

IVORY PROPERTIES GROUP BERHAD (673211 – M)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2011

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Unaudited As at 30.09.2011 RM'000	Audited As at 31.12.2010 RM'000
<b>Assets</b>		
Property, plant and equipment	47,144	40,705
Investment properties	48,629	48,196
Land held for property development	73,884	26,297
Intangible assets	618	634
Investment in associates	17,354	7,571
Other investment	-	53
Deferred tax asset	165	-
<b>Total non-current assets</b>	<b>187,794</b>	<b>123,456</b>
Property development costs	186,692	180,421
Inventories	46,806	59,029
Current tax assets	215	186
Trade and other receivables	75,457	93,835
Cash and cash equivalents	26,593	14,924
<b>Total current assets</b>	<b>335,763</b>	<b>348,395</b>
<b>Total assets</b>	<b>523,557</b>	<b>471,851</b>
<b>Equity</b>		
Share capital	93,000	93,000
Share premium	20,766	20,766
Retained earnings	96,795	78,033
<b>Total equity attributable to owner of the company</b>	<b>210,561</b>	<b>191,799</b>
<b>Liabilities</b>		
Loans and borrowings	131,189	67,448
Deferred tax liabilities	9,724	1,357
<b>Total non-current liabilities</b>	<b>140,913</b>	<b>68,805</b>
Loans and borrowings	69,161	37,677
Trade and other payables	95,524	166,213
Current tax liabilities	7,398	7,357
<b>Total current liabilities</b>	<b>172,083</b>	<b>211,247</b>
<b>Total liabilities</b>	<b>312,996</b>	<b>280,052</b>
<b>Total equity and liabilities</b>	<b>523,557</b>	<b>471,851</b>
<b>Net assets per share attributable to ordinary equity holders of the company (RM)*</b>	<b>1.13</b>	<b>1.03</b>

\* Computed based on 186,000,000 ordinary shares of RM0.50 each in the Company ("Shares").

The Condensed Consolidated Statement of Financial Position should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to this interim financial report.

IVORY PROPERTIES GROUP BERHAD (673211 – M)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2011  
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Individual Quarter		Cumulative Quarter	
	Current Year Quarter 30.09.2011 RM'000	Preceding Year Corresponding Quarter 30.09.2010 RM'000	Current Year- To-Date 30.09.2011 RM'000	Preceding Year Corresponding Period 30.09.2010 RM'000
Revenue	35,632	41,977	115,887	122,103
Cost of sales	(24,266)	(21,937)	(70,981)	(65,949)
<b>Gross profit</b>	<b>11,366</b>	<b>20,040</b>	<b>44,906</b>	<b>56,154</b>
Other operating expenses	(8,295)	(9,503)	(31,208)	(23,646)
Other operating income	1,585	874	4,751	4,029
<b>Results from operating activities</b>	<b>4,656</b>	<b>11,411</b>	<b>18,449</b>	<b>36,537</b>
Finance costs	(2,322)	(1,073)	(4,409)	(3,417)
Share of results of associated companies, net of tax	3,267	1,058	9,665	2,086
<b>Profit before tax</b>	<b>5,601</b>	<b>11,396</b>	<b>23,705</b>	<b>35,206</b>
Tax expense	(1,544)	(3,314)	(4,943)	(9,905)
<b>Profit for the period</b>	<b>4,057</b>	<b>8,082</b>	<b>18,762</b>	<b>25,301</b>
<b>Other comprehensive income for the period, net of tax</b>	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>4,057</b>	<b>8,082</b>	<b>18,762</b>	<b>25,301</b>
<b>Profit attributable to:</b>				
Equity holders of the Company	4,057	8,082	18,762	25,301
Minority interests	-	-	-	-
	<b>4,057</b>	<b>8,082</b>	<b>18,762</b>	<b>25,301</b>
<b>Total comprehensive income attributable to:</b>				
Equity holders of the Company	4,057	8,082	18,762	25,301
Minority interests	-	-	-	-
	<b>4,057</b>	<b>8,082</b>	<b>18,762</b>	<b>25,301</b>
<b>Earnings per share attributable to the equity holders of the Company:</b>				
Basic (sen)	2.18	4.68	10.09	16.67

Certain comparative figures have been restated to conform with the audited financial statements for financial year ended 31 December 2010.

