

ECM LIBRA BERHAD (Company No. 288682-P)
(formerly known as **South Peninsular Industries Berhad**)

**UNAUDITED CONSOLIDATED INCOME STATEMENTS FOR THE QUARTER
ENDED 31 DECEMBER 2004**

	Current Quarter Ended 31.12.2004 RM'000	Corresponding Quarter Ended 31.12.2003 RM'000	9 months Ended 31.12.2004 RM'000	Corresponding 9 months Ended 31.12.2003 RM'000
Revenue	24,589	8,864	56,827	29,781
Other operating income	997	544	8,414	896
Changes in inventories of finished goods and work-in- progress	-	75	15	(553)
Raw materials and consumables used	-	(4,380)	(707)	(12,877)
Staff costs	(4,807)	(2,117)	(11,190)	(6,291)
Depreciation of property, plant and equipment	(569)	(680)	(1,305)	(4,925)
Other operating expenses	(6,770)	(4,659)	(14,709)	(7,439)
Profit/(loss) from operations	13,440	(2,353)	37,345	(1,408)
Finance costs	(1,609)	(815)	(4,692)	(2,428)
Income from other Investments	-	530	-	1,177
Profit/(loss) before tax	11,831	(2,638)	32,653	(2,659)
Tax	(1,516)	595	(1,628)	-
Profit/(loss) after tax	10,315	(2,043)	31,025	(2,659)
Minority interest	-	10	-	23
Net profit/(loss) for the period	10,315	(2,033)	31,025	(2,636)
Earnings/(loss) per share :	Sen	Sen	Sen	Sen
- basic	2.38	(3.23)	7.17	(4.18)
- diluted	2.42	N/A	7.27	N/A

(The Consolidated Income Statements should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 March 2004.)

ECM LIBRA BERHAD (Company No. 288682-P)
(formerly known as **South Peninsular Industries Berhad**)

UNAUDITED CONSOLIDATED BALANCE SHEETS AS AT 31 DECEMBER 2004

	31.12.2004	31.3.2004
	RM'000	RM'000
Property, plant and equipment	10,958	7,192
Goodwill on consolidation	360,794	360,699
Other investments	32,496	16,500
Current Assets		
Properties held for resale	750	750
Inventories	-	863
Marketable securities	28,326	4,057
Trade receivable	195,412	216,788
Loan receivable	37,877	2,660
Other receivables & prepaid expenses	25,712	41,974
Fixed deposits, cash and bank balances	160,999	249,114
	449,076	516,206
Current Liabilities		
Trade payables	147,958	196,434
Other payables & accrued expenses	37,298	65,708
Tax liabilities	1,500	209
	186,756	262,351
Net Current Assets	262,320	253,855
Long-Term and Deferred Liabilities		
Borrowings	(40,000)	(40,000)
Redeemable Convertible Unsecured Loan Stocks – liability component	(55,617)	(53,357)
Deferred tax liabilities	(1,653)	(2,591)
Provision for retirement benefit	(176)	(377)
	(97,446)	(96,325)
Minority Interest	-	-
	569,122	541,921
Represented by:		
Issued capital	433,000	433,000
Redeemable Convertible Unsecured Loan Stocks – equity component	4,783	4,783
Reserves	131,339	104,138
Shareholders' Equity	569,122	541,921
 Net Tangible Assets Per Shares (RM)	 0.48	 0.42

(The Consolidated Balance Sheets should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 March 2004.)

ECM LIBRA BERHAD (Company No. 288682-P)
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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED 31 DECEMBER 2004

	Issued Capital RM '000	RCULS - Equity component RM '000	Share Premium RM '000	Non-Distributable Reserve Reserve on Consolidation RM '000	Translation Reserve RM '000	Distributable Reserves Unappropriated Profit/ (Accumulated loss) RM '000	Total RM '000
Balance as at 1 April 2004	433,000	4,783	105,491	3,899	-	(5,252)	541,921
Arising from disposal of subsidiary companies	-	-	-	(3,899)	-	-	(3,899)
Net profit for the financial period	-	-	-	-	-	31,025	31,025
Currency translation differences	-	-	-	-	75	-	75
Balance as at 31 December 2004	433,000	4,783	105,491	-	75	25,773	569,122

ECM LIBRA BERHAD (Company No. 288682-P)
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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE QUARTER ENDED 31 DECEMBER 2004 (CONTINUED)

