

IPC CORPORATION LTD
(Company Registration No. 198501057M)
1st Quarter Financial Statement Announcement

**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3),
 HALF-YEAR AND FULL YEAR RESULTS**

**1(a) An income statement (for the group) together with a comparative statement for the
 corresponding period of the immediately preceding financial year.**

**UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
 FOR THE 1st QUARTER ENDED 31 MAR 2009**

	Group		Increase/ (decrease)
	31 Mar 2009	31 Mar 2008	%
	S\$'000	S\$'000	
Continuing operations			
Revenue	18	5,871	(99.7)
Cost of revenue	(91)	(3,168)	(97.1)
Gross (loss)/profit	(73)	2,703	NM
Other income	200	219	(8.7)
Other gains/(losses), net	1,138	(170)	NM
Expenses			
Distribution and marketing	(119)	(216)	(44.9)
Administrative	(999)	(807)	23.8
Finance	(2)	(2)	-
Other	(2)	10	NM
	(1,122)	(1,015)	10.5
Profit before income tax	143	1,737	(91.8)
Income tax expense	-	(626)	(100)
Profit from continuing operations	143	1,111	(87.1)
Discontinued operations			
Profit from discontinued operations	-	205	(100)
Profit for the year	143	1,316	(89.1)
Other comprehensive income, after tax			
Financial assets, available-for-sale			
- Fair value loss	(250)	(1,288)	(80.6)
- Disposal	(11)	35	NM
Currency translation differences	883	(249)	NM
Other comprehensive income/(loss) for the year, net of tax	622	(1,502)	NM
Total comprehensive income/(loss) for the year	765	(186)	NM
Total comprehensive income/(loss) attributable to:			
Owners of the parent			
- Continuing operations	765	(352)	NM
- Discontinued operations	-	153	(100)
Minority interests	-	13	(100)
	765	(186)	NM

(i) Profit for the year is arrived at after charging/(crediting) the following:

	Group		Increase/ (decrease) %
	31 Mar 2009 S\$'000	31 Mar 2008 S\$'000	
Amortisation of leasehold properties (Note 5)	30	27	11.1
Depreciation (Note 6)	137	121	13.2
Foreign exchange (gain)/loss (Note 7)	(1,151)	327	NM
Gain on disposal of financial assets, available-for-sale (Note 8)	14	183	(92.3)
Impairment loss of other asset (Note 9)	10	25	(60.0)
Interest income	(119)	(122)	(2.5)

Notes

1. Gross loss
The depreciation expenses of the Zhuhai property Club House exceeded the operating revenue, thereby resulted in a gross loss in the 1st quarter of 2009.
2. Other gains/(losses), net
This was mainly from unrealised translation gains.
3. Distribution and marketing
The decrease was attributed to the lesser advertisement for the promotion of the property development project.
4. Administrative
The increase was mainly due to the increase in professional fees and the discontinuance of cost allocation to one of the subsidiary which had been divested in 2008. The cost allocated to the divested subsidiary was previously classified under discontinued operations in the previous financial period.
5. Amortisation of leasehold properties is from Zhuhai, China, and the increase was due to the strengthening of the Chinese RMB against the Singapore dollars.
6. The increase in depreciation was due to additions in property, plant and equipment and the strengthening of the Chinese RMB against the Singapore dollars.
7. The foreign exchange gain was mainly due to the strengthening of the average rate of United States Dollars against the average rate of Singapore Dollars during the 1st quarter of 2009 as well as the strengthening of the Chinese RMB against the Singapore Dollars compared with 1st quarter of 2008. It was mainly unrealised, due to recorded monetary balances denominated in foreign currencies which were adjusted to reflect the exchange rates at the balance sheet date.
8. The decrease was in tandem with the decreased disposal of quoted shares
9. This was attributed to impairment loss of other asset in a subsidiary.

NM: Not meaningful

NA: Not applicable

1(b)(i) A balance sheet (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.