The Condensed Consolidated Statement of Comprehensive Income should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to this interim financial report.

IVORY PROPERTIES GROUP BERHAD (673211 – M)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2011

CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Attributable to equity holders of the Company			
	Non-distributable Share capital RM'000	Share premium RM'000	Distributable Retained earnings RM'000	Total RM'000
<b>Balance at 1 January 2011</b>	93,000	20,766	78,033	191,799
Total comprehensive income for the period	-	-	18,762	18,762
<b>Balance at 30 September 2011</b>	<b>93,000</b>	<b>20,766</b>	<b>96,795</b>	<b>210,561</b>
<b>Balance at 1 January 2010</b>	70,072	-	42,343	112,415
Total comprehensive income for the period	-	-	25,301	25,301
Issuance of ordinary shares pursuant to:-				
- acquisition of associated companies	478	680	-	1,158
- rights issue	#	-	-	#
- public issue	22,450	22,449	-	44,899
- share issue expenses	-	(2,315)	-	(2,315)
<b>Balance at 30 September 2010</b>	<b>93,000</b>	<b>20,814</b>	<b>67,644</b>	<b>181,458</b>

# Denotes RM71

Certain comparative figures have been restated to conform with the audited financial statements for financial year ended 31 December 2010.

The Condensed Consolidated Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to this interim financial report.

IVORY PROPERTIES GROUP BERHAD (673211 – M)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2011

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

	Current Year-to-date 30.09.2011 RM'000	Preceding year corresponding period 30.09.2010 RM'000
<b>Cash flows from operating activities</b>		
Profit before tax	23,705	35,206
Adjustments for:-		
Non-cash items	4,434	4,076
Non-operating items	(5,871)	746
Operating profit before changes in working capital	22,268	40,028
Net change in assets	32,432	(8,451)
Net change in liabilities	(80,281)	(22,989)
Cash (used in)/ from operations	(25,581)	8,588
Tax paid	(4,948)	(7,390)
<b>Net cash (used in)/ from operating activities</b>	<b>(30,529)</b>	<b>1,198</b>
<b>Cash flows from investing activities</b>		
Interest received	78	320
Proceeds received from disposal of property, plant and equipment	456	43
Proceeds received from disposal of investment properties	-	168
Addition to land held for property development	(12)	-
Purchase of investment properties	(691)	(3,092)
Purchase of property, plant and equipment	(8,188)	(2,149)
Placement of fixed deposit	(13,000)	-
Withdrawal of fixed deposit	3	-
Acquisition of subsidiaries, net of cash	(37,400)	-
<b>Net cash used in investing activities</b>	<b>(58,754)</b>	<b>(4,710)</b>
<b>Cash flows from financing activities</b>		
Interest paid	(4,409)	(3,417)
Drawdown of loans	119,353	17,000
Proceeds from issuance of shares	-	44,899
Payment of share issue expenses	-	(2,315)
Repayment of borrowings	(23,811)	(32,000)
<b>Net cash from financing activities</b>	<b>91,133</b>	<b>24,167</b>
Net (decrease)/ increase in cash and cash equivalents	1,850	20,655
Cash and cash equivalents at beginning of period	4,457	159
<b>Cash and cash equivalents at end of period</b>	<b>6,307</b>	<b>20,814</b>
<b>Cash and cash equivalents comprise the following:-</b>		
Cash and bank balances	9,661	25,934
Deposit with licensed banks	1,973	91
Bank overdrafts	(5,327)	(5,211)
	<b>6,307</b>	<b>20,814</b>

Certain comparative figures have been restated to conform with the audited financial statements for financial year ended 31 December 2010.

The Condensed Consolidated Statement of Cash Flows should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to this interim financial report.