	Issued Capital RM '000	RCULS - Equity component RM '000	Share Premium RM '000	Non-Distributable Reserve Reserve on Consolidation RM '000	Translation Reserve RM '000	Distributable Reserves Unappropriated Profit/ (Accumulated loss) RM '000	Total RM '000
Balance as at 1 April 2003	42,000	-	-	4,982	-	27,191	74,173
Arising from disposal of subsidiary companies	-	-	-	(1,083)	-	-	(1,083)
Net loss for the year	-	-	-	-	-	(10,603)	(10,603)
Dividends	-	-	-	-	-	(840)	(840)
Issue of shares:							
For acquisition of subsidiary companies	270,000	-	-	-	-	-	270,000
Private placement	100,000	-	105,491	-	-	-	205,491
Bonus issue	21,000	-	-	-	-	(21,000)	-
Issue of Redeemable Convertible Loan Stock:							
Equity component	-	6,643	-	-	-	-	6,643
Tax on equity component	-	(1,860)	-	-	-	-	(1,860)
Balance as at 31 March 2004	433,000	4,783	105,491	3,899	-	(5,252)	541,921

CONSOLIDATED CASH FLOW STATEMENT FOR THE QUARTER ENDED 31 DECEMBER 2004

	9 months ended 31.12.2004 RM'000	9 months ended 31.12.2003 RM'000
Cash Flows From / (Used In) Operating Activities		
Profit before tax	32,653	(2,659)
Adjustment for non-cash items	(4,047)	8,259
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Operating Profit Before Working Capital Changes	28,606	5,600
Increase in properties held for resale	-	(415)
(Increase)/ decrease in inventories	(27)	329
Decrease in receivables	2,844	26,468
Decrease in payables	(72,675)	(397)
Net Cash Used In Operations	(41,252)	31,585
Interest received	3,707	1,029
Tax paid	(586)	(715)
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Net Cash From/ (Used In) Operating Activities	(38,131)	31,899
Cashflows From / (Used In) Investing Activities		
Proceed from disposal of subsidiary company	3,601	-
Net investment in unquoted securities	-	(11,035)
Net investment in property and equipment and marketable securities	(44,799)	(16,378)
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Net Cash Used In Investing Activities	(41,198)	(27,413)
Cash Flows From / (Used In) Financing Activities		
Interest paid	(3,244)	(3,151)
Repayment of hire purchase	-	(32)
Dividend paid	-	(840)
Net Cash Generated In Financing Activities	(3,244)	(4,023)
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Net Decrease In Cash And Cash Equivalents	(82,573)	463
Cash And Cash Equivalents At Beginning Of Year	233,132	29,509
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Cash And Cash Equivalents At End of Year	150,559	29,972

Cash and cash equivalents included in the cash flow statement comprise the following Balance Sheet amounts:

	RM'000	RM'000
Short term funds	160,999	29,972
Less: Monies held in trust	(10,440)	-
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	150,559	29,972

(The Consolidated Cash Flow Statement should be read in conjunction with the Annual Audited Financial Statements for the year ended 31 March 2004)

Part A: Explanatory Notes pursuant to Financial Reporting Standards (“FRS”) 134 (MASB 26)

1. BASIS OF PREPARATION

This interim report is unaudited and has been prepared in accordance with FRS 134 “Interim Financial Reporting” and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad (formerly known as Malaysia Securities Exchange Berhad) (“Bursa Securities”), and should be read in conjunction with the Group’s annual audited Financial Statements for the year ended 31 March 2004 (“Financial Statements 2004”).

2. AUDIT REPORT OF PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors’ report on the Group’s Financial Statements 2004 was not subject to any qualification.

3. SEASONALITY AND CYCLICALITY FACTORS

The Group’s operations were not materially affected by seasonal or cyclical factors.

4. EXCEPTIONAL ITEMS/UNUSUAL EVENTS

There was no unusual item affecting assets, liabilities, equity, net income, or cash flows during the financial period ended 31 December 2004.

5. VARIATION FROM FINANCIAL ESTIMATES REPORTED IN PRECEDING FINANCIAL PERIOD/YEAR

There are no changes in estimates of amounts reported in prior financial period/year that have a material effect in the current interim period.

6. DEBT AND EQUITY SECURITIES

There were no issuance, cancellations, repurchases, resale and repayment of either debt or equity securities during the current interim period.