STATEMENTS OF FINANCIAL POSITION

	<u>Group</u>		<u>Company</u>	
	31 Mar 2009	31 Dec 2008	31 Mar 2009	31 Dec 2008
	S\$'000	Audited S\$'000	S\$'000	Audited S\$'000
ASSETS				
Current assets				
Cash and cash equivalents	56,198	56,237	43,584	43,903
Trade receivables	6,761	6,475	19	21
Other receivables	2,131	2,327	93	93
Tax recoverable	1,247	1,221	565	565
Properties developed for sale	22,138	22,138	-	-
Property under development	36,000	36,000	-	-
	<u>124,475</u>	<u>124,398</u>	<u>44,261</u>	<u>44,582</u>
Non-current assets				
Financial assets, available-for-sale	5,019	5,128	906	1,128
Other receivables	-	-	79,238	75,708
Other assets	115	125	-	-
Investment in associated companies	-	-	-	-
Investment in subsidiaries	-	-	31,909	31,909
Prepaid leasehold properties	7,060	6,778	-	-
Land held for development	6,515	6,515	6,515	6,515
Property, plant and equipment	11,413	11,053	128	146
	<u>30,122</u>	<u>29,599</u>	<u>118,696</u>	<u>115,406</u>
Total assets	<u>154,597</u>	<u>153,997</u>	<u>162,957</u>	<u>159,988</u>
LIABILITIES				
Current liabilities				
Trade payables	5,292	5,292	66	67
Other payables	2,649	2,917	589	634
Current income tax liabilities	1,407	1,304	36	36
	<u>9,348</u>	<u>9,513</u>	<u>691</u>	<u>737</u>
Total liabilities	<u>9,348</u>	<u>9,513</u>	<u>691</u>	<u>737</u>
NET ASSETS	<u>145,249</u>	<u>144,484</u>	<u>162,266</u>	<u>159,251</u>
EQUITY				
Capital and reserves attributable to equity holders of the Company				
Share capital	140,038	140,038	140,038	140,038
Currency translation reserve	(4,495)	(5,378)	-	-
Fair value reserve	8	269	70	269
Retained earnings	9,698	9,555	22,158	18,944
Total equity	<u>145,249</u>	<u>144,484</u>	<u>162,266</u>	<u>159,251</u>

1 (b)(ii) Aggregate amount of group's borrowings and debt securities.

Amount repayable in one year or less, or on demand

As at 31 Mar 09		As at 31 Dec 08	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
Nil	Nil	Nil	Nil

Amount repayable after one year

As at 31 Mar 09		As at 31 Dec 08	
Secured	Unsecured	Secured	Unsecured
S\$'000	S\$'000	S\$'000	S\$'000
Nil	Nil	Nil	Nil

Details of any collateral

NA

1(c) A cash flow statement (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year.

CONSOLIDATED STATEMENT OF CASH FLOWS

	<u>Group</u>	
	31 Mar 2009	31 Mar 2008
	S\$'000	S\$'000
Cash flows from operating activities		
Profit for the year	143	1,316
Adjustments for		
- Income tax expense	-	758
- Depreciation	137	121
- Amortisation of prepaid leasehold properties	30	27
- Unrealised translation (gains)/losses	(963)	163
- Gain on disposal of financial assets, available-for-sale	(14)	(183)
- Impairment loss of other asset	10	25
- Interest income	(119)	(158)
	<u>(776)</u>	<u>2,069</u>
Change in working capital, net of effects from disposal of subsidiary		
- Properties	-	2,327
- Inventories	-	27
- Trade and other receivables	(30)	(5,527)
- Trade and other payables	(268)	427
Cash used in operations	<u>(1,074)</u>	<u>(677)</u>
Interest received	60	158
Net cash used in operating activities	<u>(1,014)</u>	<u>(519)</u>
Cash flows from investing activities		
Purchases of property, plant and equipment	-	(390)
Proceeds from disposal of financial assets, available-for-sale	36	305
Net cash provided by/(used in) investing activities	<u>36</u>	<u>(85)</u>
Net decrease in cash and cash equivalents	(978)	(604)
Cash and cash equivalents at beginning of financial year	56,237	45,500
Effects of currency translation on cash and cash equivalents	939	(409)
Cash and cash equivalents at end of financial year	<u>56,198</u>	<u>44,487</u>

Notes:

- (i) The deficit in cash from operations was mainly related to the decrease in revenue and gross loss for the period.

