

ICAPITAL.BIZ BERHAD (674900-X)

FINANCIAL REPORT FOR THE PERIOD ENDED 28 FEBRUARY 2009

CONDENSED BALANCE SHEET

ASSETS	UNAUDITED	AUDITED
	AS AT 28/02/2009	AS AT 31/05/2008
	RM'000	RM'000
Non-current assets		
Investments (Note 1)	144,998	132,138
Current assets		
Other receivables and deposits	2,101	1,723
Tax recoverable	43	-
Short term deposits	63,050	58,590
Cash and bank balances	8	2,642
	<u>65,202</u>	<u>62,955</u>
TOTAL ASSETS	<u>210,200</u>	<u>195,093</u>
EQUITY AND LIABILITIES		
Equity		
Share capital	140,000	140,000
Unappropriated profit	70,194	52,325
Total equity	<u>210,194</u>	<u>192,325</u>
Current liabilities		
Other payables and accruals	6	2,721
Provision for Taxation	-	47
	<u>6</u>	<u>2,768</u>
TOTAL EQUITY AND LIABILITIES	<u>210,200</u>	<u>195,093</u>
Net assets per share (RM) (Note 2)	1.50	1.37
Net asset value per share (RM) (Note 3)	1.50	1.95

Notes:

- Investments shown here as at 28 February 2009 are taken at the lower of book cost or market value. The carrying amount is determined on an aggregate portfolio basis. On this date, these investments had a total market value of RM144,998,215.50.
- The investments taken for calculation of Net Assets ("NA") per share are at the lower of book cost (which was RM145,956,036.39 as at 28 February 2009) or market value.
- The investments taken for calculation of Net Asset Value ("NAV") per share are based on market value which was RM144,998,215.50 as at 28 February 2009. At that date, the total market value of the investment portfolio is lower than the total book value by RM957,820.89.
- Calculation of NA and NAV per share are based on 140,000,000 ordinary shares in issue.

(The Condensed Balance Sheet should be read in conjunction with the Annual Financial Report for the year ended 31 May 2008)

ICAPITAL.BIZ BERHAD (674900-X)
FINANCIAL REPORT FOR THE PERIOD ENDED 28 FEBRUARY 2009
CONDENSED INCOME STATEMENT

	INDIVIDUAL QUARTER		CUMULATIVE QUARTER	
	CURRENT YEAR QUARTER 28/02/2009 RM'000	PRECEDING YEAR CORRESPONDING QUARTER 29/02/2008 RM'000	CURRENT YEAR TO DATE 28/02/2009 RM'000	PRECEDING YEAR CORRESPONDING PERIOD 29/02/2008 RM'000
Revenue	2,885	30,367	23,241	41,974
Listing expenses	-	-	-	-
Pre-operating expenses	-	-	-	-
Operating expenses	(1,851)	(1,186)	(3,873)	(3,276)
Profit/(Loss) from operations	1,034	29,181	19,368	38,698
Finance cost	-	-	-	-
Profit/(Loss) before taxation	1,034	29,181	19,368	38,698
Taxation	(538)	(503)	(1,499)	(1,327)
Profit/(Loss) for the period	496	28,678	17,869	37,371
Earnings/(loss) per share (sen)				
Basic	0.35	20.48	12.76	26.69
Diluted	N/A	N/A	N/A	N/A

Notes:

(The Condensed Income Statement should be read in conjunction with the Annual Financial Report for the year ended 31 May 2008)

ICAPITAL.BIZ BERHAD (674900-X)

FINANCIAL REPORT FOR THE PERIOD ENDED 28 FEBRUARY 2009

CONDENSED STATEMENT OF CHANGES IN EQUITY

	Share capital RM'000	Unappropriated profit RM'000	Total RM'000
At 01.06.2008	140,000	52,325	192,325
Profit for the period	-	17,869	17,869
At 28.02.2009	<u>140,000</u>	<u>70,194</u>	<u>210,194</u>

	Share capital RM'000	Unappropriated profit RM'000	Total RM'000
At 01.06.2007	140,000	13,244	153,244
Profit for the period	-	37,371	37,371
At 29.02.2008	<u>140,000</u>	<u>50,615</u>	<u>190,615</u>