7. DIVIDEND PAID

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

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8. SEGMENTAL REPORTING

Segmental revenue and results for the current financial year-to-date are as follows:

	Manufacturing of industrial products RM'000	Financial services RM'000	Others RM'000	Eliminations RM'000	Total RM'000
Revenue					
External sales	-	56,827	-	-	56,827
Inter-segment sales	-	-	-	-	-
Total revenue	-	56,827	-	-	56,827
Results					
Profit from operations	162	34,449	2,734	-	37,345
Finance costs					(4,692)
Income from other investments					-
Profit before tax					32,653
Income tax expense					(1,628)
Profit after tax					31,025
Other information					
Depreciation	99	1,206	-	-	1,305

Business segments is the Group's primary basis of segment reporting.

9. CARRYING AMOUNT OF REVALUED ASSETS

The valuations of land and buildings have been brought forward without amendment from the Group's Financial Statements 2004.

10. MATERIAL SUBSEQUENT EVENTS

There were no material subsequent events after the Balance Sheet date.

11. CHANGES IN THE COMPOSITION OF THE GROUP

The disposal of the Company's 100% equity interest in Metal Perforators (Malaysia) Sdn. Bhd. to Temasek Berkat Sdn Bhd for a cash consideration of RM4.5 million was completed on 28 May 2004 with a gain of RM2.7 million.

The completion of the acquisition of ECM Libra Capital Markets Sdn. Bhd. (formerly known as Libra Capital Markets Sendirian Berhad) ("LCM") on 18 October 2004 has expanded the Group's activities to fund management services.

ECM Libra Investments Limited (formerly known as Bigfield Investments Limited), a wholly-owned subsidiary of the Group had, on 6 August 2004, entered into three agreements to acquire a total of 29.2% equity interest comprising 43,765,138 ordinary shares of S\$0.02 each in Westcomb Financial Group Limited (formerly known as SBI E2-Capital Holdings Limited) ("Westcomb"), a company incorporated in Singapore and listed on the SGX-ST Dealing and Automated Quotation System for cash consideration of S\$18,819,009. The acquisition of the entire 29.2% equity interest in Westcomb was completed on 1 February 2005.

12. CONTINGENT LIABILITIES/ASSETS

On 21 March 2003, an ex-client of a subsidiary company initiated legal proceedings against a subsidiary company at the High Court of Kuala Lumpur for the sum of RM233,544, any appropriate compensation and interest at the rate of 8% per annum until settlement date. These claims were made in respect of a fraud committed by an ex-dealer of the subsidiary company who had performed illegal trading operations in the name of the subsidiary company. After the successful recovery of claims the subsidiary company is now negotiating on a settlement amount with the claimant.

13. CAPITAL COMMITMENTS

The amount of commitments for the purchase of property, plant and equipment and investment not provided for in the interim financial statements as at 31 December 2004 is as follows:

	RM '000
Approved and contracted for	3,849
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Part B – Additional information required by the Listing Requirements of Bursa Securities

14. PERFORMANCE REVIEW ON THE RESULTS OF THE GROUP FOR THE PERIOD

The Group's profit before taxation for the current financial period ended 31 December 2004 increased to RM32,653,000 from a loss before taxation of RM2,659,000 in the prior financial period ended 31 December 2003.

The improvement of the Group performance for the financial period under review as compared to the prior year corresponding financial period is primarily due to the change in business direction following the completion of the corporate exercise as detailed in the quarterly announcement dated 21 May 2004. ECM Libra Group now operates as a corporate finance, stockbroking and fund management group.

For the quarter under review, the Group recorded a profit before taxation of RM11.8 million against a loss before taxation of RM2.6 million for the previous year's corresponding quarter. The improvement in results is due to higher business income resulting from the change in business direction.

15. CHANGES IN QUARTERLY RESULTS COMPARED TO PRECEDING QUARTER

The Group's profit before taxation for the quarter ended 31 December 2004 was RM11.8 million compared with the preceding quarter's profit before taxation of RM9.3 million. The improvement in results is due mainly to completion of advisory transactions and higher brokerage income earned by the Group arising from a more active market condition.

16. COMPANY'S PROSPECTS

The financial performance of the Group depends to a large extent on the stock market sentiment which affects the volume of business and our revenue. Barring any other unforeseen circumstances, the Directors believe that the Group will perform satisfactorily in the financial year ending 31 March 2005.

17. PROFIT FORECAST

The Group has not entered into any scheme that requires it to present forecast results or guarantee any profits.