1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.

STATEMENT OF CHANGES IN EQUITY – GROUP

	Share capital	Currency translation reserve	Fair value reserve	Retained earnings	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
2009					
As at 1 Jan 2009	140,038	(5,378)	269	9,555	144,484
Total comprehensive income/(loss) for the period	---	883	(261)	143	765
As at 31 Mar 2009	140,038	(4,495)	8	9,698	145,249

STATEMENT OF CHANGES IN EQUITY – GROUP

	Share capital	Currency translation reserve	Fair value reserve	Retained earnings	Total	Minority interests	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000	S\$'000
2008							
As at 1 Jan 2008	140,038	(6,323)	2	7,627	141,344	1,798	143,142
Total comprehensive income/(loss) for the period	---	(210)	(1,253)	1,264	(199)	13	(186)
As at 31 Mar 2008	140,038	(6,533)	(1,251)	8,891	141,145	1,811	142,956

STATEMENT OF CHANGES IN EQUITY – COMPANY

	Share capital	Fair value reserve	Retained earnings	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000
2009				
As at 1 Jan 2009	140,038	269	18,944	159,251
Total comprehensive income/(loss) for the period	---	(199)	3,214	3,015
As at 31 Mar 2009	140,038	70	22,158	162,266

STATEMENT OF CHANGES IN EQUITY – COMPANY

	Share capital	Fair value reserve	Retained earnings	Total equity
	S\$'000	S\$'000	S\$'000	S\$'000
2008				
As at 1 Jan 2008	140,038	(948)	4,731	143,821
Total comprehensive loss for the period	---	(490)	(538)	(1,028)
As at 31 Mar 2008	140,038	(1,438)	4,193	142,793

- 1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

SHARE OPTIONS AS AT 31 MAR 2009

	Options as at 1 Jan 09	Lapsed	Options as at 31 Mar 09
ESOS Grant 1999	174,250	---	174,250
ESOS Grant 2001	150,000	---	150,000
ESOS Grant 2002	975,000	---	975,000
TOTAL	1,299,250	---	1,299,250

SHARE OPTIONS AS AT 31 MAR 2008

	Options as at 1 Jan 08	Lapsed	Options as at 31 Mar 08
ESOS Grant 1999	249,250	---	249,250
ESOS Grant 2001	225,000	---	225,000
ESOS Grant 2002	1,037,500	---	1,037,500
TOTAL	1,511,750	---	1,511,750

- 1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

The total number of issued shares as at 31 March 2009 was 528,613,759 (31 December 2008: 528,613,759). The Group and Company have no treasury share for both years.

- 1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

The Group and Company have no treasury share.

- 2. Whether the figures have been audited, or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited or reviewed by the Company's auditor.

- 3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

- 4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

The accounting policies and methods of computations applied by the Group are consistent with those used in its audited financial statements as at 31 December 2008, except for those as disclosed under item 5 below.

5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change.

On 1 January 2009, the Group adopted FRS 1(R) Presentation of Financial Statements that is relevant and effective for the 1st quarter 31 March 2009.

FRS 1(R) requires all changes in equity arising from transactions with owners in their capacity as owners to be presented separately from components of comprehensive income. Component of comprehensive income are presented in a separate statement of comprehensive income.

The 'Balance sheets' and 'Consolidated cash flow statement' have been re-titled to 'Statements of financial position' and 'Consolidated statement of cash flows' respectively.