(The Condensed Statement of Changes in Equity should be read in conjunction with the Annual Financial Report for the year ended 31 May 2008)

ICAPITAL.BIZ BERHAD (674900-X)

FINANCIAL REPORT FOR THE PERIOD ENDED 28 FEBRUARY 2009

CONDENSED CASH FLOW STATEMENT

	9 MONTHS ENDED 28/02/2009 RM'000	9 MONTHS ENDED 29/02/2008 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before working capital changes	19,368	38,698
Changes in working capital		
Purchase of investments - net	(12,860)	(19,176)
Other receivable and deposits	(378)	(6,673)
Other payables and accruals	(2,715)	(119)
Capital repayment from quoted investments	-	-
CASH FROM / (USED IN) OPERATIONS	<u>3,415</u>	<u>12,730</u>
Taxes refunded / (paid)	(1,589)	(1,369)
Net cash generated from / (used in) operating activities	<u>1,826</u>	<u>11,361</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	1,826	11,361
CASH AND CASH EQUIVALENTS AT 1 JUNE	61,232	55,419
CASH AND CASH EQUIVALENTS AT 28 FEBRUARY	<u><u>63,058</u></u>	<u><u>66,780</u></u>
CASH AND CASH EQUIVALENTS COMPRISE:		
Cash on hand and at banks	8	24
Deposits with licensed financial institutions	63,050	66,756
	<u><u>63,058</u></u>	<u><u>66,780</u></u>

(The Condensed Cash Flow Statement should be read in conjunction with the Annual Financial Report for the year ended 31 May 2008)

NOTES TO THE INTERIM FINANCIAL REPORT

PART A - EXPLANATORY NOTES:

A1 Basis of preparation

The financial report of icapital.biz Berhad ("the Company" or "the Fund") is prepared in accordance with the requirements of FRS 134: Interim Financial Reporting and paragraph 9.22 of the Bursa Malaysia Securities Berhad Listing Requirements. The figures have not been audited.

The financial report should be read in conjunction with the audited financial statements for the year ended 31 May 2008. The accounting policies and methods of computation adopted in this financial report are consistent with those adopted in the preparation of the audited financial statements for the year ended 31 May 2008.

For the current financial year, the fund has adopted the following Financial Reporting Standards ("FRS") which have been issued by the MASB and are effective for the financial periods beginning on or after 1 July 2007:

FRS 107 Cash Flow Statements
FRS 111 Construction Contracts
FRS 112 Income Taxes
FRS 118 Revenue
FRS 120 Accounting for Government Grants and Disclosure of Government Assistance
FRS 134 Interim Financial Reporting
FRS 137 Provisions, Contingent Liabilities and Contingent Assets

A2 Auditors' opinion on preceding annual financial statements

The Company's Financial Statements for the financial year ended 31 May 2008 were not qualified by the auditors.

A3 Seasonality or cyclicity of operations

As the Company is a closed-end fund, it is dependant on the performance of the companies that it has invested in. In general, therefore, there is no seasonality or cyclicity of operations.

A4 Individually significant items

There are no significant items affecting the assets, liabilities, equity, net income or cash flows during the current financial year-to-date.

A5 Changes in estimates

There were no significant changes in estimates that have a material effect on the current financial year to-date.

A6 Issuances, cancellations, repurchases, resale and repayments of debt and equity securities

There were no issuances, cancellations, repurchases, resale and repayments of debt and equity securities during the current quarter under review.

A7 Dividend paid

There was no dividend paid during the current financial year-to-date.

A8 Segmental reporting

No segmental reporting is presented as the Company is a closed-end fund based in Malaysia and the principal activity is to invest in a diversified portfolio of quoted securities.

A9 Valuations of property, plant and equipment

No valuation was carried out as the Company does not have any property, plant and equipment.

A10 Subsequent event

There were no material events subsequent to the end of the interim period reported on that have not been reflected in the financial statements for the said period.

NOTES TO THE INTERIM FINANCIAL REPORT

A11 Changes in the composition of the Company

There were no changes in the composition of the Company during the current financial year-to-date.