**IVORY PROPERTIES GROUP BERHAD (673211 – M)**

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2011**

**PART A – EXPLANATORY NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARD (“FRS”) 134: INTERIM FINANCIAL REPORTING**

**A1 Basis of Preparation**

The interim financial report is unaudited and has 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 report should be read in conjunction with the Annual Financial Report for the financial year ended 31 December 2010 and the accompanying explanatory notes attached to this interim financial report.

The explanatory notes 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 2010. The interim consolidated financial report and explanatory notes thereon do not include all the information required for a full set of financial statements prepared in accordance with FRSs.

**A2 Changes in Accounting Policies**

The accounting policies and methods of computation adopted by the Group in this interim financial report are consistent with those adopted in the most recent audited financial statements for the financial year ended 31 December 2010 except for the mandatory adoption of the following new and revised FRSs and IC Interpretations (“IC Int.”) effective for the financial period beginning on 1 January 2011:-

**FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 July 2010**

- FRS 1, First-time Adoption of Financial Reporting Standards (revised)
- FRS 3, Business Combinations (revised)
- FRS 127, Consolidated and Separate Financial Statements (revised)
- Amendments to FRS 138, Intangible Assets
- IC Interpretation 17, Distributions of Non-cash Assets to Owners
- Amendments to IC Interpretation 9, Reassessment of Embedded Derivatives

**FRSs, Interpretations and amendments effective for annual periods beginning on or after 1 January 2011**

- Amendments to FRS 1, First-time Adoption of Financial Reporting Standards
  - Limited Exemption from Comparative FRS 7 Disclosures for First-time Adopters
  - Additional Exemptions for First-time Adopters
- Amendments to FRS 7, Financial Instruments: Disclosures – Improving Disclosures about Financial Instruments
- IC Interpretation 4, Determining whether an Arrangement contains a Lease
- Improvements to FRSs (2010)

The adoption of the above did not have any significant effects on the interim financial report upon their initial application.

**IVORY PROPERTIES GROUP BERHAD (673211 – M)**

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2011**

**PART A – EXPLANATORY NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARD (“FRS”) 134: INTERIM FINANCIAL REPORTING (*Cont’d*)**

**A3 Auditors’ Report on Preceding Annual Financial Statements**

There was no qualification to the audited financial statements of the Group for the financial year ended 31 December 2010.

**A4 Seasonal or Cyclical Factors**

The business operations of the Group for the current financial quarter have not been significantly affected by any seasonal and cyclical factors.

**A5 Unusual Items Affecting Assets, Liabilities, Equity, Net Income or Cash Flows**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current financial quarter.

**A6 Material Changes in Estimates**

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

**A7 Debt and Equity Securities**

For current financial quarter and financial period-to-date under review, there were no issuance, cancellation, repurchase, resale or repayment of debt and/or equity securities, share buybacks, share cancellations, shares held as treasury shares and resale of treasury shares.

**A8 Dividends Paid**

No dividends have been paid during the current financial quarter.

**IVORY PROPERTIES GROUP BERHAD (673211 – M)**

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2011**

**PART A – EXPLANATORY NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARD (“FRS”) 134: INTERIM FINANCIAL REPORTING  
(Cont’d)**

**A9 Operating Segments**

The Group has four reportable segments, as described below, which are the Group’s strategic business units.

	Property development and management RM '000	Construction contracts RM '000	Food and beverage RM '000	Investment holding, and Furniture & interior design RM '000	Total RM '000
<b>For the financial period ended 30 September 2011</b>					
External revenue	85,426	23,322	7,071	68	115,887
Inter-segment revenue	2,972	28,460	-	3,699	35,131
Segment profit/ (loss)	20,813	282	(2,072)	4,682	23,705
Segment assets	221,226	260,559	8,842	15,576	506,203

**For the financial period ended 30 September 2010 (restated)**

External revenue	95,412	25,247	620	824	122,103
Inter-segment revenue	2,197	71,127	175	740	74,239
Segment profit/ (loss)	36,826	433	(485)	(1,568)	35,206
Segment assets	179,668	171,775	3,563	42,941	397,947

**IVORY PROPERTIES GROUP BERHAD (673211 – M)**

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2011**

**PART A – EXPLANATORY NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARD (“FRS”) 134: INTERIM FINANCIAL REPORTING (*Cont’d*)**

**A10 Subsequent Material Events**

There were no material events or transactions subsequent to the end of the current financial quarter ended 30 September 2011 to 23 November 2011 (the latest practicable date which is not earlier than 7 days from the date of issue of this quarterly report), except as disclosed in Note B8.