Comparatives for 2008 have been restated to conform to the requirements of the revised standards.

6. Earnings per ordinary share of the group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.

GROUP
31 Mar 09 31 Mar 08

Earnings/(loss) per ordinary share of the Group for the year, after deducting any provision for preference dividends:-

Continuing and discontinued operations

(i) Based on the weighted average number of ordinary shares on issue (in cents)	0.03	0.24
(ii) On a fully diluted basis (in cents)	0.03	0.24

Continuing operations

(i) Based on the weighted average number of ordinary shares on issue (in cents)	0.03	0.21
(ii) On a fully diluted basis (in cents)	0.03	0.21

Note

The basic and diluted earnings per share calculation as at 31 Mar 2009 are based on the number of shares of 528,613,759 (31 Mar 2008: 528,613,759).

There was no material impact on prior period EPS on adoption of the revised FRS as discussed in item 5.

**7. Net asset value (for the issuer and group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the:-
(a) current financial period reported on; and
(b) immediately preceding financial year.**

	GROUP		COMPANY	
	31 Mar 2009	31 Dec 2008 Audited	31 Mar 2009	31 Dec 2008 Audited
Net asset value per ordinary share based on the total number of issued shares excluding treasury shares at the end of the financial period/year:-	27.48 cents	27.33 cents	30.70 cents	30.13 cents
Number of existing issued shares excluding treasury shares at end of the financial period/year:	528,613,759	528,613,759	528,613,759	528,613,759

There was no material impact on prior period net asset value per ordinary share on adoption of the revised FRS as discussed in item 5.

8. **A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. It must include a discussion of the following:-**
- (a) **any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors; and**
 - (b) **any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

Group revenue of \$0.018 million for the period ended 31 March 2009 was derived from the Zhuhai property Club House. Due to the global economic crisis which has caused a significant negative impact on the property sector in the PRC, sales were not forthcoming from the Zhuhai property.

Notwithstanding the above, the Group still registered an after-tax profit attributable to shareholders of S\$0.143 million for the period ended 31 March 2009 due mainly to an unrealised foreign exchange translation gain of S\$1.151 million and interest and rental income of \$0.2 million.

9. **Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

No forecast or prospect statement has been previously disclosed to shareholders.

10. **A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

For FY2009, the Group is of the view that the global economy will continue to dwell in the throes of recession. The Group will therefore delay its activities in property development. Instead the Group shall focus on seeking out viable properties and investment opportunities at competitive prices with reasonable return for acquisition.

The Group will continue to sell the remaining completed units of apartments and commercial properties of the Zhuhai property, although it is expected such sales to remain subdued in light of the current economic situation.

11. **Dividend**

(a) *Current Financial Period Reported On*

Any dividend declared for the current financial period reported on? No

(b) *Corresponding Period of the Immediately Preceding Financial Year*

Any dividend declared for the corresponding period of the immediately preceding financial year? No

(c) *Date payable*

Not Applicable.

(d) *Books closure date*

Not Applicable.

12. **If no dividend has been declared/recommended, a statement to that effect.**

Not applicable.

PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT
(This part is not applicable to Q1, Q2, Q3 or Half Year Results)

- 13. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year.**

Not applicable.

- 14. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments.**

Not applicable.

- 15. A breakdown of sales.**

Not applicable.

- 16. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year.**

Not applicable.

BY ORDER OF THE BOARD

Lauw Hui Kian
Director
6 May 2009

CONFIRMATION BY THE BOARD PURSUANT TO RULE 705(4) OF THE LISTING MANUAL

On behalf of the Board of Directors of the Company, we hereby confirm to the best of our knowledge that nothing has come to the attention of the Board of Directors of the Company which may render the unaudited financial statements for the first quarter ended 31 March 2009 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Ngiam Mia Je Patrick
Executive Chairman

Ngiam Mia Kiat Benjamin
Managing Director

6 May 2009