A12 Contingent liabilities or contingent assets

There were no contingent liabilities or contingent assets pending as at the date of this report.

PART B - AS REQUIRED BY THE LISTING REQUIREMENTS

B1 Review of performance

For the nine months ended 28 February 2009, the Company recorded a profit before tax of RM19.368 million, compared with a profit before tax of RM38.698 million in the corresponding period of last year.

As the company is a closed-end fund, a better indication of its performance would be the movement of its NAV. The NAV per share as at 28 February 2009 was RM1.50, compared with NAV per share of RM1.95 as at 31 May 2008.

In the third quarter ended 28 February 2009, the Company's NAV decreased by 23% from 31 May 2008.

B2 Comparison with immediate preceding quarter's results

In the third quarter ended 28 February 2009, the Company recorded a profit after tax of RM0.496 million compared with RM14.737 million in the preceding quarter. The difference between the two quarters' performance is due to higher income from disposal of securities in the preceding quarter. For the current quarter, the operating income and operating expenses were RM2.885 million and RM1.851 million respectively, compared with RM15.944 million and RM0.937 million for the preceding quarter.

The NAV per share increased by 0.7% in the 3rd quarter ended 28 February 2009 to RM1.50, compared with the preceding quarter of RM1.49.

B3 Current year prospects

As the Company is a closed-end fund, its prospects are dependent on the performance of stock markets in general and in particular, the performance of the investments held.

Although the stock market remains depressed, as a value investor, icapital.biz Berhad with its Fund Manager and Investment Adviser will continue to seek stocks that are attractively priced.

B4 Profit forecast / guarantee

The Company has not given any profit forecast or profit guarantee for the year.

B5 Taxation

	Current Quarter Ended		Cumulative Quarter Ended	
	28/02/2009	29/02/2008	28/02/2009	29/02/2008
	RM'000	RM'000	RM'000	RM'000
Current tax expense	538	503	1,499	1,327

The effective tax rate in the current quarter is higher than the statutory tax rate due mainly to increase in taxable dividend and interest income. In addition, allowance for diminution in value of investments is not tax deductible.

B6 Profit on sale of unquoted investments and/or properties

There was no profit on the sale of unquoted investments and/or properties during the current financial year-to-date.

B7 Quoted securities

This note is not applicable to the Company.

B8 Status of corporate proposals

There was no corporate proposal announced during the current quarter or the current financial year-to-date.

NOTES TO THE INTERIM FINANCIAL REPORT

B9 Borrowings and debt securities

There were no group borrowings and debt securities outstanding as at the end of the reporting period.

B10 Off balance sheet financial instruments

There were no financial instruments with off balance sheet risk.

B11 Changes in material litigation

There was no material litigation pending as at the date of this report.

B12 Dividend

The Directors did not declare any dividend for the current quarter ended 28 February 2009.

B13 Earnings per share

a) Basic earnings per share

The basic earnings per share for the current quarter under review and cumulative year to-date are computed as follows:

	Current Quarter Ended 28.02.2009	Cumulative To-Date Ended 28.02.2009
Profit after tax (RM'000)	496	17,869
No. of ordinary share capital in issue during the current quarter/current year to-date ('000 of shares of RM1.00 each)	140,000	140,000
Basic earnings per share (sen)	0.35	12.76

b) Diluted earnings per share

There are no diluted earnings per share as the Company does not have any convertible financial instruments as at the end of the current quarter.

B14 Net asset value

The net asset value per share is calculated in accordance with the Securities Commission's Guidelines for Public Offerings of Securities of Closed-end Funds.

B15 Investments

As at 28 February 2009, the Company did not have any investments in:

- (1) securities listed on other stock exchanges;
- (2) other investment vehicles;
- (3) securities of unlisted companies; and
- (4) derivatives other than warrants, transferable subscriptions rights and convertible loan stocks.

BY ORDER OF THE BOARD

**KUAN HUI FANG (MIA 16876)
THAM WAI YING (MAICSA 7016123)
SECRETARIES**

**Kuala Lumpur
Date: 8 April 2009**