**A11 Changes in the Composition of the Group**

There were no changes in the composition of the Group for the current quarter and financial period to-date except for the followings:-

- (i) The Company had on 9 September 2011 incorporated a 80% wholly-owned subsidiary company, Soju Entertainment Sdn. Bhd., with issued and paid-up capital of RM10.00 divided into 10 ordinary shares of RM1.00 each. Soju Entertainment Sdn. Bhd. will be principally involved in the business of entertainment and food and beverage; and
- (ii) The wholly owned subsidiary of the Group, Ivory Utilities Sdn. Bhd. (IUSB) had on 14 October 2011 subscribed for an additional 50 ordinary shares of RM1.00 each in the capital of Tropicana Ivory Sdn Bhd (TISB) for a total cash consideration of Ringgit Malaysia Fifty (RM50.00) only. Prior to the subscription, that is on 13 October 2011, IUSB had acquired 1 ordinary share of RM1.00 representing 50% of the issued and paid-up share capital of TISB then.

Upon the subscription, IUSB owns 51 ordinary shares of RM1.00 each fully paid up in TISB representing a 51% equity stake thus making TISB a subsidiary of IUSB.

**A12 Changes in Contingent Liabilities or Contingent Assets**

There were no material changes in contingent liabilities or contingent assets as at the end of the current financial quarter.



**IVORY PROPERTIES GROUP BERHAD (673211 – M)**

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2011**

**PART A – EXPLANATORY NOTES PURSUANT TO THE FINANCIAL REPORTING STANDARD (“FRS”) 134: INTERIM FINANCIAL REPORTING (Cont’d)**

**A13 Capital Commitments**

The amount of capital commitments as at 30 September 2011 are as follows:-

	<b>RM’000</b>
<b>Contracted but not provided for:-</b>	
- Purchase of property, plant and equipment	315
- Purchase of investment properties	6,820
- Purchase of development land	67,900
	<hr/> <u>75,035</u>

**A14 Capital Expenditure**

There were no major additions and disposals of property, plant and equipment during the current financial quarter and financial period-to-date.

**A15 Significant Related Party Transactions**

There were no significant related party transactions entered into by the Group during the current financial quarter and financial period-to-date.

**IVORY PROPERTIES GROUP BERHAD (673211 – M)**

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2011**

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

**B1 Review of Performance**

During the 9 months ended 30 September 2011, the Group posted revenue of RM115.9 million and profit before tax of RM23.7 million as compared with the revenue of RM122.1 million and profit before tax of RM35.2 million in preceding year corresponding period.

The decrease in revenue and profit before tax in current year-to-date was mainly due to lower sales volume and revenue recognition in current year quarter as a result of the completion of Moonlight Bay project in September 2010 and Penang Times Square Phase 2 project in June 2011. However, the share of associated companies profit has sustainably generated profit for the Group.

**B2 Material Changes in the Quarterly Results as compared with the Immediate Preceding Quarter**

For the current quarter, the Group posted revenue of RM35.6 million and profit before tax of RM5.6 million as compared with the revenue of RM57.8 million and profit before of RM11.7 million in the immediate preceding quarter.

With the completion of Penang Times Square Phase 2 towards the end of second quarter 2011, there was no longer any contribution during current quarter thus resulting a decrease in revenue for the third quarter. Other on-going projects are relatively small for revenue contribution. Consequently, the profit before tax of the Group also reduced accordingly.

**B3 Prospects for the current financial year**

Barring unforeseen circumstances, the Board of Directors expects its business prospects for the financial year ending 31 December 2011 to be favourable.

