b>	
	<b>31 December</b>		<b>31 December</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Depreciation of property, plant and equipment	105	42	288	245
Dividends income	(55)	(22)	(121)	(174)
Gain on disposal of property, plant and equipment	-	-	(27)	(258)
Interest expenses	532	18	636	361
Interest income	(32)	(11)	(87)	(17)
Net (increment)/decrement in net market value of nursery plants	(9)	7	(38)	9
Other income	(125)	(118)	(234)	(432)
Plant written off	126	-	126	-
Property, plant and equipment written off	86	-	86	1
Share options granted under ESOS	-	-	1,285	-

**22. Prospects**

Although the world economy appears to be recovering from the global recession, there is significant volatility in the financial and equity markets, which, with the high cost of energy, commodities and food, represents a serious potential threat to the overall recovery process.

The principal activity of the Group is realty development which contributes almost 100% of its revenue source. In this respect the major factors affecting the Group financial performance would include the raw material and labour costs as well as the demand of property build by the Group. Ibraco Group continues to experience strong sale momentum for all projects launched during the years. Contract for construction works were awarded on lump sum basis to minimise the risk of labours and material price variations. However, any significant increase in major raw material and labour costs would have an impact on the profit margin of future launches.

The Group plan to launch more projects comprising mainly residential properties during the financial year 2012. Nevertheless, the Group would continue to monitor the market demand and adopt a prudent and cautious approach with respect to any new launches in the short term.

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

The disclosure requirements for explanatory notes for the variance of actual profit after tax and non-controlling interests and forecast profit after tax and non-controlling interests and for the shortfall in profit guarantee are not applicable.



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**24. Income Tax Expense**

	<b>3 months ended 31 December</b>		<b>12 months ended 31 December</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Current income tax:				
Malaysian income tax	1,378	449	4,136	449
Over provision in prior year:				
Malaysian income tax	-	-	(151)	-
	1,378	449	3,985	449
Deferred tax	132	200	313	492
Total income tax expense	1,510	649	4,298	941

Income tax is calculated at the Malaysian statutory tax rate of 25% of the estimated taxable profit for the year.

The effective tax rates of the Group for the current quarter and financial year ended 31 December 2011 were slightly higher than the statutory tax rate principally due to deferred tax asset movement arising from realised inter-company profit.

**25. Status of Corporate Proposals**

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

**26. Loans and borrowings**

	<b>Unaudited As at 31 December 2011 RM'000</b>	<b>Audited As at 31 December 2010 RM'000</b>
<b>Short term borrowings</b>		
Secured: Bank overdrafts	-	1,593
Finance lease liabilities	232	19
Revolving credits	31,000	7,400
Term loans	4,704	-
	35,936	9,012
<b>Long term borrowings</b>		
Secured: Finance lease liabilities	794	65
Term Loans	28,649	-
	29,443	65
<b>Total borrowings</b>	65,379	9,077

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

The Group did not issue any debt securities.



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**27. Off Balance Sheet Financial Instruments**

The Group does not have any financial instruments with off balance sheet risk as at 18 February 2012, 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 18 February 2012.

**29. Profit Per Share**

(a) Basic

	<b>3 months ended 31 December</b>		<b>12 months ended 31 December</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
Profit for the period/year attributable to owners of the Company (RM'000)	4,535	11,978	12,579	7,749
Weighted average number of ordinary shares in issue	118,904,095	101,059,312	117,157,054	99,888,616
Basic profit per share (sen)	3.81	11.85	10.74	7.76

(b) Diluted

Diluted earnings per share amounts are calculated by dividing profit for the year, net of tax, attributable to owners of the parent by the weighted average number of ordinary shares outstanding during the financial year plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

	<b>3 months ended 31 December</b>		<b>12 months ended 31 December</b>	
	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
Profit for the period/year attributable to owners of the Company (RM'000)	4,535	11,978	12,579	7,749
Weighted average number of ordinary shares for basic earnings per share computation	118,904,095	101,059,312	117,157,054	99,888,616
Effects of dilution - Share options	1,459,504	-	729,752	-
Weighted average number of ordinary shares in issue for diluted earnings per share computation	120,363,599	101,059,312	117,886,806	99,888,616
Diluted profit per share (sen)	3.77	11.85	10.67	7.76





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

The auditors' report on the financial statements for the financial year ended 31 December 2010 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 23 February 2012.