18. **TAXATION**

	Quarter Ended		Year-To-Date	
	31.12.2004	31.12.2003	31.12.2004	31.12.2003
	RM'000	RM'000	RM'000	RM'000
Current year income tax (Under)/ Over provision in respect of prior years	(1,599)	595	(1,877)	-
Deferred taxation	-	-	-	-
	83	-	249	-
	<u>(1,516)</u>	<u>595</u>	<u>(1,628)</u>	<u>-</u>

The effective tax rate of the Group is lower than the statutory tax rate for the financial year-to-date due mainly to certain income and provisions which were not subjected to local tax and the availability of tax losses to set off against current year profit. The reversal of deferred tax liability was in respect of timing difference between the interest rates on the Redeemable Convertible Unsecured Loan Stocks' ("RCULS") liability component and that of the actual coupon rate.

19. **LOSSES ARISING FROM THE SALE OF UNQUOTED INVESTMENTS AND PROPERTIES**

There was no sale of unquoted investments and properties except for the disposal of two pieces of land by a subsidiary during the quarter under review. The disposal was completed on 2 February 2005.

20. **QUOTED SECURITIES**

The particulars of the purchase and disposal of quoted securities of the Group are as follows: -

- a) Total purchases and disposal of quoted securities and profit/loss arising there from for the current financial year-to-date are as follows:-

	Quarter Ended	Year-To-Date
	31.12.2004	31.12.2004
	RM'000	RM'000
Total purchases	24,502	61,111
Total sales proceeds	<u>18,894</u>	<u>26,099</u>
Total net profit on disposals	<u>1,977</u>	<u>6,431</u>

- b) There are no investments in quoted securities as at 31 December 2004 other than those held by the stockbroking and offshore investment bank subsidiaries in their ordinary course of business.

21. **STATUS OF CORPORATE PROPOSALS ANNOUNCED**

There were no corporate proposals announced but not completed at the date of this report.

22. **GROUP BORROWINGS**

Total borrowings and debt securities of the Group as at 31 December 2004 are as follows:

	RM'000
Unsecured long term borrowings	<u>40,000</u>
RCULS - liability portion	<u>55,617</u>

23. **OFF BALANCE SHEET FINANCIAL INSTRUMENTS**

There are no financial instruments with material off balance sheet risk at the date of this report.

24. **MATERIAL LITIGATIONS**

There is no pending material litigation for the Group at the date of this report.

25. **DIVIDEND**

The directors do not recommend any interim dividend payment in respect of the current financial period ended 31 December 2004.

26. **EARNINGS PER SHARE**

	Quarter ended		Year-to-date	
	31.12.2004	31.12.2003	31.12.2004	31.12.2003
	RM'000	RM'000	RM'000	RM'000
Basic Earnings per share:				
Net profit for the period	10,315	(2,033)	31,025	(2,636)
	Units('000)	Units('000)	Units('000)	Units('000)
Weighted average number of ordinary shares in issue	433,000	63,000	433,000	63,000
Basic earnings per share (sen)	2.38	(3.23)	7.17	(4.18)

	Quarter ended		Year-to-date	
	31.12.2004	31.12.2003	31.12.2004	31.12.2003
	RM'000	RM'000	RM'000	RM'000
Fully diluted Earnings per share :				
Net profit for the period	10,315	(2,033)	31,025	(2,636)
Add: Assumed saving in interest on RCULS, net of tax	669	-	1,976	-
	<u>10,984</u>	<u>(2,033)</u>	<u>33,001</u>	<u>(2,636)</u>
	Units('000)	Units('000)	Units('000)	Units('000)
Weighted average number of ordinary shares in issue	433,000	63,000	433,000	63,000
No. of shares that would have been issued assuming full conversion of RCULS	21,039	-	21,039	-
Adjusted weighted average number of ordinary shares for calculating diluted earnings per ordinary share	<u>454,039</u>	<u>63,000</u>	<u>454,039</u>	<u>63,000</u>
Fully diluted earnings per share (sen)	2.42	(3.23)	7.27	(4.18)

Comparative figures of the basic and diluted earnings per ordinary share have been restated to reflect the bonus issue.

The adjusted weighted average number of shares in issue and issuable for the year was arrived at after taking into account the dilutive effect of the conversion of all outstanding RCULS of the Company and the net profit is adjusted to eliminate the applicable interest expense less the associated tax effect. The dilutive effect is computed assuming full conversion of the RCULS as at the date of issue.

Dated: 24 February 2005