**B4 Variance between Actual Profit and Forecast Profit**

The Group did not issue any profit forecast nor profit guarantee for the period under review.

IVORY PROPERTIES GROUP BERHAD (673211 – M)

UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2011

PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS (Cont'd)

**B5 Taxation**

The taxation for the Group comprised of the following:-

	Individual Period		Cumulative Period	
	Current Quarter 30.09.2011 RM'000	Preceding Year Corresponding Quarter 30.09.2010 RM'000	Current Year- to-Date 30.09.2011 RM'000	Preceding Year Corresponding Period 30.09.2010 RM'000
Current income tax Malaysian - Current year	1,535	3,172	4,929	9,435
Deferred taxation	9	142	14	470
	<b>1,544</b>	<b>3,314</b>	<b>4,943</b>	<b>9,905</b>

The effective tax rate for the current quarter and financial period-to-date was higher than the statutory tax rate mainly due to certain expenses being not deductible for tax purpose.

**B6 Sale of Unquoted Investments and/or Properties**

There were no sales of unquoted investments and properties during the current financial quarter.

**B7 Quoted Securities**

There were no purchases or disposals of quoted securities during the current financial quarter and financial period-to-date under review. The Group did not hold any quoted securities as at 30 September 2011.

**IVORY PROPERTIES GROUP BERHAD (673211 – M)**

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2011**

**PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS (Cont'd)**

**B8 Status of Corporate Proposals**

There were no corporate proposals that have been announced but not yet completed during the current financial quarter and financial period-to-date under review, except for the following proposals which were announced by the Company on 11 November 2011:-

- (i) Proposed Purchase and Development Agreement between Chief Minister of Penang (Incorporation) and the Penang Development Corporation to purchase and develop all that pieces of land measuring approximately 102.56 acres in Bayan Mutiara, Northeast District of Penang for a total consideration of RM1,072,203,264;
- (ii) Proposed Joint Venture Agreement between Ivory and Dijaya Corporation Berhad to govern a joint venture company, namely Tropicana Ivory Sdn Bhd ("TISB"), for the proposed purchase and development of the Land ("JVA");
- (iii) Proposed renounceable rights issue of 186,000,000 new ordinary shares of RM0.50 each in Ivory ("Rights Shares(s)") together with 186,000,000 new free detachable warrants ("Warrant(s)") on the basis of one (1) Rights Share and one (1) free Warrant for every one (1) existing ordinary share of RM0.50 each in Ivory ("Ivory Share(s)") held on an entitlement date to be determined later;
- (iv) Proposed bonus issue of 46,500,000 Ivory Shares ("Bonus Share(s)") on the basis of one (1) Bonus Share for every four (4) Rights Shares subscribed;
- (v) Proposed provision of financial assistance by Ivory to TISB in the event TISB becomes an associated company of Ivory pursuant to the salient terms of the JVA governing the Proposed Joint Venture;
- (vi) Proposed increase in the authorised share capital of the Company from RM100,000,000 comprising 200,000,000 Ivory Shares to RM500,000,000 comprising 1,000,000,000 Ivory Shares; and
- (vii) Proposed amendments to the Memorandum and Articles of Association ("M&A") of the Company.

The above corporate proposals are subject to shareholders' approval.

**IVORY PROPERTIES GROUP BERHAD (673211 – M)**

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2011**

**PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS (Cont'd)**

**B9 Borrowings and Debt Securities**

Details of the Group's borrowings as at 30 September 2011 are as follows:-

	<b>Secured RM'000</b>
<i>Long Term Borrowings</i>	
Term Loans & Bridging Loans	125,493
Hire purchase	5,696
	<hr/> 131,189 <hr/>
<i>Short Term Borrowings</i>	
Term Loans & Bridging Loans	60,779
Hire purchase	3,055
Overdrafts	5,327
	<hr/> 69,161 <hr/>
<b>Total</b>	<hr/> <b>200,350</b> <hr/>

The Group has no foreign currency borrowings.

**B10 Off Balance Sheet Financial Instruments**

There were no financial instruments with off balance sheet risk issued at the date of issuance of this report.

**B11 Material Litigation**

Save as disclosed below, as at 30 November 2011, the Group is not engaged in any material litigation:-

Penang High Court Civil Suit No. 22-240-2008

Ivory Indah Sdn Bhd vs Krishna Kumar S/O T.N. Sharma

IISB has filed this case in its capacity as plaintiff against the defendant, Krishna Kumar S/O T.N. Sharma, claiming Specific Performance of agreements dated 6 August 2007 and 30 January 2008 for the sale and purchase of a piece of land known as Geran No. 1272, Lot No. 2838, Mukim 18, Daerah Timur Laut, Penang (“**Land**”) with a total land area of approximately 53 acres or alternatively, for damages in lieu or in addition to Specific Performance.

The defendant in turn has filed a Counter Claim to resist the suit and claimed for loss of profits projected in an earlier joint venture to develop the Land. The Defendant is counterclaiming to declare the agreements for the sale and purchase of the Land as null and void and to claim for loss of profit.

**IVORY PROPERTIES GROUP BERHAD (673211 – M)**

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2011**

**PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS (Cont'd)**

**B11 Material Litigation (Cont'd)**

The Company has filed for Summary Judgment to enforce the contract Specifically. On 19 September 2011, the Penang High Court gave Judgment and ordered Specific Performance of the Agreements dated 6th August, 2007 and 30 January 2008 in favour of Ivory Indah Sdn. Bhd..

The Defendant has filed an Appeal against this decision to the Court of Appeal.

**B12 Dividend**

No interim ordinary dividend has been declared for the financial period ended 30 September 2011.

**B13 Basic Earnings per Share**

The basic earnings per share for the current financial quarter and current financial period-to-date are computed as follows:-

	<b>Individual Period</b>		<b>Cumulative period</b>	
	<b>Current Quarter</b> 30.09.2011	<b>Preceding Year Corresponding Quarter</b> 30.09.2010	<b>Current Year-to-Date</b> 30.09.2011	<b>Preceding Year Corresponding Period</b> 31.09.2010
Profit attributable to equity holders of the Company (RM'000)	4,057	8,082	18,762	25,301
Weighted average number of ordinary shares in issue ('000)	186,000	172,823	186,000	151,791
<b>Basic earnings per share (sen)</b>	<b>2.18</b>	<b>4.68</b>	<b>10.09</b>	<b>16.67</b>

Basic earnings per share is calculated based on the Group's profit attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding during the reporting period.

**IVORY PROPERTIES GROUP BERHAD (673211 – M)**

**UNAUDITED INTERIM FINANCIAL REPORT FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2011**

**PART B – EXPLANATORY NOTES PURSUANT TO PART A OF APPENDIX 9B OF THE LISTING REQUIREMENTS (Cont'd)**

**B14 Realised and Unrealised Profits**

Bursa Malaysia Securities Berhad (“Bursa”) has on 25 March 2010 issued a directive which requires all listed companies to disclose a breakdown of the retained earnings as at the end of the reporting period, into realised and unrealised profits or losses, for the purpose of greater transparency. The breakdown of retained profits of the Group, pursuant to the format prescribed by Bursa, is as follows:

	<b>As at 30.09.11 RM'000</b>	<b>As at 31.12.10 RM'000</b>
Total retained earnings of Ivory Properties Group Berhad and its subsidiaries:		
- Realised gain	168,985	140,677
- Unrealised loss	(9,725)	(1,357)
	<u>159,260</u>	<u>139,320</u>
Total share of retained earnings of associates:		
- Realised gain	15,219	5,436
- Unrealised loss	(4)	(3)
	<u>15,215</u>	<u>5,433</u>
Less: Consolidated adjustments	(77,680)	(66,720)
Total Group retained earnings	<u><u>96,795</u></u>	<u><u>78,033</u></u>

**B15 Authorised for Issue**

The interim financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the Directors on 30 November 2011.

By order of the Board of Directors

Ong Tze-En  
Company Secretary  
30 November 2011